
MPUMALANGA PROVINCE

Department of Public Works

Strategic Performance Plan

2006/07 -2008/09

Foreword

This performance plan has been developed to ensure that the strategic goals and objective set in the strategic plan are indeed realised. It also seeks to accelerate service delivery.

Particular attention will be paid to the provision, maintenance and management of multi-faceted public infrastructure that address the basic needs and improve the quality of life of all as part of an Integrated Provincial Public Infrastructure Plan. This will enable provincial government to take informed decisions on budgeting for public building projects, will provide public buildings of acceptable quality and value, and improve access to services for the public at large. In keeping with the department's social transformation agenda, projects and programmes that promote black economic empowerment as well as the development of SMMEs will be developed and implemented in the coming year.

The Department will continue with the coordination of the Provincial Expanded Public Works Programme by ensuring that its own capital projects and those of other departments are implemented in terms of EPWP principles.

As part of government's priority to invest in people's skills to promote service delivery, economic growth and development, the Department will embark on Emerging Contractors Development Programme. The skills development of emerging contractors will be enhanced, in order to develop a solid base for future infrastructure development in the province. Financial assistance and timely payments to emerging contractors remain on the department's priority list for the coming year.

Increased spending on public infrastructure is aimed at both accelerating delivery and stimulating economic growth. In this regard, there has been a significant increase in the budget of the department. The coming year will see the department spending more on maintenance projects in an effort to address the enormous backlog in the maintenance of government buildings.

Improvement in the financial controls will be made and a tougher stand will be taken against fraud and corruption as part of the department's accountability towards the citizens of this province.

HON. M.B. MASUKU

MEMBER OF EXECUTIVE COUNCIL

DATE

Part A: Overview and strategic plan updates

1. Overview by the Head of Department

A policy shift has occurred during the 2005-2006 financial year, namely, the application of Expanded Public Works Programme (EPWP) principles in all other capital and maintenance projects that are undertaken and not only certain projects. Massification of job opportunities and skills development through EPWP will be given much focus.

The plan seeks to ensure that its objectives are aligned with the Provincial Growth and Development Strategy and other National and Provincial Priorities in order to enhance economic growth.

The most important performance targets that are set out in the plan are as follows:

- The development of the Provincial Building Infrastructure Development Plan.
- Development of the Provincial Building Maintenance Plan.
- Implementation of the Infrastructure Delivery Improvement Programme (IDIP).
- Development of the comprehensive immovable asset register.
- Implementation of the CIDB contractors register.
- Effective coordination of EPWP in the Province.
- Capacity building through the improvement on the recruitment and retaining of scarce skills to enhance service delivery.
- Strengthen the implementation of Performance Management and Development System
- Development and implementation of the Service Delivery Improvement Plan (SDIP).
- Development and implementation of the integrated strategy.
- Implementation of the Scarce Skills Allowance Framework developed by DPSA.
- Enhance revenue management.
- Improvement on the internal controls through the development of internal policies and procedures.

Strategic plan update analysis

The strategic direction of the department has been influenced by the changes in the regulatory framework such as the implementation of the Property Charter and the Construction Industry Development Board's register of contractors.

MS P.N.NKWINIKA

HEAD OF DEPARTMENT

DATE

2. Vision

Excellent buildings infrastructure for the Mpumalanga Provincial Government.

3. Mission

To provide, maintain and manage provincial government buildings infrastructure in an efficient, effective and equitable manner and in doing so, contribute towards the achievement of better life for all the citizens of Mpumalanga through, among other programmes, the Expanded Public Works Programme.

4. Values

In discharging its mandate, the Department will espouse the following values:

- Accountability
- Equity
- Consultation
- Professionalism
- Value for Money
- Courtesy
- Accuracy
- Honesty
- Responsibility
- Transparency
- Loyalty
- Integrity

5. Sectoral Situational Analysis:

5.1. Summary of service delivery environment and challenges

5.1.1. Public Works Buildings and Property Management

The shortage of financial resources for preventative and routine maintenance of government buildings has resulted in a huge maintenance backlog. The unavailability of a computerised asset management system is further hampering the Department's management of its assets.

The department manages ±66 426 8117 hectare of land, government buildings valued at R1 205 400 000 and 11 966 properties with buildings.

The department is currently renting 95 buildings measuring 32 855 m² (for 36 office accommodation) and 59 residential accommodation, (square metres not known) from the private sector for client departments. The Department is letting 1 800 hectares of land and 500 buildings in Pilgrims Rest alone.

5.1.1.1. Summary of Province's Property Portfolio

NB: The Department is currently finalising the process of verifying all assets with a view of vesting them in the name of Mpumalanga Provincial Government. The process started in January 2005 and will be completed at the end of 2006/7 financial year. Therefore, the information contained in the tables below is an estimate subject to the ongoing verification process.

Table 1: Summary of Provinces Property Portfolio

State Owned Portfolio	Land				Buildings	
	Number of properties	Number of vacant urban properties	Number of unutilised rural properties	Total number of hectares	Number of properties with buildings	Square Meters of building
	Number of properties	Number of vacant urban properties		Number of unutilised rural properties	Total number of hectares	Number of properties with buildings
Whole province	±14 808	±2842 land parcels, rural and urban. Cannot be easily identified, as it has not been inspected. Asset verification is in progress.		No exact figure as asset verification still in progress	±11 966	No exact figure as asset verification still in progress

Table 2: Summary of Provinces Leased Portfolio

Leased Portfolio	Land		Buildings		Cost to government
	Number of properties Leased	Total number of hectares	Number of buildings	Square Meters of building	
Whole province	From Private sector	Nil	95	32 855m ² (for 36 office accommodation). Square metres for 59 residential accommodation not known.	Payments are decentralised to client departments
	To private sector	3483 hectare	1306	3968m ² (for 60 office accommodation) Square metres for 1246 residential accommodation not available)	R12m operational cost for Pilgrim's Rest

Table 3: Summary of the condition of provincial government buildings

	Condition of State Owned Buildings (Number and Percentage)					Total
	Very Good	Good	Fair	Poor	Very Poor	
Whole province	5%	10%	20%	40%	25%	100%

NB: The exact condition of state owned buildings will be indicated after the quantification of maintenance backlog has been finalised.

