No.0430 - 2023: Fifth Session, Sixth Legislature

**GAUTENG PROVINCIAL LEGISLATURE**

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

**ANNOUNCEMENTS,**

**TABLINGS AND**

**COMMITTEE REPORTS**

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

Monday, 04 December 2023

**ANNOUNCEMENTS**

none

**TABLINGS**

none

**COMMITTEE REPORTS**

**1. The Chairperson of the Infrastructure Development Portfolio Committee, Hon. M G Modise, tabled the Committee’s Oversight Report on the Second Quarterly Performance Report of the Department of Infrastructure Development for the 2023/2024 financial year, as attached:**

**COMMITTEES QUARTER OVERSIGHT REPORT ON DEPARTMENT / ENTITY PERFORMANCE**

**Portfolio Committee on [****Infrastructure Development and Property Management] Oversight Report on the 2nd Quarterly Report of the Infrastructure Development and Property Management for the 2023/24] Financial Year**

| **Committee Details** | **Department / Entity Details** |
| --- | --- |
| **Name of Committee** | **Infrastructure Development and Property Management** | **Name of Department / Entity** | **Infrastructure Development and Property Management** |
| **Which Financial Year** | **2023/24 FY** | **Dept. Budget Vote Nr.** | **15** |
| **Which Quarter** | **2nd Quarter** | **Hon. MEC** | **Mr. Lebogang Maile** |
| **Committee Approvals** |
|  | **Name** | **Date Considered by Committee** |
| **Hon. Chairperson** | **Mr. Mpho Modise** | **27 November 2023** |
| **Adoption and Tabling** |
| **Date of Final Adoption by Committee**  | **Scheduled date of House Tabling** |
| **27 November 2023** | **05 December 2023** |

**NOTES**

* When expressing monetary amounts, please use South African Rand only “R” and express the full Rand amount with no cents.
* When expressing percentage, please use the “%” sign and round off to two (2) decimal places.
* When analyzing Department / Entity performance, please do NOT copy and paste the Department / Entity performance / budget tables. These need to be analyzed.
* In the Executive Summary, include just the strategic or high level “Snap-shots” of the required information. Details will be provided later in the report under “Programme Achievement.”

*[Note: Please remember to “update” the table of contents just before printing or forwarding]*

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# ABBREVIATIONS

| Abbreviation | Full Wording |
| --- | --- |
| APP | Annual Performance Plan |
| CHC | Community Health Centre |
| DoH | Department of Health  |
| ECD | Early Childhood Development Centre |
| EPWP | Expanded Public Works Programme |
| GDID | Gauteng Department of Infrastructure Development |
| GEYODI | Gender, Youth, Persons living with Disabilities |
| GPL | Gauteng Provincial Legislature |
| NDP | National Development Plan |
| PwDs | People with Disabilities |
| SDGs | Sustainable Development Goals |
| SONA | State of the Nations Address |
| SMME | Small, Medium and Micro Enterprises  |
| SOM | Sector Oversight Model |
| SOPA | State of the Province Address |

