



# LIMPOPO

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**PROVINCIAL GOVERNMENT**  
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF PUBLIC WORKS**

**Services Evaluation Report**  
**2008/09**  
(Confidential)

## **ABSTRACT**

Service Delivery Improvement Unit conducted the following surveys during 2008/09 financial year namely: Client surveys with consultants, open interview with contractors, and focus group interview with government departments. The purpose of the surveys was to gather information about departmental core function directorates' performance. The surveys were spread over the four quarters of the financial year under review.

The findings show that the department is not doing well in core function directorates with the exception of Maintenance & EPWP. There are many factors contributing to these deficiencies. Some of the problems are viz: understaffing, staff low morale, and many more. These problems are manifested in the predominant departmental management style. There is no team work, directorates just do their own things and do not care about the interrelationship and dependencies between processes. There are many things happening in the department many employees not aware of. Majority of employees are kept in the dark about decisions taken at strategic level. Information sharing is not promoted. The departmental website contains obsolete information about the department. Most employees do not know how to access information in departmental intranet and websites.

Management should urgently do something to remedy the situation. Firstly soft issues should be addressed before hard processes are attended. People management should play pivotal role in this predicament. The implementation of job evaluation by the department is a bold step in the right direction. If it is implemented effectively it will cut out some of problems associated to internal soft issues; should it be maintained it will yield positive results in the long term. Problems within hard processes namely; business processes, strategy, structure and systems could be dealt with through strategic planning sessions.

## **1. INTRODUCTION**

Service Delivery Unit is responsible for monitoring and evaluation of departmental programmes with regard to provision of services to customers. Monitoring and Evaluation is conducted to establish if departmental services impact on the lives of services recipients. M&E is conducted quarterly as a requirement by the provincial administration transversal service standards document. At the end of the financial year a comprehensive report is generated covering issues raised in quarterly reports. The report should be signed off by HOD for adoption. The approved report is stored in our departmental intranet and other repositories. The scope of our reporting is limited to batho pele principles and should never be confused with Strategic Planning and EPWP reports. The following are the advantages of our monitoring and evaluation reports:

- Provide information with regard to public works services accessibility.
- Establish if Programmes consult customers before offering services.
- Investigates if programmes comply with redress standards by offering official written apology for lapses in service and failure to achieve targets as indicated on APP.
- If programmes comply with departmental standards, and if the quality of service provided is of high standard meeting customers' requirements.
- If the employees' behavior is reflective of departmental core values, and re a shoma philosophy or slogan.

Generally reports information will help management when taking decision about operations.

## **2. METHOD**

### **2.1 Design**

The research methodologies employed were both qualitative and quantitative in approach. The research techniques were surveys, focus group, and interviews.

### **2.2 Participants**

The samples were drawn systematically from our key and secondary customers in the following pattern:

- Survey was conducted to 27- consultants
- Open interview was conducted to 150-contractors
- Focus group interview was conducted to 6-provincial government departments.

### 2.3 Apparatus

The interviews were conducted in conference halls. The audio visual aids were employed during the interviews. Facts and information provided were captured with the utilization of laptops by three data capturers. Survey data was captured through a survey questionnaire.

### 2.4 Procedure

<b>Research Technique</b>	<b>Sample Size</b>	<b>Date</b>
Survey	27-consultants	1 August 2008
Open interview	150-contractors	27 October 2008
Focus Group	6-government departments	13 March 2009

### **3. FINDINGS**

#### **3.1 Project Management Programme**

##### **3.1.1 Survey (consultants)**

3.1.1.1 The consultants raised the dissatisfaction with bids administration; indicating that the supplier database is not managed objectively. There is an element of favoritism; a hand-full of consultants are offered preferential treatment. Too many projects are awarded to one consultant resulting with some projects not being visited for quality checks and work progress.

3.1.1.2 The department does not fully comply with batho pele principles. The department does not invite consultants or their representative body to attend strategic planning sessions. The department does not avail information to consultants e.g service standards.

##### **3.1.2 Open Day Interview / and Focus Group Interview**

###### **3.1.2.1 Emerging contractors capacity building**

There was an indication that the province is not doing enough regarding transforming the built environment industry. There is no programme in place to capacitate emerging contractors and if there is one; it does not have any impact on beneficiaries. The department, the contractors and consultants are not doing enough to develop building industry skills in the province. It seems as if the issue of contractor development is the sole responsibility of national PWD.

###### **3.1.2.2 Bids Evaluation and Adjudication Process**

The adjudicating teams are not truly representative of responsible directorates. At some instances they comprised of one directorate only. This shortcoming encourage favoring of other providers over many competent contractors across the province. The problem is not doing any good to the BBBEE. Money is circulated among few connected people in the province. The objectives of BBBEE will never be realized if this problem is left unattended.

### 3.1.2.3 Variation Orders

The department is experiencing ballooned payments of variation orders. This problem is attributed to the present screening/elimination criteria of 40% percentile range below the projects budget. The bid committee has a pattern of awarding bids to lowest bidders. The lowest successful bidder find it difficult to run the project with a smooth cash flow as a large percentage of the budget is spent on material cost and nothing is left for labour and profit.. The contractor end-up abandoning the project due to cash flow problems.

### 3.1.2.4 Number of Projects awarded to one Consultant

This problem was raised once again in the open interview. The department has a tendency of awarding many projects to one consultants/ contractor without tracking on his previous performance on projects of the same scope. This problem lead to backlog on infrastructure programme implementation plan i.e projects spanning more than one financial year. The problem impacts negatively on project delivery.