5.1.2. Expanded Public Works Programme

Table 4: Summary of the demand for and performance of Community Based Programmes

Province	Number of unemployed people				Community based programmes			
	Female	Male	Total	% Of National total	Number of projects last year	Number of person days employment created		
						Female	Male	Total
Total for Province	8 019 (49, 2%)	4 387 (27, 6%)	12 406 (38, 4%)	5,2%	8	41 888	71 104	112 992

5.2. Summary of Organisational Environment and Challenges

The Department approved and implemented a new organisational structure in June 2004 and appointed 65 new staff members by 31 December 2005 to fill the vacancies. To further enhance service delivery, a revised organogram which was aimed at upgrading professional and technical staff posts was approved in March 2005.

However, the Department is still experiencing a problem of retaining professional and technical personnel due to the competition with the private sector that offers highly exorbitant salary packages than that offered by the department. The department is still experiencing a shortage of professional staff in technical fields, which has resulted in a reliance on consultants for infrastructure projects. To address this shortage a new organisational structure has been proposed to the Executive Council that will minimise the department's reliance on consultants. The proposed structure needs to be funded.

The insufficient maintenance budget for public buildings is resulting in the deterioration of such buildings as only emergency maintenance can be done currently. The department is currently continuing with the verification of immovable assets in the Province in adherence to the Government Immovable Asset Management Bill.

5.2.1. Table 5: Summary of post vacancies and supernumeraries

Staff Categories	Number			Average annual change
	2003/04	2004/05	2005/06	
Total staff complement (filled posts)	3 483	1 193	1 319	1 208
Number of professional and managerial posts	165	18	31	80
Number of professional and managerial posts filled	107	8	12	52
Number of excess staff	0	0	0	0

5.2.2. Table 6: Key expenditure indicators

Category of expenditure	Percentages or Rands (000's)			Average annual change
	2004	2005	2006	
Personnel expenditure as % of total expenditure	40%	40%	42%	40%
Expenditure on maintenance of buildings as a % of total expenditure	18%	14%	15%	16%

6. Legislative and other mandates

The following constitutional and legislative, functional and policy mandates inform what the department does:

6.1. General Public Service

- **The Constitution of South Africa, (Act 108 of 1996):** Elaborates on the procedures and guidelines on basic values and principles governing public administration.
- **The Public Service Act, (Act 103 of 1994):** The regulation of the conditions of employment, discipline and matters connected therewith.

6.2. Public Service Operations

- **The Public Service Regulations, 2001, as amended:** The regulation of the conditions of employment, discipline and matters connected therewith.
- **The Labour Relations Act, (Act.66 of 1995):** To promote and maintain sound labour peace.
- **Basic Conditions of Employment Act, (Act 75 of 1997):** Seeks to advance economic development and social justice by fulfilling the primary objects such as to give effect to and regulate the right to fair labour practices conferred by Section 23(1) of the Constitution.
- **Employment Equity Act, (Act 55 of 1998):** Seeks to promote equal opportunity and fair treatment in employment through the elimination of unfair discrimination through affirmative action measures to redress the imbalances of the past.
- **Skills Development Act, (Act 97 of 1998):** Seeks to provide an institutional framework to devise and implement strategies to develop and improve the skills of the workplace.
- **Public Finance Management Act, (Act 29 of 1999, as amended):** Seeks to secure transparency, accountability and sound management of revenue, expenditure, assets and liabilities of various public institutions.
- **Preferential Procurement Policy Framework Act, (Act 5 of 2000 and the regulations thereof):** A system for proper evaluation in the provision of all services.
- **Occupational Health and Safety Act, (Act 85 of 1993):** For ensuring safe working conditions and safe equipment at all times.
- **Promotion of Access to Information Act, (Act 54 of 2002)**
- **Promotion of Administrative Justice Act, (Act 3 of 2000)**
- **Protected Disclosure Act, (Act 26 of 2000)**
- **Control of Access to Public Premises and Vehicle Act, (Act 53 of 1985).**
- **MISS – Minimum Information Security Standards**

6.3. Line Function Specific

- Construction Industry Development Board Act, (Act 38 of 2000)
- State Land Disposal Act, (Act 48 of 1961)
- Expropriation Act, (Act 63 of 1975)
- Environmental Conservation Act, (Act ... of 1989)
- National Environmental Management Amendment Act, (Act 56 of 2002)
- Deeds Registries Act, (Act 47 of 1937)
- Council for the Built Environment Act, (Act 43 of 2000).
- Architectural Professional Act, (Act 44 of 2000).
- Landscape Architectural Profession Act, (Act 45 of 2000).

- Engineering Professions Act, (Act 46 of 2000).
- Property Valuers Act, (Act 47 of 2000).
- Projects and Construction Management Profession Act, (Act 48 of 2000).
- Quantity Surveying Profession Act, (Act 49 of 2000).
- Town and Regional Planning Act, (Act 36 of 2002).
- Rating of State Property Act, (Act 79 of 1984).
- Land Affairs Act, (Act 101 of 1987).
- Land Titles Adjustment Act, (Act 111 of 1995).
- National Building Regulations and Building Standards Amendment Act, (Act 49 of 1995).
- Housing Act, (Act 107 of 1997).
- Rental Housing Act, (Act 50 of 1999).
- National Heritage Council Act, (Act 11 of 1999).
- National Heritage Resources Act, (Act 25 of 1999).
- Municipal by-laws (as applicable to relevant municipality).
- Control of Access to Public Premises and Vehicle Act, (Act 53 of 1985).

