



**DEPARTMENT OF PUBLIC WORKS &
INFRASTRUCTURE NCOP BUDGET VOTE 2022**

DELIVERED BY MINISTER PATRICIA DE LILLE, MP

25 MAY 2022

NCOP chairperson, Amos Masondo

**Chairperson: Select Committee - Transport, Public Service & Administration,
Public Works & Infrastructure, Honourable MK Mmoiemang**

MECs and honourable members

Good afternoon

- 1. Chairperson, this past year has seen us slowly emerge from the devastation of the COVID 19 pandemic and as the Department of Public Works and Infrastructure (DPWI), we remain as determined as ever to align our work to the rebuilding of our economy and assist our most vulnerable communities.**

- 2. It will take a collective effort and my call to action to the department on a daily basis is to work with urgency, we have a lot of work to do and the patience of our people is running out.**

- 3. Today we celebrate Africa Day and it is incumbent on us to work harder for our people by investing in infrastructure that bring us closer to our continent as we link to our neighbours with new ports of entry, bridges and roads - increasing trade and deepening our links.**

- 4. As we rebuild, sadly four of our provinces have been devastated by the impacts of climate change with severe flooding.**

KwaZulu Natal and Eastern Cape Flood Disaster Interventions

- 5. The Department of Public Works and Infrastructure (DPWI), has been involved in five work streams and interventions to assist in the reconstruction efforts in KwaZulu Natal and the Eastern Cape to mitigate the effects of the flood disaster.**

- 6. A database of over 300 built environment professionals has been made available to COGTA to help assess, scope, cost, design and implement critical reconstruction and building of damaged infrastructure.**
- 7. Departmental resources will focus on the current 53 government owned buildings in KZN and the 12 government owned buildings in Eastern Cape which have been damaged by the floods to make them usable.**
- 8. Some repairs to buildings in KZN are between 20% and 75% complete while in the Eastern Cape, repairs to buildings are between still underway and some are at 95% complete.**
- 9. The Department has also identified 258 land parcels while the KZN Department of Public Works have identified a further 25 land parcels which are being assessed for suitability for the resettlement of displaced communities by the Housing Development Agency (HDA).**
- 10. Rural bridges: to date 52 sites in KZN in need of bridges have been identified.**
 - The construction of the first 18 bridges in KZN is to commence from 01 June 2022. The province has identified 5 additional sites which have been assessed and added to the list, making it 23 prioritised bridges.**
 - In the Eastern Cape, so far 18 bridge sites have been identified. Technical assessments have been done at the sites.**

- **The Department re-assigned more capacity to assist the KZN Department of Transport and Eastern Cape Department of Transport and affected municipalities.**

SIP 25: Welisizwe Rural Bridges

11. At the SONA 2022, President Cyril Ramaphosa announced the construction of nine-six (96) bridges in the 2022/23 financial year.

12. The number of bridges that will be constructed is as follows:

- **eighteen (18) bridges in the Eastern Cape,**
- **thirty-six (36) bridges in KZN,**
- **eleven (11) Mpumalanga,**
- **eleven (11) Limpopo,**
- **ten (10) Free State and;**
- **ten (10) North West.**

13. Earlier this month, together with the Minister of Defence and Military Veterans, KZN Department of Transport and KZN Department of Public Works, we handed over the latest three completed bridges in KwaZulu Natal.

INFRASTRUCTURE INVESTMENT PLAN

14. The Infrastructure Investment Plan is central to the Economic Reconstruction and Recovery Plan (ERRP) aimed at creating jobs and has started bringing the construction industry back to life.

15. Infrastructure South Africa (ISA) was established following approval from Cabinet in 2020 has been hard at work to drive the Infrastructure Investment Plan through assisting with project blockages, unlocking funding to ensure and monitoring and reporting on the implementation priority projects.

STRATEGIC INTEGRATED PROJECTS (SIPS) PROGRESS

16. In 2020 we gazetted 62 projects as SIPS. These projects are in the Transport Sector, Human Settlements and Energy Sector, Digital and Agriculture sectors.

17. I will provide an update on some of the projects and the rest are available on request.

18. The Transport Sector gazetted projects are well under way with construction completed on 5 projects and 5 projects in construction.

19. Completed SIPs in the transport sector include:

- **N1 Windburg Interchange Windburg Station: Free State**
- **N1 Polokwane Eastern Ring Rd Phase 2: Limpopo**
- **N1 Ventersburg to Kroonstad: Free State**
- **N2 Mtunzini Toll Plaza to EmpangeniT-Junction: KwaZuluNatal**

20. Transport SIPs in construction include:

- **N1 MusinaRing Road:: Limpopo**
- **N3: KwaZulu Natal**
- **N3 Ashburton Interchange to Murray Road: KwaZuluNatal**

21. In the Human Settlement Sector, the Social Housing Sector is making significant progress with 3 projects completed, 2 projects in construction, 2 projects are in procurement while the rest are in the planning stages.

