

Free State Department of Public Works

THREE YEAR ANNUAL PERFORMANCE PLAN 2011/2012 - 2013/2014

FREE STATE PROVINCE



public works
Department of
Public Works
FREE STATE PROVINCE

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FOREWORD BY THE MEMBER OF THE EXECUTIVE COUNCIL



The Annual Performance Plan is an essential guiding tool for government departments to deliver services in a coherent and integrated manner. This plan outlines the vision, mission, strategic outcome oriented goals and strategic objectives aligned to the budget of the Department of Public Works. The Annual Performance Plan operationalises the broad mandate and the role of the Department within the Medium Term Strategic Framework linked to the outcome based plan priorities and subsequent political policy initiatives.

The Department is at the centre of providing leadership in provincial infrastructure planning and development. With this plan, the Department will eagerly and robustly drive infrastructure development to enhance the economic development which is about strengthening the productive capacity of our economy for decent jobs and sustainable livelihoods. Infrastructure development is responsible for providing social infrastructure thereby helping to expand access to government services such as education, health and others.

The Department will continue to provide strategic leadership in the coordination and implementation of the Phase II Expanded Public Works Programme which is aimed at scaling up the creation of decent work opportunities as well as enhancing skills development.

We will continue to be responsible for the provision and management of provincial government land and buildings. The Department will ensure that it implements a planned building maintenance programme to realise the objective of sustainable infrastructure. We commit ourselves to make government buildings safe and reliable for use at all times.

We will intensify our fight against crime and corruption through the implementation of our risk and fraud prevention initiatives. We will also ensure that the capacity of the Department is increased with relevant skills in all areas of work needed to build our economy.

The successful implementation of priorities as outlined in this Annual Performance Plan hinges largely on team work and our ability to internalize the fact that Government has resolved to accelerate the pace of creation of employment as a ***Cross-Cutting Injunction across all spheres of Government.***

Amid slow and fragile recovery from the global economic recession, we should in executing our tasks always ask ourselves: **‘What can we do to succeed with what we have?’**



Me. E.S. Mabe
MEC for Public Works
Date: 22 March 2011

INTRODUCTION

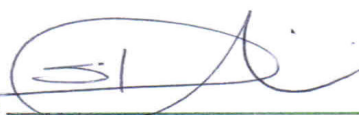
This three year Annual Performance Plan outlines what the Department intends doing in the 2011/2012 financial year and during the MTEF period to implement the strategic goals and objectives as set out in the 2010/2011 Five Year Strategic Plan. The plan reflects the performance indicators, 2011/2012 targets and projects that the Department seeks to achieve during the 2011/2012 financial year. The performance indicators and targets are aligned to the outcomes based plan approach and budgeting process which includes resources like skilled staff and responsive business processes aimed at improving decision-making, transparency and accountability.

OFFICIAL SIGN-OFF

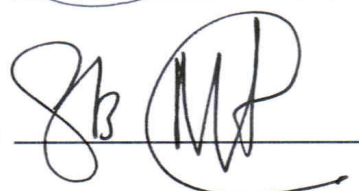
It is hereby certified that the 2011/2012 – 2013/2014 Three-Year Annual Performance Plan:

- Was developed by the management of the Department of Public Works under the guidance of MEC Me. E.S Mabe.
- Was prepared in line with the 2010/2011 – 2014/2015 Five Year Strategic Plan of the Department of Public Works.
- Accurately reflects the performance targets which the Department will endeavour to achieve given the resources made available in the 2011/2012 budget year.

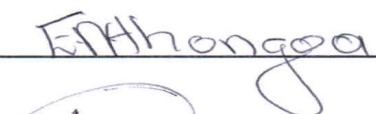
Me. M. S. Tlali
Chief Financial Officer

Signature: 

Mr. S. Mtolo
Head Official responsible for Planning

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Me. M. M. E. Nthongoa
Accounting Officer
Approved by:

Signature: 

Me. E.S Mabe
Executive Authority

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1. PART A: STRATEGIC OVERVIEW

Part A presents the updated information on the performance delivery and Departmental environment based on the information gathered during the annual performance review planning process. It focuses on changes in the external and internal environments that influence Departmental performance.

1.1. UPDATED SITUATION ANALYSIS

The Executive Council took a resolution to transfer Rural Development (Programme 4) function to the Department of Agriculture during February 2011 to further improve the coordination, facilitation and implementation of the rural development programme. The integration is also aligned to the roll-out of the Comprehensive Rural Development Programme in districts with a mission to upscale the community projects.

The situation analysis discussed below reflects the demand for services and the challenges that need to be addressed in relation to the implementation of legislative and policy imperatives.

1.1.1. Performance Delivery Environment

a) Indicators that reflect the demand for services are discussed below:

Works Design, Construction and Maintenance

- Construction, maintenance and upgrading of a sustainable social and economic infrastructure.
- Develop and sustain small and emerging contractors.
- Empowerment of the targeted groups.

Property Management

- The demand for integrated accommodation for all provincial government departments.
- Attainment of government's broad socio economic objectives: property incubator programme.
- Need for norms and standards for spatial allocation/utilization of office space.
- Need for increased revenue generation
- Rental payments

Security Services

- Environment for staff and assets.

Expanded Public Works Programme

- Labour intensive methods of construction on infrastructure projects.
- Supports implementation, monitoring and efficient reporting including access to various sector incentive grants.
- Decent job opportunities (National Youth Service, Contractor Development and Learnerships).

Administration

- Demand for scarce skill occupations (technical/engineering/artisans)
- An appropriate skills development programme.
- Performance monitoring and evaluation.

b) The challenges that might affect the delivery of the Department's objectives are discussed below:

Works Design, Construction and Maintenance

- Variation orders as counter for planning and need deviances
- Late supply and delivery of construction material.
- Longer payment cycle to contractors in relation to public works construction and maintenance projects.

Property Management

- Maintenance backlog in all buildings.
- Buildings lacking access compliance for people living with disabilities
- Conflicting legislation (Free use to Health Laboratories Act vs GIAMA user pay principle)
- Budget shortfalls for rates and taxes payments, municipal services with regard to water, electricity, sanitation and refuse removal.

Security Services

- Lack of security capacity in and around government property.

Expanded Public Works Programme

- Limited resources and under reporting by some public bodies.
- Lack of commitment by other public bodies to create employment opportunities through implementation of Expanded Public Works Programme.

Administration

- Shortage of *qualified, competent and experienced* artisans, engineers and other technical personnel such as architects, quantity surveyors, construction project managers, property specialists, risk management and monitoring and evaluation practitioners.
- Shortage of *professionally registered* mechanical and electrical engineers, technologists, technicians, quantity surveyors, architects and construction project managers with the relevant built environment council.
- Difficulty in retaining experienced professionals in engineering related fields, architects, artisans, quantity surveyors, etc) due to lucrative offers by the private sector

1.1.2. Organisational Environment

The discussion below provides information on Departmental capacity (internal factors) that impact negatively on the overall performance of the Department:

Works Design, Construction and Maintenance

- Limited resources for the implementation of a sustainable contractor development strategy.
- Limited opportunities for graduates to gain practical experience and professionals to gain continuous professional development (mentorship programme).

Property Management

- Lack of skilled staff in property valuation, facilities management, estate agents and brokers.
- Insufficient funds to address the backlog in maintenance of buildings and utilities management services (rates and taxes, water and electricity). Electricity annual budget increase is 13% whereas the average electricity increase is 31%.

Expanded Public Works Programme

- Limited coordination on EPWP implementation towards realization of EPWP targets.

Security Services

- Lack of security capacity

Administration

- Ageing workforce inclusive of artisans.
- Reclaiming of Public Works Mandate with its huge demand on supply chain management processes vs turnaround times warrant a review of bid process mapping and capacity building.

1.2. Revisions to legislative and other mandates

There have been no significant changes to the Department's legislative and other mandates. Rural Development function has been transferred to the Department of Agriculture.

1.3. Overview of 2011/2012 Budget and Medium Term Expenditure Framework (MTEF) Estimates

1.3.1. Expenditure Estimates: Department of Public Works:

Summary of payments and estimates: Public Works

Budget Programmes	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
R thousand	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Administration	83 738	100 312	62 487	74 569	78 420	78 370	75 791	79 190	83 542
Public Works	411 880	542 612	698 209	817 916	895 062	1 013 161	981 795	1 017 073	1 117 069
Expanded Public Works Programme	12 277	17 598	16 466	27 644	54 816	54 817	168 624	170 511	167 240
Total payments and estimates	507 895	660 522	777 162	920 129	1 028 298	1 146 348	1 226 210	1 266 774	1 367 851

Summary of payments and estimates by economic classification: Public Works

	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
R thousand	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	438 290	465 221	521 663	681 823	702 813	705 027	790 163	818 201	866 710
Compensation of employees	207 011	236 717	240 190	281 194	278 968	276 065	320 309	329 333	341 753
Goods and services	160 154	228 504	281 473	400 629	423 845	428 962	469 854	488 868	524 957
Interest and rent on land	71 125	-	-	-	-	-	-	-	-
Transfers and subsidies	1 132	72 088	188 706	155 592	223 820	344 341	221 424	235 323	251 063
Provinces and municipalities	-	70 199	185 895	154 158	222 386	341 528	219 916	233 737	249 390
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1 132	1 889	2 811	1 434	1 434	2 813	1 508	1 586	1 673
Payments for capital assets	68 473	60 952	62 403	82 714	99 930	96 980	214 623	213 250	250 078
Buildings and fixed structures	64 060	55 729	61 417	72 517	89 020	86 337	211 100	209 628	246 257
Machinery and equipment	4 147	4 775	986	10 197	10 910	8 908	3 523	3 622	3 821
Cultivated assets									
Software and other intangible assets	266	448	-	-	-	1 735	-	-	-
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets	-	62 261	4 390	-	-	-	-	-	-
Total economic classification	507 895	660 522	777 162	920 129	1 026 563	1 146 348	1 226 210	1 266 774	1 367 851

