

OFFICE OF THE PREMIER

PRESENTATION TO OVERSIGHT COMMITTEE ON THE PREMIER'S OFFICE AND THE LEGISLATURE (OCPOL)

QUESTIONS EMANATING FROM THE RESEARCH ANALYSIS OF THE ANNUAL REPORT FOR 2021/22 FY



GAUTENG
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

GGT2030
GROWING GAUTENG TOGETHER

Question 1:

The Office of the Premier needs to report on the progress of the Gauteng-Eastern Cape High-Capacity Rail Corridor.

Gauteng-Eastern Cape High-Capacity Rail Corridor

- The Gauteng-Eastern Cape High-Capacity Rail Corridor project is driven by Transnet in collaboration with two national departments (Public Enterprises and DTI). The two provinces (Gauteng and Eastern Cape) are playing a supportive role as crucial stakeholders. Transnet has completed the pre-feasibility study on the project.
- The project was presented at the Sustainable Infrastructure Development Symposium in October 2021. The Infrastructure Investment Review Committee (IIRC) of Infrastructure South Africa (ISA) approved the registration of the project on 07 April 2022. The presentation of the project for gazetting is planned at the next Presidential Infrastructure Coordinating Commission (PICC) meeting, which is scheduled for end of November 2022.

Question 2:

On the procurement target spend, the OOP furnished the Committee with the monetary value of the procurement target spent, however, there was no information provided on the businesses owned by blacks and township-based OOP needs to provide this information in the next meeting

Procurement target spend

- OoP Preferential procurement spending as detailed in the OoP Annual Report provides the percentage value of the procurement target spent on the businesses owned by blacks, women, youth, PWDs and township-based enterprises. Please refer to pages 53 and 59 of the OoP 2021/2022 Annual Report).

Question 3:
Regarding the reconfiguration of GCRA, the OOP should provide the Committee with an update.

Reconfiguration of GCRA

- The Office of the Premier have partnered with the Government Technical Advisory Center in National Treasury to undertake a strategic review of all entities in the province. This work is still in a diagnostic stage and will make recommendation to the Executive on possible reconfiguration of entities base on the research and analysis. Although GCRA is branch within the Department of Education GTAC will make proposals to clarify the mandate, legal status and location of GCRA.

Question 4:

Please provide the committee with reasons for the non-achievement of the targets under Legal services.

Non-achievement of the targets under Legal services

- In relation to the project on the reorganization of legal services in the GPG, the indicator was moved to the operational plan during the annual adjustment period in September 2021. A service provider was appointed and delivered a comprehensive report to the OoP. Consultation with HOD's of Departments ensued in the latter part of the financial year, running into the 2022/23 financial year. Once this is concluded, final recommendations are scheduled to be submitted to the Executive Council for considerations.
- In relation to the project on the rationalization of the Gauteng Statute Book, the indicator was moved to the operational plan during the annual adjustment period in September 2021. In the 2022/23 financial year the Unit prepared a submission to do the project in-house (by the Unit itself), but the proposal is subject to approval of a contract appointment for one legislative drafter on a short-term contract to ensure that the Unit has the capacity to undertake the project on its own.

Question 5:

Provincial Communication services had planned the commissioning of 3 qualitative research studies but instead achieved 2. What was the reason for the non-achievement of the last one and what are the implications for this?

Commissioning of 3 qualitative research studies

- The change in environment due to COVID-19 conflicted with the nature of the method of data collection as it posed a challenge in conducting Focus Group Discussions. However, a quantitative study was conducted, which still met the objective of assisting the Provincial Communication Services to measure the impact of government communication on the people of Gauteng.

Question 6:

Furthermore, below in the financial report on Institutional Response to COVID-19, whilst the details exist, it is worth to explain to the Committee the procurement spend on targeted groups.



Procurement spend on targeted groups

Targeted Group	Procurement Spend
Black People	R 2 301 302,75
Women	R 1 44 645,75
Youth	R 652 099,00
PWDs	R00
Township Based Enterprises	R 794 240,72

Question 7:

The procurement target for PWDs is 7%, the OOP explain what is the total population of PWDs in the province versus the 7% target.

Procurement target for PWDs

- Disability statistics play a crucial role in monitoring progress and evaluating programs addressing the needs of persons with disabilities. Two measures were employed to profile disability prevalence and patterns based on the six functional domains, namely seeing, hearing, communication, remembering/concentrating, walking and self-care. These two measures were the degree of difficulty in a specific functional domain, and the disability index.
- The first measure presents disability statistics based on moderate to severe thresholds in a specific functional domain, and the second model combines some thresholds to categorise a person as either being disabled or not. Both measures aim at providing an alternative but complementary understanding of the profile of persons with disabilities.

