No.218 - 2022: Fourth Session, Sixth Legislature

**GAUTENG PROVINCIAL LEGISLATURE**

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**ANNOUNCEMENTS,**

**TABLINGS AND**

**COMMITTEE REPORTS**

**========================**

Monday, 20 June 2022

# ANNOUNCEMENTS

none

# TABLINGS

none

**COMMITTEE REPORTS**

**1. The Chairperson of the Infrastructure Development Portfolio Committee, Hon. M G Modise, tabled the Committee’s Focused Intervention Study (FIS) Report on Department of Health Infrastructure Maintenance 2020/21 financial year, as attached.**

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**INFRASTRUCTURE DEVELOPMENT AND PROPERTY MANAGEMENT PORTFOLIO COMMITTEE**

**Focused Intervention Study (FIS) Report** **on** **the Department** **of Health infrastructure Maintenance 2020/21 FY**

| **Committee Details** | **Department Details** |
| --- | --- |
| **Name of Committee** | **Infrastructure Development** | **Name of Department** | **Infrastructure Development and Property Management** |
| **Financial Year** | **2020/21**  | **Dept. Budget Vote Nr.** | **15** |
| **Quarter** |  | **Hon. MEC** | **Jacob Mamabolo** |
| **Committee Approvals** |
|  | **Name** | **Signed** | **Date** |
| **Hon. Chairperson** | **Mpho Modise** |  | **2 June 2022** |
| **Adoption and Tabling** |
| **Date of Final Adoption by Committee** | **Scheduled date of House Tabling** |
| 2 June 2022 | **21 June 2022** |

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**ABBREVIATIONS**

|  |  |
| --- | --- |
| **Abbreviation** | **Full Wording** |
| FIS | Focus Intervention Study |
| FY | Financial Year |
| GDID | Gauteng Department of Infrastructure Development |
| GPG | Gauteng Provincial Government  |
| OHS | Occupational health and safety |
| SOM | Sector Oversight Model |

**EXECUTIVE SUMMARY**

This Focus Intervention study emanated from the Annual Report process of the 2020/21 financial year in line with the prescripts of the Sector Oversight Model. The Department of Infrastructure Development and Property Management (herein referred to as the Department) purpose is to develop and maintain a socio-economic infrastructure that allows all the Province’s people to have access to social services. It also implements projects on behalf of its client departments namely: Departments of Education, Health, Sports Arts and Culture, Agriculture and Rural Development.

The purpose of this study was to engage the Department on the blockages that lead to underperformance under maintenance of the hospitals and clinics. This was because of the poor performance of the Department in past financial years including the 2020/21 FY.

The Committee welcomed and acknowledged the Department’s presentation, and it also noted that the Department is working hard in ensuring that all challenges are addressed. The Committee visited Charlotte Maxeke, Chris Hani, Kopanong, Heidelberg, Anglo Ashanti, Cullinan Hospitals and Jahan Hynes ( Community Health Care CHC).

While noting that some of the hospitals are reaching or have reached their relatively mature stage, it was concerning to note that the Department takes long to attend to maintenance requests logged by the Hospitals on E-maintenance system. All the hospitals visited reported to the Committee that the GDID delays in appointment of contractors and in many cases, it was either the appointed contractor was incompetent, or their work was of poor quality.

The main concern noted by the Committee was that the Department had no maintenance strategy in place, also that there was no sufficient budget for both the Departments (GDID and Health) to carry out the maintenance work in the Gauteng provincial institutions. Poor communication between both the Departments was also noted with concern by the Committee and late payment of contractors.

The Committee further noted with concern that the GDID as the custodian of the properties in the Gauteng Provincial Government (GPG) has no condition assessment register and there was no preventative maintenance plan provided by the Department. The condition register is necessary to record the condition of each structure in the asset register.