Summary of departmental infrastructure payments and estimates by program

	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
R thousand	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Public Works	157 470	49 442	57 008	67 517	75 570	75 287	76 646	75 378	112 907
EPWP	5 801	6 287	7 738	18 942	46 181	46 120	158 004	147 300	142 900
Total provincial infrastructure payments and estimates	163 271	55 729	64 746	86 459	121 751	121 407	234 650	222 678	255 807

1.3.2. Relating expenditure trends to strategic outcome oriented goals

The discussion below explains how the 2011/2012 and MTEF allocations contribute to the realisation of the Department's strategic outcome oriented goals:

Strategic Outcome Oriented Goals	Strategic Objectives	Comments
Strategic Goal 1: A working environment geared towards improved service delivery	1.1 Create and sustain a working environment conducive to improved service delivery	The implemented Departmental 2011/2012 Human Resource Plan will direct the recruitment, retention and career pathing in core skills.
	1.2. Strengthen leadership and the development of personnel.	A Workplace skills plan will be implemented to improve staff competence for effective services delivery through allocation of part time bursaries and staff training.
	1.3. Create and sustain a performance culture within the Department	
	1.4 Ensure compliance to principles of good governance.	Financial, human resource and administrative delegations are in place
Strategic Goal 2 A transformed and effective construction industry that promotes government's objectives	2.1. Create an enabling environment that facilitate and promotes sustainable infrastructure investment in the Free State Province.	Capital projects will be executed for the 2011/2012.
Strategic Goal 3 Effective property management and accelerated HDI access to the property industry.	3.1. Create an enabling environment for sustainable investment in property in the Free State	Improved access to emerging and existing Historically Disadvantaged Individuals in the property industry.
	3.2. Manage provincial government owned and leased Immovable Assets effectively	Planned Maintenance budget for 2011/2012 is R20m. This will pose a further backlog to maintenance.
	3.3. Provide a safe and secure environment	Measures in place to improve security capacity in government buildings
Strategic Goal 4: Massification of Expanded Public Works Programme to create jobs	4.1. Coordinate all stakeholders towards the successful implementation of the EPWP within the Free State Province 4.2. Create an enabling environment that promotes sustainable emerging enterprises and address skills shortage in the construction industry. 4.3. Monitor and evaluate the impact of EPWP in the Province	R130m awarded to EPWP for township revitalization to increase the creation of decent work opportunities.

2. PART B: PROGRAMME AND SUBPROGRAMME PLANS

Part B entails discussion of the performance targets for the 2011/2012 financial year over the MTEF period for each strategic objective aligned to governments Outcome Based Plan priorities. The discussion below demonstrate the overall policy initiatives, performance indicators and targets per programme and projects in relation to the available resources. Risk assessment is also included under each sub-Programme to ensure that measures for improvement are in place to achieve strategic objectives.

2.1. Programme 1: Administration

Purpose

The aim of the Administration Programme is to provide the Department with administrative, strategic, financial and corporate services to ensure that it delivers on its mandate in an integrated, efficient, effective and sustainable manner. The programme consists of the following Sub-Programmes:

- Office of the MEC
- Management of Department
- Corporate Support

Strategic Outcome Oriented Goal

Strategic Outcome Oriented Goal 1	Goal Statement
A working environment geared towards improved service delivery	The creation of a working environment that aims to ensure that the workforce has the requisite skills and competencies that are supported with the policies, systems, processes and tools for improved service delivery.

Corporate Support Sub Programme

The discussion below indicates how the goal “A working environment geared towards improved service delivery” will be realised through the implementation of the strategic objectives in the Sub Programme Corporate Support in the following Sub sub – Programme namely,

- 2.1.1. Sub-sub-programme Corporate Services
- 2.1.2. Sub-sub-programme Finance
- 2.1.3. Sub-sub-programme Research, Monitoring and Evaluation
- 2.1.4. Sub-sub-programme Internal Audit
- 2.1.5. Sub-sub-programme Legal Services

2.1.1. Sub-sub programme: Corporate Services

Purpose

The sub sub-programme is responsible to provide and manage corporate services with regard to development and facilitation of human resources strategies and policies as well as to improve organisational efficiency.

Planned Policy Initiatives

- Align departmental structure and business processes to the Departmental mandate.
- Targeted recruitment, retention and development of human capital inclusive of recognition of prior learning, mentoring, succession planning and professional registration.
- Promote gender mainstreaming within the workplace.
- Extensive communication with stakeholders to inform and consult on government priorities.
- Customise Information Communication Technology to meet Departmental needs.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objectives	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcomes	Outputs
Strategic Objective 1.1: Create and sustain a working environment conducive to improved service delivery	Recruit candidates with requisite skills for all funded vacancies in line with Human Resources Plan	22 people with core skills (engineering and technical fields, property valuers) appointed to reduce the vacancy rate in scarce occupations.	Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship.	<ul style="list-style-type: none"> • Output 2: Human resource management and development. <ul style="list-style-type: none"> ○ Measures: <ul style="list-style-type: none"> ○ Recruitment, retention and career pathing. ○ Discipline. • Output 3: Business processes, systems, decision rights and accountability management. <ul style="list-style-type: none"> ○ Measures: <ul style="list-style-type: none"> ○ Persal functionality ○ SITA effectiveness ○ Delegation and decision rights ○ Organisation design
Strategic Objective 1.2: Strengthen leadership and the development of personnel	People development is important because it will ensure that employees possess the necessary competencies to deliver services.	2 competency Acquisition Programmes 5 Collective training interventions in generic and technical skills.	Outcome 5: A skilled and capable workforce to support an inclusive growth path.	<ul style="list-style-type: none"> • Output 1: Establish a credible institutional mechanism for skills planning. • Output 3: Increase access to occupationally-directed programmes in needed areas and thereby expand the availability of intermediate level skills (with a special focus on artisan skills).
			Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship.	<ul style="list-style-type: none"> • Output 2: Human Resource Management and development. <ul style="list-style-type: none"> ○ Measures: <ul style="list-style-type: none"> ○ Performance Development, Performance Agreements and Assessments. ○ Human Resource planning, skills development and cadre development.

2011/2012 – 2013/2014 Three – Year Annual Performance Plan: Corporate Services

Strategic Objective 1.1: Create and sustain a working environment conducive to improved service delivery

Performance Indicator	Performance Targets							
	Audited/Actual performance targets				Estimated Performance Targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
Number of people appointed to reduce the vacancy rate.	10	52	86	23	22	150	90	80

2011/2012 Business Plan Quarterly Targets: Corporate Services Sub sub-Programme

Performance indicator	Reporting Period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of people appointed to reduce the vacancy rate.	Monthly	150	30	50	50	20

2011/2012 – 2013/2014 Three – Year Annual Performance Plan: Corporate Services

Strategic Objective 1.2: Strengthen leadership and the development of personnel

Performance Indicator	Performance Targets							
	Audited/Actual performance targets				Estimated performance targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
Number of training interventions implemented	36	30	14	4	5	*8	5	10

*Training interventions include generic training, technical training, learnerships, internships, professional registration, security related training, (DPSA Project Khaedu and Massive Induction Programme).

2011/2012 Business Plan Quarterly Targets: Corporate Services Sub sub-Programme

Performance indicator	Reporting Period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of training interventions implemented	Monthly	8	0	5	2	1

Risk Assessment Plan: Corporate Services Sub sub-Programme

Strategic Objective 1.1: Create and sustain a working environment conducive to improved service delivery

Strategic Objective 1.2: Strengthen leadership and the development of personnel

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	R L	RI	Rating	Risk Response	Corrective Measures	Risk Owner	Target Date
1	Human Resources Development	Financial operations	Budget only caters for critical skills development interventions	Lack of budget/staff/skills	4	4	16	Top slice funds for training	3	4	12	Reduce	Prioritise training in accordance with Workplace Skills Plan.	HRM	31 Mar 12
2	Human Resources Management	Workforce	Limited skilled staff in core business.	Lack of budget/staff/skills	4	4	16	Recruitment and retention plans in place	3	3	9	Accept	Utilise recognition of prior learning to decrease number of required unit standards.	HRM	30 June-11
3	Special Programmes/ Employee Wellness	Social condition	Impact of HIV/Aids and other conditions on human capital.	Lack of budget/staff/skills	5	5	25	Departmental HIV/Aids programmes Health Risk Manager in place	4	4	16	Avoid	Health awareness programmes	HRM	Quarterly 31 Mar 12

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

Risk Assessment Plan: Corporate Services Sub sub-Programme

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measures	Risk Owner	Target Dates
4	Information Communication Technology	Workforce	Slow IT response time.	Inadequate management information system	5	4	20	All problems reported are logged, responded and monitored on a database.	4	3	12	Reduce	Procurement of Columbus software (help desk and remote management system)	ICT	Dec-12
5	Information Communication Technology	Natural hazards, Dependence on outside suppliers	Loss of critical information.	Establishment new IT service Inadequate management information system. Old IT equipment in	4	4	16	Approved IT implementation plan	3	3	9	Accept	Run dual system	ICT	Sept-11
6	Information Communication Technology	Financial operations Economic conditions	Programmed replacement of IT equipment of users.	Un updated IT policies. Inadequate management information system	5	4	20	Develop IT asset replacement policy.	4	4	16	Avoid	Employ test runs prior to switching over.	ICT	Dec-12
7	Communications	Workforce Economic conditions	Delayed distribution of internal information.	Inadequate management information system; Lack of budget/staff/ skills	5	4	20	Emails Internal Newsletter Regular internal communications	3	4	12	Reduce	Profiling in provincial newsletter – Hlasela News	Communications	Mar-12

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

2.1.2. Sub sub-programme: Finance

Purpose

The sub sub – programme is responsible to strategically manage finance related matters with regard to development of efficient and effective procurement, financial management systems including budgetary controls.