SUMMARY

| **ii. [Summary of the report]** |
| --- |
| **[Note: Only snapshots or “One-Liners” or Bullet Points of the most important / strategic achievements. No details please]** |
| ***Strategic Priorities****High level summary of Committee’s overall assessment of the Department / Entity achievement of relevant strategic priorities for the period under Review* |
| - The Department settled 100% of the service providers invoices within 30 days. The performance was commended by the Committee. The Committee further noted that: - performance of preferential procurement for People with Disabilities targets were achieve at 100%. The Committee commended this performance.- Targets of procurement allocated to black-owned enterprises were achieved by 99% against the planned 82%. - 99% of procurement allocated to Small, Medium and Micro Enterprises were achieved against 50%.- Targets of Procurement allocated to TMR were achieved at 38% against a set target of 30%.- R412 million paid for municipal rates and taxes exceeding the set target of R400 million.- The Department recorded R61 000 000 Irregular expenditure during the quarter under review.- 18 Public Bodies have reported on their EPWP targets against a set target of 20.- GPG Public bodies have reported creating 16332 jobs through infrastructure, environmental, and social sectors. As a result, 25,972 jobs were created in total.- 40% of procurement were allocated to black-owned enterprises against the planned 46%. |
| ***Department / Entity APP Achievement An*** *overall Summary of whether the Committee thinks the Department / Entity Non-Financial Performance is sound and prudent* |
| **Programme 1**: During the quarter under review, this programme planned 16 targets and managed to achieve 13 (81%). The Committee commended the department for achieving the targets for preferential procurement for People with Disabilities. The Committee further commended the Department for achieving its targets of the payment of Service Providers at 100% during the quarter under review.The Committee further noted that the targets attained during the QTR include among others; the Percentage of procurement allocated to black-owned enterprises (99% against 82%); the Percentage of procurement allocated to black-women-owned enterprises (40% against 46%); the Percentage of procurement allocated to Small, Medium and Micro Enterprises (99% against 50%); Percentage of Procurement allocated to Youth-owned Enterprises (31% against 20%); Percentage of Procurement allocated to TMR (38% against a set target of 30%). Concerning the Committee was the non-achievement of the targets of procurement allocated to Military Veterans owned enterprises even in the current QTR when the Department had been requested to put more effort into achieving this target. The Department also failed to achieve a 30% reduction in fruitless and wasteful expenditure due to interest incurred on a court order settlement fee of R48 million incurred for the 2022/2023 financial year.**Programme 2**During the quarter under review, this programme achieved 10 of the 17 planned targets which translates to 58% achievement. The Committee noted that the Department paid R412million for municipal rates and taxes exceeding the set target of R400 million. The Department released 12 properties for socio-economic infrastructure development during the quarter, meeting the set target of 2. The Department verified 1390 immovable assets in the Asset register. The Department completed a total of 36 planned maintenance projects and 39 planned maintenance projects were rewarded during the quarter under review. With regards to rand value of revenue collected from GPG property portfolio disposal and leases, the Department reported that R4.1 million was collected against the planned target of R8 million. The underachievement has been attributed to delayed leases and tenants not paying market related rentals (MRR) in properties they live in. The Department further reported that 5 properties against a set target of 20 properties were sold and two (2) out of ten (10) properties were transferred to third parties’ due to delays of approval from EXCO and limited access to the title deeds of some properties. It was concerning to the Committee to note that the GDID has a limited access to the title deeds office when they are the custodians of the state properties. The Committee also noted with concern that the Department failed to remove 711 immovable assets from the Immovable Assets Register due to delays in accepting the transfer by the Department of Roads and Transport. **5.2.1.2 Capital Projects**It was noted with concern by the Committee that the financial year underway marks the last year of the current administration, while the Department had planned to complete the construction and refurbishment of 85 educational, 23 health and 36 STARS facilities. To date the Department has only managed to complete 41 educational facilities, 18 health facilities and 13 STARS facilities. STARS has underperformed and independent verification has found that in most schools during the oversight work conducted by the Committee, all the schools visited save for the LG Holelele Secondary there were delays including shoddy work. The GDID has failed in its core mandate to provide access to quality basic education. Currently, there are schools where learners attend classes on a rotational basis such as Thubelihle Secondary