

**Deputy Minister of Public Works  
N Kganyago  
13 April 2005**

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**The Deputy Minister of Public Works, Mr Ntopile Kganyago, MP, delivers his speech on the occasion of the Minister's Budget Vote Address to the National Assembly**

Venue: Parliament, Cape Town  
Date: 13 April 2005

- The Honourable Madame Speaker
- The Honourable Minister of Public Works, Ms Stella Sigcau
- The Honourable Chairperson of the Public Works Portfolio Committee, Mr Fezile Bhengu
- Honourable Members
- Senior Management from the Department
- Distinguished Guests
- Ladies and Gentlemen

#### Introduction

As part of its core functions, the Department of Public Works provides physical accommodation as well as related maintenance and other facilities management services to the national legislature and the executive branches of our government including the Presidency.

#### Key Achievements in Prestige Portfolio in 2004/05

Following the General Elections of April 2004, the Department responded to a call to find additional office as well as residential space for the newly appointed Members of the expanded Executive. A number of acquisitions were made in Cape Town and Pretoria including upgrading and renovation of existing accommodation for Ministerial occupation, and new living quarters were acquired for the use by the Directors-General in Cape Town.

Lack of sufficient budgets has meant that the Department should find innovative ways to provide accommodation solutions that meet the expectations of our clients. To this end, we have, among others, revised our Prestige Policy Manual for objective application of norms and standards in the acquisition and/or provision of goods and services. The move will encourage cost-effectiveness as we strive to achieve more with less. Once approved, these proposals will be included as amendments to the Ministerial Handbook.

Efforts to improve accommodation and security in the Parliamentary Villages continued in 2004/05. At Acacia Park, several bachelor flats were converted into family units to address the accommodation demands of members. Burglar bars, intrusion alarm systems, CCTV Cameras and perimeter fencing were installed to augment safety and security including the issuing of access cards to dependents living in those villages.

As we entrench the practice of regular occupancy audits at our Parliamentary Villages to ensure compliance, we shall at the same time be making amendments to the Parliamentary Village Board Act with a view to accommodate other individuals other than parliamentarians and sessional officials. The support and cooperation of fellow members will determine the extent of our success in making these premises secured.

The one hundred and three million rand (R103 million) refurbishment project of the number ninety (90) Plein Street for the use of Parliament was completed and delivered on schedule. Earlier this year, we handed over the thirty million rand (R30 million) renovated Parliamentary Media Centres to the GCIS at number one twenty (120) Plein Street. Included in the project was the upgrading of the Cabinet Room in Tuynhys to accommodate the Presidential Press Corps as part of information sharing and democratization.

Over the last two years, the Department has piloted a Facilities Management Project aimed at improving levels of service at 120 Plein Street. To date, eighty two million rand (R82 million) has been expended in day-to-day maintenance, cleaning and horticultural services. Our evaluation report was positive and a follow-up new generation contract for facilities management is being considered for roll-out to other Offices in the Department, notably the Pretoria Office. The success of such a project is dependant on the availability of funds.

One of the less publicised functions of the Department is the organising and staging of the State functions, including funerals. In 2004/05, the Department assisted with twenty seven (27) state visits, two (2) State of the Nation Addresses and twelve (12) other state functions.

In the current financial year, we shall continue to attend to accommodation shortages whenever they exist in the Prestige environment. We have embarked on plans to repair and maintain the Civitas Building which houses the Ministries of Home Affairs and Health. The building was recently vacated for the purposes of repairs. The estimated cost of work in Civitas is R175 million.

#### Government-wide immovable asset management

Government must use its limited resources efficiently and effectively to achieve its objectives; and immovable assets are an important resource for service delivery. These assets are capital intensive and durable. Over the past decade, the government has come to recognise immovable assets as indispensable to service delivery and governance, prompting best management practices in their handling.

Consultation with National Treasury led to the alignment of the Department's initiative to develop a policy framework and legislation to govern the management of immovable assets throughout government, with Treasury's development of an Asset Management Guideline (an over-arching framework for the management of movable and immovable assets that introduces the principles of asset management to all organs of state).

NDPW was subsequently requested to develop that section of Treasury's "Asset Management Practical Guide" dealing with immovable assets. Consequently we are finalizing a government-wide immovable asset management framework for the life-cycle management of immovable assets under the control of organs of state, which will introduce minimum standards, across the public sector. As mentioned, we will be bringing a Bill on this issue to Parliament during 2005. Once in operation, the initiative will bring the Department another step closer to lending credence to the Intergovernmental Relations Bill as envisaged by government.

#### Contributing to land reform imperatives as part of poverty alleviation

In 2004/05 the Department transferred forty seven (47) properties in extent of seventeen thousand seven hundred and sixty (17 760) hectares of land to the beneficiary communities, to the local government for the development of low-cost housing and other related municipal infrastructure and to other organs of government including the 848 hectares to the Airport Company of South Africa (ACSA) in terms of its founding legislation.

The Department has compiled a disposal programme for unutilised properties as part of its ongoing disposal strategy. To this end, the Department will be releasing one hundred and eighty six (186) properties ranging from vacant residential stands, residences, offices, general functional and disused government properties. Other properties identified for transfer for low cost housing and community related activities include 50 houses and other associated buildings for the Lebanon Community near Caledon as well as the release of land to the Mangaung Local Municipality for the development of a formal housing settlement.

A number of foreign properties were also identified for disposal in Portugal, Germany and Namibia. The Department is currently conducting an analysis for the best method of disposal.

The disposals are important in reducing management costs of government immovable assets particularly in cases where such properties are under-utilised or unused and the Department has identified them as superfluous to the future needs of government.

#### Conclusion

With all these initiatives undertaken to improve service delivery and uphold principles of good governance, we are in the process of turning around our organisation to build a world class Public Works Department.

I would like to thank the Minister and the Department for their continuing support.

I THANK YOU

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