



public works

Department:
Public Works
REPUBLIC OF SOUTH AFRICA

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MEDIA STATEMENT

PUBLIC WORKS MINISTER THEMBELANI “THULAS” NXESI INTRODUCES FIRST MEASURES TOWARDS LEASE PROCUREMENT REFORMS

The Minister of Public Works, Mr. Thulas Nxesi, MP, has wasted no time in delving into the burning issues which have been dogging the Department of Public Works in the recent past.

In a brief to Top Management, the Minister described how in the short span of time he has spent with the Department; he has come to regard the whole area of lease contract management as potentially liable to controversy.

In response, the Minister has with immediate effect, instructed the Acting Director-General, Mr Mandla Mabuza, to withdraw all procurement delegations in the Department with regard to the signing and approval of all leases as well as the procurement of certain items and has also centralized the approval thereof to the Office of the Acting Director General – thereby effectively signaling the first act in the turnaround strategy to manage leases for both office and residential accommodation by the Department.

An Operational Task Team made up of property management expertise will in the interim advise both the Department and the Minister regarding such requests and ensuring that there were no backlogs and that the service delivery routine of the Department was not compromised.

The Minister’s action among others has been prompted by the public outcry around procurement of office accommodation and other moveable assets for client departments, and this was confirmed by the outcomes of investigations instituted by government in acknowledgement of certain doubts and misgivings so publicly expressed.

The withdrawal of delegations effectively means that:

- All Regional Offices of the Department are now only allowed to conclude leases that relate to annual contracts for residential accommodation.
- All contracts relating to office accommodation and commercial leases will be initiated and concluded at Head Office by the Office of the Director General.
- Residential leases relating to executives such as Political Leaders, Commissioners and Chief Justices will be initiated and approved at head office level.

What this arrangement means is that,

- All procurement for leases will be adjudicated by the special Bid Adjudication Committee (SBAC) at head office.
- The Director General is the only person delegated to give final approval for a contract to be processed.
- Procurement for all acquisitions of moveable assets on behalf of the Executive must be similarly approved before being processed.

The new processes and systems will come into effect immediately.

END

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