7. Broader policies, Priorities and Strategic Goals

7.1. Broader policies

- ANC's Election Manifesto of 2004.
- President's State of the Nation Address of 9 February 2007.
- Code of good practice in terms of Special Public Works Programmes
- Premier's State of the Province Address of 23 February 2007.
- Provincial Growth and Development Strategy, 2004-2014
- Integrated Spatial Framework.
- Accelerated and Shared Growth initiative of South Africa.
- Minister of Finance's Budget Speech.
- Expanded Public Works Programme.
- Skills Development Act, 1998 (Act 97 of 1998).
- Public Sector Unit Summit Resolutions of July 2004.
- Broad Based Black Economic Empowerment.

7.2. Priorities for the next five years

- Development of the Provincial Building Infrastructure Development Plan.
- Development of a comprehensive immovable asset register
- Development of the Building Maintenance Plan.
- Build capacity of scarce skills on professional and technical fields.
- Implementation of the Project Management Information System.
- Implementation of Infrastructure Delivery Improvement Programme(IDIP)
- Effective coordination of EPWP within the Province in order to realise the target of 100 000 job opportunities.

- Implement CIDB register of contractors.
- Strengthen of relations with client departments through entering into service level agreements.
- Development of an integrated human resource strategy.
- Effective implementation of the Performance Management Development System
- Development and Implementation of the Communication Plan.
- Development of the Service Delivery Improvement Plan (SDIP).
- Development and implementation of the Risk Management Strategy.
- Develop and implement an Employee Wellness Programme.
- Implementation of learnership and internship programmes.
- Implementation of the scarce skills allowance framework.

7.3. Departmental Strategic Goals

Strategic Goal 1:

To coordinate the successful implementation of EPWP in the Province.

Strategic Goal 2:

To provide accommodation for the Mpumalanga Provincial Government.

Strategic Goal 3:

Efficient and effective management of departmental resources.

8. Information Systems to monitor progress

The department will use the following information systems to enable it to monitor progress on its performance, in order to ensure that it achieves its objectives as set out in the strategic plan.

8.1. Administration

- LOGIS: Is used for procurement of goods and services and payments thereof, which integrates to BAS, the financial system that then updates the expenditure against budget. LOGIS is also used as a movable asset management system. Every time there is an auction of obsolete movable assets such as computers and government vehicles, the system is updated accordingly.

- BAS: Is the accounting system of the department. Responsibility managers are given monthly BAS expenditure reports that should be reviewed and signed off as proof of expenditure and correctness. They also update the 'One Year Operational Plan' to ensure that they spend as per their objectives for the year.
- PERSAL: Is used for personnel and salary management in the department. The system helps the department to monitor appointments, transfers and resignations per the strategic plan to ensure that all vacant and budgeted posts are filled so that objectives can be achieved and not be impaired due to understaffing.
- TEAM MATE: Is used to draw samples for internal auditing and to prepare reports to top management with recommendations to be implemented to reduce risks.

8.2. Public Works Building and Property Management

- The Department has acquired a Project Management and Information System (PMIS) to assist in the management and reporting on projects.
- The IDP nerve centre will also be used to monitor and evaluate all departmental programmes

8.3. Expanded Public Works Programme

None

9. Description of strategic performance planning process

The Department held its first strategic planning session in July 2007 in order to draft the 2007/2008 strategic plan. The draft was further refined at a strategic planning session in January and February 2007 before submission to Provincial Treasury. At the strategic planning session, each programme or sub-programme had to present its strategic objectives and plans for the 2007/8 financial year. The Head of Department, all senior, middle and junior or lower level managers attended the session. After the presentation of each programme or sub-programme's strategic plan, questions for clarity were posed to the programme or sub-programme managers. It is believed that all members present at the session played a meaningful role in developing the strategic plan, that they will take ownership of it and thus actively work towards its successful implementation.

The regional senior managers attended planning meetings of various Local and District Municipalities in the Province to ensure the alignment of departmental plans and municipal plans with specific emphasis on community based public works programmes. Projects that are undertaken in the various municipalities by the department are included in the municipalities' Integrated Development Plans.

Part B: Programme and sub-programme performance targets

10. Overall Programme Structure

The following table represents the programme structure for the Department of Public Works:

Table 7: Programme Structure

Programme	Sub-programme
1. Administration	1.1. Office of the MEC
	1.2. Admin Management
	1.3. Corporate Support
	1.4. Programme Support Office
2. Public Works Buildings and Property Management	2.1. Programme Support
	2.2. Other Infrastructure
	2.3. Property Management
3. Expanded Public Works Programmes	3.1. Programme Support
	3.2. EPWP Coordination
	3.3. Monitoring and Evaluation
	3.4. Emerging Contractor Development

10.1. Programme 1: Administration

This programme is responsible for providing strategic leadership and overall management as well as support functions to the entire organisation.

Specified policies, priorities and strategic objectives

10.1.1. Policies and priorities

One of the key policy direction to be followed is, the implementation of the Scarce Skills Framework developed by the Department of Public Service and Administration. In addressing the part of the shortage of scarce skills within the Department, an integrated human resource strategy will be developed to address issues pertaining to retention of skills, achieving employment equity targets and management of the impact of HIV and AIDS in the workplace.

