Thursday, 1 June 2023]

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PARLIAMENT

OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 1 JUNE 2023

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ANNOUNCEMENTS

National Assembly and National Council of Provinces

The Speaker and the Chairperson

- 1. Draft Bills submitted in terms of Joint Rule 159
 - (1) Correctional Services Amendment Bill, 2023, submitted by the Minister of Justice and Correctional Services.

Referred to the **Portfolio Committee on Justice and Correctional Services** and the **Select Committee on Security and Justice**, for information.

National Assembly

The Speaker

- 1. Communication of powers and functions assigned to Minister of Electricity
 - (a) A letter from the Deputy President of the Republic and Leader of Government Business in the National Assembly, informing the Speaker of the details of the powers and functions formally assigned to the Minister of Electricity subsequent to his appointment, in terms of National Assembly Rule 352.

2. Referral to Committees of papers tabled

(1) The following paper is referred to the **Standing Committee on Finance** for consideration:

- (a) Submission of the Financial and Fiscal Commission on the Division of Revenue Bill for 2024/25, tabled in terms of section 9(1) of the Intergovernmental Fiscal Relations Act, 1997 (Act No 97 of 1997), as amended.
- (2) The following paper is referred to the Portfolio Committee on Cooperative Governance and Traditional Affairs, and the Standing Committee on Public Accounts for consideration:
 - (a) Consolidated General Report of the Auditor-General on the Local Government Audit Outcomes for 2021-22.

3. Membership of Committees

(1) The following committee membership changes have been made:

Portfolio Committee on Planning, Monitoring and Evaluation

Inkatha Freedom Party

Appointed: Cebekhulu, Mr RN

African Transformation Movement

Appointed: Zungula Mr V

(2) The following members have been nominated by their parties to serve on the Ad Hoc Committee to nominate a person for appointment as Public Protector.

African National Congress

Voting Members

Magwanishe, Mr G Lesoma, Ms RMM Dyantyi, Mr QR Mananiso, Ms JS Xaba, Mr VC Tlhape, Ms MME

Democratic Alliance

Voting Members

Breytenbach, Adv G Horn, Mr W

Non-Voting Members

Gonwe, Dr MM

Inkatha Freedom Party

Buthelezi, Mr EM (voting member)

Freedom Front Plus

Wessels, Mr WW (voting member)

National Freedom Party

Shaik-Emam, Mr AM (non-voting member)

African Christian Democratic Party

Swart, Mr S (non-voting member)

AL JAMA- AH

Hendricks, Mr MGE (non-voting member)

African Independent Congress

Jaftha, Mr SM (non-voting member)

African Transformation Movement

Zungula, Mr V (non-voting member)

Congress of the People

Madisha, Mr WM (non-voting member)

GOOD

Herron, Mr BN (non-voting member)

Pan Africanist Congress of Azania

Nyhontso, Mr M (non-voting member)

United Democratic Movement

Kwankwa, Mr NLS (non-voting member)

National Council of Provinces

The Chairperson

1. Referral to Committees of papers tabled

- (1) The following paper is referred to the Select Committee on Cooperative Governance and Traditional Affairs, Water and Sanitation and Human Settlements for consideration:
 - (a) Consolidated General Report of the Auditor-General on the Local Government Audit Outcomes for 2021-22.

2. Correction - Bills passed by Assembly and transmitted to Council for concurrence (ATC 72 of 25 May 2023, page 3)

- (1) Bill passed by National Assembly and transmitted for concurrence on 25 May 2023:
 - (a) **Eskom Debt Relief Bill** [B 5-2023] (National Assembly sec 77).

The Bill has been referred to the **Select Committee on Appropriations** of the National Council of Provinces.

The Bill was referred to the Select Committee on Finance instead of the Select Committee on Appropriations (see ATC 72 of 25 May 2023, page 3).

TABLINGS

National Assembly and National Council of Provinces

1. The Speaker and the Chairperson

(a) The 2024/25 Draft Annual Performance Plan and Budget for Parliament.

2. The Minister in The Presidency for Women, Youth and Persons with Disabilities

(a) Addendum and Erratum to the Annual Performance Plan of the Department of Women, Youth and Persons with Disabilities for 2023/24.

National Assembly

1. The Speaker

(a) Reply by the Minister of Home Affairs to *Budgetary Review and Recommendation Report of Portfolio Committee on Home Affairs*, as adopted by the House on 15 November 2022.

Referred to the Portfolio Committee on Home Affairs.

COMMITTEE REPORTS

National Assembly

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1. REPORT OF THE OVERSIGHT VISIT OF THE PORTFOLIO COMMITTEE ON DEFENCE AND MILITARY VETERANS TO DENEL AERONAUTICS, MILITARY BASES, MILITARY SUPPORT FACILITIES AND DMV SERVICE DELIVERY SITES IN GAUTENG AND THE EASTERN CAPE PROVINCE OVER THE PERIOD 29 TO 31 MARCH 2023, DATED 31 MAY 2023.

1. INTRODUCTION

The Portfolio Committee on Defence and Military Veterans (PCDMV) arranged an oversight visit to the Denel Aeronautics Facility in Ekurhuleni, Military Bases, Military Support Facilitates and Military Veterans Service Delivery Sites in Eastern Cape over the period 29 to 31 March 2023.