All institutions visited were in a deterioration state, save for Chris Hani which was better when compared with others during the visit, with clear walkways and there were no broken windows noted by the Committee. The Committee is of the view that there was management and leadership crisis in terms of maintenance of the provincial institutions. There was also poor project management noted by the Committee, with budgets overspent and poor achievement of the maintenance activities. In all hospitals save for Chris Hani hospital fire audits were not up to date such as Charlotte Maxeke where fire audit was last conducted during 2017. The Committee would continue engaging both the Departments on maintenance of Government properties in the province.

# INTRODUCTION

According to Sector Oversight Model (SOM), the Portfolio Committee has a legislative mandate to evaluate the efficiency of the Infrastructure Development and Property Management Department programs, sub-programs and the appropriateness of financial resource allocations and management.

This FIS is aligned to the annual report process of the 2020/21 financial year. The Portfolio Committee resolved to undertake the Focused Intervention Study on the Department of Health infrastructure Maintenance. The study was conducted across the Gauteng Province.

# Process Followed

During the Committee meeting held on the 3rd December 2021, the Committee adopted the FIS topic on the**Department of Health infrastructure Maintenance 2020/21 FY**. Following the adoption of the topic adoption, the Committee conducted unannounced oversight visits to: Charlotte Maxeke, Chris Hani-Baragwanath, Kopanong, Heidelberg, Anglo Ashanti, Temba Hospitals and Jahan Hynes CHC on the 11th , 12th and 15th February 2022.

The Department of Infrastructure Development and Property Management presented on the adopted topic on the 22nd February 2022, whereby the Department of Health was also invited to present on the topic. Further engagements with the Department of Infrastructure Development were conducted during a meeting held on the 28th April 2022. The Committee deliberated and adopted the FIS report on the meeting dated 2 June 2022 and the report was tabled in the House on the 21 June 2022.

1. **Compliance and Quality**

The Committee noted that the submissions made by the Department was in compliance with the standard of reporting to the Legislature.

1. **Oversight on Strategic Priorities**

## *Priorities*

The Department’s mandate is to manage the full lifecycle of all fixed properties owned by the Gauteng Provincial Government in the Gauteng Province. The mandate is carried out for the benefit of the people of Province by acquiring, developing, operating, maintaining, and disposing of public owned fixed property in a manner that contributes to spatial and socio-economic transformation.

1. **Purpose of the Study**

The purpose of this study was to engage the Department of Infrastructure Development and Property Management on the maintenance of the Hospitals and Clinics in the province. The Covid-19 outbreak has not only necessitated the need for new infrastructure but has empathetically demanded the maintenance and rehabilitation of the existing health facilities.

# Oversight on Resolutions Management

The Committee’s decision to conduct the FIS onDepartment of Health Infrastructure Maintenancewas necessitated by its interrogation of the department’s programmes in the Annual Report 2020/21 FY.

1. **Problem Statement**

The 2018 mid-year population estimates show that Gauteng has the largest population in the country, and it is continuing to grow. This population requires well-functioning and well-maintained health facilities. While the province is working tirelessly in the construction of the new health facilities to keep up with the pace of the growing population, the province also has a responsibility to maintain the new and old infrastructure. The GGT2030 strategic framework has made it necessary that the province has sustainable infrastructure that can respond to the health needs of the communities.

The Covid-19 outbreak has not only necessitated the need for new infrastructure but has empathetically demanded the maintenance and rehabilitation of the existing health infrastructure/facilities. Besides the fact that maintenance provides an economic opportunity for township SMMEs, it also assists the communities to have access to these existing facilities while they wait for the development of new facilities, considering that the population of Gauteng is increasing rapidly, from immigrants from other Provinces. For the year under review, the Department allocated R642 370 000, which is 25% of the overall allocated budget which focuses on maintenance. This allocation has been made to support the implementation of the Maintenance strategy. This is the second-largest allocation of the budget since 66% of the budget was allocated to Immovable Assets. The Department presented an eMaintenance system which was tipped to be the game-changer in the work of the Department. This system is meant to improve the turnaround time to respond to defects in the health infrastructure. Amongst the challenges was that the Department had contracted with Builders Warehouse to access the material, which was to the detriment of small businesses. Another challenge that was noted was the lack of the tools of the trade in the health facilities to log the defects. Furthermore, there has been a public outcry during the 2019 National and Provincial election, that the state of health facilities is deteriorating due to lack of maintenance.