The implementation of Fraud prevention Plan will also be given priority as part of the government's stance of zero tolerance on fraud and corruption. The development of the Service Delivery Improvement Plan which aims to revitalise the Batho Pele strategy is enhance and Service Standards developed and implemented is of much priority.

Table 8: Strategic Objectives for Programme 1

STRATEGIC GOAL:
➤ Efficient and effective management of Departmental resources
STRATEGIC OBJECTIVES:
➤ To ensure overall effective and efficient political leadership in fulfilling departmental goals.
➤ To provide overall effective and efficient management of the department
➤ To provide corporate support services.

10.1.2. Progress analysis

The department has approved 16 financial and human resources related policies that will enhance the strengthening of internal controls. The implementation of the Performance Management and Development System has gradually improved. By the end of the 2005/06 financial year, all officials had completed their performance agreements for the following year, which shows that the department will effectively monitor each employee's performance in accordance with the provisions of the Provincial Policy on PMDS.

Table 9: Analysis of constraints and measures planned to overcome them

Constraints	Measures planned to overcome constraints
Unavailability of a computerised information management system.	A GITO directorate which comprise a unit responsible for Information and Records Management has been established on the organogram. This will fast track the process of developing a system that will address the existing problem.

10.1.3. Description of planned quality improvement measures

The department will ensure that policies and procedure manuals are developed in order to guide officials towards achieving organisational objectives in an effective and effective manner. Moreover, the implementation of Performance Management and Development System will be strengthened to ensure that the total departmental performance is enhanced.

Table 10: Specification of strategic objectives and Performance measure or indicators.

Strategic Objective	Measurable Objective	Performance Measures	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Target	2008/09 Target	2009/10 Target
To ensure overall effective and efficient political leadership in fulfilling departmental goals.	Provide effective support to the Office of the MEC.	Effective management of the Office of the MEC, coordination of outreach programmes and maintenance of the diary of MEC.	Effectively managed office, held outreach programmes and kept diary of the MEC.	Effectively managed office, held outreach programmes and kept diary of the MEC.	Effectively managed office, held outreach programmes and kept diary of the MEC.	Effectively managed office, held outreach programmes and kept diary of the MEC.	Effectively managed office, held outreach programmes and kept diary of the MEC.	Effectively managed office, held outreach programmes and kept diary of the MEC.
To provide overall effective and efficient management of the department	To ensure that all strategic objectives are achieved.	Achievements of all the departmental strategic objectives and compliance to legislative frameworks	All submissions made in accordance with statutory requirements	All submissions made in accordance with statutory requirements	Submit all plans and reports in terms of statutory frame works	Submit all plans and reports in terms of statutory frame works as well as effective and efficient management of the Department	Submit all plans and reports in terms of statutory frame works	Submit all plans and reports in terms of statutory frame works
To provide corporate support services.	To enhance the principles of good governance through the provision of effective HR, financial management and other corporate services.	Number of policies approved and implemented and reviewed.	16 drafts in place.	16 approved to be reviewed and implemented	7 new policies to be developed, 16 approved to be implemented and monitored.	7 new policies to be developed, 16 approved to be implemented and monitored.	Review and implement 27 policies	Review and implement 27 policies.
		Compliance with statutory obligations in terms of submission of reports and plans	All reports and plans submitted timeously	All reports and plans submitted timeously	Submit plans and progress reports to EXCO, Legislature, Provincial Treasury and Statutory bodies.	Submit plans and progress reports to EXCO, Legislature, Provincial Treasury and Statutory bodies.	Submit plans and progress reports to EXCO, Legislature, Provincial Treasury and Statutory bodies.	Submit plans and progress reports to EXCO, Legislature, Provincial Treasury and Statutory bodies.

Strategic Objective	Measurable Objective	Performance Measures	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Target	2008/09 Target	2009/10 Target
		Implemented Service Delivery Improvement Plan (SDIP).	Nil	Nil	Develop and implement the SDIP	Review and Implementation	Review and Implementation	Review and Implementation
		Work study and job evaluation investigations conducted	Interim organogram developed and approved	Revised organogram developed and approved	Conduct work study investigations and job evaluations as and when required	Conduct work study investigations and job evaluations as and when required	Conduct work study investigations and job evaluations as and when required	Conduct work study investigations and job evaluations as and when required
		Special programmes implemented	Only events coordinated	Only events coordinated	2 special programmes developed and implemented	Review and implementation	Review and implementation	Review and implementation
		Implementation of Communication Plan.	Rendered all internal and external communication functions	Rendered all internal and external communication functions	Render internal and external communication functions	Render internal and external communication functions	Render internal and external communication functions	Render internal and external communication functions
		Advise given on legal and labour related matters.	Actual achievement in terms of matters attended	Actual achievement in terms of matters attended	Attend to legal services and labour matters	Attend to legal services and labour matters	Attend to legal services and labour matters	Attend to legal services and labour matters
			Actual achievement in terms of matters attended	Actual achievement in terms of matters attended	Attend to labour related matters	Attend to labour related matters	Attend to labour related matters	Attend to labour related matters