1.1 Primary aim of the oversight visit

The primary aim of the Oversight visit was for the PCDMV to conduct site visits to the above-mentioned facilities to acquaint itself of the conditions and challenges experienced at these facilities. It was also to facilitate inputs and insights to enhance its oversight function, as part of its oversight programme for the 2023 calendar year.

1.2 Defence Committee Members and Support Staff

The Delegation comprised of the following:

Members of the Defence Committees:

African National Congress

Mr VC Xaba (Chairperson)

Mr TN. Mmutle

Me TI Legwase

Ms M Mothapo

Democratic Alliance

Mr SJF Marais

Mr ML Shelembe

Economic Freedom Fighters

Support Staff

Wilhelm Janse van Rensburg - Content Advisor (JSCD)

Bryan Mantyi - Committee Secretary

Thurston Arendse - Committee Assistant

Officials from entities, the Department of Defence (DOD), Denel, Armscor and the Department of Military Veterans (DMV)

Maj Gen M. Dyakopu - Dep C Army (Representing the C SANDF)

Maj Gen M. Matanda - Dep CAF

Maj General H. D. Mashego - GOC: SA Army Infantry Formation

Brig Gen H.Smith - A/DCSS (SAAF)

Col A.T. Motloung - SSO Parliamentary Matters/SANDF Liaison Officer

Col M.J. Bosch - SSO Corp Comm (SAAF)

Col S.Y. Senokwanyane - OC AMHU EC (SAMHS)

Col V. Ngcobo - OC ASB EC

Col D.N. de Vos - SSO Planning (Def Int)

Lt Col K. Mosiane - OC AF Station EC

Lt Col B. Miller - OC 6 SAI (Makhanda)

Lt Col P.M. Nxitwa - A/OC RWU EC

Lt Col M.D. Mathubeni - 2IC ASB EC

Maj T. Johannes - Acting Officer Commanding (BVR- East London)

Maj G. Makola - PSO to Dep C Army

Maj D. Gweyi - A/Program Manager (AMHU EC)

Lt (SAN) M.E. Ndwandwa - 2IC Naval Station PE

MWO M.Futa - RSM EC Sup Unit

WO2 T. Mabongwane - MAA Naval Station

Mr M Kgobe - Interim CEO (Denel)

Mr S Monakali - PLO - Defence Ministry

Mr JG Grobler - CFO (Armscor)

Mr M Teffo - Group Executive: Acquisition & SCM

Mr M Gqibithole - DMV Provincial Coordinator (EC)

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1.3 **Programme**

On the first day of the visit, 29 March 2023, the Committee visited the Denel Helicopter Maintenance

Facility at Denel Aeronautics, which is located in Kempton Park. The Committee was briefed by Denel

on its capability to service the contracts for the Oryx and Rooivalk helicopter fleet as well as the C-130

medium transport aircraft. In addition, Armscor briefed the Committee on its helicopter maintenance

planning and spare-part procurement on behalf of the Department of Defence. Having received the two

briefings, the Committee deliberated on the indicated state of the helicopter capability by the two Entities

and concluded with a tour of the facility.

On the second day, 30 March 2023, the Committee visited the SA Air Force's 15 Squadron (Helicopter

squadron) in Ggeberha in the Eastern Cape, as well as at the DMV housing project in Chetty. The

Committee commenced with briefing sessions at 15 Squadron conducted a tour of the Squadron's

facilities. The day concluded with a visit to houses built for Military Veterans in Chetty.

On the third and final day, 31 March 2023, the Committee visited - 6 SA Infantry Battalion (6 SAI) in

Makhanda and the Buffalo Volunteer Rifles (Reserve Force Unit) in East London.

OVERSIGHT VISIT TO THE DENEL HELICOPTER MAINTENANCE FACILITY, 2.

DENEL AERONAUTICS

The Acting Group CEO, Mr M Kgobe, welcomed the Committee at Denel Aeronautics, Kempton Park.

He expressed appreciation for the Committee's visit and pointed out that the visit is critical to ensure

engagement on pertinent issues that affect the DOD and Denel.

2.1 **Presentation: Denel**

The presentation highlighted the following areas:

2.1.1

Denel capability: Aircraft and Service (As at 22/03/23)

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Denel provided an outline of its Helicopter maintenance capability and provided an overview of the current levels of serviceability of the SA Air Force helicopter and C-130 fleet. The Committee was informed that:

- There are 11 Oryx helicopters at Denel of which seven are in for major service.
- Denel also conducts controlled cannibalisation of spares to support SA Air Force Squadrons.
- Additional funding is required for long lead-time parts. Lead-times vary between 12 to 18 months
 delivery after orders are placed for some components.
- Two C-130's are in service and only one servicing bay at Air Force Base Waterkloof is fully populated with Ground Support, Test Equipment and sufficient personnel.
- Denel Aeronautics can make available a second manned bay with equipment at Air Force Base Waterkloof to address the major services piling up. A second bay next to the current facility will realise some cost savings to the SA Air Force and improve aircraft availability.

