

To be appropriated by Vote in 2005/06	R 272 031 000
Statutory amount	R 702 000
Responsible MEC	MEC of Public Works
Administrating Department	Department of Public Works
Accounting Officer	Deputy Director General Public Works

8.1. Overview

Vision

Excellent Public Works services for all.

Mission

Provide acceptable infrastructure, maintenance and coordination of EPWP through effective utilization of public resources.

STRATEGIC OBJECTIVES

To have a competent, empowered and motivated work force through the development and management of human resources.

To provide effective, efficient and economical management services in the Department.

To manage risks within the Department.

To provide, maintain and manage the public sector building infrastructure and equipment.

To lead, coordinate, monitor and report on Provincial Expanded Public Works Programme.

8.2. Review of the current financial year

The Department's Budget for 2004/05 financial year is R264, 033 million. The adjusted budget for 2004/05 financial year amounted to R290, 669 million.

The Administration Programme continued to deliver a support service to the department through the efficient and effective management of human and financial resources. The adjusted budget for this programme is R77, 883 million.

Through this programme, the department trained and developed the skills of officials, with 585 officials trained in generic and job-related fields, while 193 officials received ABET tuition. Some 59 bursaries were granted to address scarce skills in the department. A Workplace Skills Plan was also submitted to CETA (Construction, Education and Training Authority).

The programme also assisted in the transformation of the public service through a variety of programmes and plans, such as the departmental Employment Equity Plan and the implementation of a gender programme. Communication with stakeholders were maintained and improved through a variety of communication mediums. To improve financial control in the department, an annual audit operational plan, a business risk review and rating projects and a risk management strategy were implemented.

Through the Public Works Building and Property Management programme, the Department provided professional services and technical support on a variety of building projects. The Department projected a total of 850 projects for clients department. We are currently managing 791 and out of this we, compiled building programs for 791 projects for client departments, while 50 building projects were planned and designed. The technical support provided saw 291 projects for client departments completed during the year, 499 projects under construction and 125 still in the bid process. This programme also carried out preventative maintenance on buildings and equipment, with 13 planned preventative maintenance projects completed by January 2005 and 90% coverage of radio communication. The programme also managed provincial fixed assets, appointing a service provider to verify assets in order to update the asset register and assist the province in accounting for provincial properties. The programme also managed and maintained the Riverside Government Complex and the museum town of Pilgrim's Rest.

Under the Expanded Public Works Programme, the department had embarked on the coordination of the provincial EPWP in order to create 10 000 jobs in this financial year. Up to now, we have managed to create 9913 job opportunities, with Most of the groundwork for the provincial EPWP was done by the provincial launch in August 2004, with a total of six committees established to

oversee the coordination process. Fifteen provincial road construction learnerships (with 45 beneficiaries) were started, while the Nkangala District and Emalahleni Municipalities also contributed learnerships. Some 52 officials were trained on various aspects of the EPWP. The department had to coordinate and monitor progress on 513 provincial projects identified under EPWP guidelines. This included the department's four (4) CBPWP clusters with nine (9) projects to the value of R12, 047 million that were completed in this financial year.

8.3. Outlook for the coming financial year

The Department's budget for the 2005/2006 financial year is R272, 301 million. The department will strive in partnership with all stakeholders to deliver a meaningful, efficient and effective service despite budgetary shortfalls.

The Department will also continue to train serving officials through a combination of specialized, generic and occupation-based training. Amongst others 100 learnerships in various scarce technical skills fields and 60 internships on scarce technical skills will be offered. Various transversal programmes will be implemented, in particular the HIV and Aids programme as well as Employee Assistance Programme.

The Department has started with the Asset verification process to ensure that properties belonging to the Provincial Government are identified. More over, the maintenance of regional facilities and properties will be done in terms of the EPWP guidelines. In Pilgrim's Rest, there is an additional pressure on the day-to-day maintenance services provided by the department as a result of the World Gold Panning Championships.