 Also, recent flooding and the fire outbreak in some of the facilities necessitated the need to revisit the maintenance strategy and its rollout in the provincial health facilities. It is therefore considered that the proposed topic, as it will be assisting the committee to evaluate if the allocated budget has been utilized efficiently to address maintenance issues. It will also help to get a clear picture of how the eMaintenance System has been utilized over the years and if it has provided the necessary aid to the client Departments.

It was against this background that the Committee considered this topic, as it would not only look at the blockages that lead to underperformance but would also track the historic performance by the Department in terms of the maintenance related matters in hospitals and clinics.

# Committee findings during oversight visit

Department of Infrastructure and Property Management

The Department reported to the Committee that it is committed to its mandate of maintaining the clinics and hospitals, however, during its oversight visits to hospitals at Charlotte Maxeke, Chris Hani-Baragwanath, Cullinan hospitals and Johan Hynes Clinic. The Committee noted with **concern** that all the hospitals visited were in a poor condition and buildings services have deteriorated due to a lack of maintenance and management, save for the Anglo Ashanti Hospital which was still under CAPEX projects.

Although it was noted by the Committee that at **Johan Heyns** clinic, Lapa was renovated and paving at the clinic entrance was installed. It was concerning to note that there was a roof leaking from the administration office, data office, emergency wating area x- ray and pharmacy areas. The Committee also noted with concern the cracked walls, holes in passageways with pilling floor tiles. This may cause danger to passengers using wheelchairs. Elevators were also not working during the Committee visit. Patience and staff ablutions were also broken and not attended to by GDID due to budgetary constraints.

At **Jubilee hospital**, the Committee noted with concern sagging and collapsed ceiling at some parts of hospital specifically at ward 5 where there was a collapsed ceiling on top of the patient’s bed. The kitchen equipment was not functioning such as the conventional oven. Fire audit was last conducted during 2020. There was also a challenge of water supply reported to the Committee. The new chiller plant always had a problem since installation during the year 2020. The Committee further noted that there was a shortage of GDID maintenance staff.

During discussions with **Charlote Maxeke Academic Hospital** officials, it was noted with concern by the Committee that, there was insufficient budget to carry out maintenance work in the hospital. It was further noted with concern that there was late appointment of contractors. In many cases, when the contractors were appointed, their quality of work amounts to poor workmanship which is a main ,cause of many project delays in this hospital. In some instances, project would be on hold due to late payment of the contractors. No fire audit conducted in this hospital, with the last being conducted during 2017. It was also noted with concern that there was also poor communication with the GDID as it took longer to attend to the hospital’s requests.

The Committee noted that there were many projects reported by the Department that were in progress at **Chris Hani Hospital**. Concerning was that many projects were being delayed due to late payment or poor performance by the contractors. During the oversight visit, the Neo Natal ward work completed and handed over by the contractor was noted with concern by the Committee. The project was completed during the 2020/21 FY and yet tiles were pealing in the new structure. The Hospital further reported the delays in appointment of the contractor for emergency repairs to generators. The appointed contractor had no technical skills. The 36 months boiler preparation for boiler JB 559 project was delayed.

 The Committeenoted with concern that there were broken windows at **Kopanong hospital**, pealing tiles, with some part of the hospital being utilised as a damping site and there were water leakages on the basement, which it was reported that it causes mosquitos due to dampness. The reason provided by the hospital was that there were budgetary constraints to maintain the hospital. The project to upgrade distribution board and socket outlet was delayed due to hospital complaining about dust. Poor communication was also reported as a challenge between both the Departments.