Planned Policy Initiatives

- Improve controls within the Department
- Effective, efficient, economic, competitive and transparent procurement processes.
- Ensure effective budget control and cash management in the department
- Obtain an unqualified Audit Report.
- Ensure effective and accurate accounting services within the Department.
- Maximise collection of revenue from all sources.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 1.4: Ensure compliance to principles of good governance.	Ensure that all internal controls are in place in relation to procurement, financial management and budgeting processes.	100% Suppliers/contractors payments within 30 days.	Outcome 4: Decent employment through inclusive economic growth	Sub output 4.2.2: Improved state procurement practices
			Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship	<ul style="list-style-type: none"> • Output 1: Service delivery quality and access • Measures: <ul style="list-style-type: none"> ○ Responsiveness (turnaround times) ○ Value for money • Output 3: Business processes, systems, decision rights and accountability management <ul style="list-style-type: none"> ○ Measures: <ul style="list-style-type: none"> ○ Financial Management ○ Delegation and decision rights

2011/2012 – 2013/20 14 Three Year Annual Performance Plan: Finance Sub sub-Programme

Strategic Objective 1.4: Ensure compliance to principles of good governance

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated performance targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
Amount of revenue collected	R15.891m	R25.970m	R18.088m	R7.087m	R8.604m	R9.570 m	R9.486m	R9.486m
Percentage payments processed to supplier/contractors within 30 days.	98%	96%	95%	73%	100%	100%	100%	100%

2011/2012 BUSINESS PLAN QUARTERLY TARGETS 2011/2012: FINANCE SUB SUB-PROGRAMME

Strategic Objective 1.4: Ensure compliance to principles of good governance.

Performance indicators	Reporting Period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Amount of revenue collected	Monthly	R9.570 m	30%	30%	20%	20%
Percentage payments processed to supplier/contractors within 30 days.		100%	100%	100%	100%	100%

Risk Assessment Plan: Finance Sub sub-programme

Strategic Objective no. 1.4: Ensure compliance to principles of good governance

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	R I	Rating	Risk Respons e	Corrective Measure	Risk Owner	Target Dates
8	Financial Management	Misconduct by employees	Fraud and corruption in Finance processes	Fraudulent behaviours Fronting.	4	5	20	Fraud awareness campaigns, Information session on Code of Conduct to all employees. Treasury reporting model.	3	4	12	Reduce	Improved supervisory control	Dir Finance	Continuously
9	Financial Management	Financial operations; acts, laws or regulations	Errors in reports due to miscommunication between different systems	Lack of reconciliation between systems (BAS, Persal, Vulindlela).	3	5	15	Monthly reporting on reconciliations	2	4	8	Accept	Monthly reporting on reconciliations	Dir Finance	Monthly Continuously
10	Financial Management	Financial operations; acts, laws or regulations	Inaccurate salary expenditure	Late receipt of resignations and pension documents.	4	3	12	Monthly control checks by supervisors	2	3	6	Accept	Monthly control checks by supervisors	Dir Finance	31-Mar-12
11	Budgeting; Revenue and Expenditure Control	Financial operations; acts, laws or regulations	Undue deviations in budgets and cash flows	Inadequate planning and consultation with programme managers.	4	4	16	Contact sessions with responsibility managers	3	3	9	Accept	Training all programme managers to take responsibility for the budgets	Dir Finance	30-Sep-11
12	Supply Chain Management	Act, Laws or Regulations	Fruitless, wasteful and irregular expenditures	Interest paid due to delays in paying suppliers paid after 30 days, duplicate payments, and tedious processes.	4	5	20	Monitor and report on payment cycle	3	5	15	Avoid	Proactive identification of outstanding orders	Dir SCM	Continuously

2.1.3. Sub Sub-Programme: Research, Monitoring and Evaluation

Purpose

The sub sub-programme is responsible to facilitate the development of the Departmental strategic plan, performance monitoring as well as to evaluate departmental performance in relation to policy implementation.

Planned Policy Initiatives

Monitor and evaluate the performance of the Department to facilitate the implementation of the predetermined strategic objectives.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 1.3: Create and sustain a performance culture within the Department	Create an environment which maximises performance of personnel focusing on resources, processes, policy, structure and skills.	2 completed research studies.	Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship	<ul style="list-style-type: none"> • Output 1: Service delivery quality and access <ul style="list-style-type: none"> ○ Measures: <ul style="list-style-type: none"> ○ Service-user satisfaction ○ Responsiveness ○ Value for money
	Measure the efficiency and effectiveness of businesses process in the department.		Outcome 5 Skilled and capable workforce to support an inclusive growth path.	<ul style="list-style-type: none"> • Output 5: Research, development and innovation in human capital for a growing knowledge economy.

2011/2012 – 2013/2014 Three Year Annual Performance Plan: Research, Monitoring and Evaluation

Strategic Objective 1. 3: Create and sustain a performance culture within the Department

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated performance targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
Number of completed studies	New	1	2	1	2	2	4	4
Number of best practices introduced	New	New	New	1	2	2	3	3

2011/2012 Business Plan Quarterly Targets: Research, Monitoring and Evaluation

Strategic Objective 1. 3: Create and sustain a performance culture within the Department

Performance indicators	Reporting Period	Annual Targets 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of completed studies	Monthly	2	0	1	1	0
Number of best practices introduced		2	0	1	1	0

Risk Assessment Plan: Research, Monitoring and Evaluation Sub Sub-Programme

Strategic objective 1. 3: Create and sustain a performance culture within the Department

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Date
14	Strategic Planning,	Act, Laws or Regulations	No baselines or target source in some directorates	No operational plans in some directorates.	4	5	20	Facilitation of operational plans in all directorates Close working/relations with the budgeting and planning managers	3	5	15	Avoid	Link performance targets to outcome based priorities Utilise research data to inform baselines where relevant.	Dir Strategic Planning	Quarterly Feb 2012
15	Monitoring and Evaluation	Act, Laws or Regulations	Non adherence to inputs target date/ time frames for different stakeholders.	Limited understanding on monitoring by managers Too many reporting formats Lack of report writing skills	3	5	15	Annual Strategic Planning calendar in place to guide Department activities. Information sessions on monitoring and reporting	3	5	15	Avoid	Monitoring to form part of all Performance Agreements of senior managers. Contact sessions with units. Training on reporting	Dir Monitoring and Evaluation	Quarterly

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

2.1.4. Sub Sub-Programme: Internal Audit

Purpose

The sub sub-programme helps the Department accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Planned Policy Initiatives

Review, evaluate and advice on matters related to corporate governance and internal control systems within the Department.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 1.4: Ensure compliance to principles of good governance	Audit the effectiveness of governance, controls and risk management systems within the Department.	12 audits performed at identified risk areas	Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship	Output 4: Tackling corruption in the public service. Tightening the regulatory regime and instruments dealing with anti-corruption and supply chain management at provincial and district levels.

2011/2012 – 2013/2014 Three – Year Annual Performance Plan: Internal Audit

Strategic Objective 1.4: Ensure compliance to principles of good governance

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated performance targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2010/2011	2011/2012	2012/2013
Number of audits performed at identified risk areas.	New	23	8	10	12	8	12	10
Number of reviews on the implementation of corrective measures emanating from Auditor General's audits.	New	60	7	7	8	5	3	2

2011/2012 Business Plan Quarterly Targets: Internal Audit Sub Sub-Programme

Performance indicators	Reporting period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of audits performed at identified risk areas.	Monthly	8	3	2	3	0
Number of reviews on the implementation of corrective measures emanating from Auditor General's audits.		5	1	2	2	0

Risk Assessment Plan: Internal Audit Sub sub-Programme

Strategic Objective 1.4: Ensure compliance to principles of good governance

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Date
16	Internal Audit	Act, Laws or Regulations	Non-compliance to corporate governance.	Limited compliance with laws & regulations	5	5	25	Implementation of Annual internal audit plan. Forensic audit investigate all reported cases.	4	4	16	Accept	Tabling of non-compliance to the Audit Committee. An agenda item in Quarterly reviews.	Dir Internal Audit	Quarterly
17	Internal Audit	Act, Laws or Regulations	Limitation of scope (e.g. source documents not submitted timeously delaying the completion of audit)	Inadequate process to ensure compliance with laws & regulations	5	5	25	Follow up if deadlines not met; Awareness sessions on audit process; Disciplinary action.	3	4	12	Reduce	Involve higher authority	Dir Internal Audit	Quarterly

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

2.1.5. Sub Sub-Programme: Legal Services

Purpose

The sub sub-programme is responsible to provide legal expertise and opinion regarding legislation and contracts.

Planned Policy Initiatives

- Monitor and facilitate development and implementation of all Departmental contracts.
- Ensure proper management of Departmental claims.
- Facilitate the marketing of the Promotion of Access to Information, Promotion of Administrative Justice and Protected Disclosures Act. These are requirements to further enhance transparency.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objectives	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 1.4: Ensure compliance to principles of good governance	Create an environment which maximise performance of personnel focusing on resources, processes, policy, structure and skills.	50 legal contracts facilitated.	Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship	Output 3: Business processes, systems, decision rights and accountability management. Sub Outputs: <ul style="list-style-type: none"> • Implementation of Promotion of Access to Information and Promotion of Administrative Justice Acts • Businesses processes.

2011/2012 – 2013/20 14 Three Year Annual Performance Plan: Legal Services Sub Sub-Programme

Strategic Objective 1.4: Ensure compliance to principles of good governance.