The main focus of the department in 2005/2006 financial year will be to continue with the implementation of the provincial Expanded Public Works Programme in conjunction with stakeholders at national, provincial and local government level. An estimated 20 000 jobs will be created through labour-intensive public works programmes that will run in conjunction with an intensive EPWP learnership programme to ensure long-term sustainability for beneficiaries. Communication with communities as well as internal communication will be increased in order to improve the image of the department. The communication of the goals and achievements of the provincial EPWP will be of particular importance.

8.4. Receipts and financing

8.4.1 Summary of receipts

The following sources of funding are used for the Vote:

Table 2.1: Summary of receipts: Department of Public Works

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04						
Equitable share	255 087	209 557	227 778	264 033	290 669	210 036	272 301	280 735	291 517
Conditional grants									
Departmental receipts									3 500
Total receipts	255 087	209 557	227 778	264 033	290 669	210 036	272 301	280 735	295 017

8.4.2 Departmental receipts collection

Table 2.2: Departmental receipts: Public Works

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Preliminary outcome				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04						
Tax receipts	1 433	200	300	100	100	100	100	100	100
Non-tax receipts	4 408	4 693	4 841	5 023	5 023	5 023	2 898	1 426	1 497
Sale of goods and services other than capital assets							2 553	1 166	1 224
Fines, penalties and forfeits	2 204	3 654	2 811	4 698	4 698	4 698			
Interest, dividends and rent on la	2 204	1 039	2 030	325	325	325	345	260	273
Transfers received									
Sale of capital assets			5 311	3 000	3 000	3 000			
Financial transactions	580	42	42	50		50	27	40	47
Total departmental receipts	6 421	4 935	10 494	8 173	8 123	8 173	3 025	1 566	1 644

8.5. Payment summary

8.5.1 Programme summary

Table 2.3: Summary of payments and estimates: Department of Public Works

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04						
1: Administration	26 816	34 648	42 469	51 318	77 883	79 712	53 287	55 020	57 771
2: Public Works	218 862	158 018	169 421	195 209	197 689	186 341	197 659	203 159	213 317
3: EPWP	9 409	16 891	15 888	17 506	15 097	14 585	21 355	22 556	23 929
Total payments and estimates: Dep:	255 087	209 557	227 778	264 033	290 669	280 638	272 301	280 735	295 017

8.5.2 Summary of economic classification

Table 2.4: Summary of provincial payments and estimates by economic classification: Public Works

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04						
				2004/05					
Current payments	136 756	172 968	195 720	233 535	258 781	252 695	248 043	260 604	274 702
Compensation of employees	84 262	86 753	90 861	119 401	119 881	113 891	117 938	125 495	133 447
Goods and services	52 494	86 215	104 859	114 134	138 900	138 804	130 105	135 109	141 255
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	251	368	343	386	478	1 133	793	872	940
Provinces and municipalities	251	368	343		313	310	384	399	419
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households				386	165	823	409	473	521
Payments for capital assets	118 080	36 221	31 715	30 112	31 410	26 810	23 465	19 259	19 375
Buildings and other fixed structures	117 511	25 859	13 464	15 857	16 759	15 783	10 558	9 160	8 983
Machinery and equipment	569	10 362	15 251	14 255	14 651	11 027	12 907	10 099	10 392
Cultivated assets									
Software and other intangible assets			3 000						
Land and subsoil assets									
Total economic classification: Public Works	255 087	209 557	227 778	264 033	290 669	280 638	272 301	280 735	295 017

8.6. Programme description

8.6.1 Programme 1: Administration

8.6.1.1 Objective

This programme is responsible for the human resource management, human resource development, office auxiliary services, legal, labour, communication, financial management and supply chain management in the department. The programme consists of the following divisions; Office of the MEC, Office of the HOD, Corporate Services, Risk Management and Internal Control, Policy, Planning and Research, Communications and the Chief Financial Officer.

