

Gauteng asset register will not make deadline

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SIBUSISO NKOMO

THE GAUTENG Department of Infrastructure Development may miss its deadline to verify the 31 000 properties on its asset register after being given a year to do the job by the legislature.

With six weeks to deadline, 9 804 properties have been verified and 21 196 are outstanding.

This came out of the infrastructure development portfolio committee meeting this week after MEC Qedani Mahlangu handed in her department's 2012/13 third quarter performance monitoring report.

Committee chairman Joggie Boers had reservations about the target being met and suggested that an extension may be given to the department as capacity was known to be lacking and the company previously hired to verify the properties had been replaced, thus the process being started from scratch.

Boers said the department also had to find out what state the properties were in, and what they were worth. They ranged from farms and empty land to houses, which had been owned by the former department of works, he added.

A report by the infrastructure development committee in June last year found that the provincial asset register was incomplete and inaccurate, and the department undertook to update it and verify all assets by the following year. The auditor-general also flagged the problem with the register in his audit report last year, and he called on the province to attend to the matter urgently.

The report highlighted site visits to some of the properties. It was found that residents in some of the houses had not been paying market-related rents and had not signed new lease agreements. They also did not have the department's banking details so that they could pay. Other properties were found to be vandalised and not maintained.

Infrastructure development spokesman Thulasizwe Simelane admitted that verification of the asset register was behind. He said the task was laborious, adding that the

Millions more for youth centre

AFTER spending R89 million more than it budgeted for, and taking three years longer than it had planned, the Department of Infrastructure Development is asking the government for another R14m to complete a centre for troubled youth.

The Smangaliso Secure Care Centre is supposed to be a home for youth in conflict with the law in Soshanguve. It has been in the making since September 2007 and was meant to cost R68m.

But the Infrastructure Development portfolio committee was told that the cost of the project had risen to R157m. And on top of this, the department required another R14m, taking the total to R171m. A discussion this week on the department's third-quarter spending included an update on the Smangaliso centre. Infrastructure Development spokesman Thulasizwe Simelane said MEC Qedani Mahlangu would comment after her visit to the site next week.

Social Development spokesman Dr Sello Mokoena said R68m had been only a preliminary estimate for a project that had been

affected by increases in material costs during the 2010 period.

"Some work had to be redone by the contractor appointed to complete the project, and some material losses were completely replaced. Professional fees have also escalated," said Mokoena.

The additional R14m would be used for materials, building costs and consultancy fees. He said the project was nearing "physical completion", but substantial work and installations were still required before it was fit for occupation.

"The initially appointed joint-venture contractors failed to complete the project and, further to unresolved disputes with the Department of Infrastructure Development, were dismissed. The legal proceedings continued for almost two years before a replacement contractor could be appointed."

In a presentation to the portfolio committee this week, introducing the study, the committee's researcher, Eugenia Mpofu, said the department achieved only a quarter of its targets. — Candice Bailey

service provider tasked with compiling the asset register did not comply with Treasury guidelines and another service provider was being sought.

"The compilation of a comprehensive, accurate asset register with quality information is a top priority for the department. It forms part of the department's action plan to respond to various matters of emphasis raised by the auditor-general when he issued an unqualified audit opinion on the department, for the 2011/12 financial year," Simelane said.

Problems with the province's properties are not new. In September last year the ANC was accused of irregularly turning vacant provincial government land into a parking lot next to its Luthuli House headquarters in Joburg.

But the department said it could not prove that the party was using the R12 million property. In July 2011 it was reported that most of Gauteng's properties, including its hospitals, were in poor condition because of a lack of maintenance by and support from the provincial government.

It was reported in November 2010 that over 780 state-owned houses in Gauteng were occupied by friends and relatives of government officials. The provincial government owns 826 state houses across six regions, but only 46 tenants had signed lease agreements. The friends and relatives were accused of defaulting on rates, taxes and rent.

The houses' occupants were also paying less than market-related rentals for the properties.

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