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated performance targets	Medium-Term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
Number of contracts reviewed and facilitated	New	New	New	New	New	*325	325	100
Percentage of requests for legal opinions responded to within 7 days.	New	96%	100% of 97	100% of 44	100%	100%	100%	100%

*Refers to leasing, renting out contracts as well as Service Level Agreements

2011/2012 Business Plan Quarterly Targets: Legal Services Sub Sub-Programme

Performance indicator	Reporting period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of contracts reviewed and facilitated	Quarterly	325	125	100	100	0
Percentage of requests for legal opinions responded to within 7 days.	Monthly	100%	100%	100%	100%	100%

Risk Assessment Plan: Legal Services Sub sub-Programme

Strategic Objective 1.4: Ensure compliance to principles of good governance

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Date
16	Legal Service	Contracts and legal relationships; Acts, Laws or regulations	Some current contracts do not sufficiently protect the interests of the department	Processing of contracts without legal advice	5	5	25	Revising all current contracts	4	5	20	Avoid	Scrutinize all new contracts before approval.	Dir Legal Service	31-Mar-12
17	Legal Service	Contracts and legal relationships; Acts, Laws or regulations	Increase in exorbitant claims against the Department		5	5	25	Assess legal liability on individual claims. Report to Departmental Executive meeting	4	5	20	Avoid	Advice line managers to prevent claim reoccurrence.	Dir Legal Service	31-Mar-12

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

Programme 1: Reconciliation of Performance Targets with the 2011/2012 Budget and MTEF

Summary of provincial payments and estimates by economic classification: Programme 1 - Administration

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
R thousand									
Current payments	81 327	86 338	59 815	64 082	67 933	69 554	72 057	75 292	79 429
Compensation of employees	44 604	50 858	36 792	40 877	43 377	43 104	46 516	50 539	53 318
Goods and services	36 723	35 480	23 023	23 205	24 556	26 450	25 541	24 753	26 111
Interest and rent on land									
Transfers and subsidies to:	110	188	1 156	719	719	648	722	760	802
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisation									
Non-profit institutions									
Households	110	188	1 156	719	719	648	722	760	802
Payments for capital assets	2 301	1 109	261	9 768	9 768	8 168	3 012	3 138	3 311
Buildings and other fixed structures	90	-	-	-	-	-	-	-	-
Machinery and equipment	1 945	661	261	9 768	8 033	6 433	3 012	3 138	3 311
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	266	448	-	-	1 735	1 735	-	-	-
Financial transactions in assets and liabilities	-	12 677	1 255	-	-	-	-	-	-
Total economic classification	83 738	100 312	62 487	74 569	78 420	78 370	75 791	79 190	83 542

2.2. Programme 2: Public Works

Purpose

The aim of the programme is to provide accommodation for all provincial departments, manage the provincial property portfolio for the optimum benefit of government, render professional and technical design, construction and maintenance services to client departments in respect of buildings and related infrastructure.

The Programme consists of the following Sub-Programmes:

- Works Design, Construction and Maintenance
- Property Management
- Security Services

Strategic Outcome Oriented Goals

Strategic Outcome Oriented Goals	Goal Statements
<u>Strategic Goal 2:</u> A transformed and effective construction industry that promotes government's objectives	The goal aims at utilising government infrastructure initiatives to develop emerging Historically Disadvantaged contractors and consultants in the built environment for growth and sustainability.
<u>Strategic Goal 3:</u> Effective property management and acceleration of property industry transformation.	Facilitate maintenance of government property through user and custodian asset management plans. Improve access to emerging and existing Historically Disadvantaged Individuals in the property industry Effective facilities management. Provision of a safe and secure environment.

2.2.1. Works Design, Construction and Maintenance Sub-Programme

Purpose

The sub-programme is responsible to design and construct new facilities, upgrade, rehabilitate and maintain existing facilities as identified in consultation with the client departments namely, Education, Health, Social Development and others. The Department is the technical implementing agent of the provincial departments with regard to construction and maintenance of provincial infrastructure. Infrastructure budget of all client departments is reflected at the relevant departmental votes and therefore the budgets and projects of client departments are not included in this department's plan.

Planned Policy Initiatives

- Accelerated infrastructure delivery.
- Transformation of construction industry.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 2.1: Create an enabling environment that facilitate and promotes sustainable Infrastructure investment in the Free State Province.	Complete all infrastructure projects within the contract period and budget whilst incorporating government objectives of promoting the transformation of the construction industry.	28 projects completed. 18 BBBEE contractors participating in works infrastructure projects	Outcome 6: An efficient, competitive and responsive economic infrastructure network	Outputs: Benchmarking cost of building and maintenance. Developing an appropriate funding model to ensure adequacy of supply and maintenance

2011/2012 – 2013/2014 Three – Year Annual Performance Plan: Works Design, Construction and Maintenance

Strategic Objective 2.1: Create an enabling environment that facilitates and promotes sustainable Infrastructure investment in the Free State Province

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated Performance Targets	Medium-Term Performance Targets		
	2006/07	2007/08	2008/09	2009/10	2010/2011	2011/2012	2012/2013	2013/2014
Sector Specific Quarterly Performance Targets:								
Works Design								
Number of projects ready for tender	New	New	New	New	New	6	9	10
Works Construction								
Number of projects awarded	New	New	New	New	28	6	9	10
Number of contracts awarded to Historically Disadvantaged Individual's compliance service providers	69.5%	67%	73%	60.7%	18	4	5	5
Number of contracts awarded to Women owned Enterprises	New	New	New	New	11	2	5	6
Number of projects completed within prescribed time (contract period)	New	New	New	New	9	3	3	4
Number of projects completed within budget	New	New	New	New	9	2	2	5
Works Maintenance (Planned Maintenance)								
Number of projects awarded	New	New	New	New	New	17	20	25
Number of planned maintenance projects under implementation	New	New	New	New	New	17	20	25
Number of projects completed within prescribed time	New	New	New	New	New	27	20	25
Number of projects completed within budget	New	New	New	New	New	27	20	25
Sector Specific Annual Performance Targets:								
Works Design								
Number of Infrastructure Project Management Plans	New	New	New	New	New	33	29	35
Number of projects registered	New	95%	31	24	28	33	29	35

2011/2012 Business Plan Quarterly Targets: Works Design, Construction and Maintenance

Strategic Objective 2.1: Create an enabling environment that facilitates and promotes sustainable Infrastructure investment in the Free State Province

Performance indicator	Reporting Period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Sector Specific Quarterly Performance Targets:						
Works Design						
Number of projects ready for tender	Quarterly	6	6	0	0	0
Works Construction						
Number of projects awarded	Quarterly	6	6	0	0	0
Number of contracts awarded to HDIs compliance service providers		4	4	0	0	0
Number of contracts awarded to Women owned Enterprises		2	2	0	0	0
Number of projects completed within prescribed time (contract period)		3	0	0	0	3
Number of projects completed within budget		2	0	0	0	2
Works Maintenance(Planned Maintenance)						
Number of projects awarded	Quarterly	17	0	0	0	17
Number of planned maintenance projects under implementation		17	17	0	0	0
Number of projects completed within prescribed time		27	0	0	0	27
Number of projects completed within budget		27	0	0	0	27
Sector Specific Annual Performance Targets:						
Works Design						
Number of Infrastructure Project Management Plans	Annually	33	0	0	0	33
Number of projects registered		33	0	0	0	33

Risk Assessment Plan: Works Design, Construction and Maintenance Sub Programme

Strategic Objective no. 2.1: Create an enabling environment that facilitates and promotes sustainable Infrastructure investment in the Free State Province

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Date
20	Works Design, Construction and Maintenance	Dependent on client departments	Late execution and/or completion of projects	Late submission of construction and maintenance plans by clients. Late contractors' payments by client departments Contractors' lack access to funding by financial institution Alteration of project scope by client departments.	5	5	25	Reclaiming of mandate of Public Works. Monthly forum meetings with clients;	5	4	20	Share	Strengthen Interdepartmental Infrastructure committee Enforce implementation of Infrastructure Development Improvement Plan Appointment of Construction Project Managers to improve planning, monitoring and evaluation	Works Design, Construction and Maintenance	30 Jan 2012

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rat ing	Risk Response	Corrective Measure	Risk Owner	Target Dates
21	Works Design, Construction and Maintenance	Dependent on external suppliers	Poor capacitated contractors	Lack of relevant skills, financial and labour resources	5	4	20	Enlistment of Construction Industry Development Board grading of contractors. Workshops by Construction Industry Development Board to assist with grading of contractors and suppliers.	5	4	20	Avoid	Facilitate a conducive environment for contractors to be trained.	Works Design, Construction and Maintenance	Dec 2011
22			Poor performance by contractors	Poor monitoring of projects.	5	4	20	Enlistment of Construction Industry Development Board grading of contractors. Workshops by Construction Industry Development Board to assist with grading of contractors and suppliers.	5	4	20	Avoid	Continuous monitoring of all projects by district managers. Appointment of consultant to assist contractors. Establishment of Project Management unit		March 2012
23		Financial operations Economic conditions	Project amount exceed the contract value.	Escalation of building material cost	5	4	20	Haylet formula used to mitigate inflation.	5	3	15	Avoid	Approval of variation orders and overspending before payments.		March 2012

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

Works Design, Construction and Maintenance 2011/2012 Projects

Total No. of projects	Project Description	Jobs created	Municipality /Town	Start Date	End Date	Total Project cost	2011/2012 Budget
2	Projects ready for tender						
	Hamilton Regional Offices, double storey, 41 offices, boardroom, drawing office, filing office. R 8m	55	Mangaung/ Bloemfontein	June 2011	July 2012	20m	8m
	Social Development in Kroonstad (KGI Building) Refurbishment of existing office building with parking area added and carports. R 6.5m	45	Fezile Dabi/ Kroonstad	June 2011	Jan 2013	23m	6,5m
2	Design						
	Construction of New Office Building <i>Registered as a PPP</i> R 11 146m		Mangaung/ Bloemfontein			970m	11,146m
	The Cradle of African Liberation Park, Security Fence R1m	18	Mangaung/ Bloemfontein	May 2011	July 2011	900m	4 534 m
2	Construction						
	Upgrade Harrismith Testing Centre Full services testing centre – demolishing work, new office building, site works. R 6.466m	44	Maluti-A--Phofung Harrismith	Feb 2009	May 2011	50m	14 466m
10	Planned Maintenance						
	Upgrade 4th Raadzaal Legislature The extensive refurbishment of a sandstone decorative building with decorative interior and furnisher. R 5m	15	Mangaung/ Bloemfontein	July 2010	April 2011	25m	5m
	Entrance at MPL Residences Address entrance road, booms and guard facilities. R 2m	13	Mangaung/ Bloemfontein	May 2011	June 2012	2m	2m
	Free State House refurbishing of Guest House, painting, furniture. R15m	21	Mangaung/ Bloemfontein	May 2011	Nov 2011	15m	15m
	Lebohang Building Roof Maintenance	18	Motho /Mangaung	Apr-11	Mar-12	2,500	2,500
	PGB and Lebohang Storm water and drainage	4	Motho/ Mangaung	Apr-11	Mar-12	650	650
	Voortrekker Hospital Maintenance of main Building	35	Fezile Dabi Moqhaka	Apr-11	Mar-12	12,000	5,000
	Maintenance of Kopano Building Complex Electricity and Water supply	14	Lejweleputswa Matjhabeng	Apr-11	Mar-12	2,000	2,000
	Thaba Nchu Public Works office	10	Motho Mangaung	Apr-11	Nov-11	1,500	1,500
	Phuthaditjhaba Public Works office	10	Maluti-a-Phofung	Apr-11	Nov-11	1,500	1,500
	Bethlehem Offices conversion for Fleet Management	6	Dihlabeng	Apr-11	Dec-11	1,000	1,000

2.2.2. Property Management Sub-Programme

Purpose

The sub-programme is responsible for managing the property portfolio of the province; provide accommodation for all provincial departments and other institutions as well as acquisition and disposal of land and property.