8.6.1.2 Programme summary

Table 2.9: Summary of payments and estimates: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2001/02	2002/03	2003/04				2004/05	2005/06	2006/07
1: MEC		631	670	665	665	539	702	737	774
2: Admin Mngt	2 342	1 840	2 087	3 618	4 141	4 036	3 823	4 026	4 227
3: Corporate Support	24 474	32 177	39 712	47 035	73 077	75 137	48 762	50 257	52 770
Total payments and estimates: Adm	26 816	34 648	42 469	51 318	77 883	79 712	53 287	55 020	57 771

8.6.1.3. Summary by economic classification

Table 2.10: Summary of provincial payments and estimates by economic classification: Administration

Annual financial summary of provincial payments and estimates by economic classification - Administration									
R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04	2004/05					
Current payments	26 312	32 854	41 967	50 283	76 160	78 000	52 197	54 469	57 248
Compensation of employees	9 850	14 422	17 560	25 199	27 199	26 028	28 151	29 981	31 780
Goods and services	16 462	18 432	24 407	25 084	48 961	51 972	24 046	24 488	25 468
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	251	368	86	172	212	310	263	314	334
Provinces and municipalities	251	368	86		47	49	108	113	117
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households				172	165	261	155	201	217
Payments for capital assets	253	1 426	416	863	1 511	1 402	827	237	189
Buildings and other fixed structures									
Machinery and equipment	253	1 426	416	863	1 511	1 402	827	237	189
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Admini	26 816	34 648	42 469	51 318	77 883	79 712	53 287	55 020	57 771

8.6.1.4 Service delivery measures

<i>Measurable Objective</i>	<i>Performance Measure or Indicator</i>	<i>Base year (estimate) 2004/5</i>	<i>Year 1 (target) 2005/6</i>
To promote human resource management and development	Number of people attended learnerships, internships, skills programmes, workshops as well as external bursaries.	Provided 20 learnerships, skills programmes and 10 external bursaries	Provide 100 learnerships, 60 internships, 500 skills programmes and 10 external bursaries
To render internal and external communication service to internal and external stakeholders	Number of Planned departmental marketing and advertising campaigns successfully completed	EPWP marketing and advertising campaigns	EPWP marketing and advertising campaign

8.6.2. Programme 2 - Public Works, Buildings and Property

8.6.2.1. Objectives

The Department is the property developer maintenance and management agency for all provincial departments through this programme. The programme is responsible for the management and facilitation of provision, maintenance and control of infrastructure through its building and property management programme.

The Property division is responsible for the provision of land and buildings for the nine provincial departments. This includes the letting of vacant land and buildings. One of the major constraints is that the Department still does not have a computerised asset register. It works from the Address List of Properties provided by National Public Works. The Department is in the process of having all provincial properties verified.

The maintenance division is responsible for the maintenance of the provincial property, whilst the professional division is responsible to ensure professional compliance of properties and equipment.

Objectives of the programme

To provide building infrastructure and equipment according to clients' specifications

To maintain building infrastructure and equipment

To render property and facilities management

To render maintenance, management and municipal services at Pilgrim's Rest

8.6.2.2. Programme summary

Table 29: Summary of payments and estimates: Public Works, Buildings and Property

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimates		
	Audited 2001/02	Audited 2002/03	Audited 2003/04				2005/06	2006/07	2007/08
1: Programme Support	13,295	16,298	12,936	18,741	16,829	16,481	19,156	20,248	21,260
2: Other Infrastructure	3,944	7,008	9,902	6,600	6,600	4,373	7,260	7,696	8,081
3: Property Management	201,623	134,712	146,583	169,868	174,260	165,487	171,243	175,215	183,976
Total payments and estimates	218,862	158,018	169,421	195,209	197,689	186,341	197,659	203,159	213,317

8.6.2.3. Summary by economic classification

Table 2.10: Summary of provincial payments and estimates by economic classification: Public Works