22. Human settlements SIPs on construction include:

- **Greater Cornubia (KwaZulu-Natal): Private sector interest in affordable market. 2 662 units completed in Phase 1 along with some amenities.**
- **Phase 2 consists of 12 000 residential units which will include a mixture of BNG, GAP and Social Housing, plus associated social amenities. Statutory approvals for Phase 2 have been completed.**

- **Vista Park (Free State): Bulk services installation at 85% complete on Vista Park 2.**

Designs for internal services and top structures ready for approval. Upgrades to Vereeniging Road in progress. Bulk services installation at 90% complete on Vista Park 3.

- **Lufhereng (Gauteng): 3 412 housing units have been completed and occupied in the following project phases. 7 244 Employment opportunities created to date**
- **Malibongwe Ridge (Gauteng): Project currently under construction of bulk and internal services.**
- **N2 Nodal Development (Eastern Cape): Phase 2: Catalytic Land Development Preparation 53%. Phase 3: Implementation is at 14%**
- **Green Creek (Gauteng): 3 623 Employment opportunities created to date and 412 units completed with 361 units handed over**
- **The Mooikloof Mega Residential City (Gauteng): 1 335 Employment opportunities created to date. The development once completed will see the construction of 50 000 varying types of residential units for different household income levels.**

23. Also as part of the gazetted SIPS, the Lesotho Highlands Water Project (Phase 2 (Gauteng/Lesotho): Advance works under construction. Tender design for the main contracts is complete; award of the main contracts is now dependent on finalising the loan agreements.

Small Harbours Development

24. The gazetted Small Harbours project under DPWI is completed.

25. The R501 million repair and maintenance programme to the 13 Proclaimed Fishing Harbours in the Western Cape included removal of sunken vessels, repairs to slipways, shore crane replacements, security, civil and electrical infrastructure upgrades.

26. The project included upgrades to the Saldanha Bay slipway which increased the slipway capacity from 600 tons to 1 200 tons thus enabling much bigger vessels to be slipped and maintained in the Saldanha Bay Harbour whilst also servicing the surrounding West Coast harbours.

27. The Small Harbours Repairs and Maintenance programme has created a total of 925 jobs of which over 500 were youth.

28. The programme also empowered 142 local SMMEs to the value of over R116 million of which 73 companies were level 1 BBBEE companies.

NATIONAL INFRASTRUCTURE PLAN (NIP) 2050

29. Since last year's budget speech, we have completed the drafting, approval and gazetting of the National Infrastructure Plan 2050 (NIP2050) by March 2022.

30. The NIP2050 is long term plan for infrastructure development across the country which aims to ensure that there is the necessary long-term view regarding infrastructure to drive economic and social transformation to achieve NDP goals and beyond.

31. We have started the implementation of the first three years of the NIP2050.

32. The NIP2050 spells out the government's intentions to build, manage and maintain infrastructure to enable South Africa to grow and address inequality and unemployment.

33. We have commenced with the drafting of the second phase of NIP which will focus on social infrastructure and related municipal services, as well as approaches to strengthening coordination through District Development Model approach. This will be finalised in the 2022/23 Financial Year.

BUDGET MAIN VOTE

- 34. Chairperson, I have spent some time updating the house on progress on infrastructure because it is vital for the wellbeing of our communities and to help grow our economy. I will now get to the DPWI Main Vote:**
- 35. In terms of the Appropriation Bill, one allocation is made to DPWI which for this financial year 2022/23 amounts to R8.5 billion.**
- 36. R7.4 billion of that budget is allocated to transfers and subsidies mainly for the entities of the Department and the coordination of the EPWP.**
- 37. Of the R7.4 billion, R4.5 billion is allocated to the Property Management Trading Entity (PMTE) within DPWI.**
- 38. The balance of the overall DPWI budget is allocated to compensation of employee and goods and services.**
- 39. The total budget allocation for the PMTE for this new financial year is R23.5 billion, of which R19 billion comes from client departments.**
- 40. In terms of last financial year's expenditure, for the year ending 31 March 2022, the department managed to spend 97% of the adjusted budget and PMTE's expenditure in the last financial year was 89%.**

41. The breakdown of this year's R23.5billion PMTE budget, per province is as follows:

- **Eastern Cape: R2.2billion**
- **Free State: R871million**
- **Gauteng: R11.2billion**
- **KwaZulu Natal: R2.2billion**
- **Limpopo: R896.8million**
- **Mpumalanga: R992million**
- **North West: R1billion**
- **Northern Cape: R731.2million**
- **Western Cape: R3.1billion**

LAND REFORM PROGRESS

42. Land redress, is one of the key drivers to towards addressing the spatial, and socio economic imbalances our country continue to be confronted.