### 3.1.2.5 Performance

- **Contractor's performance:** many projects exceed agreed time frames and the penalty clause is not applied. The quality of workmanship is below departmental standards and contract documents. Some completed projects show many defects within few months of practical completion. Clients departments are not happy about this state of affairs. Customer loyalty is fading away and client departments are taking some of our mandates.
- **Consultant's performance:** the service level agreements between consultants and our department are not monitored. Some consultants do not bother about executing tasks as indicated in the SLAs. Environmental Impact Assessment is not conducted prior to commencing with site works. Quality checks are not conducted as per IPIP quality plan schedule. Foundations are not inspected before backfilling. Some completed buildings fall apart due to settlement of the foundation concrete in buildings built on unstable soil.
- **Project Management Programme Performance:** some project managers do not visit their projects sites neither do they attend and conduct site meetings. This is a serious allegation (problem) and need to be investigated. There is a shortage of registered professionals in the department. There is a shortage of technical skills to run projects effectively.

## 3.2 Real Estate

### 3.2.1 Performance

- **Consultant's performance:** the department does not monitor the performance of consultants against the service level agreement. Consultants independently conduct their given tasks sometimes going beyond the scope of their given project.
- **Real Estate Performance:** lease agreements are not managed effectively and efficiently, some departments pay rental prior to occupation of their new buildings resulting in double rental payment. The asset register is not well managed; Real Estate does not know the exact number of the provincial immovable assets. Public Works is regarded as a specialist in the management of provincial property but sometimes responsibilities are shared to user departments. There is no official formal reporting format to client departments; sometimes the department gives scanty reports to user departments.

### 3.3 Building Maintenance

Client departments indicated that Maintenance Programme is offering excellent work for the current financial year. They never experienced serious problems regarding maintenance. The introduction of RCC made a big improvement to Maintenance. After logging a call; the job card is attended as in the departmental standards.

### 3.4 EPWP

The internal EPWP implemented by Maintenance directorate is not yet well managed. The problem is the co-ordination between our department and Department of Labour. There is no smooth transition of employees from work to skills development at relevant training providers.

The co-ordination of the provincial EPWP with client departments is running as planned even though there are some minor problems.

#### **4. CONCLUSION**

In general, the departmental performance is neither satisfactory nor below average, it is of mediocre. The planned targets on APP are not 100% achieved at end of the financial year. Therefore the targets are neither realistic nor achievable. Strategic planning workshops in most cases do not address implementation constraints; they are programmed at developing the APP and reports only. The recommended interventions in reports are not taken into consideration. Furthermore our strategic planning decision making process is not guided by monitoring and evaluation information.

#### **5. RECOMMENDATIONS**

5.1 The department should invite all key stakeholders to strategic planning meetings and workshops (Districts Management, DoE and DH&SD).

5.2 The strategic planning session should be wide and not be confined to APP and Reports only.

5.3 Staffing of core function directorates is long overdue.

5.4 Specialized training in programme management is needed.

5.5 Directorate should adhere to required format for progress reporting to clients department.

5.6 Directorates should plan their APPs in such a way that by the end of the financial year all key results areas are at 100% complete. Should avoid overlapping of projects to span more than one year except for big projects.

- 5.7 The bids elimination criteria clause of 40% below the project budget should be revised and replace with 25% below the project budget.
- 5.8 Project Management and Supply Chain Management should make sure that they comply with the newly implemented IDIP business processes.
- 5.9 The performance monitoring of service level agreement function should be moved from SCM and relocated to the user directorates.

## 6. APPENDICE (GIO PERFORMANCE AS AT 31 MARCH 2009).

### 6.1 Project Management abridged Report as at end March 2009.

<b>Deliverables</b>	<b>Planned</b>	<b>Actual /completed</b>	<b>Gap</b>
IPIP ( school projects)	558	308	250
IPIP (clinics projects)	129 + 59	In progress	-
IPIP (health facilities)	39	In progress	-
IPIP (hospitals mortuaries)	13	In progress	-
IPIP (construction of hospital)	16	In progress	-
IPIP (Offices)	32	114 offices & 252 toilets	-

### 6.2 Real Estate

<b>Deliverables</b>	<b>Planned</b>	<b>Actual</b>	<b>Gap</b>
Vesting	324	76	248
Disposing	93	61	32
Acquisition	3	none	3
Transfers	9R293	none	9

### 6.3 Maintenance

<b>Deliverables</b>	<b>Planned</b>	<b>Actual</b>	<b>Gap</b>
Refurbishment of 3-government complexes	3	1	2
Office Blocks	21	21	0
Residential Accommodation	143 houses	-	143
Extension of parliamentary village	11houses	11	0

Rehabilitation of unused buildings	10	10	0
Greening projects	4 projects +15	Not done	4 +15
Physical accessibility	10-gov. offices	10	0
Standby Generator installation	1-sekhukhune	In-progress @30%	-
Sewer line installation	2-sekhukhune	In –progress @60%	-

#### 6.4 EPWP

<b>Deliverables</b>	<b>Planned</b>	<b>Actual</b>	<b>Gap</b>
Employment opportunities	995	136	859
National Youth Services	500	500	0

**APPROVED / NOT APPROVED**

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**HEAD OF DEPARTMENT**

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**DATE**