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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 1262[NO1629E]**

**INTERNAL QUESTION PAPER NO.: 22**

**DATE OF PUBLICATION: 19JUNE 2020**

**DATE OF REPLY: 20AUGUST 2020**

**1263. Dr M MGondwe (DA) asked the Minister of Public Works and Infrastructure:**

What progress has her department made in (a) compiling and (b) finalising a (i) reliable and (ii) accessible Immovable Assets Register? **NW1629E**

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**REPLY:**

**The Minister of Public Works and Infrastructure:**

1. The Department of Public Works and Infrastructure (DPWI) embarked on the Immovable Asset Register (IAR) Enhancement Programme to address management assertions in order to ensure that the IAR is complete and credible.

The historical context of the IAR and various sources of data is considered in addressing the completeness and accuracy of the register. This include the compliance with the Public Finance Management Act, Government Immovable Asset Management Act, and National Treasury guidelines including the National Treasury Immovable Asset Guide section 3.2 (b).

Reconciliation of the IAR is done considering the following:

* Deeds records
* Property Management Information System
* DRDLR Vesting Data (LAW)
* Devolved Properties - deemed provincial properties linked to the devolved budget for rates
* Original title deeds - aktex records or copies of the title deed
* Chief Surveyor General - CSG information on surveyed land parcels
* User Asset Management Plans (U-AMPs)
* Points of Interest and security clusters - police, prisons, courts & defence.
* Other National or Provincial IARs

Given the above activities, it must be borne in mind that the IAR changes from time to time to take account of the numerous entries which occur as a result of the completed infrastructure projects, section 42 transfers in line with PFMA, disposal of properties, and the rectification of erroneously registered and vested properties.

AdetailedreconciliationofDPWIpropertiesagainsttheDeedsrecordsand IARsofotherNationalandProvincialcustodianswasconducted between 2011 and 2013.Thisexercisewas followed by physical verification and high level condition assessment of DPWI properties between 2014 and 2016.

In addition DPWI applied the deemed cost model on immovable assets in order to eliminate the historically recorded R1 values contained in the Immovable Asset Register. For example, the total value of immovable assets as at 31 March 2013 was only R3.5billion because most assets were recorded at R1 due to the lack of historical cost information/values. The total value of immovable assets is now more than R120billion since the 2016/17 financial year.

A detailed reconciliation of DPWI properties against the Deeds records and IARs of other National and Provincial custodians is conducted twice annually.

DPWI has also recruited young graduates, experienced project managers and other specialists on contract to maintain the IAR, but most importantly to reduce reliance on service providers in line with Auditor-General’s recommendation. Physical verification is being conducted by these contract specialists since June 2015 in order to comply with the relevant GRAP standards and Section 13 (d) of GIAMA.

Furthermore, the maintenance of data is managed by the DPWI specialists, GIS professionals, and accountants with articles, chartered accountants, data analysts, administrators, and property managers.

Significant progress has been made in addressing historical and legacy issues affectingnationalandprovincialcustodiansofimmovableassets.Landparcelsto bevested(confirmationofownershipintermsoftheConstitution)underDPWIhave been recorded in the IAR on the basis of substance overform.

(b)(i), (ii) DPWI is currently reviewing all its systems to finally move towards a more reliable and complete IAR.