

Nelson Mandela Road (To be officially opened on 20.06.08)



Monitoring Capacity:

The following mechanisms exist to monitor delivery and the concomitant capital expenditure:

- Submission of business plan to Provincial Treasury and Office of the Premier.
- Regular site visits which sometimes includes Provincial and National Treasuries.
- Capex Manager's monthly meetings with Consulting Engineers and produce a detailed monthly capex report.
- Systems for reporting to Treasury: Infrastructure Reporting Model (IRM), In-Year Monitoring Report (IYM) and Promis.

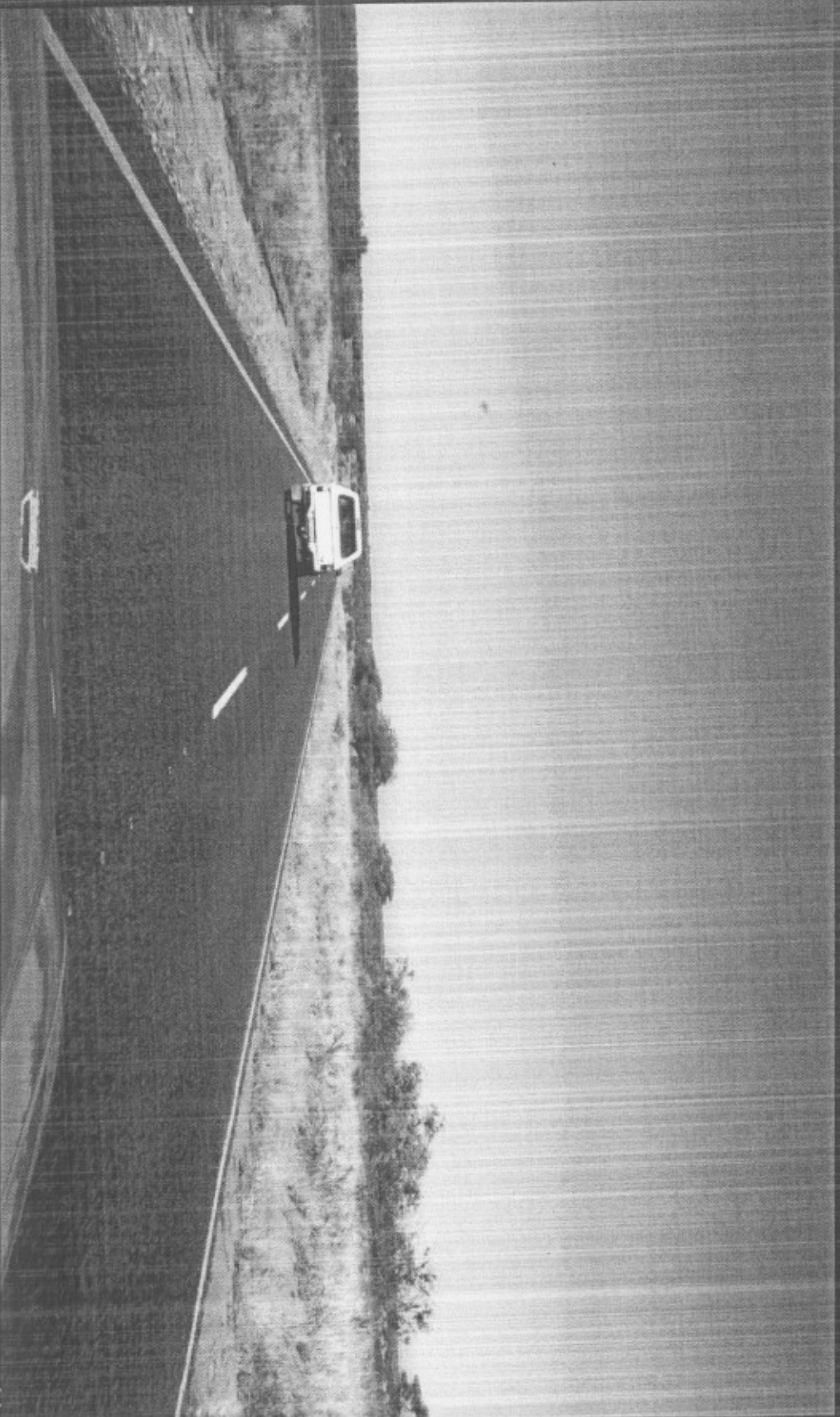
Monitoring Capacity: Continued

- Quarterly Infrastructure progress report to Premier's office
- EPWP quarterly report to Provincial: Public Works for National: Public Works
- Compilation of monthly internal variance report.
- Provincial Roads assets register

2007/08 Outcomes

- 90km of gravel roads was upgraded into surfaced condition.
- 33km of badly affected surfaced roads was rehabilitated.
- 31km of our road network was resealed.