Property Management Sub Programme is divided into the following sub-sub programmes namely,

- Sub-sub programme Property Portfolio
- Sub-sub programme Operational Property and Housekeeping
- Sub-sub programme Security Services

2.2.2.1. Property Portfolio

Planned Policy Initiatives

- Transformation of the Property Industry including Property Incubation Programme.
- Implementation of the Government – wide Immovable Asset Management Act
- Decentralisation and consolidation of office accommodation to districts for government departments
- Maintenance and revitalisation of property portfolio in line with National Infrastructure Maintenance Strategy.
- Compliance of buildings to Occupational Health and Safety requirements.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objectives	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objectives 3.1: Create a sustainable environment for the transformation of the property industry.	Promote Historically Disadvantaged Individuals ownership on government leased properties and participation in the property industry.	10 entrepreneurs created through introduction of the Property Incubator Programme.	Outcome 4: Decent employment through inclusive economic growth.	Sub-output 4.1.7 Agreement with social partners to promote the goal of decent employment through inclusive growth.
Strategic Objectives 3.2: Manage provincial government owned and leased immovable assets	Optimal utilisation of property portfolio.	40 properties disposed in 2010.	Outcome 6: An efficient, competitive and responsive economic infrastructure network	Outputs: Benchmarking cost of building and maintenance. Developing an appropriate funding model to ensure adequacy of supply and maintenance

2011/2012 – 2013/2014 Three Year Annual Performance Plan: Property Portfolio

Strategic Objective 3.1: Create a sustainable environment for the transformation of the property industry.

Performance Indicator	Performance Targets							
	Audited/Actual performance targets				Estimated performance targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
30% Total Lease expenditure awarded to Historically Disadvantaged Individuals.	R 7.195m	R11.32m	R22,06m	R 25,1m	R30m	R38m	R42m	R 50m

2011/2012 Business Plan Quarterly Targets: Property Portfolio

Strategic Objective 3.1: Create a sustainable environment for the transformation of the property industry.

Performance indicator	Reporting period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
30% Total Lease expenditure awarded to Historically Disadvantaged Individuals.	Quarterly	R38m	R8m	R10m	R10m	R10m

2011/2012 – 2013/2014 Three Year Annual Performance Plan: Property Portfolio

Strategic Objective 3.2. Manage provincial government owned and leased Immovable Assets effectively.

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated Performance Targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2010/2011	2011/2012	2012/2013
Sector Specific Quarterly Performance Targets:								
Property Maintenance								
Number of planned maintenance projects approved	New	New	New	New	New	27		
Immovable Assets								
Number of Leases concluded in respect of provincially owned properties	New	New	New	New	New	300	300	300
Number of Lease Agreements in respect of office accommodation not renewed	New	New	New	New	New	11	0	0
Number of properties acquired	New	New	New	New	2	2	2	2
Number of properties disposed	New	161	2	30	40	20	20	20
Number of new commercial leases concluded	New	New	New	New	New	6	4	0
Sector Specific Annual Outputs								
Property Planning								
Number of requests received for new accommodation from user departments in UAMP	New	New	New	New	New	10	10	10
Number of new accommodation funding approved by Provincial Treasury	New	New	New	New	New	6	4	4
Property Maintenance								
Number of projects identified for planned maintenance	New	New	New	10	20	27		
Immovable Assets								
Number of properties registered in asset register	New	New	New	New	New	6,302	6,200	6,100
Number of properties verified in the asset register	New	New	New	New	New	6,302	6,200	6,100
Number of properties leased-out	New	New	New	New	New	600	600	600
Number of residential properties leased-out	New	New	New	New	New	464	364	264
Number of buildings in a very good state	New	New	New	New	New	315	434	488
Number of buildings in an average state	New	New	New	New	New	2,836	3,100	3,172
Number of buildings in a poor state	New	New	New	New	New	3,151	2,666	2,440
Number of tenders awarded for bill board advertising on road reserves	New	New	New	New	New	N/A	N/A	N/A

2011/2012 Business Plan Quarterly Targets: Property Portfolio

Strategic Objective 3.2. Manage provincial government owned and leased Immovable Assets effectively

Performance indicator	Reporting period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Sector Specific Quarterly Performance Targets:						
Property Maintenance	Annually					
Number of planned maintenance projects approved		27	0	0	0	27
Immovable Assets						
Number of Leases concluded in respect of provincially owned properties		300	0	0	0	300
Number of Lease Agreements in respect of office accommodation not renewed		11	0	0	0	11
Number of properties acquired		2	0	0	0	2
Number of properties disposed		20	0	0	0	20
Number of new commercial leases concluded		6	2	2	2	0
Sector Specific Annual Outputs						
Property Planning						
Number of requests received for new accommodation from user departments in UAMP	Annually	10	10	0	0	0
Number of new accommodation funding approved by Provincial Treasury		6	0	6	0	0
Property Maintenance						
Number of projects identified for planned maintenance	Annually	27	27	0	0	0
Immovable Assets						
Number of properties registered in asset register	Annually	6302	0	0	0	6302
Number of properties verified in the asset register		6302	0	0	0	6302
Number of properties leased-out		600	0	0	0	600
Number of residential properties leased-out		464	0	0	0	464
Number of buildings in a very good state		315	0	0	0	315
Number of buildings in an average state		2,836	0	0	0	2,836
Number of buildings in a poor state		3,151	0	0	0	3,151
Number of tenders awarded for bill board advertising on road reserves		N/A	0	0	0	0

Risk Assessment Plan: Property Portfolio

Strategic Objective no. 3.1: Create an enabling environment for sustainable investment in property in the Free State Province

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Date
25	Property Portfolio	Contracts and legal relationships; Acts, Laws or regulations; financial operations	Fruitless and wasteful expenditure.	Payment of expired contracts due to non renewing expired contracts on time	5	4	20	Listing and tracking rental contracts	3	3	9	Accept	Transparent system and tracking list auto reporting Frequent monitoring of contract expiry dates	Dir Property Portfolio	Sept 2011
26	Property Portfolio	Workforce; contract and legal relationships	Incomplete asset register and loss of revenue	Valuations expiring on rented out buildings	5	4	20	Regular update of asset register. Scheduled valuation programme	4	4	16	Avoid	Develop Policy. Utilise Property Incubator Programme interns	Dir Property Portfolio	15 April 2011 31-Jan 2012

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

2.2.2.2. Operational Property and Housekeeping

Planned Policy Initiatives

- Improve property management (cleanliness and garden maintenance).
- Contract and utilities management (payment and collection of rent, rates and taxes, electricity, refuse removal and sanitation).

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 3.2: Manage provincial government owned and leased immovable assets effectively.	Effective contract management, timely payment of rentals and utilities and also provide a clean environment for service delivery.	154m allocated to Rates and Taxes	Outcome 6: An efficient, competitive and responsive economic infrastructure network	Outputs: Ongoing improvements in infrastructure.
			Outcome 12: An efficient, effective and development oriented Public Service and an empowered, fair and inclusive citizenship	Output 3: Business processes, systems, decision rights and accountability management.

2011/2012 – 2013/2014 Three – Year Annual Performance Plan: Operational Property and Housekeeping

Strategic Objective 3.2. Manage provincial government owned and leased Immovable Assets effectively.

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated Performance Targets	Medium-term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
Number of government properties installed with irrigation system.	New	New	New	New	10	5	0	0
Number of paying tenants in utilised space	New	New	New	New	393	450	500	500

2011/2012 Business Plan Quarterly Targets 2011/2012: Operational Property and Housekeeping

Strategic Objective 3.2. Manage provincial government owned and leased Immovable Assets effectively.

Performance indicators	Reporting Period	Annual Target 2011/2012	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of government properties installed with irrigation system.	Monthly	5	0	0	5	0
Number of paying tenants in utilised space		450	50	150	250	0

Risk Assessment Plan: Property Operational Property and Housekeeping

Strategic Objective no. 3.2: Manage provincial government owned and leased immovable assets effectively

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Dates
25	Operational Property & Housekeeping.	Dependent on external stakeholders	Fruitless and wasteful expenditure.	Late receipt of utilities invoice.	3	5	15	Constant reminders and more visits to municipalities Regular update of the Utility register.	5	5	25	Avoid	Procure an early warning system on utilities payments outstanding. Improved utility register	Dir Operational Property & housekeeping	Quarterly September 2011
26	Operational Property & Housekeeping.	Financial operations, workforce.	Service cuts due to non payment.	Late or no payment for utilities to municipalities.	4	5	20	Timeous payments, Reconcile payments (BAS vs Budget) Budget forecasting	4	4	16	Avoid	Monitor expenditure Report trends that would affect the budget. Negotiate for increased budget.		30 June 2011
27	Operational Property & Housekeeping.	Financial operations; workforce; property loss.	Non-compliance to Occupational Health and Safety Act. Disease outbreak as a result of poor hygiene of the buildings.	Lack of capacity in terms of cleaning equipment and material	4	5	20	Daily thorough cleaning and inspections. Implementation of cleaning norms and standards. Procure cleaning equipment.	4	3	9	Accept	Rigorous supervision. Hold regular in-house training sessions. Fill in funded cleaning vacancies.		31-Mar-12
28	Operational Property & Housekeeping	Financial operations, Acts, laws or regulations	Non compliance to Division Of Revenue Act, PFMA and Treasury Regulations. Under collection of revenue	Inadequate monitoring of lease contracts.	5	4	20	Requesting lease agreements. Invoicing. Reporting on visits undertaken.	5	4	20	Avoid	Facilitate renewal of expired contracts. Facilitate eviction of defaulters		31-Mar-12

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

2.2.3. Security Services Sub-sub programme

Purpose

The mandate of this Sub-sub-programme is to provide a safe and secure environment at government buildings occupied by more than one department as well as for the protection of political office bearers.