Strategic Objective	Measurable Objective	Performance Measures	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Target	2008/09 Target	2009/10 Target
		Personnel turn over.	Maintained 30 % against the 30% maximum turnover.	Maintained 30 % against the 30% maximum turnover.	Maintain 30% maximum turnover.	Maintain maximum labour turnover of 30%	Maintain maximum labour turnover of 30%	Maintain maximum labour turnover of 30%
		Implemented Human Resource planning, employment Equity Plan and PMDS.	No HR plan in place, EE plan developed and PMDS not effectively monitored.	No HR plan, review of EE plan not finalised and PMDS effectively monitored.	Review and implement HR and EE plans and monitor implementation of PMDS.	Review and implement HR and EE plans and monitor implementation of PMDS.	Review and implement HR and EE plans and monitor implementation of PMDS.	Review and implement HR and EE plans and monitor implementation of PMDS.
		Implemented Human Resource Development Plan.	Implemented functional training, Workplace Skills Plan, learnership and internship programmes.	Implemented functional training , Workplace Skills Plan and, learnership programmes	Implement functional training, Workplace Skills Plan, learnership and internship programmes.	Implement functional training, Workplace Skills Plan, learnership and internship programmes	Implement functional training, Workplace Skills Plan, learnership and internship programmes.	Implement functional training, Workplace Skills Plan, learnership and internship programmes
		Implemented Internal Audit Plan.	What has been achieved in terms of audits conducted in the past??	What has been achieved in terms of audits conducted in the past??	Conduct audits as per approved Annual Audit Plan	Conduct audits as per approved Annual Audit Plan	Conduct audits as per approved Annual Audit Plan	Conduct audits as per approved Annual Audit Plan
		Implemented Risk Management Plan.	Risk management strategy developed and implemented	Risk management strategy developed and implemented	Review and monitor implementation of Risk Management Strategy	Review and monitor implementation of Risk Management Strategy	Review and monitor implementation of Risk Management Strategy	Review and monitor implementation of Risk Management Strategy

Strategic Objective	Measurable Objective	Performance Measures	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Target	2008/09 Target	2009/10 Target
		Implementation of Minimum Information Security Standards (MISS)	Requirement in terms of MISS complied with.	Requirement in terms of MISS complied with.	Implement all security functions in terms of MISS	Implement all security functions in terms of MISS	Implement all security functions in terms of MISS	Implement all security functions in terms of MISS
		Unqualified audit opinion by the Auditor-General.	Unqualified audit opinion received.	Unqualified audit opinion received.	Submission of financial and budget statements	Submission of financial and budget statements	Submission of financial and budget statements	Submission of financial and budget statements
		Amount of revenue collected against the budget	R4,237 million collected	R4,906 million collected	R3,230m budget	R2,767m budget	R2,872m budget	R3,797m budget
		Turnaround time in terms of payment.	30 days	30 days	30 days	30 days	30 days	30 days
		Maintenance of movable asset register	Movable asset split between Dept of Public Works and Dept of Roads and Transport.	Movable asset register updated.	Update movable asset register	Update movable asset register	Update movable asset register	Update movable asset register
		Management of the accessibility of financial systems (BAS, PERSAL, LOGIS)	Nil	1 district office (Tonga) successfully installed with systems.	Install and monitor systems on identified districts	Install and monitor systems on identified districts	Install and monitor systems on identified districts	Install and monitor systems on identified districts

Table 11: Nominal Expenditure on Programme 1

Programme 1: Administration	Actual 2004/5	Actual 2005/6	Estimates 2006/7	Average Actual Change (%)	Budget 2007/8	Target 2008/9	Target 2009/10	Average annual change (%)
1.1. Office of the MEC	541	3,156	3,386	12%	3,357	3,535	3,697	4%
1.2. Administration Management	3,742	1,135	2,301	11%	3,233	3,427	3,598	5%
1.3. Corporate Support	71,802	79,197	40,604	6%	45,901	50,214	52,666	7%
1.4. Programme Support	-	-	2,782	-	2,301	2,412	2,538	5%
Total programme 1 :	76,085	83,488	49,073	9%	54,792	59,588	62,499	7%

10.2. PROGRAMME 2: PUBLIC WORKS

The programme is responsible for the provision, management and maintenance of provincial building infrastructure and equipment. The department is also responsible for the provision of project management services to client departments to ensure that new capital projects are implemented effectively.

10.2.1. Policies and priorities

The main policy priorities that the programme will focus on are the implementation of the following:

- Implementation of the Property Charter.
- Implementation of the CIDB Regulations.
- Implementation of the Infrastructure Delivery Improvement Programme (IDIP).
- Implementation of the Broad Based Black Economic Empowerment (BBBEE) framework.

Table 12: Strategic objectives for Programme 2

<p>Strategic Goal :</p> <p>To provide accommodation for the Mpumalanga Provincial Government</p> <p>Strategic Objectives:</p> <ul style="list-style-type: none">➤ To provide accommodation to Provincial Government.➤ To manage building Infrastructure and equipment for the Provincial Government.

10.2.2. Progress analysis

The Department is busy with the implementation of the Project Management Information System, acquired during the 2005/06 financial year, which is aimed at improving the planning, implementation and reporting on capital projects.

Meanwhile, a service provider appointed during the 2004/05 financial year to verify government's immovable properties has already verified 11 966 properties. This process will culminate into the development of a user-friendly register that will enable the Province to properly account for its properties.

With regard to building maintenance, a process of conducting maintenance audit started with 60 clinics in the three regions of the Province, namely, Ehlanzeni, Gert Sibande and Nkangala. A list of material that is required for carrying out the actual maintenance work has been sent to the Department of Health and Social Services. Internal maintenance teams have been formed to carry out the actual work without any detail, however, the process is dependent on the response time from the client department.

Table 13: The Province's Property Portfolio by Department

State Owned Portfolio	Land				Buildings	
	Number of properties	Number of vacant urban properties	Number of unutilized rural properties	Total number of hectares	Number of properties with buildings	Square meters of building
Health and Social Services	2 320	44 land parcels, rural and urban. Cannot be easily identified, as it has not been inspected. Asset verification is in progress.		147,5058 hectares	2 275	41 5084m²
Education	5 854	770 land parcels, rural and urban. Cannot be easily identified, as it has not been inspected. Asset verification is in progress.		1 094,6216 hectares	5 084	132 175m²
The information can only be updated with the verification of the asset register.						
Other clients combined	4 563	3 840 land parcels, rural and urban. Cannot be easily identified, as it has not been inspected. Asset verification is in progress.		68 217,8444 hectares	2 014	254 104m²
Unutilized	2 206	2 206 land parcels, rural and urban. Cannot be easily identified, as it has not been inspected. Asset verification is required.		66 426,8117 hectares	11 (4 schools /colleges, 1 environmental centre and 6 others)	15 850m²

NB: The information contained in the table is subject to verification through the process of verifying immovable assets that is currently underway.

