



## public works & roads

Department:  
Public Works and Roads  
North West Provincial Government  
REPUBLIC OF SOUTH AFRICA

### **Speaking notes by MEC Gaoage Oageng Molapisi on the occasion of engagement meeting with contractors, Wednesday, 25 January 2023, Rustenburg.**

Good morning, I would like to take this opportunity to warmly welcome you to this engagement with the Department. As a Department responsible for infrastructure delivery, we are also mandated to ensure that we resuscitate the ailing economy of the North West Province. We will achieve this through the successful implementation of infrastructure projects.

We do this through ensuring that we develop policies that are conducive to enable contractors to participate in rendering services to the Department in a fair, transparent and equitable manner. We further ensure that work opportunities, and economic opportunities through direct and indirect contracting are afforded to those that comply with supply chain prerequisites, norms and standards.

In a nutshell, this is our responsibility as a lead infrastructure Department. Over and above this, once contractors are appointed we do quality assurance through our internal controls, that of having a consultant on site, lead or project engineer, project manager, social facilitator, OHS officer, etc. to ensure the smooth running from start to completion of the project.

These are basic administrative functions that we carry out as a Department. In addition to the internal controls, the Executive Authority (EA), as a public representative, from the time the contractor is appointed performs oversight on projects that are going to be implemented. The EA execute this function by ensuring that there is interaction, and mostly feedback provided to all stakeholders with regards to progress on all projects, by firstly introducing the contractor to all relevant public stakeholders, monitors progress through sporadic oversight visits to projects. This is a brief summary of how we ensure accountability.

I am taking you through this brief process so that you understand the purpose of why this meeting is critical. We now have ensured that the processes for soliciting qualifying contractors is concluded. You are all here today, because you are currently implementing projects on our behalf, or perhaps recently being appointed to start new projects.

We would like to engage you so that you understand that at the apex of you being appointed is to ensure that you deliver the service that you were appointed for, within budget, the prescribed time frame, and the law (i.e. agreed terms and conditions of the contract).

What is also significant, is to understand that should projects not be completed as stipulated in your contracts, it has a dire impact on service delivery, and the contract that we have with our communities, and stakeholders as direct beneficiaries of these projects.

It will simply mean we are unable to deliver services we have committed to render with the budget allocated to us as the implementing Department. It further means we are unable to comply with our



contractual obligation with the people of this province. This is not acceptable, it will not be tolerated, and it is tantamount to criminality, for us as people who have been entrusted to lead in the Department through providing direction to ensure service delivery.

It has huge impact on the trust, and confidence that the people have in us as leaders of society. I need to reiterate this so that it sinks in, and you fully understand what it means should you not comply to your contractual obligations with DPW&R.

I am here to simply stimulate you to do what you are contracted to do. We are made to believe that as businesses that are professionally run, you do your cost benefit analysis before you submit quotations, and accept that you are able to complete the project based on projections you have submitted, and signed off on. It often perplexes me to later learn that most contractors after being on site inundate the Department with multiple deviations in terms of variations which puts the Department off budget.

We want to believe that you have the requisite skills, and financial know-how to cost your projects so that we all operate within budget. We are not going to tolerate unnecessary deviations simply because you were unable to get your figures right in first instance. Deviations by nature are very costly, especially the ones that are unjustified and unfair.

I would like to also emphasize that you should get your house in order, in that once you have accepted the offer you should be able to move on site timeously, in order to avoid project delays. In resuscitating the economy, and creating business and work opportunities, where it is required, let us consider subcontracting opportunities to local entrepreneurs.

In our strategic planning that was held last week, I had directed the HOD to ensure that the task of BBBEE and subcontracting opportunities is undertaken with greater intensity and purpose. When we introduce the appointed contractor to communities we always inform entrepreneurs that subcontracting opportunities will be given to only those that have legitimate businesses, and comply with the requirements of the work sought. Let us be fair when we give opportunities to local entrepreneurs. Let us ensure we also pay them on time. I want to believe that you cannot run projects without having at least 6 months' cash flow for operations of your business on hand. Do not be quick to place a blame on late payment by the Department as an excuse for not paying your subcontractors for work already undertaken.

The point I am simply making here, is that you should have the requisite technical, and financial capacity to undertake the project that has been duly awarded to you. You are not going to make us fail due to inefficiency. The HOD will immediately terminate your contract should you not perform, and we will ensure that you are also blacklisted with National Treasury.

When you know that you do not have the requisite capacity to perform a project, do inform the Department by not accepting the offer even before we issue the appointment letter. We only require quality service, and value for money.

Once you are appointed, and you are onsite as a contractor, our responsibility and obligation will be to ensure that we pay you within 30 days. That is for as long as you submit your invoices that are



compliant on time as well. Let us all work together to render services to the people of this province. We have the capacity to do this. Let us be diligent as we provide quality, and sustainable services.

We only expect the best quality service, you have convinced us that you are the right people for the job through your bid applications, hence we appointed you amongst the rest. Do help us to do away with the negative narrative of this Department appointing contractors that are marred with incompetence, inadequacies, translating to shoddy work. We trust you, do not disappoint us.

The HOD will take you through detailed deliberations on operations in terms of project start and completion dates, including ensuring there are specific deliverables, and accounted for expenditure on all projects. I believe we will emerge with a better understanding of where we want to take the Department as our key implementing stakeholders.

Above all performance should precede expenditure. We rely on you contractors to achieve this. We are not going to tolerate mediocrity. We are shifting to do what we ought to do, which is taking decisive action to advance the people's interests and to renew the Department. I would also want us through the HOD to discuss performance on ongoing projects, more especially on the ones that are experiencing challenges. Let us come up with definite solutions to permanently resolve such challenges, and pave a way forward from this day.

**I thank you.**

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