

**MINISTRY**

**PUBLIC WORKS AND INFRASTRUCTURE**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 2333 [NW2753E]**

**INTERNAL QUESTION PAPER NO.: 24 of 2022**

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**DATE OF REPLY: 05 JULY 2022**

**2333. Mr P A van Staden (FF Plus) asked the Minister of Public Works and Infrastructure:**

(1) Whether, with reference to her reply to question 1063 on 28 October 2019, she will indicate (a) what progress her department has since made to address the stated estimated maintenance backlog of R74 billion to the 81 575 buildings under the custodianship of her department and (b) what measures her department has put in place to (i) conduct condition surveys at all the specified buildings and (ii) execute maintenance on a regular basis in order to prevent further deterioration of the State’s fixed assets; if not, why not, in each case; if so, what are the relevant details, specifically with regard to (aa) structured maintenance plans for each individual property, (bb) sourcing sufficient funding to address the specified backlog and (cc) entering into the proposed public-private partnerships referred to in her specified reply;

(2) whether she will make a statement on the matter? **NW2753E**

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**REPLY:**

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

(1)

(a) I have been informed by the Department that based on the budgets allocated, a number of buildings have been prioritised in the Repairs and Maintenance Programme since 2019 that will contribute to addressing the maintenance backlog. Further, scheduled and unscheduled maintenance in various buildings is implemented via term contracts for preventative/corrective and corrective/reactive maintenance calls.

Table below indicates the expenditure that has been incurred on Repairs as well as Preventative and Corrective Maintenance:

|  |  |  |
| --- | --- | --- |
| **YEAR** | **EXPENDITURE ON REPAIRS** | **EXPENDITURE ON PREVENTATIVE AND CORRECTIVE MAINTENANCE** |
| 2019/2020 | R1 045 276 524 | R 1 781 094 850 |
| 2020/2021 | R 762 613 802 | R 1 461 487 679 |
| 2021/2022 | R 778 825 485 | R 1 794 585 504 |

(b)

(i) The Department is focused on maintenance of existing immovable assets in pursuit of optimising the cost of service delivery and ensuring a dignified client experience are central to effective and efficient execution of maintenance. In line with the National Immovable Asset Maintenance Management Framework (NIAMM), maintenance is being prioritised first, with the implementation of preventative and condition-based maintenance for highly critical components with priority condition rating, proceeding to moderately and less critical components. Condition assessments have been institutionalised as part of the Strategic and Annual Performance Plans.

The Department has procured a Multi-disciplinary Technical Team to support with conducting condition assessments and development of maintenance plans. Aligned to this is the development of the condition assessments reporting templates and training of internal resources.

(ii) The Department has issued a term contract directive in 2021 with a minimum suite of contracts with a criticality criteria to ensure that there is a reduction in reactive maintenance and more corrective and preventative maintenance. The Department has rolled out the Total Facilities Management Contract in 2020 for three (3) pilot facilities. The Department has procured the DPWI TFM panel in 2021 and are anticipating rolling out 15 facilities for the 2022/2023 FY.

(aa) In line with the NIAMM Framework, maintenance is being prioritised first, with the implementation of preventative and condition-based maintenance for highly critical components with priority condition rating, proceeding to moderately and less critical components.

The budget availability and the client’s facility maintenance needs, allows the Department to offer the following:

* Facility Condition and Critical Components Assessments for which the Department has completed 301;
* Total Facilities Management Contract, comprising of hard and soft services;
* Comprehensive Term Contract, comprising of hard services in a single facility;
* Term Contract, comprising of maintenance of critical components in various facilities and;
* Corrective maintenance and reactive maintenance

(bb) There is continuous engagement with National Treasury and User Departments to close the funding deficit that each client has on their portfolio. The deficit is the difference between the full cost recovery (including property rates, maintenance and allowance for refurbishment) and what the clients are paying as a result of the devolved budgets. Leveraging these funds will avail funds for covering the full asset life-cycle costs. The DPWI has also devolved maintenance to User Departments to the value of R1 million.

(cc) In pursuit of the long-term strategy in the management of government properties, DPWI is introducing a **Refurbish, Operate and Transfer (ROT) Programme** to be implemented for DPWI’s High Priority Facilities. The programme is planned to be out in two phases with the first phase being a pilot project on at least five strategic facilities for the **Proof of Concept (PoC)** and the second phase being the long term roll out of the ROT Programme to the reminder of additional High Priority Facilities. The plan is to **collaborate and form partnerships with the private sector**, wherein the private **sector will invest their resources to refurbish these facilities**, **operate** these facilities for a period of twenty (20) to twenty five (25) years, including maintenance, and handover the facilities back to government after this period. The government will repay the private investor for the duration of the lease through the User Accommodation Charges collected from the Client Departments.

The five strategic facilities prioritised for the Proof of Concept are all in the City of Tshwane Metropolitan Municipality and they are:

* Telkom Towers Complex (3 buildings within the complex)
* Public Works House
* Civitas Building

The plan of the Department supported by ISA, is to go to the market through the **Request For Interests** **(RFI)** before the end of the second quarter, 30 September 2022.

(2) There’s no need for a statement as the questions have been answered.