

REPORT OF THE PORTFOLIO COMMITTEE ON PUBLIC WORKS, ROADS AND TRANSPORT; COMMUNITY SAFETY, SECURITY AND LIAISON ON THE OVERSIGHT VISITS CONDUCTED IN THE PERIOD 23 – 26 JUNE 2015 AT THE NKOMAZI LOCAL MUNICIPALITY, EHLANZENI DISTRICT

OVERSIGHT VISITS TO THE NAAS COMMUNITY HEALTH CENTRE AND ACCOMMODATION UNITS, THE RECONSTRUCTION OF THE FLOOD DAMAGED CULVERT ON ROAD D2945 AND PUBLIC HEARINGS AT MGOBODZI COMMUNITY HALL AND MBANGWANE THUSONG CENTRE

1. INTRODUCTION

The Mpumalanga Provincial Legislature (the Legislature) has a responsibility in terms of Section 118 of the Constitution of the Republic of South Africa, Act 108 of 1996, (the Constitution) to facilitate public involvement in its legislative and other processes. Sections 114 and 133, of the Constitution, read with Rules 218 and 131 of the Rules and Orders of the Mpumalanga Provincial Legislature as amended (the Rules) directs the Legislature to hold the Executive accountable for the exercising of powers and performance of their functions. Therefore, the **Portfolio Committee on Public Works, Roads and Transport; Community Safety, Security and Liaison** (the Committee) regularly conducts oversight visits to projects of the Department of Public Works, Roads and Transport (the department); in the various municipalities of the Province.

The purpose of the oversight visit was to evaluate the progress made on projects reflected in the Annual Performance Plan (APP) implemented by the department.

The Legislature seeks to establish whether provincial government delivers services effectively and efficiently within the respective local municipality areas.

2. OBJECTIVES OF THE OVERSIGHT ACTIVITIES

The following objectives shaped the oversight visit to the projects of the Department of Public Works, Roads and Transport:

- To assess the progress made on the construction of the Naas Community Health Centre and accommodation units;

- To assess the progress made on the reconstruction of the flood damaged culvert on Road D2945 between Boschfontein and Gomora.

3. METHOD OF WORK

In preparation for the oversight visit to the Nkomazi Local Municipality, the research section conducted pre-oversight visits to the municipal area during June 2015. A comprehensive research report was compiled that informed the Committee's programme for the oversight visit.

The Committee resolved to conduct the oversight visits to the Naas Community Health Centre and accommodation units; and the reconstruction of the flood damaged culvert on Road D2945 in order to gather information from the client departments and the implementing department on issues that affect all departments.

4. OVERSIGHT ON GOVERNMENT PROJECTS

4.1. NAAS COMMUNITY HEALTH CENTRE AND ACCOMMODATION UNITS

4.1.1. Project Background And Information

The project is implemented by the department on behalf of the Department of Health. The following was reported in terms of contractual information

- Main Contractor : Clear Choice Builders
- Principal Agent : Archiconsult Quantity Surveyors
 - Agents
 - Architect : Lehuma Consulting
 - Quantity Surveyor : Archiconsult Quantity Surveyors
 - Structural Engineer : Inhlakanipho Consulting
 - Electrical and Mechanical Engineer : EMC Consulting
- Departmental Representative : Johanna Malatji and Solly Nyambi
- Actual contract start date : 16 July 2014
- Planned end date : 18 August 2015
- Project cost

Construction cost	:	R 25 645 187.18
Professional cost	:	R 5 641 941.23
• Total project cost	:	R 31 287 128.41
• Expenditure to date	:	R 28 764 638.08
• Percentage expenditure	:	92%
• Physical progress to date	:	96%
• Time elapsed	:	85%
• Number of work opportunities created	:	30
○ Female	:	9
○ Male	:	21
○ Disabled	:	0

The scope of work was for the construction of a new Community Health Centre and 2 x 2 accommodation units.