Table 14: The Province's Leased Portfolio by Department

Leased Portfolio	Land		Buildings		Cost to government
	No. Of properties leased	Total no. of hectares	No. of buildings	Square meters of building	
Health and Social Services	0	0	62	6027m ² (square metres for 47 residential accommodation not known)	Payments are decentralised to client departments
Education	0	0	8	12191m ²	Payments are decentralised to client departments
Social Services	0	0	Included under Health		Payments are decentralised to client departments
Other clients combined	0	0	25	13 988m ² (for 13 buildings). Square metres for 12 residential accommodation not available	Payments are decentralised to client departments
Unutilized	0	0	0	0	0

NB: The information contained in the table is subject to verification through the process of verifying immovable assets that is currently underway.

Table 15: The demand for new space by departments

New demand for space	Number	No. of square metres	Planned capital expenditure		
			Budget	MTEF 1	MTEF 2
Health and Social Services: Total	10	5 312m ²	By client	By client	By client
Clinics	0	2 770m ²	By client	By client	By client
Other	60	5 510m ² (for 4 office accommodation), for 56 residential accommodation-square meters not known			
Education: Total	0	0	By client	By client	By client
Primary schools	0		By client	By client	By client
Secondary schools	0				
Other	0	0			
Other clients combined: Total	21	6 622m ²	By client	By client	By client
Public Works	0	0	By client	By client	By client
Other Departments	3	2033m ²			

NB: The information contained in the table is subject to verification through the process of verifying immovable assets that is currently underway.

Table 16: Analysis of constraints and measures planned to overcome them

Constraints	Measures planned to overcome constraints
1. Inadequate skilled personnel.	Upgrading of professional posts so as to attract the required skilled personnel and upgrading of internal personnel skills' level through training.
2. Unavailability of a user-friendly immovable asset management.	The department is busy with the process of verifying immovable assets that belong to the Provincial Government.
3. Unavailability of a building maintenance plan	Continue with the building maintenance audit to determine the condition of certain buildings in the Province.
4. Insufficient funds for the radio communications maintenance.	Client departments were engaged to come to an agreement as to the amount they should contribute towards the maintenance cost for their radio networks.
5. Lack of funds to efficiently run the public address system service to client departments.	Same as above, except that the public address system could as an option be run by the client departments for themselves so as to reduce the financial burden from the Department of Public Works.

6. Maintenance budget kept within client departments' budgets which makes it difficult to carry work effectively.	Develop Service Level Agreement specifically for maintenance issues so as to allow the Department to purchase material and recover costs from the client departments.
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Table 17: Maintenance Backlog

Client	Number of Buildings in poor or very poor condition	Expenditure required to prevent further deterioration	Expenditure required to bring buildings to good condition
Whole Province	The number of building in poor condition is not known hence the process of verifying process continues which will lead to the maintenance audit to be done.	Not yet determined.	Not yet determined.

10.2.3. Description of planned quality improvement measures

The department will continue to implement Project Management Information System which will improve the management of capital projects. Moreover, the implementation of Infrastructure Delivery Improvement Programme (IDIP) and the CIDB Contractors Register will enhance the implementation of capital infrastructure.

10.3. Sub-programme: Other Infrastructure.

10.3.1. Building Management.

This programme is responsible for the delivery of building infrastructure projects on behalf of client departments.

10.3.2. Building Maintenance.

This programme is responsible for the maintenance of own and shared building only.

10.4. Sub-programme: Property Management.

The programme is responsible for managing all Provincial Government properties through hiring, leasing, acquisition and disposal.

Table 18: Building, Maintenance and Property Management: Specification of measurable objectives and performance indicators.

Strategic Objective	Measurable Objective	Performance Measure or Indicator	2004/05 Actual	2005/06 Actual	2006/07 Target	2007/08 Target	2008/09 Target	2009/10 Target
To provide accommodation to Provincial Government	Construct, maintain and hire buildings in order to provide accommodation to provincial government	Number of square metres constructed	98 245 m ²	570.74 m ²	432 m ²	As per Infrastructure Programme Implementation Plan	As per Infrastructure Programme Implementation Plan	As per Infrastructure Programme Implementation Plan
		Number of square metres maintained	±1 453 924 m ²	±1 453 924 m ²	±1 453 924 m ²	±1 453 924 m ²	±1 453 924 m ²	±1 453 924 m ²
			Maintained 128,587 m ² of buildings and related equipment at Riverside Government Complex and Pilgrim's Rest	Maintained 128,587 m ² of buildings and related equipment at Riverside Government Complex and Pilgrim's Rest	Maintain 128,587 m ² of buildings and related equipment at Riverside Government Complex and Pilgrim's Rest	Maintain 128,587 m ² of buildings and related equipment at Riverside Government Complex and Pilgrim's Rest	Maintain 128,587 m ² of buildings and related equipment at Riverside Government Complex and Pilgrim's Rest	Maintain 128,587 m ² of buildings and related equipment at Riverside Government Complex and Pilgrim's Rest
	Number of lease agreements signed	103 new housing leases signed.	625 lease audits were conducted.	As per request	As per request	As per request	As per request	
	Manage the immovable asset portfolio of the Mpumalanga Provincial Government.	Updated Asset Register	Service providers appointed to verify properties and the process started	6297 properties verified	Maintain the asset register	Maintain the asset register	maintain the asset register	Maintain the asset register