During the Committee visit at **Heidelberg hospital**, the Committee noted with concern that the hospital had no approved building plans for the hospital. The hospital remains with a challenge of unavailability of funds, which led to unavailability of materials for day-to-day maintenance. The unavailability of Security Guard Houses at all entrances was reported by the hospital. The old building that was meant to be an Outpatient Department (OPD), was reported to be not in accordance with OHS Act and Gauteng Health IUSS Guidelines, as occupancy certificate that did not pass. The non-functional CCTV Cameras and unavailability of maintenance and service, two (2) different CCTV Camera contractors previously appointed for the projects, both projects not handed over to GDID and the hospital, to date.

1. Discussions with the GDID

During discussions with the Department of Infrastructure Development and Property Management,

the Committee noted with concern that there was no prioritised list as per maintenance and CAPEX projects hence there was poor planning within the Department. However, there were engagements planned with an aim to discuss prioritised projects with the GDoH. Concerning was also that GDID has been there since the split from the Department of Roads Transport and Public Works but to this date the Department has never had this list. The GDID has never had plans on the funded project. It was clear that there was poor planning and communications between both the Departments. The Committee acknowledged that continuous engagement with the Gauteng Treasury and GDID were taking place.

The Department further reported that there was no formalised maintenance policy document in place, however, the document was drafted and discussed with all the client Departments’ HODs. The Department further reported that the Department of Health as a province always had a limited budget to carry out maintenance work. It was difficult to conduct proper internal oversight and monitoring on projects within the Department due to non-availability of the maintenance strategy document, however, the Department proposed to the Treasury to utilise the Primavera system that was planned to be utilised before the end of the 2022/23 FY. The Standard of agreement has been created with client departments that will be followed in terms of how the maintenance projects will be managed.

1. **Public Involvement**

The Committee meetings are open to the media and public, where stakeholders are provided an opportunity to engage the Department on its performance. During this process, no stakeholders were invited to participate and make submissions to the Committee, due to the nature of the topic that required only the hospitals management to form part of the discussions.

1. **Committee Concerns**

 **The Committee was concerned that**

11.1 there was no maintenance strategy policies in place to guide in terms of infrastructure maintenance .

11.2 there was no sufficient budget for both the Departments to carry out the maintenance work in the Gauteng provincial clinics and hospitals

11.3 the Department continues to appoint poor performing contractors.

11.4 there were late payment of service providers in maintenance projects.

11.5 there was staff shortages allocated in hospitals for maintenance.

11.6 no fire audits conducted in provincial Health institutions.

1. **Committee Recommendations**

 **The Portfolio Committee recommends the following and requests for the Department to report by Friday, 19 August 2022:**

12.1 The Department to develop the Maintenance Strategy policies.

12.2 The Department to ensure that there is sufficient budget to carry out maintenance of hospitals and clinics in the province.

12.3 The Department to ensure that the appointment of poor performing contractors is avoided.

12.4 The Department to ensure that contractors are paid within 30-day period.

12.5 The Department to appoint more maintenance personnel in hospitals and clinics.

12.6 The Department to conduct fire audits in all GPG Health institutions.

# Acknowledgements

The Chairperson of Portfolio Committee on Infrastructure Development and Property Management, Honourable Mpho Gift Modise would like to thank Acting MEC, J Mamabolo, Head of the Department and the entire Departments’ Executives for their efforts in the consideration of this report.

The Chairperson further appreciates the diligent deliberations of Honourable Members T Magagula, K Diale-Tlabela, T Ndlovu, M Letsie, A Fuchs, N De Jager, M Mofama, C Mabala and K Hoffman.

The Committee Chairperson would also like to thank T Bodibe, M Tshabalala, K Mdlalose, T Mulibana, T Khumalo, L Ncume, N Mbonane, K Mphirime, for their dedication and assistance.

# Adoption

In accordance with Rule 165, the Infrastructure Development and Property Management Portfolio Committee Chairperson hereby recommends that the report on the Gauteng Department of Infrastructure Development 2nd FIS Report of the 2020/21 FY, on the **of Health infrastructure Maintenance.**