Planned Policy Initiative

Improve security capacity in government buildings.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Output
Strategic Objective 3.3: Provide a safe and secure environment	The objective aims to safeguard people and assets on government premises.	35 security appraisals conducted 60 security assessment conducted	Outcome 3: All people in South Africa are and feel safe	Output: Securing state properties and buildings.

2011/2012 – 2013/2014 Three – Year Annual Performance Plan: Security Services

Strategic Objective 3.3: Provide a safe and secure environment

Performance Indicators	Performance Targets							
	Audited/Actual Performance Targets				Estimated Performance Targets	Medium-Term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
Number of security appraisals conducted	New	10	20	74	35	35	40	45
Number of awareness campaigns (evacuation drills)	New	New	New	2	2	4	4	4
Number of security Risk Assessments (audits) carried out.	New	New	57	61	60	60	60	65

2011/2012 Business Plan Quarterly Targets: Security Services

Performance indicators	Reporting Period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of security appraisals conducted	Monthly	35	5	15	10	5
Number of awareness campaigns (evacuation drills)		4	1	1	1	1
Number of security Risk Assessments (audits) carried out.		60	10	20	20	10

Risk Assessment Plan: Security Services Sub sub-programme

Strategic Objective 3.3: Provide a safe and secure environment

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Dates
31	Security Services	Act, Laws or Regulations; workforce	Life threatening situation that may result in loss of life	Inadequate controls at access points	3	4	12	Proper Access control	2	2	4	Accept	Integrated Security Measures	Dir Security Services	Quarterly March 2012
32	Security Services	Misconduct by public and employees	Increased incidents of theft	Inadequate security capacity in relation to movable assets	5	3	15	Manual Access Control	4	3	12	Reduce	Electronic security measures	Dir Security Services	Quarterly March 2012
33	Security Services	Acts, laws or regulations; workforce	Leaking of classified information	Lack of security awareness.	4	3	12	Vetting of Top Management and Officials in strategic offices	3	3	9	Accept	Awareness campaigns Staff training	Dir Security Services	31-Mar-12

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

Programme 2: Reconciliation of Performance Targets with the 2011/2012 Budget and MTEF

Non-profit institutions	1 022	1 701	1 591	715	715	2 165	786	826	871
Households									
Payments for capital assets	60 330	53 525	57 712	67 906	78 269	77 660	69 615	67 768	103 821
Buildings and other fixed structures	58 169	49 442	57 008	67 517	75 570	75 287	69 146	67 328	103 357
Machinery and equipment	2 161	4 083	704	389	2 699	2 373	469	440	464
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Financial transactions in assets and liabilities	-	49 584	2 009	-	-	-	-	-	-
Total economic classification	411 880	542 612	698 209	817 916	895 062	646 876	981 795	1 017 073	1 117 069

2.3. Programme 3: Expanded Public Works Programme/Community Based Works Programme

Purpose

The Community Based Works Programme is responsible to manage the implementation of programmes and strategies that leads to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme. The Expanded Public Works Programme (EPWP) is a nationwide programme covering all spheres of government and state-owned enterprises. It aims to draw significant numbers of unemployed, unskilled people into productive work, so that they increase their capacity to earn an income. While EPWP provides an important avenue for labour absorption and income transfers to poor households in the short to medium-term, it is *not designed as a policy instrument to address the structural nature of the unemployment crisis*.

The Community Based Works Programme consists of the following Sub-Programmes:

- Community Development
- Innovation and Empowerment
- EPWP Coordination and Monitoring

Strategic Outcome Oriented Goal

Strategic Outcome Oriented Goal	Goal Statement
<u>Strategic Goal 4</u> Massification of Expanded Public Works Programme to create jobs.	The goal aims to drive the development and creation of work opportunities that are considered as key drivers to the alleviation of poverty.

The discussion below indicates how the goal “Massification of Expanded Public Works Programme to create jobs” will be realised through the implementation of the strategic objectives implemented in the three sub programmes discussed below.

2.3.1. Community Development Sub-Programme

Purpose

The sub-programme is responsible to coordinate the development and empowerment of impoverished communities. Many township roads are in a poor state and this hampers economic growth of the townships as a result, access to emergency and economic services is not readily available. To address this need, R130 million has been allocated to upgrade township roads with regards to blading, patching or graveling of new and existing roads using labour intensive methods.

Planned Policy Initiative

Massification of the Expanded Public Works Programme.

Strategic Objectives linked to the Outcome Based Priorities: Community Development

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 4.1 Coordinate all stakeholders towards the successful implementation of the EPWP within the Province.	Ensure that EPWP is implemented by all three spheres of government, parastatals and non-state sectors in order to realise the government's intention of creating jobs and alleviating poverty.	<ul style="list-style-type: none"> • 14 Municipalities • 9 Provincial departments • 5 National departments 	Outcome 4: Decent employment through inclusive economic growth	<ul style="list-style-type: none"> • Sub-output 4.3: Youth unemployment reduced • Output 4.7: Expansion of Expanded Public Works Programme Sub-Outputs: <ul style="list-style-type: none"> • Average 100 days employment per year (full time equivalent work opportunities) • Creation of work opportunities
			Outcome 7: Vibrant, Equitable and Sustainable Rural Communities and Food Security for all	<ul style="list-style-type: none"> • Output 4: Improved employment opportunities and promotion of economic livelihoods. Sub-Outputs: Reduce the unemployment in the current poverty nodes. Jobs created by community works programme and EPWP in rural areas.

2011/2012 – 2013/2014 Annual Performance Plan: Community Development Sub-Programme

Strategic objective 4.1: Coordinate all stakeholders towards the successful implementation of the EPWP within the Province

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated Performance Targets	Medium-Term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
Number of EPWP work opportunities created:	17,172	24, 745	22,322	38,467	20,544	26,979	36,533	48,124
• Full time equivalent	New	New	New	New	New	10,791	12,000	16,000
• 40% Youth employed	5,152	7,424	6,697	16,541	8,217	10,791	14,613	19,249
• 55% Women employed	6,869	9,898	8,929	13,848	11,299	14,838	20,093	26,468
• 3% People Living with Disabilities employed	343	495	446	186	616	809	1,096	1,443
Number of employment years	New	419	7,000	7,276		10 791	14 613	19 249
Number of people trained	New	2000	6000	7,000	0	16 590	13 000	20 000
Number of work opportunities created in four sectors:								
• Number of <u>full time equivalent</u> work opportunities	New	New	New	6,540	4, 792	12,951	8, 082	10, 063
Infrastructure Sector								
• Number of <u>full time equivalent</u> work opportunities	New	New	3,311	1,971	3,974	5, 192	6,702	8, 334
• Number of EPWP work opportunities created.	New	New	8,471	10,912	9,657	12, 424	16,151	20, 330
Social Sector								
• Number of <u>full time equivalent</u> work opportunities	New	New	4,201	3,222	4,681	6,242	8,582	11, 703
• Number of EPWP work opportunities created.	New	New	5,356	14,655	6,427	8837	12,520	17,072
Environment and Cultural Sector								
• Number of <u>full time equivalent</u> work opportunities	New	New	837	681	1,071	1,517	2,086	2,086
• Number of EPWP work opportunities created.	New	New	4,289	5,194	4, 460	5, 718	7, 863	10, 722
Number of stakeholders participating in the EPWP Incentive Grant:								
• Municipalities.	New	New	New	New	New	24	0	0
• Provincial departments.	New	New	New	New	New	6	0	0
Number of EPWP projects implemented by sectors.	383	801	2,114	1,384	500	1,600	1,700	2,000

2011/2012 Business Plan Quarterly Targets: Community Development Sub Programme

Strategic objective 4.1: Coordinate all stakeholders towards the successful implementation of the EPWP within the Province

Performance indicators	Reporting Period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of EPWP work opportunities created:	Quarterly	26,979	6,744	6,744	6,744	6,717
• Full time equivalent		10 791	2,697	2,697	2,697	2,700
• 40% Youth employed		10,791	2,697	2,697	2,700	2,697
• 55% Women employed		14,838	3,709	3,709	3,711	3,709
• 3% People Living with Disabilities employed		809	202	202	202	203
Number of employment years		10,791	2,697	2,697	2,697	2,700
Number of people trained		16,590	4,147	4,148	4,148	4,147
Number of work opportunities created in all four sector:						
• Number of full time equivalent work opportunities	Quarterly	12,951	3,237	3,237	3,237	3,240
Infrastructure Sector						
• Number of full time equivalent work opportunities		5,192	1,298	1,298	1,298	1,298
• Number of EPWP work opportunities created.		12, 424	3,106	3,106	3,106	3,106
Social Sector						
• Number of full time equivalent work opportunities		6,242	1,562	1,560	1,560	1,560
• Number of EPWP work opportunities created.		8,837	2,209	2,209	2,209	2,210
Environment and Cultural Sector						
• Number of full time equivalent work opportunities		1,517	380	379	379	379
• Number of EPWP work opportunities created.		5, 718	1,429	1,429	1,430	1,430
Number of stakeholders participating in the EPWP Incentive Grant:						
• Municipalities.	Quarterly	24	10	6	8	0
• Provincial departments.		6	2	3	1	0
Number of EPWP projects implemented by sectors		1,600	400	800	200	200

2.3.2. Innovation and Empowerment Sub-Programme

Purpose

The sub-programme is responsible to oversee contractor empowerment, development and training including Learnerships.