	Provide accommodation for MPLs and MECs in terms of the Ministerial Handbook.	Number of residential accommodation provided	Provided 9 residential units for MPLs, 1 for MEC and 5 office space units for client department.	Provided 8 residential units for MPLs, 1 MEC	As per request	As per request	As per request	As per request
To manage building Infrastructure and equipment for the Provincial Government	To implement building infrastructure projects on behalf of client Departments	Number of projects planned and designed	160	199	397	As per infrastructure project implementation plan	As per infrastructure project implementation plan	As per infrastructure project implementation plan
		Number of project completed	350 schools 8 Hospitals 11 ARV sites.	443 Education projects. 9 Health Projects:	As per infrastructure project implementation plan	As per infrastructure project implementation plan	As per infrastructure project implementation plan	As per infrastructure project implementation plan
	To maintain life support equipment	Number of life support equipment maintained to comply with OHS Act.	Maintained 218	Maintained 255 equipments and appointed three service providers.	Service/maintain in 900 equipments	Service/maintain 900 equipments	Service/maintain 920 equipments	Service/maintain 940 equipments
	To maintain radio communication systems	% Coverage of radio communication network in accordance National Standards.	90% achieved	90% achieved.	90%	90%	90%	90%

Table 19: Nominal Expenditure on Programme 2

Programme 2:	Actual 2004/5	Actual 2005/6	Estimates 2006/7	Average Actual Change (%)	Budget 2007/8	Target 2008/9	Target 2009/10	Average annual change (%)
1.1. Programme Support Office	15,762	7,127	1,249	6%	1,534	1,618	1,715	6%
1.2. Other Infrastructure.	5,609	3,930	3,696	2%	3,881	4,142	4,349	6%
1.3. Property Management	162,088	198,889	244,463	3%	272,698	285,618	309,466	7%
Total for Programme 2	183,459	209,946	249,408	7%	278,113	291,378	315,530	7%

- Average annual change between year -2 and base year.
- Projected average annual change between base year and year 3.
- Real expenditure = nominal expenditure deflated by the average annual inflation rate as measured by the Consumer Price Index (CPI). CPI figures should be obtained from STATS SA.

10.5. PROGRAMME 3: EXPANDED PUBLIC WORKS PROGRAMME

The programme is mainly responsible for the coordination of the Provincial Expanded Public Works Programme to ensure that the creation of the targeted 100 000 job opportunities within a period of five-years is achieved.

The objectives of the programme are as follows:

- Coordination of Provincial Expanded Public Works Programme.
- Monitoring and evaluation of EPWP and other projects within the Province.
- Coordination of the Emerging Contracting Development and Training.

10.5.1. Policies, priorities and strategic objectives

The main priorities that lies ahead is the massification of job opportunities through the involvement of all stakeholders, namely, National and Provincial departments, municipalities, state owned enterprises to ensure that more jobs are created and more beneficiaries are enrolled to the learnership and skills programmes.

Table 20: Strategic objectives for Programme 3

STRATEGIC GOAL 1:
▪ To coordinate the successful implementation of EPWP in the Province
STRATEGIC OBJECTIVE:
▪ To coordinate the successful implementation of EPWP in the Province in order to create 100 000 job opportunities in five years starting from 2004/05.

10.5.2. Progress analysis

In order to comply with the call of the President of the Republic of South Africa to create 1 000 000 job opportunities over a period of five years, the provincial target was set at 100 000 for the same period. These job opportunities would be created by all Provincial departments and municipalities in the province within their programmes and allocated funds.

The progress thus far, has been that for the first two financial years, set targets were achieved, which is a positive factor. The remaining targets 70 000 targets will be achieved during this MTEF period with through soliciting support and participation from the stakeholders.

Table 21: Summary of the demand for and performance of Expanded Public Works Based Programmes

Province Mpumalanga	Number of unemployed people				Community based programmes			
	Female 000	Male 000	Total 000	% Of National total	No. of projects last year	Number of person days employment created		
						Female	Male	Total
Total for Province	8 019 (49.2%)	4 387 (27.6%)	12 406 (38.4%)	5.2%	8	41 888	71 104	112 992

Table 22: Analysis of constraints and measures planned to overcome them

Constraints	Measures planned to overcome constraints
1. Insufficient participation by stakeholders	Continuous engagement through Provincial Steering Committee and Sector meetings.
2. Lack of understanding of the implementation of EPWP by newly appointed municipal councillors and officials.	Marketing of EPWP through awareness campaigns to be held in various municipalities to ensure that the leadership is brought on board.
3. Insufficient understanding of the reporting requirements in terms of the Division of Revenue Act (DoRA)	Continuous workshops to be held on an ongoing basis to impart skills and knowledge to the representatives of the participating stakeholders.

10.5.3. Description of planned quality improvement measures

To ensure the effective and efficient coordination of EPWP, a Provincial Steering Committee comprising representatives from various departments is place and meeting on monthly basis. Four EPWP Sectors are in place and have developed Sector Implementation Plans.

To ensure that progress is made on the implementation, a reporting template designed in terms of the Division of Revenue Act is used for the submission of reports to the national Department of Public Works on quarterly basis.