school because the department has failed to provide the necessary classrooms. While on the other hand the Committee acknowledged that in the quarter under review, one STARS construction project has been concluded and three refurbishments and upgrades have been completed by the department as planned; Laerskool Frikkie, LG Holele Secondary School and Mulbarton Primary School.The department reported on the following projects that are underway in which all projects were supposed to be completed by the 30th of September 2023 but due to challenges they have not yet been completed by the time of reporting for the second quarter of 2023/24 FY. Laerskool Unifees was scheduled to be concluded on the 30th of November 2023 and the department registered no challenges regarding the progress of the school. The following schools have experienced a number of challenges; Ribane Laka Secondary School has been left on hold as construction on sitet has halted due to sub-contractor disruption and tension, Tsako Thabo Secondary School is at 65% of completion due to community members' disruption of construction and Refihlelephele Primary School is at 63% of completion due to challenges in the project since it was put to hold due to sub-contractor disruption. With regards to the 75 Fox House OHS and Thusanong OHS, the Department expressed that the challenge is due to slow progress by contractors.With regards to **Programme 3**: During the QTR under review the Department had 2 targets and none were achieved. The Committee acknowledged a response provided by the Department that the non-achievement of the targets were as a result of the output indicators that where not planned for in the quarter under review. Jobs created in the construction sector by the public sector was not registered as the department had no evidence that could be verified. Eighteen (18) Public Bodies reporting on EPWP targets reported to the Department against a set target of 20. the reason for this was due to system glitches that occurred in the reporting period which hindered reporting.  |
| *An analysis on whether (and if so, the extent to which) the Department / Entity Programmes / Projects are indeed achieving its Strategic Objectives / Service Delivery Outcomes for the period under review.* |
| Although the Committee was concerned that not all targets were achieved whereby some were fully achieved and others partially and some not achieved at all. However, the Committee acknowledged that the Department settled 100% of the service providers invoices within 30 days and the targets related to People with Disabilities were achieved at 100%.   |
| ***Department / Entity Project Management****Overall Summary on management and delivery of Department / Entity Projects* |
| The Committee noted with concern that the Department failed to complete the following projects: The Construction of the Laka Ribane Secondary School Tsako Thabo Secondary and Refihlelephele Primary School, 75 Fox House OHS and Thusanong OHS, with the Department cited that there were challenges that included slow progress by contractors, the projects were put on hold due to sub-contractor disruption.  |
| ***Financial Performance****An overall Summary of whether the Committee thinks the Department / Entity Financial Performance is sound and prudent* |
| [During the quarter under review, the Department was allocated **R3 311 270 000 and the total expenditure for the FY was R1 682 498 000** which translates to 50% expenditure. It was noted by the Committee that the projected budget for the quarter under review was **R783 283 000, and R1 082 341 000 was spent translating to 38% over expenditure.** **Programme 1 (Administration Programme): T**he Department allocated **R130 677 000** and spent **R149 940 000** which translates to 114% expenditure. It was concerning to the Committee that the budget was overspent by 14% and yet 74% of the targets were achieved**.** The expenditure for this programme was 56% of its overall budget for the current FY. **With regards to Programme 2 (Public Works),** The Committee noted that the Department projected R589 321 000 and R862 795 000 which translates to 146% expenditure. The Department reported that Programme 3 **(Expanded Public Works Programme**) **EPWP** was allocated R**63 285 000** and **R70 152** was spent which translates to 111% over expenditure. The over-expenditure by 11% was noted with concern by the Committee noting that no targets were achieved.  |
| ***Resolutions Management****An overall Summary of the Committee’s assessment of Department / Entity Resolutions Management* |
| [The Department has responded to all previous resolutions.] |
| ***Petitions Management****An overall Summary of the Committee’s assessment of Department / Entity Petitions Management* |
| There were no petitions referred to the Committee] |
| ***Public Engagements****An overall Summary of the Committee’s assessment of Department / Entity Public Engagements* |
|  |
| ***International Agreements****Overall Summary on Department / Entity implementation of relevant Internal Agreements / Treaties [Only if applicable] [Applicable only to OCPOL / OoP]* |
| [Not applicable] |
| ***GEYODI Empowerment****Overall Summary on Department / Entity achievement on actual GEYODI empowerment in communities* |
| Summarized information on the GEYODI / HDI compliance for the period under review**1 .Employment Equity:*** Women in SMS are at **38%**