2.1.2 SA Air Force Product Supply Support (PSS) Contracting

Denel explained that two contracts guide its PSS contracting, namely a 'fixed contract' and an 'on-demand' contract, as follows:

- The PSS contract orders cover a fixed monthly portion related to direct maintenance, repair and overhaul (MRO) resources, facility costs, engineering and continued airworthiness support resources together with critical sub-contractor costs and Supply Chain support.
- Ad hoc spares and material procurement is facilitated under an 'on demand' order cover
- Whilst the Aircraft MRO resources are fully funded by the fixed costs, Engineering and continued airworthiness support is 76% funded (unfunded by R20 million), Component MRO facilities 68% funded (unfunded by R28 million) and Engine MRO 18% funded (unfunded by R40 million).
- The above strategic capabilities though not fully funded, need to be retained to ensure continued support to the SA Air Force unique systems (Oryx and Rooivalk). Retention of these unfunded capabilities have to date been retained by Denel as a requirement of an aircraft Original Equipment Manufacturer (OEM) and Design Authority. This is however not financially viable for Denel.

2.1.3 Denel Capability: Capability Retention and Growth

Denel indicated that, currently, Denel Aeronautics is operating sub optimally and there are a significant number of critical vacancies as well as single resource dependencies. Worse still, there are single resource dependencies performing multiple roles (i.e. filling 2 or 3 different positions which should have its own

resource). However, core capabilities are in place, even if depleted. Hiring will take into account the aging staff profile and methodology of skills development and scaling effects through Contractors will be followed based on the fluctuation of work. Where possible, work packages will be contracted to outside service providers as long as there is no influence on the creation and maintenance of Denel intellectual property (IP) or an effect on Denel products.

2.1.4 Denel Capability: Skills set required

The minimum facility requirement is for 312 personnel and the current contracting model contracts to a deficit of approximately 50 persons. The Campus utilises specialist equipment and infrastructure that has to be maintained in order to provide a complete service, addressing all potential requirements. In addition, the engineering departments utilise specialist software packages for design, development and maintenance support. These facilities are part of the service offering.

2.1.5 Denel Capability: Concerns

Denel highlighted the following concerns

- Staff morale and motivation is low because of current Denel realities and salary payment problems.
- Critical vacancies have to be filled at the Kempton Park campus.
- Denel requires contracting covering for human capital development and sustainability (succession planning).
- There is a strong value proposition in the development of partnerships to reduce the time to market on product development and to open foreign markets.
- Ageing infrastructure has to be addressed as this affects the ability to reduce the time to completion of tasks.
- Rates used within Denel are lower than industry norms driven by the DOD/SANDF budget.
- Work that is within the capability and capacity of Denel is moved to foreign or private organisations.
- Sufficient capital funding is not allocated for acquisition of aircraft spares.
- Obsolescence could have a negative impact on deployment of the Rooivalk if not addressed.
- Budgeting and funding for long-lead items are not addressed with in-year funding alone.

2.2 Presentation: Armscor

Armscor presented on a number of factors related to maintenance contracts performed by Denel on the various air platforms.

2.2.1 Status of Maintenance Contracts - Rooivalk Combat Support Helicopter

The current maintenance contract with Denel was in place from 01 April 2019 to 31 March 2022 and then extended to 30 September 2023. The contract value is R463 851 123.99 and provides for fixed-cost elements and on-demand services. There has been no funding for on-demand services from 2020/21 to 2022/23. A follow-On contract is to commence from 1 October 2023. Armscor is currently negotiating the contract structure and provisions with Denel. However, the proposed contract price offered by Denel is significantly higher than the escalated price of current baseline.

In terms of the status of the spares, there is a significant shortage of spares for all levels of maintenance due to no 'on-demand' provision activated on contracts and no umbrella spares provisioning contracts in place (resulting from insufficient funding over the past 3 years). The SA Air Force needs to generate new spares requirements accompanied by sufficient funds allocation.

2.2.2 Status of Maintenance Contracts - Oryx Medium Transport Helicopter

The current maintenance contract was placed for the period 30 April 2019 to 31 March 2022 and extended to 30 September 2023. The contract value is R768 766 507,35 (SA Air Force Funding) and R300 000 000 (Joint Operations Funding). A separate order for long lead spares to the value of R104m was placed with Airbus Helicopters. A follow-on contract is set to commence from 1 October 2023 and Armscor is currently negotiating the contract structure and provisions with Denel. Similar to the Rooivalk contract, the proposed contract price offered by Denel is significantly higher than escalated price of current baseline.

In terms of the status of the spares, Armscor is awaiting delivery of long lead items and delivery expected during 2023/24. Nonetheless, at present, there is a significant shortage of spares due to insufficient funding to activate the on-demand portions of maintenance contract

2.3 Observations and questions by Members

During discussions with Denel and Armscor, Members of the PCDMV raised the following:

- The Committee noted that it is aware of the challenges faced by Denel and called on the Entity to accelerate implementation of a turnaround strategy in order to effectively support the Department of Defence and the broader defence industry.
- The Committee further noted that the impact of the challenges at Denel is felt widely by Industry as well as the sovereign capability of the Department of Defence.
- The Committee indicated that it is not satisfied by the levels of performance in as far as the three aircraft contracts are concerned, i.e. Oryx, Rooivalk and the C-130. The Committee acceded that the DOD's funding constraints are a contributing factor to these low levels of performance of the contracts. The Committee expressed concern as this translates to unavailability of air support for deployed troops which could result in the loss of life.
- The Committee decried that there seems to be lack of coordinated planning for the maintenance of the aircraft platforms. To this end, the Committee exclaimed that pleas for additional funding are being presented as the only solution to the challenges. The Committee noted, however, that the SANDF, Armscor and Denel will, in April 2023, have a joint workshop on spares acquisition and maintenance planning to address the matter.
- The Committee noted its concern with regards to the human resource capabilities within Denel and its ability to deliver.
- The Committee noted that the issues of contention between the DOD, Armscor and Denel related to the apportionment of cost (for the 'on demand' contact) must be finalised. The Committee implored all to work together in order to resolve the contentious issues.
- During a previous Committee visit to Air Force Base Bloemspruit, the Committee was informed that
 some helicopters have been in Deep-level maintenance with Denel for more than four years. The
 Committee now observed that the current underfunding of the DOD and specifically the allocation of
 funds to spares acquisition is hampering the delivery of aircraft components, thus delaying deep-level
 maintenance.
- The Committee expressed that the contracting model remains a concern because of lead-times for spares and the fact that funding in the following year may not be available. Funds for spares must be spent in-year which makes it difficult to procure spares only arriving in 24 months.
- The Committee noted that suppliers demand advance payments from Denel as a result of Denel's liquidity challenges. This also causes delays in the procurement of spare parts.
- The Committee notes the fact that the Rooivalk system as a whole is in need of a major overhaul and that this may require the involvement of strategic partners.
- The Committee expressed concern that the increased deployment requirements for the Oryx and Rooivalk platforms in international deployments impact on its maintenance requirements and that it

seems that long-term maintenance needs are not kept in mind in terms of reimbursements for the SA Air Force. To this extent, Members expressed that a decision must be made whether the SANDF should still be deployed in the Democratic Republic of the Congo if it is not fully funded to sustain these missions.

2.4 Site Visit

At conclusion of the briefing session, the Committee undertook a site inspection to the various workshops where the repair, maintenance and storage of various aircraft is done; the workshop where the aircraft components, including the engine and gearbox, are serviced and repaired; as well as the workshop where the aircraft blades and windows are serviced and repaired. The Committee was informed of the following during the site inspection:

- The majority of the aircraft remain in the workshop and are unserviceable due to the indicated unavailability of spare parts, largely owing to funding constraints.
- Denel has been forced to remove parts from aircraft that are undergoing service in order to keep aircraft
 that are with the SA Air Force Squadrons operational. This serves to further delay completion of the
 aircraft that are undergoing service.
- As a result of the aged platforms, the spare parts of some aircraft are no longer in production and no longer available, meaning they have to be made to order. This results in longer waiting periods for procurement of spare parts.
- Due to the liquidity challenges of Denel, the Entity cannot afford to procure, in advance, those parts utilised for normal regular service to be kept on the shelf. To add to this, major suppliers demand to be paid in advance.

3. OVERSIGHT VISIT TO SA AIR FORCE 15 SQUADRON (Helicopter squadron)

The Delegation was welcomed by the Deputy Chief of the Army, Maj Gen M. Dyakopu (on behalf of Chief of the SANDF) and Maj Gen M. Matanda, Deputy Chief of the SA Air Force. The Committee was thereafter briefed by Lt Col K. Mosiane, Officer Commanding of Air Force Station Eastern Cape.

3.1 Air Force Base Port Elizabeth

The presentation highlighted the mandate of the Squadron to ensure the combat of readiness of Air Force Station Port Elizabeth for both force preparation and force employment activities by complying with the Operational readiness requirements as set out in SA Air Force readiness Instruction. The DOD indicated the core objectives of the Station is to provide technical support services to the Squadron as well as Human Resources for operational support, security support and general (logistical) support services. The DOD outlined the expenditure of the Air Force Station Port Elizabeth for the previous year where it received an initial allocation of R928 768.00 and a further additional allocation of R1.093 million. By the end of the year, 96% of the total amount allocated was spent. The indicated areas of responsibility of the Base stretches over 168,966 km² (for search and rescue operations) and 800km of coastline for operation with the National Sea Rescue Institute. It covers an estimated population of 7.5 million people over 93 cities and towns, with many areas prone to flooding.

3.2 15 Charlie Flight

15 Squadron consist of various sub-sections of which Charlie flight is located at Air Force Station Port Elizabeth while other parts of the Squadron is stationed at Air Force Base Durban. The mandate of 15 Charlie Flight is in accordance with the SA Air Force Readiness Instruction 01/2023 requires the unit to maintain six Maritime Qualified Crews at all times. In the previous year, the Unit achieved a total of 668,9 flying hours (Force preparation – 482,5 hrs [72%] and Force Utilisation – 186,4 hrs [28%]). The Officer Commanding of the Unit then proceeded to highlight a number of successes and challenges.

Successes

The DOD outlined the following successes of the Unit:

- Operation Chariot Humanitarian Assistance and Flood Relief, which included the KwaZulu-Natal floods; the Jagersfontein Dam wall; Mthatha and Queenstown flooding.
- Operation Corona Border security, protection and rotations.
- Air Sea Rescue Capability (Maritime Rescue Coordination Centre).
- Mountain Rescues (Aeronautical Rescue Coordination Centre).
- Supporting of various parades and fly-pasts.
- VIP Transportation.
- Operation Prosper: Co-operation with the Police.
- Training.
- Support Joint Operations, Joint Tactical Headquarters.

Challenges

The DOD further outlined the challenges of the Unit as follows:

- Flight Engineers shortage and concerns around the Flight Engineers flying allowance having been stopped.
- Limited aircraft operational due to lack of spare parts.
- No serviceable bus and barely serviceable vehicles to conduct day to day operations.
- No Military Flight Medical Doctor available in Eastern Cape.
- No contract in place with Airbus Helicopters.
- Lack of Product System Support contract with Airbus and Umbrella Contracts leads to various challenges, including very long service turnaround times and increased maintenance workload due to cannibalisation of aircraft, which, in turn, affects the morale of technicians.

