

PRESS STATEMENT BY MEC IGNATIUS JACOBS, ON THE DEPARTMENT'S ANNUAL REPORT 2005/2006

In early November 2006, the Gauteng Department of Public Transport, Roads' Annual Report for 2005/6 will be discussed in the Portfolio Committee on Public Transport, Roads and Works, at the Gauteng Provincial Legislature. The Annual Report includes a report by the Auditor General (AG) on the financial performance and compliance of the Department. This process is a normal practice in any democracy and an essential component of transparent and accountable governance.

The Annual Report demonstrates a marked improvement in terms of service delivery towards the creation of jobs, building of socio-economic infrastructure and improvement of the quality of public transport. In fact, the victories scored by the department during the year in review have never been achieved since 1994.

Some of our successes include:

- Improved service delivery model for Public Works incorporating the development of strategic master plans, changes in planning cycles, improvements in project management and a track record of proactive client relations.
- The development of high level strategic business plans for the establishment of a 2010 public transport legacy programme incorporating improved airport access, the introduction of Intelligent Transport Systems, and the introduction of improved passenger information and road signage.
- The commencement of the bus subsidy transformation process, which involved negotiations with PUTCO and the selling of North West Star operations to a new operator.
- Successful implementation of the Expanded Public Works Programme focus on poverty pockets and key designated project areas, delivering project solutions in the fields of waste management, community infrastructure, economic hubs, roads and education facility sports playing fields.
- Changing citizen travel behaviour patterns as a result of such national government initiatives as Public Transport Month, Car Free Day and the formation of a Commuter Organization for improved service delivery.

Though I am satisfied with the delivery progress I note that the AG's report has also identified a lack of controls in many instances concerning Revenue, Expenditure, Assets, Human Resources and Supply Chain within the Department. The report also identified a lack of supervision and capacity within the Department which has compounded the smooth running of the administration side of the Department.

In view of these findings of the AG's report, I have developed a comprehensive Turn-around Strategy that focuses on mitigating the issues raised by the AG, where the Department will establish a number of corrective measures and improvements to address financial management, supply chain and human resource management deficiencies. In particular, I have instructed the Department to:

- Leverage additional skilled professional support to address backlogs in reconciliations, compilation of source documentation, etc
- To make sure that all the operational policies and procedures are finalised and implemented
- To ensure that all managers performance contracts (where still not in place) are in place and that the performance management system is functional and aligned to the Turn-around Strategy

Within this context, I appreciate the findings of the AG - in that the findings highlight the management and operational processes that the Department needs to improve in order to continue to effectively deliver a quality life to all citizens in the Province.

Mr. Bheki Simon Nkosi

Department of Public Transport, Roads and Works MEC