**BBBEE:**Black Women- Enterprises were allocated **46,35%** of total procurement spending**2. Employment Equity:*** Youth is at **25%**

**BBBEE:**Youth-Enterprises were allocated **31,14%** of total procurement spending**3. Employment Equity:*** People with Disabilities are at **2,5%**

**BBBEE:**Enterprises that are owned by People with Disability were allocated **5,12%** of total procurement spending |
|  |
|  |
| ***Capacitated Department / Entity****An overall Summary of whether the Committee thinks the Department / Entity is adequately capacitated and resourced to carry out its functions and discharge its mandates* |
| [During the QTR under review the Committee noted improvement in terms of payment of service providers within 30-day period since 100% were paid. Targets related to People with Disabilities were achieved at 100%.  |
| ***Any other Committee Focus Area (if relevant / applicable and Requirement)****High level summary of any other area of Department / Entity performance with respect to its Quarter Report that the Committee wishes to report on, which is not already included in any of the above Focus Areas.* |
| Not applicable for the quarter under review. |
| ***Summary of Committee Findings****High level summary of Committee findings. Broadly, which aspects do they relate to* |
| * The Committee noted and commended the Department for fully achieving target related to payment of service providers within 30-day period.
* The Committee further noted and commended the Department for achieving targets related to PWDs at 100%.
* Targets for 3 Designs Ready for Tender were achieved at**:** Julius Sebolai P.School, Rotara LSEN and Sharicrest Primary School
* GPG facilities upgraded atLaerskool Frikkie School and LG Holele (Kgathoentle)
* 12 of properties were released for socio-economic purposes.
* 2 facilities were provided to user departments.
* 3 290 immovable assets verifiedin the Immovable Asset Register (IAR).
* R412m Rand value of municipal rates and taxes was paid.
 |
| ***Summary of Committee Recommendations****High level summary of Committee Recommendations. Broadly, which aspects do they relate to* |
| * + The Department should submit a report specifying measures in place to ensure that targets related to procurement be channeled towards MVs.
	+ The Department should submit a turn-around financial management and planning strategies highlighting how it intends to address the issue of misalignment between the spent Budget and achieved targets
	+ The Department is urged to take the necessary steps to ensure that access to title deeds is improved, and proper procedures are put in place to maintain the records of properties accurately.
	+ The Department should develop and submit a plan on how it intends to implement a new system that can process PSPs in a more efficient manner.
	+ The Department should develop and submit measures to ensure that all immovable assets are removed from the Immovable Assets Register, specifically from the DRT.
	+ The Department should develop and submit an action plan to ensure the creation of direct jobsin the construction sector.
 |
|  |

# INTRODUCTION

This report has been developed in accordance with the Sector Oversight Model (SOM), the GPL Committees Oversight and Accountability Framework (COVAC) as part of the GPL Project on Standardization of Oversight, Accountability and Reporting in Gauteng (SOAR-GP). It further outlines the macro assessment, which looks at the overall performance of the Department, and the micro assessment, which focuses on programme-by-programme performance. This is done to determine if there is a balance between the Department’s inputs, outputs, and outcomes. The Committee’s approach thus focused on whether the Department’s planned outputs have been achieved; and whether the allocated funds have been effectively and efficiently utilized, to ensure value for money. This assessment forms part of the oversight work that is continuously carried out by the Committee, to evaluate the implementation of programmes against set targets and expenditure for the period under review.

# PROCESS FOLLOWED

The process that was followed with respect to:

Obtaining the required submissions from the Department of Infrastructure Development and Property Management as follows:

 During the Committee meeting held virtually on the 14th of November 2023, the Committee received an analysis from the Committee. On the 16th of November 2023 the GDID presented on its 2nd QTR performance report of the 2023/24 FY, The Committee Members engaged the Department, and the written clarity seeking questions were forwarded for the Department to respond in writing to the Committee. On the 27th of November 2023 the Committee received the presentation from the Department on its 2nd Quarter performance report.

The preparation, compilation, and finalization of this report:

The final Committee oversight report was adopted by the Committee during the meeting held on the 27th of November 2023.

**The next, onward steps in this process, deliberated:** To table the report with recommendations in the House for adoption and the resolutions would be forwarded to the Department to respond in writing.

# OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF STRATEGIC PRIORITIES

| **1.1 THE DETAILS ON Department / Entity achievement on relevant Strategic Priorities for the period under review]** |
| --- |
| **[Priorities** : * This section on the policy priorities will highlight some of the key issues that were raised in SONA 2023 by the President of the Country and SOPA 2023 by the Premier (Panyaza Lesufi) of Gauteng . It will also provide an overview of the Departmental mandates with alignment to the National and Provincial priorities through the NDP 2030, as well as working towards the realisation of Africa Agenda 2063 aspiration 1 on a prosperous Africa based on inclusive economic growth and sustainable development.
* The aspiration is attained through fostering transformation, growth and Industrialisation of the economy. In addition, there is a need to work towards Sustainable Development Goals (SDGs) such as goal 8 on decent work and economic growth, and 9 on Industry, Innovation and Infrastructure. Infrastructure is central to our economic reconstruction and recovery.