3.3 Observations and questions by Committee Members

- The Committee noted the funding constraints of the Station, which have resulted in limited serviceable aircraft (BK 117 helicopters).
- The Committee decried the fact that the contract for the Airbus was allowed to lapse and only renewed at a later stage, which will commence in May 2023. The Committee indicated that this points to planning inefficiencies in the contract management structures within the Services and Armscor. To this extent, the SA air Force Chief Financial Officer noted that the problem is not necessarily with Armscor or the DOD, but with the system for placing contracts what takes too long. This matter will be addressed in the spares-conference to be held between the SANDF and Armscor.
- In addition to the above, the Committee noted the challenge of aged aircraft which has become more expensive to maintain.
- The Committee expressed concern that the Station does not have self-accounting status and is
 dependent on other units for its procurement needs. This leads to longer waiting periods for spare parts
 and other equipment needs.
- The Committee enquired with regards to the readiness capability of the Station for disaster response and how far deep into the sea the aircraft are able to go on rescue missions? The Committee was reassured that the Station remains ready at all times and can reach as far as 25 nautical miles.
- The Committee decried the fact that the Unit has not achieved its targeted force utilisation flying hours. Further to the above, the Committee noted as a risk the fact that the Unit does not have a flying medical doctor and has been losing skilled engineers. The Committee was informed that the reason for not having aviation doctors and engineers is that they leave for the private sector due to the uncompetitive salaries in the SA Air Force and a shortage of practicing equipment and flying hours.

- The Committee further noted that the loss of specialist skills by the SA Air Force has put pressure on the institution to recycle aged specialists. The Committee pointed to the need for aggressive recruitment for specialist skills within the SA Air Force and the SANDF in general.
- The Committee noted that the Base's operations are interrupted as a result of power outages during load-shedding. The Committee was re-assured that a management decision had been taken with regards to the supply of alternative power solutions for all military bases and that the DOD remains committed to resolving this challenge.
- The Committee queried the reasons for the Station experiencing shortages of jet fuel whereas the DOD has entered into a service agreement with the Central Energy Fund for the supply of fuel. The Committee was re-assured that challenges to the delivery of fuel are being resolved with the CEF and that this is evident in the successful build-up of fuel reserves in the provinces.
- The Committee noted the complaints with regards to the infrastructure of the Base (ie Hangars and dilapidated buildings) and the inability of the Department of Public Works and Infrastructure to effectively discharge its responsibility in this regard.

3.4 Site Visit

Having received the briefings, the Committee proceeded to the hangar, where the Committee conducted an oversight of the facilities. It was shown the aircraft that are stored in the hangar and the Committee was informed that of the level of serviceability of aircraft. The following challenges were outlined to the Committee:

- The unavailability of funding for spare parts.
- The expiry of the Airbus contract, which was renewed late, causing delays in procurement of parts.
- The BK 117 aircraft are old and parts are no longer readily available, meaning that Airbus has to manufacture parts, which is much more expensive and causes further delays. It was noted it would ultimately be cost effective to procure new platforms.
- The Base is in need of a wash bay to prevent corrosion of the aircraft.
- The fire suppression system is currently dysfunctional, posing a risk to the aircraft housed in the hangar. The company which used to service the system went bankrupt and a new local service provider has been identified to service the system. However, the process of appointing the new service provider is experiencing delays.

The Base has a number of condemned buildings which remain unoccupied. The DOD has requested the Department of Public Works to demolish these buildings in order to make use of that space.

4. OVERSIGHT VISIT TO THE DMV HOUSING PROJECT IN CHETTY, 30 MARCH 2023

The Committee was briefed by Mr M Gqibithole, the Department of Military Veterans (DMV) Provincial Coordinator within the Eastern Cape Province. He informed the Committee that he had been alerted of the visit at an eleventh hour and that the presentation to be made had not been prepared by him, hence he could not take ownership of the contents thereof. He highlighted to the Committee that the Chetty 491 Housing Project is the best performing Project within the Eastern Cape. He noted that the Project has delivered 150 houses for Military Veterans, from the projected 491 houses.

4.1 Observations by Committee Members

The Committee made the following observations after the presentation by Mr Gqibithole:

Having observed that the presentation was not prepared by the Coordinator, the Committee lamented
the absence of senior officials from the DMV as well as the Provincial Department of Human
Settlements.

• The Committee resolved to dispense with the presentation and proceed with the inspection of the houses handed over to military veterans at the Chetty 491 Project.

• The Committee noted that the DMV Provincial Officer seems to be uninformed with regards to the delivery of houses to military veterans within the province.

 The Committee further resolved that a meeting should be convened with the DMV and Provincial Human Settlements Department in order to be briefed on the delivery of houses to military veterans within the province.

4.2 SITE VISIT: CHETTY 491

The Committee proceeded to conduct a site inspection of the houses awarded to Military Veterans within the Project. The Committee convened a group of military veterans within the area, from whom the DMV had selected six veterans, whose houses would be inspected. The group of veterans raised a number of challenges with the Committee, which included the following:

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- Failure of the DMV to pay pensions as provided for in the Military Veterans Act;
- Discrimination of medical aid against their immediate family members;
- Failure of the DMV to provide the Transport Service as provided by the Military Veterans Act, especially to housing projects that are located far from the city centre such as in the Chetty 491 case;
- Failure of the Department of Human Settlements to provide appropriate tarred roads within the project;
- Failure of the departments to provide security and/or fencing within the project, noting the prevalence of crime within the area;
- The failure to provide amenities within the project, for example mobile clinic, parks, etc.
- Challenges with the approval process for military veterans to receive houses.