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04						
Current payments	108,715	138,482	151,343	177,895	177,353	169,285	182,667	192,809	202,585
Compensation of employees	73,215	70,778	71,284	91,097	89,097	84,091	86,027	91,619	97,574
Goods and services	35,500	67,704	80,059	86,798	88,256	85,194	96,640	101,190	105,011
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	-	-	251	189	241	805	467	488	529
Provinces and municipalities	-		251	-	241	243	258	267	282
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households				189		562	209	221	247
Payments for capital assets	110,147	19,536	17,827	17,125	20,095	16,251	14,525	9,862	10,203
Buildings and other fixed structures	109,831	10,600		3,810	7,122	6,678	2,500		
Machinery and equipment	316	8,936	14,827	13,315	12,973	9,573	12,025	9,862	10,203
Cultivated assets			3,000						
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Public Works	218,862	158,018	169,421	195,209	197,689	186,341	197,659	203,159	213,317

8.6.2.4. Service delivery measures

Measurable Objective	Performance Measure or Indicator	Base year (Estimate) 2004/5	Year 1 (Target) 2005/6
To provide building infrastructure and equipment according to client's specifications	Develop an effective and efficient programme implementation plan	Nil	Develop an effective programme implementation plan
	Number of projects that with complete cash flows	Draw up projects cash flows for 50 projects	Draw up projects cash flows as per client department's request.
	Develop an effective, accurate and user-friendly Project Management Information System	Nil	Appoint a service provider to develop and implement the Project Management Information System
	Number of projects planned and designed for client departments.	50 projects planned and designed.	Plan and design projects as per client department's request.
	Number of projects under construction and completed for client departments	Construct projects for clients	Construct projects for clients
	Develop and maintain an effective and efficient provincial infrastructure development plan	Nil	Develop an effective provincial infrastructure development plan
3. Maintain Building infrastructure and equipment	Develop an accurate and user-friendly maintenance plan for provincial buildings and equipment	Nil	Develop and implement a maintenance plan for provincial buildings and equipment

	Conduct a comprehensive maintenance audit to address the building maintenance backlog.	Nil	Conduct a maintenance audit to address the building maintenance backlog
	Number of projects for the maintenance of provincial facilities	28 projects implemented on planned preventative maintenance	22 projects to be implemented for the planned preventative maintenance
	Number of Departmental EPWP projects implemented	3 clusters (9 projects) in each were implemented within the 3 regions	Implement 3 clusters (10 projects) Departmental EPWP projects
	Maintain 90% radio communication network coverage	Maintained 55 repeaters, 150 mobiles, 160 base, 11 SMS, 9 portable, 1 solar and 8 powered sites	Maintain 64 repeaters, 150 mobiles, 395 base, 21 SMS, 420 portable, 4 solar and 4 powered sites
	Number of life supporting equipments maintained	Maintained life supporting equipments effectively.	Maintain life supporting equipments effectively
	Attend to daily repairs requests with 48 hours	Attended to daily repairs requests timeously.	Attend to daily repairs requests
	Implement an effective Occupational Health and Safety Act compliance plan.	Ensured that all equipments complied with OHS Act	Implement the OHS Act compliance plan.
To render property and facilities management	Number of government assets verified. Number of assets Acquired, rented, let and disposed of.	Appointed a service provider for the asst verification process Concluded 4 lease agreements for office accommodation on behalf of client departments Acquired=1 Rented=10 Letting=1 300 Disposed=2	Verify the provincial fixed assets Acquiring, renting, letting and disposing of property
To render management and maintenance of the Riverside Government Complex	Number of contractors providing maintenance on daily basis and	Managed 23 contractors providing maintenance on daily basis	Manage 23 contractors providing maintenance on daily basis
To render management and maintenance of Pilgrim's Rest	Number of infrastructure and equipments providing and municipal services	Maintained infrastructure, equipments and provided municipal services	Maintain infrastructure, equipments and provide municipal services

8.6.3 Programme 3 Expanded Public Works Programme

8.6.3.1.Objective

In line with national government policy, the implementation of the Expanded Public Works Programme (EPWP) has been done in the Department. The EPWP is a vehicle for job creation and skills development as well as the development and empowerment of women, the disabled and youth. As far as it is possible, the department will concentrate on labour-intensive projects that will create the maximum number of economic opportunities.