In summary the following was indicated in the research analysis:

- The project is implemented by the department on behalf of the Department of Health.
- Although there was a delay on the project due to disagreements between local councilors with regards to the appointment of the Community Liaison Officer, community strikes and late payment of ESKOM connection fees; the main contractor still managed to be ahead of the completion schedule of August 2015.
- There are four (04) SMME sub-contractors (for mechanical; electrical, landscaping and plumbing sub-contracts) who have been awarded contracts under the main contractor to the value of R 5 000 000.00. 35 Job opportunities were created by the sub-contractors, namely for 25 males and 15 females.

4.1.2. Inputs by the Department of Public Works, Roads and Transport

It was reported that the construction of the community health centre and accommodation centres are ahead of schedule. Ms J Mwanza is the contractor (Clear Choice Builders) and she is a face brick specialist. Furthermore, it was noted that the company's quality of work is excellent and that it can compete with the major companies in the infrastructure construction sphere.

The main outstanding work to be completed includes the testing and commissioning of mechanical equipment and the drilling and connection of the borehole.

It was noted that the project was previously delayed by community strikes and late payment of Eskom connection fees.

4.1.3. Inputs by the Department of Health

The department agreed with the report as presented by the implementing agent. Furthermore, it was confirmed that the standard of workmanship by the contractor is very satisfactory. The communication channels between the client department, implementing agent, professional stakeholders and the contractor is very good.

The only challenge experienced in this project was the inadequate water supply by the local municipality; however, it is anticipated that the sinking of a borehole will solve the problem.

4.1.4. Interactions and Clarity Seeking Questions

The Committee expressed its satisfaction and appreciation with the good work on the implementation of this project; and the fact that the project is ahead of its completion schedule. Especially when taken into consideration that the project was previously delayed by community strikes and the late payment of Eskom connection fees.

The Committee urged that communities be engaged through public education to ensure that this beautiful community health center be preserved and protected from vandalism and other similar acts.

4.1.5. In Loco Inspection

Upon inspection it was found that the physical progress compared to the expenditure to date correlates; and that the quality of workmanship was very good.

The implementing agent was urged to ensure that the necessary CCTV security cameras be installed to ensure the safety and protection of the staff, patients and community members.

4.1.6. Findings

After the deliberations, the Committee made the following findings:

- 4.1.6.1. The project is indeed a good story to tell where an important and critical service was delivered to the community of Naas.
- 4.1.6.2. There are no reported variation costs and the project is ahead of its completion schedule of August 2015.
- 4.1.6.3. The quality of workmanship was found to be very good.
- 4.1.6.4. The only major activity left on the site is the installation of a back-up diesel generator to support the health centre in case there is no electricity.

4.1.7. Recommendations

- 4.1.7.1. The Department of Public Works, Roads and Transport must ensure that the project stays ahead of schedule to guarantee the completion of the project as planned by end of August 2015.
- 4.1.7.2. The Department of Public Works, Roads and Transport must provide a detailed routine maintenance plan for this project to ensure proper after-care to enhance the lifespan of this infrastructure asset.
- 4.1.7.3. The Department of Community Safety, Security and Liaison must deploy adequate security personnel to this infrastructure to ensure that this public asset is properly protected against any illegal activity.

4.2. RECONSTRUCTION OF THE FLOOD DAMAGED CULVERT ON ROAD D2945 BETWEEN BOSCHFONTEIN AND GOMORA

4.2.1. Project Background And Information

The reconstruction of the flood damaged culvert on Road D2945 between Boschfontein and Gomora is an internal project by the Department of Public Works, Roads and Transport. The following was reported in terms of contractual information:

- Contractor : Muravha Building and Civil
- Consultant : FT Consultants

- Contract start date : 21 May 2014
- Planned completion date : 4 February 2015
- Revised completion date : 31 August 2015
- Project Value : R 20 334 000.00 (including Professional fees)
- Internal Project Manager : Sydney Kgomo
- Jobs created: : 24
 - Male Adult : 7
 - Male Youth : 12
 - Male Disabled : 0
 - Female Disabled : 1
 - Female Adult : 1
 - Female Youth : 4

The project comprises the construction of a new 2 x 11.5m x 5.5m high concrete bridge structure and the reconstruction of approximately 0.3km of surfaced access road. Also included is the adjustment of the vertical alignment to accommodate the 50 year flood line.