Having listened to the matters raised by military veterans, the Committee inspected the houses. The houses appeared to be in good state but the Committee noted a number of latent defects as follows:

- **House No. 1:** The first house inspected by the Committee had a problem of rain penetrating the wall and wind which blows in through the window sill.
- **House No. 2:** The next house was smaller than the prescribed 80 square meters. It was leaking during the rainy season. The foundation bricks are falling in and the kitchen is not fitted to the prescribed specifications.
- House No. 3: The house was smaller than the prescribed size and not fitted to the proscribed kitchen specification. The veteran informed the Committee of a number of challenges that he faces as result of his alleged arbitrary discharge and consequent incarceration by the SANDF in 1994. The Committee was informed by the veteran that he did not receive his pension as a result of his arbitrary discharge.
- House No. 4: This house is occupied by a disabled elderly woman. It contained a cracked foundation and is not built for use by a disabled beneficiary.
- **House No. 5:** This house contained cracks on the walls, whereas it was only handed over to the veteran in 2017.
- House No. 6: The house had cracks on the walls which leak during the rainy season and electricity connections were also observed, including plug is mounted over the sink and bedroom lights not functioning.

The Committee questioned the role of the DMV Provincial Office in following up with the Department of Human Settlements on the challenges being faced by veterans within the project. The Provincial Coordinator could not provide any responses as to how the DMV is providing support to veterans.

5. VISIT TO 6 SA INFANTRY BATTALION - MAKHANDA, 31 MARCH 2023

The Delegation was welcomed by the Maj General H.D Mashego, General Officer Commanding of the SA Army Infantry Formation. The Committee was briefed by Lt Col B. Miller, Officer Commanding of 6 SA Infantry Battalion (6 SAI).

5.1 Presentation: 6 SA Infantry Battalion

The presentation highlighted that 6 SAI is organised and structured to prepare and provide combat ready forces as a Motorised Infantry Battalion, but that the unit is also multi rolled as an Air Assault Battalion. 6 SAI Battalion's mandate centres on the preparation and provisioning of combat ready tailor-made air landed battalion and the leading role the unit has to play in the development of the air landed component of the SA Army Airborne Infantry of the SA Army Infantry Formation.

The Officer Commanding outlined the helicopter deployment advantages and training requirements of the Unit as follows:

- The helicopter provides a more flexible and far quicker means to deploy troops and their equipment by air than does a fixed wing transport aircraft, especially over relatively short distances.
- The structure and equipment of the Air Landed Battalions of the SA Army is based on that of an SA Army Motorised Infantry Battalion. Air Landed Battalions of the SA Army is ideally suited to provide the Helicopter Assault Battalion for operations in support of mobile forces within the close battle space.
- In terms of cooperative training, 6 SAI work with Special Forces on rope work and with Special Forces despatchers and instructors. 6 SAI also works with 44 Parachute Regiment.
- In terms of its training requirements, 6 SAI noted the following:
 - o Available helicopter frames. (A109, BK117, Lynx, Oryx, Rooivalk)
 - o Helicopter mock-ups.
 - o Fast roping, repelling platforms.
 - o Training areas. Mountains, high grounds and fields.

The overview of the Unit also included a review of the roles for different type of aircraft utilised. The C-130 transport aircraft was mentions and shortages in the SA Air Force in this regard was noted. Furthermore, light Utility Helicopters are used to fly utility missions. Medium Support Helicopters are generally used for transporting the assault force and its appropriate combat support and combat service support elements into the objective area. Finally, Attack Helicopters are used during helicopter assault operations to attack and destroy hard and point targets and neutralise the enemy's air defence systems within the target area, to enable the ground assault force to be landed on or close to the target area.

In terms of challenges faced by 6 SAI, the following were noted:

- The ageing human resources profile, specifically of Air Assault soldiers.
- Shortage of Fast Roping equipment and protective clothing for Fast Roping (notably ladies' gloves and extraction harnesses).
- Shortage of D-Vehicles (Sedan) for Command and Control and support services.
- Operational standby vehicles for the Eastern Cape Province.
- Insufficient serviceable prime mission equipment to support internal operations and training.
- Water scarcity in Makhanda.
- Fuel tanks with low level carrying capacity.
- A large part of the perimeter fence at the 6 SAI training area has been stolen and the remainder is dilapidated.
- Refurbishment of 6 SAI Bn is an urgent requirement.
- Funding allocated to the Unit does not meet the requirements of the Unit
- Repairing of vehicles in Makhanda is a challenge, due to limited service providers.