Progress for Restitution

43. Since May 2019 to date, DPWI has released 214 land parcels measuring 30 277 hectares for restitution. Last year's target for restitution was 10 000hectares and this was exceeded.

Progress for Redistribution (Land Tenure)

- 44. Since May 2019, DPWI has released 25 549 hectares of agricultural land (125 parcels) for the Redistribution Programme.**
- 45. Under this programme, 50 potential land parcels from the Immovable Asset Register have been identified for potential release for redistribution in 2023/24 financial year in support of the Agricultural programme.**
- 46. For this financial year, these properties are being physically verified in terms of determining illegal occupation, suitability and the qualification of beneficiaries by the Department of Agriculture, Land Reform and Rural Development.**

The Human Settlements Programme

- 47. Since 2019 to date, 73 land parcels measuring 4 761 hectares has been released for human settlements developments across the country.**
- 48. For land released for socio-economic purposes, in support of infrastructure development, 15 hectares (11 land parcels) were approved for registration of servitude for roads, water, electricity and gas pipeline servitudes in this past financial year.**

49. For this new financial year DPWI plans to release:

- **7 100 hectares in various provinces for human settlements development purposes**
- **180 hectares for socio economic purposes.**
- **154 745 hectares under land reform for restitution and land tenure**

50. This amounts to over 162 000 hectares planned for release by DPWI nationally for the new financial year.

51. Of the 154 700 hectares for restitution and redistribution, this includes:

- **346 hectares in KZN**
- **15 900 hectares in Mpumalanga**
- **128 000 hectares in the Northern Cape**
- **10 200 hectares in Limpopo**

52. Under the human settlements programme, the planned 7 100 hectares planned for release are divided as follows:

- **532 hectares in the Eastern Cape**
- **5 160 hectares in KZN**
- **0.6 hectares in the Northern Cape**
- **50 hectares in Limpopo**
- **1 144 hectares in the Western Cape**
- **21 hectares in Mpumalanga**
- **258 hectares in the Free State**

53. Under planned releases for socio-economic purposes such as infrastructure development, the 180 hectares is made up of varied amounts in all 9 provinces.

54. It must be noted that the above planned releases are based on what is requested in a specific province and how far the land release process is that will enable the land to be released this year.

55. There are requests for land releases from all provinces but will not reflect for this financial year as the disposal process is not yet at the stage where the land can be released in this year.

CONSTRUCTION PROJECT MANAGEMENT (CPM)

56. Under the PMTE infrastructure projects, approximately 127 infrastructure projects were completed and 107 sites were handed over to contractors for the 2021/22 financial year.

57. The following projects were some of the completed and handed over to the end user to utilise:

- Walmer Police Complex which included the repairs & maintenance of electrical, mechanical, civil & structural elements of the complex in Nelson Mandela Bay District in the Eastern Cape Province.**
- Boksburg Prison which included the Repair and maintenance of electrical and mechanical installations of the prison in Ekurhuleni District in the Gauteng Province**

- **Mount Ayliff Police Station** which included repairs and renovation of the police station including electrical and civil works in Alfred Nzo District in the Eastern Cape Province.
- **Simonstown Naval Base, maritime reaction squadron** which included the repairs to collapsed retaining walls in the City of Cape Town District in the Western Cape Province
- **Lebowakgomo South African Police Station** including the Rehabilitation of Lebowakgomo Government Printers in Capricorn District in the Limpopo Province

EPWP

58. EPWP wage enables participants to participate in economic activity. In the 2021/22 financial year, the overall target for work opportunities was exceeded with over 1million opportunities created.

59. Out of the more than 1million work opportunities, provinces and municipalities combined created and reported 634 546 work opportunities.

60. The work opportunity targets for the 2022/23 financial year is one million, 23 thousand, five hundred and 69 (1 023 569).

61. Of this, Provincial departments are expected to create over 339 185 opportunities.

GENDER BASED VIOLENCE AND FEMICIDE

62. Chairperson, the DPWI is making a contribution to the fight against GBVF and so far we have released 12 state-owned buildings to be used as shelters for victims of gender-based violence.