In summary the following was indicated in the research analysis:

- The contract was awarded to Muravha Building and Civil and it started on 12 April 2014 with an anticipated completion date of 11 December 2014. However, the completion date was revised to 15 February 2015 and at a later stage revised to be completed on 6 May 2015. However, it was found that the physical progress of the project was at end of May 2015 only 81%.
- One of the delays in this project was caused by the fact that the contractor had to apply for a water-use license before it could temper with the river bed; this application was not done prior to the commencement of the project. However, the contractor managed to get the license.
- The contractor indicated that other delays were caused by the failure of the department to pay invoices on the certified completed work. This resulted to the contractor vacating the site for a period of two months. However, after the invoices were paid the contractor returned to the site and continued with the project.

- The contractor indicated that unanticipated concrete was detected whilst drilling in preparation of laying the concrete for the new culvert. This will result in additional cost on the project since the contractor was not aware of the existing concrete.

4.2.2. Inputs by the Department of Public Works, Roads and Transport

A presentation was made by the department on the progress made in implementing the contract for the reconstruction of the flood damaged culvert.

There was a delay in the official hand over of the project to the contractor. A social facilitator was appointed on 29 April 2014 to pave the way of alerting all the necessary stakeholders and the formulation of a project steering committee. The formal hand over took place in the presence of all relevant stakeholders on 21 May 2014.

It was reported that the progress on this project is very slow. There are three sub-contractors on site, namely Ndux Construction, Docs Construction and Maitazwitoma Blasting. Ndux Construction and Docs Construction were contracted to supply plant and machinery; and Maitazwitoma Blasting to provide blasting services. The project was delayed due to the discovery of the underlying concrete structure which was not anticipated at design stage, and not provided for in the Bill of Quantities; and the delay in acquiring the water use licence from the Department of Water Affairs.

4.2.3. Interactions and Clarity Seeking Questions

It was indicated that the delay in the issuing of the water license by the Department of Water Affairs delayed the project by three months. There was also a delay in the payment of certified work; this was mainly due to the detection of concrete of a second bridge in the culvert. The blasting of the concrete was not included in the contract and it was necessary to negotiate with the contractor in this regard; which caused a delay. It was reported by the engineer and site-agent that the concrete encountered below the old bridge was not part of the bridge that was damaged by the floods; but was part of a previous bridge on that specific site and that it covered approximately a 2 - 3 square meter area of the bridge that is to be reconstructed.

The Committee expressed its dismay on the poor planning from the department's side and the fact that the department did not detect the concrete below the bridge.

The Committee wanted clarity on the 80% completion of the contract versus the 50% budget available to complete the contract. It was explained that the last 20% of the contract is the most expensive part of the contract and that the expenditure on this project is still on track. The available 50% expenditure will cover the outstanding 20% of work to be completed.

The department reported that the design of this bridge provides for a 50 year life expectancy; thus it is not envisaged to have any damage to this bridge in the near future.

A commitment was given by the department and contractor that the project will be completed by 30 August 2015. The contractor committed in its request for extension of time that various methods will be employed to expedite the completion of the project, including the appointment of additional laborers and to work over weekends.

4.2.4. In Loco Inspection

Upon physical verification the project seems far from being completed; even when taking into consideration the revised date it seems unlikely that the project can be completed by August 2015.

It was found that there was no proper indication of areas that can be dangerous for ignorant pedestrians; for instance, there was no indication of the rift below that is very dangerous and can cause harm.

The consultant indicated that the project is left with the completion of the construction of 14 layers relative to the actual bridge and the outstanding road works. It was reported that the working relationship between the various professional stakeholders are good, even though there was a contestation between the engineer and the consultant on where the beams are manufactured. The consultant indicated that the awaiting beams are manufactured in Johannesburg and that the first batch will be delivered in four weeks; and that the last batch of beams will be delivered in eight weeks' time. Regular technical meetings are held and the discussions at these meetings are properly documented.