5.2 Observations by Committee Members

- The Committee expressed a serious concern with regards to the unavailability of aircraft platforms that are essential for the force preparation of the Battalion, specifically its air assault capability. The Committee further observed that this highlights how the non-availability of aircraft platforms impacts negatively on the entire value-chain around the aircraft, including pilots, air traffic controllers, mechanics and air assault units such as 6 SAI.
- The Committee noted the challenge of ageing soldiers within the specialised Battalion, which requires fit and agile members. The Committee indicated that the Military Skills Development System must be utilised as a feeder to contribute towards the rejuvenation of the SANDF whilst

- also recruiting for specialised skills in both the Regular and Reserve Force. Members expressed concern that the current biennial SANDF intake will further exacerbate the problem.
- The Committee expressed concern with regards to the theft of the perimeter fence at the 6 SAI training area. The Committee expressed a view that the DOD should consider alternative types of fencing which are less susceptible to theft.
- The Committee further expressed concern with regards to challenges and shortages of operational equipment within the Battalion. The Committee was re-assured that the SANDF leadership is ceased with the matter, especially for specialised units such as 6 SAI.
- The Committee lamented the fact that the financial delegations of the Officers Commanding of military units are limited and insufficient to ensure the effective management of the base.
- Similar to previous oversight visits, the Committee again highlighted the failure of the DOD to
 dispose of obsolete vehicles throughout its military bases and storage facilities. The Committee
 noted that the disposal of these vehicles could contribute towards the generation of revenue to
 procure new vehicles for the respective units.
- The Committee also highlighted the challenge of water scarcity within the area as a serious challenge that must be dealt with in collaboration with the Municipality.

5.3 Site Inspection

Having concluded deliberations on the capabilities within the base, the Committee was taken on the site inspection of the various facilities. The Committee was informed of the following during the inspection:

- There are a number of obsolete vehicles (D-Level and B-Level) parked within the base which are beyond economic repair and require disposal. The Committee was informed that the disposal process is taking long and that the base management is not appraised as to how far the process is.
- The DOD decried the state of its prime mission equipment vehicles which is aged and constantly undergoing repairs which are done by their own technical members, up to a point where these repairs cannot be done in-house and have to be sent to Bloemfontein.
- The Committee was shown dilapidated infrastructure, especially the unit's ageing hangars that were built decades.

The Delegation was once again welcomed by Maj Gen M. Dyakopu, Deputy Chief of the SA Army and Maj General H. D. Mashego, General Officer Commanding of the SA Army Infantry Formation. The Committee was briefed by Maj T. Johannes, Acting Officer Commanding of the Buffalo Volunteer Rifles (BVR).

6.1 Presentation: Buffalo Volunteer Rifles

The presentation highlighted that the BVR is mandated to provide disciplined combat ready Land Forces for the pursuance of National Defence objectives and the prevention of war. The BVR also collaboratively promotes peace and stability whether internally or externally in accordance with regional and international obligations. The BVR's mission is to prepare and provide well managed, motivated, combat ready, Motorised Infantry Forces, to the General Officer Commanding of the SA Army Infantry Formation for deployment as required

Some of the challenges reported by the BVR related to the following:

- Office infrastructure problems include the fact the Headquarters has no internet.
- In terms of personnel, there is a shortage of support elements. Most significantly, there is no new inflow of young recruits into the Reserves.
- There is a shortage of serviceable D vehicles due to funding constraints and most of the vehicle fleet is old and beyond economic repair.
- Critical clothing and equipment shortages exist for combat readiness for deployments.
- The Specialised Techniques Doctrine has not yet distributed to all units.
- The Woodbrook Military Base is in need of repairs, especially to the existing perimeter fence. The Mess at the base is under renovation, but work in progress has been abandoned by DPWI.
- There is a need for CALMIS Training for junior Unit members.
- In terms of budgetary challenges, the following was noted:
 - o There is a requirement for funds for the Transport Park to improve safety of vehicles.
 - Funds are required (R37 000,00) for the repair of a 37-seater bus to convey members for shooting exercise and other purposes.
 - o Funding for a tractor to maintain the unit
- In terms of broader strategic challenges, the unit is sharing facilities with SAPS Vehicle Theft Unit, and on several occasions criminals have entered the area trying to steal vehicle parts.

6.2 Observations by Committee Members

- While the Committee noted that rejuvenation is a concern which is currently being dealt with by
 the Defence Force, an observation was made that the Reserve Forces are being neglected. The
 Committee expressed a need for Reserve Force Units to be rejuvenated for purposes of
 supplementing the deployed forces.
- The Committee expressed serious concern with regards to the unavailability of internet within the
 Unit. The Committee indicated that internet connection is among some of the basic needs in any
 facility.
- The Committee further expressed concern with regards to the indicated stalemate between the SANDF and the South African Police Services with regards to the upkeep and occupation of the Woodbrook facilities.
- In addition to the above, the Committee bemoaned the failure of the DPWI to ensure the
 maintenance work of the ageing buildings, with some of the buildings having been partially
 refurbished and the work subsequently abandoned.
- The Committee decried the indicated shortages of uniform and vehicles for the BVR. The
 Committee was reassured that the SANDF leadership is dealing with the issues of uniform rollout and the provision of operational vehicles.
- The Committee noted the concerns around prime mission equipment and stated that this cannot be solved at the level of the BVR, but must be addressed at a higher level.

6.3 Site Inspection

Having concluded deliberations, the Committee was taken on a site inspection of the various facilities within the Woodbrook military base. The Committee was informed of the following during the inspection:

- The Police does not maintain their areas in the base to the same standard as the SANDF. There is insufficient security at the Police's vehicle storage facility, which attracts criminals into the base.
- The Mess facility was to be refurbished, but has since been abandoned without completion of the refurbishment, with only the ceiling completed. The Unit is now forced to utilise a small building as a mess facility which was not constructed for such use and is not compliant nor appropriated for such utilisation.