Procurement target for PWDs

Census 2011:

- The national disability prevalence rate is 7,5% in South Africa.
- Disability is more prevalent among females compared to males (8,3% and 6,5% respectively).
- Gauteng's disability prevalence rate 5.3% (485 337)



Procurement target for PWDs

		Gauteng Districts	
DC42: Sedibeng	Male	22 497	6,7
	Female	29 738	8,5
	Total	52 235	7,6
DC48: West Rand	Male	18 813	6,0
	Female	22 621	7,7
	Total	41 434	6,8
EKU: Ekurhuleni	Male	56 745	4,7
	Female	73 533	6,3
	Total	130 278	5,5
JHB: City of Johannesburg	Male	63 166	3,9
	Female	87 387	5,3
	Total	150 553	4,6
TSH: City of Tshwane	Male	48 761	4,6
	Female	62 070	5,7
	Total	110 831	5,2

Procurement target for PWDs

Noting that Gauteng has 485 337 (5.3%) of persons with disabilities, this number and percentage are not broken down into how many people with disabilities are:

- In facilities and special care homes for persons with disabilities.
- How many are children, youth and older persons with disabilities.
- How many are in protective workshops or shelter employment.
- We note that the total number of employees with disabilities in GPG amounts to 4560 which is almost 10% of the 485 337 people with disabilities in Gauteng. For 2022/23 the employment target of 2.5% for persons with disabilities was achieved in the GPG

Analysis of obstacles of businesses owned by entrepreneurs with disabilities.

- The 7% procurement target to be spent with entrepreneurs with disabilities is a National target in the White Paper on the Rights of Persons with Disabilities (WRPwD) approved by Cabinet on 9th December 2015. Below is the indicator from WRPwD.

Procurement target for PWDs

DIRECTIVES

Adopt and implement a target of 7% procurement and economic opportunities for emerging SMEs owned by persons with disabilities

Strengthen access to, and participation in, SME support programmes

DESCRIPTION

Steps must be taken to ensure that at least 7% of all public and private procurement for bids under R30 000 are allocated to business entities owned by persons with disabilities.

At least 7% of all opportunities in the various economic sectors must be allocated to business entities owned by persons with disabilities. This should include interventions so that farmers with disabilities access, own and cultivate land.

This must include strengthening all support programmes for entry level SMEs owned by persons with disabilities by implementing affirmative action targets and ensuring that reasonable accommodation support is available across the SME support services value chain.

Procurement target for PWDs

- For Quarter 3 of FY 2021/22 the GPG Department Sports, Arts, Culture and Recreation spent 7,8%. Social Development is the lead department as on a quarterly basis, as they procure from business owners with disabilities, with an average of 4% of PP (Preferential Procurement) spend
- As long as People with Disabilities are made to compete with abled people and that competition is called fair, equitable, transparent, competitive and cost-effective, we are not going to address the situation.

Procurement target for PWDs

An analysis of the reasons why the procurement spend with business owners with disabilities has not reached the 7%. This target, has revealed the following about businesses owned by entrepreneurs with disabilities:

- Black business owners with disabilities have had endless exclusion from education, skills, experience, and access to capital.
- Even though +/- 5000 companies are registered on the Central Supplier Database at National Treasury, less than 3000 of these companies meet the minimum company registration, tax documentation and bank account requirements to be sufficiently compliant to trade with government.
- Further to this, most of these companies have been registered in very broad areas of trading.
- They have very little of a proven track record supplying products or services in the areas they claim to be able to supply and provide.
- All of the above makes their companies not bankable and competitive.

Question 8:

There were reported 38 resignations from OOP during the financial year, the Committee is concerned by the large number, what are the reasons for such resignations?

Resignations from OOP during the financial year

The resignations reported were 36, not 38 as indicated.

- Of the 36 resignations, 20 were Learners and Interns, these categories of employees are placed at developmental programs and are still seeking fixed employment, therefore they are bound to exit at a high rate.
- 4 resignations were of the contract employees who are still also seeking stability through permanent employment.
- 12 permanent employees resigned wherein 10 were due to promotions or professional opportunities outside of OOP and 2 were due to personal reasons that were not disclosed.

Question 9:

The OOP needs to report about the Historically Disadvantaged groups wherein procurement was done, where are they based? And what type of businesses are they?

Report about the Historically Disadvantaged groups

- The report on Historically disadvantaged groups wherein procurement was done, where they are based and what type of businesses they are is attached as Annexure A

THANK YOU



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