It was also indicated that the project steering committee is functional. It was reported that the project will be completed by August 2015; however, it was clear that no provision was made for any unforeseen events that can occur and may derail the project.

The contractor reported that part of the delay was caused by the fact that he had to pay the local Traditional Authority for sand in the amount of R6000.00. However, although the matter was later resolved and no money was paid in this regard, it must be noted that construction had to be stopped during this time.

4.2.5. Findings

After the deliberations, the Committee made the following findings:

- 4.2.5.1. The Committee was doubtful of the revised completion date of the project.
- 4.2.5.2. Two major issues delayed the progress of the project, namely the timeous issuing of the water license by the Department of Water Affairs and the detection of the underlying concrete structure which was not anticipated at design stage, and not provided for in the Bill of Quantities. These factors indicate poor planning on the side of the department.
- 4.2.5.3. Another issue that impacted on the slow progress of the project is the late payments by the department to the contractor. This indicated that, even when the department implements its own projects and where the funding was planned for and available, it cannot adhere to the payment of invoices within the prescribed 30 days.
- 4.2.5.4. The slow progress on this project has a negative impact on the adjacent communities using this bridge.
- 4.2.5.5. Although the department and the contractor committed to the completion date of the project by August 2015 it seems unlikely; especially since no provision is made for any unforeseen probabilities.
- 4.2.5.6. Construction had to be stopped due to the local Tribal Authority demanding payment of R 6000.00 for sand.

4.2.6. Recommendations

- 4.2.6.1. The department must ensure that proper planning be done prior to awarding a contract. Future projects must not be delayed due to the lack of proper investigation and proper specifications in tender documents prior to the soliciting of tenders.
- 4.2.6.2. The department must improve on its payment of invoices to remain within the prescribed 30 days to avoid the negative impact of late payment on the cash flow of contractors and other service providers.
- 4.2.6.3. The department must monitor this project very closely and deal with any deterrent immediately to ensure that the contract be completed by August 2015 as per the undertaking given by the department and the contractor.

5. PUBLIC HEARINGS

The public hearings were held on 24 June 2015 at two (02) venues, namely at Mgobodzi Community Hall and Mbangwane Thusong Centre.

5.1. With regards to the inputs made at the public hearings the Committee's finding is as follows:

5.1.1. That the following roads need urgent attention:

- a. There is no proper access road to the local clinic in Mgobodzi.
- b. There is no proper road between Mgobodzi and Shongwe Hospital.
- c. The road to Phakama needs to be repaired.
- d. When it is raining the road in Dludluma is inaccessible and children cannot go to school.

5.2. Recommendation made by the Committee:

- 5.2.1. The Department of Public Works, Roads and Transport must examine the status of the above roads and report within 21 days after tabling of this report what the plan of action is in terms of the repairs of the access road to the local clinic in Mgobodzi, the lack of a proper road between Mgobodzi and the Shongwe Hospital, the road to Phakama and the access road to the school in Dludluma.

6. CONCLUSION

The Acting Chairperson of the Committee, Hon PS Ngomana, extends his appreciation to Members of the Committee, the Councillors of the Nkomazi Local Municipality, departmental officials, all stakeholders and the support staff of the Legislature for their participation during this oversight visit to the community of the Nkomazi Local Municipality in enhancing the oversight role of the Legislature.

The Committee tables this report to the House for adoption with its recommendations.

Unless otherwise stated, the departments should provide progress reports on all issues raised to the Committee by **30 August 2015** and thereafter on a quarterly basis.

HON PS NGOMANA (MPL)

DATE

**ACTING CHAIRPERSON: PORTFOLIO COMMITTEE ON PUBLIC WORKS,
ROADS AND TRANSPORT; COMMUNITY SAFETY, SECURITY AND LIAISON**