63. This includes 6 properties released in the Western Cape and 12 properties released in the Gauteng province.

64. The department has identified 83 properties in the past year to be allocated for use as shelters for victims of gender-based violence.

65. So far, the Department of Social Development, have selected 47 properties were selected to be used as shelters.

66. These properties have been identified in the following provinces; Northern Cape, Eastern Cape, Gauteng, Free State, KZN, Limpopo and Mpumalanga.

67. In this financial year, the Department will prepare and release more properties across the country for Social Development to utilise in the fight against GBVF.

68. As DPWI, we have requested provinces and municipalities who also own buildings to also release some of their own buildings for GBV purposes.

GBVF Billboards

69. We have also installed GBVF advocacy billboards in various provinces to advertise the GBVF national command centre helpline where victims can assistance and to put our anti-GBVF message in the faces of the monsters who are hurting and killing our women and children.

70. The billboards have so far been installed in Gauteng, the Western Cape, Mpumalanga, KZN and in the Northern Cape. Billboards will be installed at police stations in the remaining provinces during this year.

DPWI REGIONAL OFFICE PROJECTS:

71. In the Western Cape, DPWI is currently executing a major project for the repair and maintenance projects to infrastructure to the value of R63,3million.

72. This includes facilities management work at the Cape Town Parow Forensic Laboratory. The budget allocated for the 2022/2023 financial year for the project is R 14million.

73. In the Mpumalanga Region, the department is undertaking construction works at the Standerton Labour centre with a budget of R34.7 million and the project is expected to be completed in March 2023.

74. In the Northern Cape/Kimberley Region, the department is busy with replacement of bulk water supply lines at the Postmasburg Lohatlha Combat Training Centre to the value of R45million.

- 75. Another project in the Northern Cape is the construction of a new magistrate's court in the small rural town of Jan Kempdorp in the Phokwane Local Municipality.**
- 76. Another project is the construction of a new magistrates court in the rural town of Keimoes in the Kai!Garieb Local Municipality.**
- 77. In the Eastern Cape/ Gqeberha region, a total of 10 construction projects were completed in the last financial year including:**
- Walmer SAPS: Repairs and Renovations to the value of R29.3million**
 - Construction of the Port Alfred SAPS : to the value of R53.5million**
 - Construction of the Paterson SAPS to the value of R94.69million**
- 78. For the DPWI Gqeberha office, projects currently in construction includes:**
- Forest Hill Military Base: Health Centre Construction: Contract value: R 474.9million.**
 - Hankey SAPS: Construction value R 101.9million.**
 - Grahamstown SAPS: Head Quarters. Construction value R52.6million.**
 - Burgersdorp Prison Construction worth R469.8million and construction commenced on 14 April 2022.**

- 79. In the DPWI Johannesburg Regional office: the department is undertaking the rehabilitation of number 85 Anderson Street in Johannesburg to accommodate Department of Rural Development and Land Reform.**
- 80. The value of the project is R 522.1million and the expected completion is March 2023.**
- 81. Also in the Johannesburg region is the Randfontein Military Base for complete repairs and renovation and fencing project to the value of R 89.9million. Current progress is at 80%.**
- 82. Another project being done by DPWI in Johannesburg is the Vereeniging police station repair and renovations project to the value of R114.9million and current progress is at 70%.**
- 83. From the Pretoria regional office, at the Zonderwater Prison: construction of a new parole board building to the value of R12.2million is underway.**
- 84. In the Free State, the Bloemfontein regional office are undertaking the construction of the Kestell Magistrate's Court to the value of R30million.**
- 85. Also in the Free State is the construction of an abattoir the Grootvlei Correctional Centre valued at R94million with R28million spent to date.**
- 86. In the Limpopo region, the upgrading of the Mankweng police station in Polokwane is underway worth R60.9million.**

- 87. In Limpopo, the Seshego Magistrate's court repairs and renovations worth R7.7million is also underway.**

- 88. Also in Limpopo, the upgrading and repairs project at the Dzanani police station in the Vhembe District municipality is underway worth R66.3million.**

- 89. In the North West, the Department has completed the Zeerust Police Station with construction of additional accommodation and repairs and renovations to existing facilities.**

- 90. The Lichtenburg Prison Replacement of existing facilities project is currently in design phase and the Sannieshof Magistrate's office, construction of a new building is in the planning stages.**

- 91. Honourable chairperson, from the above I have highlighted some crucial construction and maintenance projects being undertaken in communities in need.**

- 92. Our work continues in earnest and we are committed to working with urgency to bring all communities the level of infrastructure and services needed from government.**

- 93. I thank you.**

ENDS