National Policy Statement: The President (Cyril Ramaphosa) of the Country emphasised in SONA that government remain focused on a massive rollout infrastructure and stated that Infrastructure is central to economic reconstruction and recovery. The devastating effects of the Covid-19 pandemic on the South African economy continues to exacerbate the rising unemployment rate and deepen the deeply entrenched poverty and inequality with disastrous consequences for the millions of people.* The economic reconstruction and recovery plan remains at the core of rebuilding the South African economy. The president also highlighted some of the challenges constraining the much-needed economic recovery include amongst others, the unreliable electricity supply, the high cost of doing business and inefficient network industries.
* Provincial Policy Statement: The former premier of the province (Hon Panyaza Lesufi) has highlighted the importance of job creation in the province to curb the three social ills of poverty, inequality, and unemployment. In this regard, the Premier has launched a programme named nasi ispani which is a strategic recruitment drive to curb unemployment amongst youth. Furthermore, this programme will also be focused on transferring skills to youth for them to attain sustainable jobs. The Premier also referred to fast-tracking the application with National Treasury to give us our health infrastructure budget in advance so that we can rehabilitate and build new hospitals in Gauteng especially in Olievenhoutbosch, Diepsloot, Daveyton, Orange Farm and other townships. Furthermore, the Premier also pronounce that the province will access resources from private sector financial institutions to fund infrastructure projects upfront, after which they will be built, maintained and transferred handed over to GPG.

The above issues that were announced by the President and Premier also respond to the Millennium Development Goals. according to the UN Sustainable Development Goals Report (SDG) 2021, The SDG Report shows that South Africa is moderately improving on the industry, innovation and infrastructure. |
|  |

2 OVERSIGHT ON DEPARTMENT / ENTITY ACHIEVEMENT OF APP TARGETS

| **2 [THE DETAILS ON DEPARTMENT / ENTITY APP PERFORMANCE]** |
| --- |
| **Number of APP targets relevant for this Quarter** |
| : 35 |
| **Number of APP targets for this Quarter that have been achieved during this Quarter** |
| : 26 |
| **Percentage of APP targets for this Quarter that have been achieved during this Quarter** |
| : 74% achievement |
| **Percentage of APP achievement for the previous Quarter (for Comparison)** |
| :71% achievement.  |
| **Main areas in the APP that have experienced non-achievement or over achievement during this Quarter** |
| **Programme 1: Targets related to:** * + - * + The Department failed to achieve a 30% reduction in fruitless and wasteful expenditure due to interest incurred on a court order settlement fee of R48 million incurred for the 2022/2023 financial year.
				+ Percentage procurement allocated to Military Veterans owned enterprises, target was not achieved.

**Programme 2**: Targets related to:* The Department planned to collect R 8 mil under revenue collection but only collected R4.1 mil from the GPG property portfolio, disposal and leases.
* Five (5) properties against a set target of 20 properties were sold and two (2) out of ten (10) properties were transferred to third parties’
* The Department failed to remove 711 immovable assets from the Immovable Assets Register.
* Ribane Laka Secondary School has been left on hold.

Programme 3: targets related to**:** * targets of Public Bodies reporting on EPWP in the province

  |
| **Main reasons provided by the Department / Entity for non-achievement or over achievement of its APP during this Quarter** |
| **Programme 2**The Department reported that the underachievement of its targets was caused by the:* the delayed leases and resistance from tenants to pay rent;
* delays of approval from EXCO and limited access to the title deeds of some properties;
* delays to accept the transfer of properties by the Department of Roads and Transport;
* projects stoppages by the business forums;
* some projects were not completed by end of 30th September when the 2nd QTR report was drafted;
* contractor tensions with the Sub-contractors;
* community members disruption of construction and Refihlelephele Primary School.

**Programme 3:** The reason provided for failure is that there was insufficient evidence to validate its performance .  |
| **Measures in place (with timeframes) to correct the deviation in targets for this Quarter and to prevent recurrence of such or similar deviation** |
|  * **Programme 2**: The Department reported that there will be engagements with the Department of Health to come up with measures that will assist in fast tracking the long overdue projects in terms of funding the projects. There were 323 assets that were due to be transferred to DHS by end of October 2023. The Department further reported that Enforcement of signing of debit order mandates to be compulsory with all new leases being entered into and existing valid leases. One-on-one engagements would be condeuced with top owing tenants. The Department will also identify a list of all owing government employees per Department and write a submission from HOD to HOD to request debt recovery from employees, through persal deduction. It would also fastrack payment of properties sold from disposal management. With regards to incomplete Schools the department reported that, the PSPs were terminated, awaiting appointment of the replacement, the Design Development stage to be completed in October 2023.