Table23: Specification of measurable objectives and performance indicators

Strategic Objective	Measurable Objective	Performance Measure or Indicator	2004/05 Actual	2005/06 Actual	2006/07 Target	2007/08 Target	2008/09 Target	2009/10 Target
To coordinate the successful implementation of EPWP in the Province in order to create 100 000 job opportunities in five years starting from 2004/05.	Coordinate the creation of 25,000 job opportunities on an annual basis through 4 Sector plans, PSC and Sector meetings	Job opportunities created within the Province	15 453	19 150	25 000	25 000	20 000	Nil
	Monitor and produce DoRA reports on EPWP Projects	Minimum 10% sample of active EPWP projects monitored and evaluated.	10%	34%	10%	10%	10%	Nil
		Submit 4 DoRA reports	4 reports	4 reports	4 reports	4 reports	4 reports	Nil
	Facilitate Learnerships, Skills and Contractor Development	Number of participants trained			Number of participants trained	Number of participants trained	Number of participants trained	Nil

10.6 Expenditure by programme 3

Table 24: Nominal Expenditure on Programme 3

Programme 3: EPWP	Actual 2004/5	Actual 2005/6	Estimates 2006/7	Average Actual Change (%)	Budget 2007/8	Target 2008/9	Target 2009/10	Average annual change (%)
5.1 Programme Support	697	3,130	5,025	5%	5,015	5,261	5,543	5%
5.2 Training Programme	722	379	-	-	-	-	-	-
5.3 Empowerment Impact Assessment	1,128	1,378	2,563	4%	3,134	3,309	3,504	5%
5.4. Community Development	10,793	-	-	-	9,000	9,380	9,733	28%
5.5 Emerging Contractor	1,641	2,736	4,394	4%	5,016	5,752	6,108	5%
Total Programme 3	14,981	7,622	11,982	4%	22,165	23,702	24,888	15%

The budget for this programme has been increasing over the years as the department saw that these projects were alleviating poverty in various communities. The increase however is not as significant as it should be, in order to comply with the President's directive regarding Extended Public Works Programmes/Projects.

11. SUMMARY OF REVENUE

11.1. MEDIUM TERM REVENUES

The following sources of funding are used for the Vote:

Table 25: Summary of revenue: Department of Public Works

R 000	Actual 2003/04	2004/05 Actual	2005/06 Actual	2006/07 Outcome	2007/08 Target	2008/09 Target	2009/10 Target
Voted by legislature	-	-	-	-	-	-	-
Conditional grants	-	-	-	-	-	-	-
Equitable Share	227,922	274,525	301,055	295,193	355,070	374,668	402,917
Total revenue	227,778	274,525	301,055	310,463	355,070	374,668	402,917

Table 26: Departmental revenue collection: Department of Public Works

R million	Actual 2003/04	Actual 2004/05	Actual 2005/06	2006/07 Budget	2007/08 Target	2008/09 Target	2009/10 Target
Current revenue							
Tax revenue	5,141	-	100	-	-	-	-
Non-tax revenue	42	3,575	2,898	2,879	2,566	2,677	2,409
Capital revenue	-	-	-	-	-	-	-
Sales of capital Assets	5,311	840	-	351	201	195	1,388
Departmental revenue	10,494	4,415	4,906	3,230	2,767	2,872	3,797

11.2. Detailed plan to ensure collection of this revenue

The Revenue section and Property section in the department will work hand in hand to ensure that all rentals due to the department are received in time and all arrears are followed up immediately. Where legal action needs to be taken against defaulters, this will be done in time.

The department will ensure that all tenants have lease agreements and that payments are received on those leases. For all houses earmarked for sale in the 2005/06 financial year, the department will put processes in place to ensure that the target is reached of selling houses estimated at R3 million.

Regular stocktaking will be undertaken to ensure that all obsolete furniture, cars, etc. are auctioned before they are stolen or stripped of their parts.

Where the department has excess land and buildings, these will be leased to the private sector at market related rentals.

The collection of this revenue will be reported in the monthly report and where there are variances, reasons will be given and where corrective measures need to be put in place, these will be effected.

12. Co-ordination, co-operation and outsourcing plans

12.1. Interdepartmental linkages

The Department of Public Works has entered into service level agreement with the Department of Education and the Department of Health and Social Services. The agreement is aimed at improving on the delivery of capital projects, wherein Public Works serves as a service provider responsible for the planning and design of projects, tendering process, appointment of contractors and authoring payment certificates.

The client will each year provide the service provider with a list of projects envisaged for the following year and ensure that payments for work completed by contractors as authorised by Public Works are disbursed timeously.

12.2. Local government linkages

Interaction with Municipalities is done through the Expanded Public Works Programme which is provincially co coordinated by the Department of Public Works. Regional managers from the Department of Public Works participate in the Integrated Development Planning (IDP) process at District Municipality level.

12.3. Public entities

- Construction Industry Development Board (CIDB) has introduced the registration of contractors who are capable to carry out work on projects.
- State Information Technology Agency (SITA) provide information and communication technology related services to the department.
- Construction Education and Training Authority (CETA) provides learnership programmes, database of accredited service providers for technical related trainings. It also provides funding for certain training programmes linked to EPWP.

12.4. Public, private partnerships, outsourcing etc

Independent Development Trust (IDT) serves as a key partner in providing project management services to capital projects since the capacity of the department does not allow it to deal with all projects.

13. Financial Management:

13.1. Strategies to address audit queries

The department has been able to ensure that audit queries raised in the Auditor-general reports are attended to as a matter of urgency. For instance, in August 2005, the Auditor-General in his report for the 2004/05 financial year raised a concern regarding the draft policies that were in still not finalised and the unavailability of the Audit Committee. By January 2006, the department reported to the Executive Council Lekgotla that 16 policies were approved and the Audit Committee was appointed and already had a sitting in November 2005.

13.2. Implementation of PFMA

The department has established four Finance Committee, namely; one at Head Office and three in the regions to ensure that the procurement of all service is done in terms of the supply chain management framework.