Planned Policy Initiatives

- Intensifying National Youth Service Programme
- Facilitation of Contractor Development Programme
- Creation of Learnership

Strategic Objectives linked to the Outcome Based Priorities: Innovation and Empowerment

Strategic Objective	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 4.2: Create an enabling environment that promotes sustainable emerging enterprise and address skills shortage in the construction industry.	Ensure that EPWP responds to government's priorities of creating decent jobs, enterprise development and improvement of the existing artisan base.	<ul style="list-style-type: none"> • 121 Emerging contractors participating in Works and Roads projects. • 30 New Venture Learnership created. • 393 unemployed National Youth Service participating in works projects. 	<u>Outcome 4:</u> Decent employment through inclusive economic growth	<ul style="list-style-type: none"> • Sub-output 4.3: Youth unemployment reduced • Output 4.7: Expansion of Expanded Public Works Programme
			<u>Outcome 5:</u> A skilled and capable workforce to support and inclusive growth path.	<ul style="list-style-type: none"> • Output 3: Increase access to occupational directed programmes. • Sub output <ul style="list-style-type: none"> ○ 3.1 increase the number of learnership ○ 3.2 produce artisans ○ 3.3 increase the placement of learners from learnership and apprenticeship.

2011/2012 – 2013/2014 Annual Performance Plan: Innovation and Empowerment Sub-Programme

Strategic objective 4.2: Create an enabling environment that promotes sustainable emerging enterprises and address skills shortage in the construction industry.

Performance Indicators	Performance Targets							
	Audited/Actual performance targets				Estimated performance targets	Medium-Term Performance Targets		
	2006/2007	2007/2008	2008/2009	2009/2010		2011/2012	2012/2013	2013/2014
Number of Emerging Contractors participating in Works projects:	New	New	188	220	121 (Roads 71 & Works 50)	50 Phase I: Entry	50 Phase II: Nurturing/development	50 Phase III Exit strategy
• Number of women participating in Contractor Development Programme	New	New	New	New	New	28 Phase I: Entry	28 Phase II: Nurturing/development	28 Exit strategy
• Number of People Living with Disabilities participating in Contractor Development Programme	New	New	New	New	New	1 Phase I: Entry	1 Phase II: Nurturing/development	1 Exit Strategy
Number of New Venture Learnerships created.	56	86	54	0	30 Theory & Practical Training	30 Exit (mentoring)	40	45
Number of unemployed National Youth Service participating in infrastructure projects	New	500	107	14	400 (intake)	400 (training)	400 (Practical's)	400 (Preparation for trade test)
	New	500	107	393	393 over two years	352 (Intake and training)	352 (Practical's)	352 (Preparation for trade test)

2011/2012 Business Plan Quarterly Targets 2011/2012: Innovation And Empowerment Sub-Programme

Performance indicator	Reporting period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of Emerging Contractors participating in Works projects:		50	50	0	0	0
• Number of women participating in Contractor Development Programme	Quarterly	28	28	0	0	0
• Number of People Living With Disabilities participating in Contractor Development Programme		1	1	0	0	0
Number of New Venture Learnerships created (Exit mentoring).		30	30	0	0	0
Number of unemployed National Youth Service participating in infrastructure projects		752	501	251	0	0

2.3.3. EPWP Coordination and Monitoring Sub-Programme

Purpose

The sub-programme is responsible to coordinate the implementation of EPWP projects and monitor adherence to EPWP guidelines by all sectors.

Planned Policy Initiative

Massification of the Expanded Public Works Programme.

Strategic Objectives linked to the Outcome Based Priorities

Strategic Objectives	Objective Statement	Baseline: 2010/2011 Targets	Outcome Based Priorities	
			Outcome	Outputs
Strategic Objective 4.3: Monitor and evaluate the impact of EPWP in the Province	Monitor compliance with EPWP principles by all provincial departments, municipalities and national departments, Parastatals and Non-state sectors	20 544 EPWP work opportunities created 6,540 full time equivalent work opportunities.	Outcome 4: Decent employment through inclusive economic growth	<ul style="list-style-type: none"> • Sub-output 4.3: Youth unemployment reduced • Output 4.7: Expansion of Expanded Public Works Programme Sub-Outputs: <ul style="list-style-type: none"> • Average 100 days employment per year (full time equivalent work opportunities) • Creation of work opportunities
			Outcome 7: Vibrant, Equitable and Sustainable Rural Communities and Food Security for all.	<ul style="list-style-type: none"> • Output 4: Improved employment opportunities and promotion of economic livelihoods. Sub-Outputs: Reduce the unemployment in the current poverty nodes. Jobs created by community works programme and EPWP in rural areas.

2011/2012 – 2013/20 14 Annual Performance Plan: Coordination and Monitoring Sub Programme

Strategic objective 4.3: Monitor and evaluate the impact of EPWP in the Province

Performance Indicators	Performance Targets							
	Audited/Actual performance targets					Estimated performance targets	Medium-Term Performance Targets	
	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014
Number of EPWP projects and initiatives implemented by sectors	383	801	2,114	420	500	1,600	1,700	2,000
Number of data quality audits conducted	New	1	2	2	0	4	1	1

2011/2012 Business Plan Quarterly Targets: Coordination and Monitoring Sub Programme

Strategic objective 4.3: Monitor and evaluate the impact of EPWP in the Province

Performance indicators	Reporting period	Annual Target 2011/12	Quarterly Performance Targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of EPWP projects and initiatives implemented by sectors	Quarterly	1,600	400	800	200	200
Number of data quality audits conducted		4	1	1	1	1

Risk Assessment Plan: Expanded Public Works Programme

Strategic objective 4.1: Coordinate all stakeholders towards the successful implementation of the EPWP within the Province

Ref	Unit	Risk Category	Risk Description	Root Cause	IL	II	Rating	Existing Key Controls	RL	RI	Rating	Risk Response	Corrective Measure	Risk Owner	Target Date
34	EPWP	Acts, laws or regulations; workforce; economic conditions	Credibility of information.	Incomplete capturing of information.	5	5	25	Web based reporting. Validation	4	5	20	Avoid	Intensify coordination through EPWP Provincial Coordination Committee (PCC)	Dir EPWP	Monthly 31 March 2012
35	EPWP	Acts, laws or regulations; workforce; economic conditions	Co-ordination not leading to results.	Frequent changes at municipalities	3	3	9	Awareness workshops with sectors and municipalities Monitoring. Technical Support	4	4	16	Avoid	Utilise data captures and Liaison Officers to assist with data capturing at municipalities Data verification by the Provincial Coordination Committee	Dir EPWP Coordination and Monitoring	31-Mar-11

IL- Inherent likelihood, II – Inherent Impact, RL – Residual Likelihood, RI – Residual Impact

Expanded Public Works 2011/2012 Own Projects

No	Project name & Description	Districts	Municipality	Project duration		Number of jobs created	Total Project cost	2011/2012 Budget	2012/2013 Budget	2013/2014 Budget
Maintenance Projects										
				Start date	End Date					
1	Upgrade of Metsimaholo Municipal Office – Zamdela		Metsimaholo			112	22 000	10,000		
2	Construction of New Community Hall – Virginia		Matjhabeng			14	8m	5,000		
3	Construction of Community Hall - Botshabelo		Mangaung			35	8m	5,000		
4	Construction of Community Hall – Heilbron		Ngwathe			14	8m	5,000		
5	Jagersfontein Access Road		Kopanong			35	14 908	5,000		
6	Intabazwe Access Road Harrismith		Phumelela			14	2 000	2,000		

Expanded Public Works 2011/2012 Township Revitalisation Programme

Township Revitalisation Projects	Amounts
Batho	20,000
Odendaalsrus	20,000
Parys	20,000
Virginia	10,000
Marabastad	10,000
Henneman	10,000
Vredefort	9,000
Arlington	9,000
Jagersfontein	9,000
Cornelia	9,000
Bultfontein Airstrip	2,000
Community Hall (Mandela Section Parys)	2,000
TOTAL	130m

Programme 3: Reconciliation of Performance Targets with the 2011/2012 Budget and MTEF

Summary of payments and estimates by economic classification: Programme 3 - EPWP

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	6 435	11 280	10 046	22 604	41 188	43 665	26 628	28 167	24 294
Compensation of employees	4 663	5 832	5 071	6 890	7 414	7 438	8 905	9 271	9 749
Goods and services	1 772	5 448	4 975	15 714	33 774	36 227	17 723	18 896	14 545
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	864	-	-	-	-	-	-
Provinces and municipalities	-	-	800	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	64	-	-	-	-	-	-
Payments for capital assets	5 842	6 318	4 430	5 040	13 628	11 152	141 996	142 344	142 946
Buildings and other fixed structures	5 801	6 287	4 409	5 000	13 450	11 050	141 954	142 300	142 900
Machinery and equipment	41	31	21	40	178	102	42	44	46
Heritage assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	1 126	-	-	-	-	-	-
Total economic classification	12 277	17 598	16 466	27 644	54 816	54 817	168 624	170 511	167 240

3. PART C: LINKS TO OTHER PLANS

3.1. Links to long-Term infrastructure and other capital plans.

This section links the budget and MTEF with the infrastructure and other capital projects set out in the Strategic Plan.