With regards to **Programme 3** the Department reported that reporting template would be developed and will be shared with all parties, to report on the remaining QTRs of the current FY. The template will be utilised to address all the challenges experienced during QTR 2. |
| **A summarized analysis on the Department / Entity performance per Programme for the period under review** |
| Programme 1: The Department planned 16 targets and managed to achieve 13 (81%).Programme 2: The Department plannedplanned 17 targets and managed to achieve 10 (58%).Programme 3: The Department planned planned 2 targets and nothing was achieved.  |
| **Summarized information on any unplanned / emerging priorities reported on by the Department / Entity during the period under review** |
| Not applicable for the quarter under review. |
| **Summarized information on how the Department / Entity maintains portfolios of evidence to verify its reported performance information** |
| The 2nd quarter report information contained in the presentation was supported by evidence submitted and validated against pre-determined targets. |

# 3 OVERSIGHT ON DEPARTMENT / ENTITY PROJECT MANAGEMENT

| **3 THE DETAILS ON [DEPARTMENT / ENTITY PROJECT MANAGEMENT]** |
| --- |
| N/a |

4 OVERSIGHT ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE

| **4 THE DETAILS ON DEPARTMENT / ENTITY FINANCIAL PERFORMANCE** |
| --- |
| **Actual amount (in Rands) allocated to the Department / Entity as budget for this entire Financial Year**  |
| **R3 311 270 000** |
| **Actual amount projected by the Department / Entity to be spent only during the Q under review** |
| R783 283 000 |
| **Actual amount (in Rands) spent by the Department / Entity only during the Q under review** |
| R1 082 341 000 |
| **Total actual amount (in Rands) spent by the Department / Entity (Year to Date), i.e., from the beginning of this FY to the end of this Q under review** |
| **R1 082 341 000** |
| **Percentage (% of total budget allocation) of budget expenditure for this Q under Review only** |
| **38% over-expenditure** |
| **Percentage (% of total budget allocation) of budget expenditure (Year to Date), i.e., from the beginning of this FY to the end of this Q under review** |
| 59% |
| **An analysis of how the % budget expenditure compares with the % APP achievement** |
| R783 283 000 of the budget was spent and 74% of the targets were achieved. |
| **If there was over / under spending of greater than 3% of projection, what were the main challenges that led to the over / under spending** |
| N/a |
| **Mitigating measures by the Department / Entity to remedy over / under expenditure** |
| The information was not provided by the Department. |
| **The Department / Entity’s achievement with respect to GEYODI responsive budgeting / procurement for the period under review** |
| The Committee noted that:- performance of preferential procurement for People with Disabilities targets were achieve at 100%. The Committee commended this performance.- Targets of procurement allocated to black- owned enterprises was achieved since 99% against the planned 82%. - 99% of procurement allocated to Small, Medium and Micro Enterprises were achieved, against 50%. |
| **The Department / Entity’s achievement with respect to township economy / SMME / local procurement for the period under review** |
| * Percentage of procurement allocated to small, medium, and micro enterprises **(SMMEs) was overachieved since 99.52% of the planned 49.52%.**
 |
| **A summary for the period under review with respect to payment of service providers within 15-30 days** |
| * 100% of the invoices were paid within 30 days period during the QTR under review.
 |
| **A summary for the period under review with respect to fruitless, wasteful, and irregular expenditure** |
| * 30% reduction in prior year fruitless and wasteful expenditure.
 |
| **A summary for the period under review with respect to efficiency / value for money in all SCM / procurement processes** |
| The continued failure to achieve targets related to spending the procurement budget towards MVAs, was noted with concern by the Committee. |
| **A summary for the period under review with respect to reduction of fraud and corruption in all SCM / procurement processes** |
| No information was provided. |
| **A summary for the period under review with respect to ongoing clean audits** |
| No information was provided. |
| **A summary for the period under review with respect to spending on conditional grants (where applicable)** |
| [N/a] |
| **Program / Sub Programme level financial performance** |
| Programme 1: During the quarter under review, the Department allocated R130 677 000 and spent R149 940 (114%). Programme 2: The Projected budget for the quarter under review was R589 321 000 and the Department spent R862 795 000 (146%),Programme 3: The Department allocated R63 285 000 and spent R70 152 (111%), overspending by 11%. |