- The Members' living quarters were refurbished but have not been completed. A need for added living quarters was indicated and the DOD identified the buildings which have been left unoccupied by the Police (some of which are used as storage facilities for old used tyres).
- The BVR Officer Commanding identified unused land which could be developed for training facilities.

7. RECOMMENDATIONS BY THE COMMITTEE

Based on the briefings received and various sites visited, the PCDMV makes the following recommendations:

7.1 Recommendations related to the DOD

- a) In terms of its budget, the Committee recommends that the DOD should reprioritise funds away from non-essentials to, specifically, fund the procurement of spares and maintenance projects for the SA Air Force. The Committee will engage the DOD on this matter during its budgetary considerations.
- b) In addition to reprioritisation of funds within the DOD to ensure spares availability, the Committee recommends to National Treasury that additional funds be made available over the MTEF and ring-fenced for the procurement of spares for the SA Air Force in order to build up a broader spares pool from which to draw, thus limiting the impact of long lead-times.
- c) The Committee recommends a review of the contracting model and long-term planning for spares acquisition between the SANDF, Armscor and Denel to ensure that acquisition plans are in place well in advance for maintenance projects.
- d) The Committee recommends that the DOD prioritise the repair the fire control system in the Hangar at 15 Squadron as a matter of urgency.
- e) The Committee noted the loss of specialist skills by the SA Air Force as a result of the reduction in flying hours due to funding constraints and maintenance backlogs. The committee urges the DOD to reconsider the withdrawal of special allowances for flight engineers and to ensure that all efforts are made to keep air crews current on their flying hours requirements.
- f) The SANDF should ensure that sufficient aircraft are availed for training opportunities to ensure that air assault units such as 6 SAI maintain their proficiency.

- g) The committee recommends that the DOD, in consultation with National Treasury, reconsider the procurement allocation of only R5000 to unit commanders as this clearly impacts on their ability to effectively run their units.
- h) The Committee expressed serious concern over the lack of security at the military bases as a result of theft of fences and encroachments of public settlements. The Committee recommends that the DOD deliberates on an appropriate fencing for all Bases, which is less susceptible to theft, and prioritise these in the allocation of infrastructure funding.

7.2 Recommendations related to the DMV

- a) The Committee expresses its disappointment in the DMV's preparation for the visit and the non-availability of senior personnel during the PCDMV's visit to the Eastern Cape.
- b) The Committee encourages the DMV to build a closer relationship with the Eastern Cape Department of Human Settlements to improve the delivery of housing benefit to deserving military veterans.
- c) The Committee expressed serious concern with regards to the functioning of the DMV Provincial Office. Members noted that the Office seems to be uninformed with to the provision of housing to veterans. The Committee recommends that the DMV Headquarters look into the capacity challenges within the DMV Provincial Office and devise a plan with regards to how the capacity deficit may be resolved.

7.3 Reporting recommendations and requirements

- a) The Committee recommends that the DOD develop a new target in its Annual Performance Plan, from 2024 onwards, to track the percentage of maintenance plans in place for the various air platforms and that this be open for scrutiny by Parliament (not a classified target).
- b) Problems with CEF and PetroSA need to be resolved and an uninterrupted supply of fuel needs to be supplied to all SANDF units as per contractual requirements. The DOD should provide the Committee with updates in this regard during presentations on its quarterly reports.
- c) Similar to previous oversight visits, the Committee again noted the failure of the DOD to dispose of obsolete vehicles throughout its military bases. The Committee recommends that the DOD develops a plan for the disposal of all obsolete vehicles, including B-Vehicles and D-Vehicles. The DOD should engage National Treasury to ensure a guarantee that the proceeds from the disposal of the obsolete vehicles must be utilised towards the procurement of new vehicles for

- maintenance of existing fleet. The DOD must submit this plan to Parliament within 6 months of the adoption of this report.
- d) The Committee expresses its concern around the maintenance of DOD facilities by the DPWI, especially where contractors are appointed who cannot complete constructions on time or as per the requirements or fail to return and attend to snag lists. The Committee encourages engagement between the DOD and DPWI to ensure improved service delivery to the DOD. The DOD should provide the Committee with a list of all DPWI-managed projects for the DOD and indicate the (1) status of these projects, (2) where contractors have failed to complete a project (e.g. through bankruptcy) and a new contractor had to be appointed, (3) cases where a contractor did not return to address the snag-list and (4) where projects have been taken over by the Defence Works Formation (DWF). This report should be submitted to the Committee within 3 months after the adoption of the Report.
- e) The Committee noted the concerns of the Reserve Force unit with regards to the exit of aged personnel without the requisite inflow of deployable personnel. The Committee recommends that the DOD reconsiders its biennial military intake and, secondly, develop a coherent Reserve Force the rejuvenation strategy. This Strategy must be presented to the Committee within 6 months of the adoption of this Report.
- f) Having observed the substandard work and defects pointed out to the Committee, the Committee recommends that the Department of Human Settlements, the DMV and the National Home Builders Registration Council must hold the contractors accountable for the substandard work and ensure such defects are repaired. The DMV should, during its Quarterly Report meetings with the PCDMV, report specifically on the outcomes of this process.

The Committee expresses its gratitude to the DOD personnel and SANDF for assistance in arranging the visit and to the Chief of the SANDF to ensure that relevant and senior personnel accompanied the Committee.

Report adopted on 31 May 2023