3.1.1. Programme 2: Public Works - Works Design Construction and Maintenance 2011/2012 Projects

Total No. of projects	Project Description	Jobs created	Municipality /Town	Start Date	End Date	Total Project cost	2011/2012 Budget
2	Projects ready for tender						
	Hamilton Regional Offices, double storey, 41 offices, boardroom, drawing office, filing office. R 8m	55	Mangaung/ Bloemfontein	June 2011	July 2012	20m	8m
	Social Development in Kroonstad (KGI Building) Refurbishment of existing office building with parking area added and carports. R 6.5m	45	Fezile Dabi/ Kroonstad	June 2011	Jan 2013	23m	6,5m
2	Design						
	Construction of New Office Building Registered as a PPP R 11 146m		Mangaung/ Bloemfontein			970m	11,146m
	The Cradle of African Liberation Park, Security Fence R1m	18	Mangaung/ Bloemfontein	May 2011	July 2011	900m	4 534 m
2	Construction						
	Upgrade Harrismith Testing Centre Full services testing centre – demolishing work, new office building, site works. R 6.466m	44	Maluti-A--Phofung Harrismith	Feb 2009	May 2011	50m	6466m
9	Planned Maintenance						
	Entrance at MPL Residences Address entrance road, booms and guard facilities. R 2m	13	Mangaung/ Bloemfontein	May 2011	June 2012	2m	2m
	Free State House refurbishing of Guest House, painting, furniture. R15m	21	Mangaung/ Bloemfontein	May 2011	Nov 2011	15m	15m
	Lebohang Building Roof Maintenance	18	Motheo /Mangaung	Apr-11	Mar-12	2,500	2,500
	PGB and Lebohang Storm water and drainage	4	Motheo/ Mangaung	Apr-11	Mar-12	650	650
	Voortrekker Hospital Maintenance of main Building	35	Fezile Dabi Moqhaka	Apr-11	Mar-12	12,000	5,000
	Maintenance of Kopano Building Complex Electricity and Water supply	14	Lejweleputswa Matjhabeng	Apr-11	Mar-12	2,000	2,000
	Thaba Nchu Public Works office	10	Motheo Mangaung	Apr-11	Nov-11	1,500	1,500
	Phuthaditjhaba Public Works office	10	Maluti-a-Phofung	Apr-11	Nov-11	1,500	1,500
	Bethlehem Offices conversion for Fleet Management	6	Dihlabeng	Apr-11	Dec-11	1,000	1,000

Factors influencing the Department's ability to deliver on its infrastructure plan

- The funds available for planned maintenance of Provincial buildings is limited as the budget increased less than inflation. Maintenance budget is R20 m per year while the backlog in maintenance is estimated at R1, 2 billion.
- Need to build in-house capacity in design and project management. Recruitment and retention of certain technical and engineering skills in the department and in the Free State remains a concern
- The escalation of the operating lease budget is lower than the norm 10% growth in rental leases. The department project a shortages of R8.638 million for rentals paid on the current 135 lease contracts.
- Property rates and taxes, rental and municipal services payment escalations. The Department project a shortage of R119 million on the payment on rates and taxes in the current financial year.
- Newly identified properties such as schools and clinics are transferred by municipalities to the Department on an ongoing basis. Municipal services such as water & electricity, sanitation, refuse removal and rates and taxes must now be paid on these new properties which were historically not part of the portfolio. In addition, the increase implemented by municipalities on municipal services, especially electricity, is also much higher than the growth of the department's budget. The 30% increases in electricity and 10% in rental amounts, the department cannot afford the full basket of services that is currently required.
- Capacity with in-house security
- Alternative funding for Office Accommodation and Legislature

Acquisition and disposal of assets

The following discussion highlights strategic issues not mentioned in the 2010/11 – 2014/15 Five Year Strategic Plan

Number of proposed fixed acquisitions

- In terms of the revitalisation of Prestige Housing, the Department replaces old houses that have become unsuitable and expensive to maintain with newer houses. The target is to replace two furnished houses per year.

Multi-year projections of income and project receipts from the sale of assets

- The Department will dispose of redundant residential properties. These are Prefabricated and not needed by any Provincial or National Department for official purposes.
- Houses are disposed of at market value which can be taken as municipal valuation.
- Properties for development purposes will be identified and some of these properties may also be sold on the market or to developers.

3.1.2. Programme 3: Expanded Public Works Programme

No	Project name & Description	Municipality	Number of jobs created	Total Project cost	2011/2012 Budget
1	Upgrade of Metsimaholo Municipal Office – Zamdela	Metsimaholo	112	22 000	10,000
2	Construction of New Community Hall – Virginia	Matjhabeng	14	8m	4,534
3	Construction of Community Hall - Botshabelo	Mangaung	35	8m	5,000
4	Construction of Community Hall – Heilbron	Ngwathe	14	8m	2,000
5	Jagersfontein Access Road	Kopanong	35	14 908	5,000
6	Intabazwe Access Road Harrismith	Phumelela	14	2 000	7,000

Expanded Public Works 2011/2012 Township Revitalisation Programme

Township Revitalisation Projects	Amounts
Batho	20,000
Odendaalsrus	20,000
Parys	20,000
Virginia	10,000
Marabastad	10,000
Henneman	10,000
Vredefort	9,000
Arlington	9,000
Jagersfontein	9,000
Cornelia	9,000
Bultfontein Airstrip	2,000
Community Hall (Mandela Section Parys)	2,000
TOTAL	130m

3.2. Conditional Grants

Rates and taxes payments and enhancement of infrastructure are the two outputs for the allocated Departmental conditional grants for the 2011/12 financial year. The Infrastructure Enhancement Allocation (which is the Free State Own Infrastructure Grant and actually also voted funds) of R150.407 million will be utilized for infrastructure upgrading. The Nationally allocated Devolution of Properties Rate Funds R219.916 million will be utilized for the payment of rates and taxes.

Annexure 8: Conditional Grants and indirect grants to provinces								
	Expenditure outcome					Medium-term expenditure estimates		
	Audited Budget statement	Audited Budget statement	Audited Budget statement	Preliminary outcome	Revised Estimates	MTEF Baseline Budget statement	MTEF Baseline (proposed)	MTEF Baseline (proposed)
R thousand	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
2: Public Works								
Infrastructure Enhancement allocation Grant	0	10,000	16,602	8,791	36,339	150,407	147,267	162,072
Total	0	10,000	16,602	8,791	36,339	150,407	147,267	162,072
Devolution of Properties Rate Funds	0	0	125,066	185,095	222,386	219,916	233,737	249,390
Total	0	0	125,066	185,095	222,386	219,916	233,737	249,390

3.3. Public-Private Partnerships

Public Private Partnership will be entered into with regard to the construction of new Free State Provincial Government building from 2011/2012.

4. ANNEXURE A

4.1. Revised Strategic Objectives

The following strategic objectives were adapted as follows during the situation analysis:

Existing Strategic Objective	Revised Strategic Objective
Sub-Programme 2: Property Management 3.1. Create an enabling environment for sustainable investment in property in the Free State	3.1. Create a sustainable environment for the transformation of property industry
Programme 3: Expanded Public Works Programme 4.1. Mobilize all stakeholders towards the successful implementation of the EPWP 4.2. Co-ordinate and implement EPWP within the Free State Province	4.1. <i>Coordinate</i> all stakeholders towards the successful implementation of the EPWP within the Free State Province 4.2. <i>Create an enabling environment that promotes sustainable emerging enterprises and address skills shortage in the construction industry.</i>

4.2. Vision

A prosperous Free State through facilitation of sustainable infrastructure

4.3. Mission

Coordination, provision, promotion of infrastructure and sound management of assets.

4.4. Values

The core values below guides the employee's behaviour in realising the Department's vision:

Core Values	Description
Commitment	We will perform tasks purposefully within available resources to deliver quality service.
People-Centered	Putting "People First" will be our priority aimed at improving service delivery to citizens.
Teamwork	We will collaborate as a team and together assist with the realization of government priorities.
Responsiveness	All tasks will be attended to timeously and diligently.
Fairness	The Department will implement its strategy as planned and serve the citizens without bias and prejudice.
Transparency	We will provide the citizens with reliable information about decisions and performance of the department.
Integrity and Honesty	The Department will be frank in implementing its priorities and will also be accountable for failing to meet the stated performance objectives.
Respect	The department will consistently treat citizens with dignity, whilst ensuring that quality service is rendered at all times.

4.5. Core functions of the Department

- Design, construction and maintenance of social and economic infrastructure.
- Management of provincial government owned and facilitation of rented property.
- Provision of Provincial Government office accommodation.
- Coordination, implementation and monitoring of the Expanded Public Works Programme.
- Security for interdepartmental buildings.

4.6. Departmental Strategic Outcome Oriented Goals linked to strategic objectives and budget programmes:

Budget Programmes	Strategic Outcome Oriented Goals	Strategic Objectives
Programme 1: Administration	<u>Strategic Goal 1:</u> A working environment geared towards improved service delivery	1.1. Create and sustain a working environment conducive to improved service delivery
		1.2. Strengthen leadership and the development of personnel.
		1.3. Create and sustain a performance culture within the Department
		1.4. Ensure compliance to principles of good governance.
Programme 2: Public Works: • Works Design, Construction and Maintenance	<u>Strategic Goal 2</u> A transformed and effective construction industry that promotes government's objectives	2.1. Create an enabling environment that facilitate and promotes sustainable Infrastructure investment in the Free State Province.
• Property Management	<u>Strategic Goal 3</u> Effective property management and accelerated HDI access to the property industry.	3.1. Create a sustainable environment for the transformation of property industry
		3.2. Manage provincial government owned and leased Immovable Assets effectively
• Security Services		3.3. Provide a safe and secure environment
Programme 3: Expanded Public Works Programme	<u>Strategic Goal 4:</u> Massification of Expanded Public Works Programme to create jobs	4.1. Coordinate all stakeholders towards the successful implementation of the EPWP within the Free State Province 4.2. Create an enabling environment that promotes sustainable emerging enterprises and address skills shortage in the construction industry. 4.3. Monitor and evaluate the impact of EPWP in the Province

4.7. Budget Programmes

The Department's functions have been organised within the 2009 National Treasury budget programme structure reflected below:

Budget Programmes	Sub-Programmes	Description
Programme 1: Administration	• Office of the MEC	• To render advisory, secretarial, administrative and office support service.
	• Management of Department	• Overall management and support of the Department
	• Corporate Support Sub programme:	• To manage personnel, procurement, finance, administration and related support services.
Programme 2: Public Works	Programme Support	• Overall management and support of the programme: to manage the activities of the professional components strategically to render an administrative support services to the professional components with regard to finance matters
	• Works Design	• Design of new public infrastructure – the intension is that plans should be ready for funding.
	• Construction and Maintenance	• New Construction and refurbishment. • Routine maintenance • Alteration (Alterations refer to change that are required for reason other than maintaining the assets.)
	• Property Management	• To manage the property portfolio of the province; to establish and manage the provincial strategic and infrastructure plan; to provide accommodation for all provincial department and other institutions; to acquire and dispose of accommodation in terms of the plan.
	• Security Services	• To provide a safe and secure environment.
Programme 3: Expanded Public Works Programme	• Programme Support	• To manage the implementation of programmes and strategies that lead to the development and empowerment of communities and contractors. This includes the provincial management and co-ordination of the Expanded Public Works Programme.
	• Community Development	• Programme to bring about the development and empowerment of impoverished communities.
	• Innovation and Empowerment.	• Programme to develop contractor empowerment, development and training including leadership
	• Expanded Public Works Programme Coordination and Monitoring.	• Implementing EPWP/Community Based Works Projects