5 OVERSIGHT ON DEPARTMENT / ENTITY RESOLUTIONS AND PETITIONS MANAGEMENT

|  |
| --- |
| **5.1 THE DETAILS ON DEPARTMENT / ENTITY RESOLUTIONS MANAGEMENT** |
| **How many Responses / Actions to Resolutions were due by the Department / Entity during the Quarter under review** | **With respect to any and all Resolutions that were due in the Quarter under review, how many Resolutions have been successfully responded to by the Department / Entity** |
| * The Committee received responses to resolutions emanated from the 2nd QTR of the 2022/23 FY from the **Department,**
* **The Committee received responses to resolutions of the budget vote report of the 2022/23 FY**
 | * The Department responded sufficiently to all 1st QTR resolutions.
* The Department responded sufficiently to the budget vote report of the 2022/23 FY
 |
| **What is the Committees perception of the Quality and Timeliness of Department / Entity responses to Committee Resolutions?** |
| There were many outstanding resolutions due from the Department, dating from the prvious FY 2022/23 FY.  |
| **With respect to the Resolutions / Action due during the Quarter under review but still overdue, what reasons have been provided by the Department / Entity [with mitigating measures to submission]** |
| No reason provided for the delay. |

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| --- |
| **5.2 THE DETAILS ON DEPARTMENT / ENTITY PETITIONS MANAGEMENT** |
| **How many Responses / Actions to Petitions due by the Department / Entity during the Quarter under review** | **With respect to any and all Petitions that were due in the Quarter under review, how many Petitions have been successfully responded to by the Department / Entity** |
| N/a | N/a |
| **What is the Committees perception of the Quality and Timeliness of Department / Entity responses to referred Petitions** |
| In line with the Gauteng Provincial Legislature (GPL) Standing Rules, the Gauteng Department of Infrastructure Development (GDID) submitted its report on the set timeframes, formats, quality, and legal parameters in accordance with the Gauteng Provincial Legislature’s Standing Rules. |
| **With respect to the Petitions / Action due during the Quarter under review but not yet responded to by the Department / Entity, what reasons have been provided by the Department / Entity [with mitigating measures to submission]** |
| N/a  |

# 6 OVERSIGHT ON DEPARTMENT / ENTITY PUBLIC ENGAGEMENT

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| --- |
| **6. THE DETAILS ON DEPARTMENT / ENTITY PUBLIC ENGAGEMENTS** |
| **The steps / measures the Department / Entity has taken to meaningfully involve the public / stakeholders in the course of its work / service delivery, during the period under review** |
| No information was provided. |
| **Summary of Public Education programmes of the Department / Entity during the period under review** |
| No information was provided. |
| **Feedback sessions conducted by the Department / Entity** **during the period under review** |
| No information was provided. |

# 7 OVERSIGHT ON INTERNATIONAL TREATISE / AGREEMENTS

| **7. DETAILS ON IMPLEMENTATION OF INTERNATIONAL AGREEMENTS / TREATIES [Applicable only to OCPOL / OoP]** |
| --- |
| N/a |

8 OVERSIGHT ON DEPARTMENT / ENTITY GEYODI EMPOWERMENT

| **8. DETAILS ON DEPARTMENT / ENTITY GEYODI EMPOWERMENT** |
| --- |
| **1 .Employment Equity:*** Women in SMS are at **38%**

**BBBEE:**Black Women- Enterprises were allocated **46,35%** of total procurement spending**2. Employment Equity:*** Youth is at **25%**

**BBBEE:** |

9 OVERSIGHT ON DEPARTMENT / ENTITY COMPLIANCE WITH FIDUCIARY REQUIREMENTS

| **9. [DETAILS ON DEPARTMENT / ENTITY COMPLIANCE WITH FIDUCIARY REQUIREMENTS]** |
| --- |
| **GPL** | In line with the GPL Standing Rules, the Department of Infrastructure Development timeously submitted its 2nd Quarterly Performance Report for the 2023/24 FY. The format of the Department’s report follows the standard requirements (targets per quarter, Expenditure per programme, expenditure per economic classification). |
| **Auditor General (AGSA)** | Information was not provided to the Committee. |
| **Public Service Commission (PSC)** | Information was not provided to the Committee. |
| **Compliance with relevant fiduciary Legislation [e.g., PFMA]** | The Committee noted proper governance of the Department (Corporate Governance) and accountability on the utilisation of the public funds |

# 10 OVERSIGHT ON A CAPACITATED PUBLIC SERVICE

| **10. THE DETAILS ON A CAPACITATED DEPARTMENT / ENTITY** |
| --- |
| **Detailed information on the current vacancies (at all staff levels)** |
| 2 883  |
| **Current vacancy rate** |
| 2 494 |
| **Current acting positions (at all Staff levels)** |
| 13 |
| **Terminations during the period under review** |
| 36 |
| **New appointments during the period under review** |
| 55 |
| **Detailed information on any suspensions for the period under review** |
| 07 |