The main goal of the EPWP will be to create the 100 000 jobs within 5years with the objective of leading the Provincial Expanded Public Works Programme.

Strategic Goal: To coordinate the creation of 100 000 jobs within five years in the Province

8.6.3.2. Programme summary

Table 2.9: Summary of payments and estimates: EPWP

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04						
				2004/05					
1: Programme Support	192	167	370	436	526	722	4,882	4,846	5,131
2: Training Programme	7	81	238	608	608	859	468	413	421
3: Empowerment Assessment	613	514	882	1,019	1,499	1,106	472	506	550
3: Community Development	8,253	13,605	13,464	14,006	11,027	10,031	1,848	1,384	1,539
3: Emerging Contractors	344	2,524	924	1,437	1,437	1,867	13,705	15,407	16,288
Total payments and estimates: EPWP	9,409	16,891	15,888	17,506	15,097	14,585	21,355	22,556	23,929

8.6.3.3. Summary by economic classification

Table 2.10: Summary of provincial payments and estimates by economic classification: EPWP

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04						
				2004/05					
Current payments	1 729	1 632	2 410	5 357	5 268	5 410	13 179	13 326	14 869
Compensation of employees	1 197	1 553	2 017	3 105	3 585	3 772	3 760	3 895	4 093
Goods and services	532	79	393	2 252	1 683	1 638	9 419	9 431	10 776
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	0	0	6	25	25	18	63	70	77
Provinces and municipalities			6		25	18	18	19	20
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households				25			45	51	57
Payments for capital assets	7 680	15 259	13 472	12 124	9 804	9 157	8 113	9 160	8 983
Buildings and other fixed structures	7 680	15 259	13 464	12 047	9 637	9 105	8 058	9 160	8 983
Machinery and equipment			8	77	167	52	55		
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Public	9 409	16 891	15 888	17 506	15 097	14 585	21 355	22 556	23 929

8.6.3.4. Service delivery measures

Measurable Objective	Performance	Base year	Year 1
	Measure or Indicator	(estimate)	(target)
		2004/5	2005/6
To lead the Provincial Expanded Public Works Programme	Number of jobs created	Coordinate the creation of 10 000 jobs by March 2005 and already created 9913 job opportunities	Coordinate the creation of 20 000 job opportunities by March 2006
	Number of inspections conducted on projects		Conduct inspections on all projects for the purpose of monitoring and evaluation
	Number of officials, contractors and consultants trained on EPWP	45 officials from various departments trained	Provide training to officials, emerging contractors and consultants

8.8 Other programme information

8.8.1. Personnel numbers and costs

Table 2.11: Personnel numbers and costs¹: Public Works

Personnel numbers	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005	As at 31 March 2006
1: Administration	255	255	255	243	370	390
2: Public Works	1211	1211	1211	1,114	1,332	1,432
3: EPWP	7	7	7	37	41	45
Total personnel numbers: Public Works	1,473	1,473	1,473	1,394	1,743	1,867
Total personnel cost (R thousand)	84,262	86,753	90,861	119,401	120,944	125,890
Unit cost (R thousand)	270	337	416	225	218	232

8.8.2 Training

Table 2.12: Expenditure on training: Public Works

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2005/06	2006/07	2007/08
	2001/02	2002/03	2003/04	2004/05					
1: Administration	1,924	2,183	1,896	944	2,462	1,448	905	813	1,007
2: Public Works	-	-	464	701	543	220	446	461	492
3: EPWP	7	-	-	-	-	-			
Total expenditure on training: Public Works	1,931	2,183	2,360	1,645	3,005	1,668	1,351	1,274	1,499

8.8.3 Reconciliation of structural changes

Table 2.13: Reconciliation of structural changes: Public Works

Programmes for 2004/05			Programmes for 2005/06		
	2005/06 Equivalent				
	Prog	Sub-prog		Prog	Sub-prog
1. Administration			1. Administration		
2. Public Works			2. Public Works		
3. Roads Infrastructure					
4. Transport					
5. CBPWP			3. Expanded Public Works Programme		