



PUBLIC WORKS PORTFOLIO COMMITTEE 2020/21 BUDGET REPORT

Committee Details	
NAME OF COMMITTEE	PUBLIC WORKS PORTFOLIO COMMITTEE
TABLING DATE	04 JUNE 2020
CHAIRPERSON	HON. MC FRAZER



REPORT FOR PUBLIC WORKS PORTFOLIO COMMITTEE 2020/21 BUDGET

1. INTRODUCTION

Chairperson, as Public Works Portfolio Committee we welcome this opportunity to participate in the maiden debate of our MEC's budget speech in the 6th Legislature. We note that we present at the time when South Africa and the entire world is battling the outbreak of Covid-19 pandemic which has wreaked havoc throughout the world. As this Committee, we are pleased about the decisive measures taken by our national and provincial governments to arrest the uncontrollable spread of the pandemic. The role by the Department of Public Works in this process cannot be overemphasized.

The areas covered in your report Honourable Nkonyeni, are the ones the Committee is interested in. Honourable Speaker, this Budget item is the key cost driver in achieving the Department's service delivery mandate, the provision of infrastructure support. It is my pleasure therefore, to report to this House that Public Works Portfolio Committee is committed to execute its constitutional mandate as assigned to the Legislature. Committee Workshops were held on 4 October and 12 November 2019 respectively, members of the Committee were empowered and gained insight on issues related to the legislation that pertains to the Department

of Public Works such as Billing System, Government Immovable Asset Management (GIAMA) and Extended Public Works Programme (EPWP) amongst others.

On 11 December 2019 the Committee conducted a Stakeholders meeting at Uhlelolusha Community Hall at Impendle Local Municipality. Stakeholders and the public within Umgungundlovu District Municipality were provided opportunity to participate in the Committee and Legislative processes. As this Committee, we have engaged in robust oversight visits to ensure that government policies and budget authorized by this House; indeed compliment the needs of the public and the taxpayers of this province. The Committee met on 23 April 2020 to consider Public Works departmental Annual Performance Plan (APP) and Budget for this current financial year (2020/21). The Department presented 2020/2021 budget for consideration. The budget baseline for 2020/21 was R1,778,409 billion.

The Committee is concerned about the department's budget cut of R13.894 million in 2020/21 and the impact thereof on all 3 programmes. In respect of the 2020/21 budget we noted that:

- Programme 1: Administration allocated R468,290 million and the largest share of 43% is allocated towards personnel.
- Programme 2: Property Management allocated R800,299 million. The Committee noted the decrease in allocation for this programme which focuses on municipal property rates, implementation of GIAMA and fixed asset register projects. A shortfall in the payment of municipal property rates in 2020/21 is anticipated which might require additional funding. As this Committee, we acknowledged initiative by the Department of Public Works to engage

municipalities with a view to reducing the rates bill and establish a more stable projection of future rates bill.

- Programme 3: Provision of Building, Structures and Equipment is allocated R509,820 million. The committee noted that due to budgetary cuts these various projects will be rolled out over a longer period.
- R4,2 million allocated in 2020/21 for the EPWP Integrated Grant for Provinces whilst a decrease of R483 000 for this grant is observed, over the MTEF due to fiscal consolidation budget cuts.

Whilst the Committee would monitor all the above programmes as they form part of the Committee's priorities however; the Committee was encouraged by the continued upward trend in the department's budget over the MTEF period notwithstanding the budget cuts. Furthermore, the Committee note the anticipated budget cuts due to National Reprioritization of budget in response to the Covid-19 pandemic which will require the Department of Public Works to reprioritize certain areas. The Committee is determined to closely monitor any costs associated with Covid-19 pandemic.

As a Committee, we are pleased to report that the core business functions of the department are in line with the outcome based strategic goals, and objectives in the 5-year strategic plan (2020-2025) of the department and hope for a clean audit in this financial year.

The ANC, IFP, DA, EFF and Minority Front supported the 2020/2021 budget as tabled.

2. CONCLUSION

In conclusion, I wish to indicate that Public Works Committee and the Department, are committed to comply with Covid-19 pandemic regulations and Focused Oversight Guidelines as prescribed by the Legislature. May I take this opportunity to thank the MEC for Public Works Mrs. NP Nkonyeni, all members of the Portfolio Committee, HOD and his team for the good working relation and co-operation. Lastly, our Stakeholders, the office of the Auditor-General, Treasury and KZN Legislature support staff for the continuous commitment in ensuring the efficiency in all Committee activities.

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HON. MC FRAZER

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DATE

CHAIRPERSON: PUBLIC WORKS PORTFOLIO COMMITTEE