# 11 OVERSIGHT ON ANY OTHER COMMITTEE FOCUS AREA

|  |
| --- |
| **11. THE DETAILS ON ANY OTHER COMMITTEE FOCUS AREA [Only if relevant and applicable]** |
| *Any other area of Department / Entity performance with respect to its Quarter Report that the Committee wishes to report on, which is not already included in any of the above Focus Areas.* |
| [N/a] |

12 COMMITTEE FINDINGS / CONCERNS

| **12. DETAILED COMMITTEE FINDINGS / CONCERNS (on each specific Focus Area analysed above)** |
| --- |
| With respect to [Programme 1], The Committee is concerned that targets related to the procurement of budget allocated to MVAs-owned companies has not been met for the past five years, even in the QTR under review.  |
| With respect to [Programme 1], The Committee was concerned that there was no alignment between the budget spent and the targets achieved during this period. |
| With respect to [programme 2] The Department as the custodian of property management has limited access to title deeds of state properties. |
| With respect to [programme 2] The Committee was concerned that the primary cause of delays for the STARS project was due to PSPs not performing.  |
| With respect to [programme 2] The Department failed to remove 711 immovable assets from the Immovable Assets Register due to delays in accepting the transfer by the Department of Roads and Transport.  |
| With respect to [programme 3] The Department failed to create direct jobsin the construction sector.  |

# 13 COMMITTEE RECOMMENDATIONS

| **13 [DETAILED COMMITTEE RECOMMENDATIONS]** |
| --- |
| **Based on the information set out herein-above as well as the Committee Concerns, the Committee therefore recommends as follows:** |
| **Ref Number** | **Recommendation** | **Type of response expected** | **Due Date** |
| INFR / Q2PR / 001 | The Department should submit a report specifying measures in place to ensure that targets related to procurement of budget channelled towards MV are achieved.  | Written Response | 26/01/2024 |
| INFR / Q2PR / 002 | The Department should submit a turn-around financial management and planning strategies highlighting how it intends to address the issue of misalignment between the spent budget and achieved targets. | Written Response | 26/01/2024 |
| INFR / Q2PR / 003 | The Department should take the necessary steps to ensure that access to title deeds is improved, and proper procedures are put in place to maintain the records of properties accurately. | Written Response | 26/01/2024 |
| INFR / Q2PR / 004 | The Department should develop and submit a plan on how it intends to implement a new system that can improve the performance of PSPs in a more efficient manner.  | Written Response | 26/01/2024 |
| INFR / Q2PR / 005 | The Department should develop and submit measures to ensure that all immovable assets are removed from the Immovable Assets Register, specifically from the DRT.  | Written Response | 26/01/2024 |
| INFR/ Q2PR / 006 | The Department should develop and submit an action plan to ensure the creation of direct jobsin the construction sector. | Written Response | 26/01/2024 |
|  |
| **Explanatory note on the reference numbers for Recommendations (ultimately Resolutions)*** Reference number is in the format: [A] / [B] / [C]
* [A] = The 3 letter Committee identifier. E.g., COGTA/HS can be “CHS”, SRAC can be “SRA”
* [B] = The 4-digit identifier for the SOM Imperative [e.g., Q1PR or Q2PR or FIS1 or APR, or BV. In this case, since this is a Q-Report template, it will either be Q1PR or Q2PR or Q3PR or Q4PR]
* [C] = The 3-digit number of the recommendation in this report [001,002,003 …, 00n]
 |

**AKNOWLEDGEMENTS**

The Chairperson of Portfolio Committee on Infrastructure Development, Honourable Mpho Gift Modise would like to thank MEC, L Maile, 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, N Mokgethi,

B Mncube, L Makhubela, N De Jager, A Fuchs, K Hoffman, K Tong, L Masilela, N Njokwe and D Adams.

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

# 15 ADOPTION

In terms of Rule 117 (2)(c) read together with Rule 164 the Portfolio Committee on Infrastructure Development and Property Management; present before the House the Oversight Report on the Department of Infrastructure Development 2nd Quarter Report for the 2023/24 FY for consideration and adoption.