Bodirelo – Ramokokastad Road in Bojanala District on Completion (2008) Not yet officially Opened.

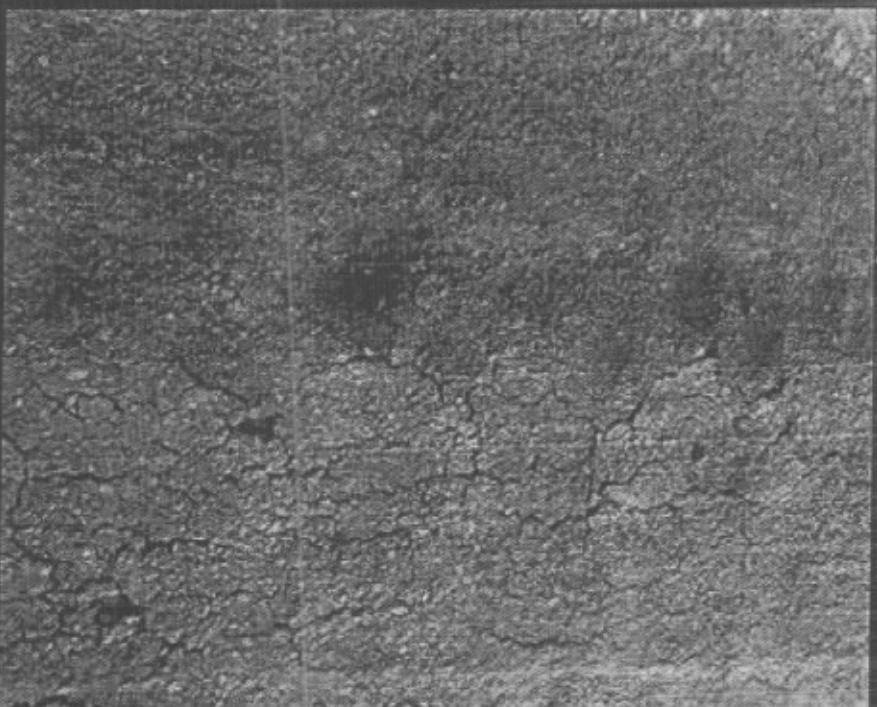
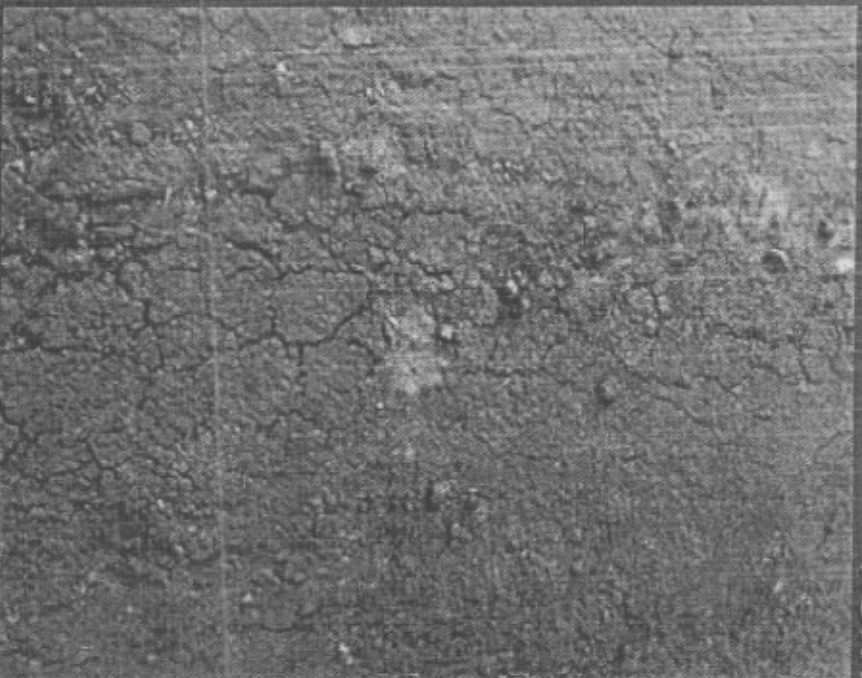


Capacity Constraints:

The following factors have a negative impact on service delivery;

1. Recruitment and retention of:
 - Engineers and
 - Technicians
2. Capacity of emerging contractors and consultants
3. Lack of road repair unit personnel, appropriate equipment for rapid response and material supply

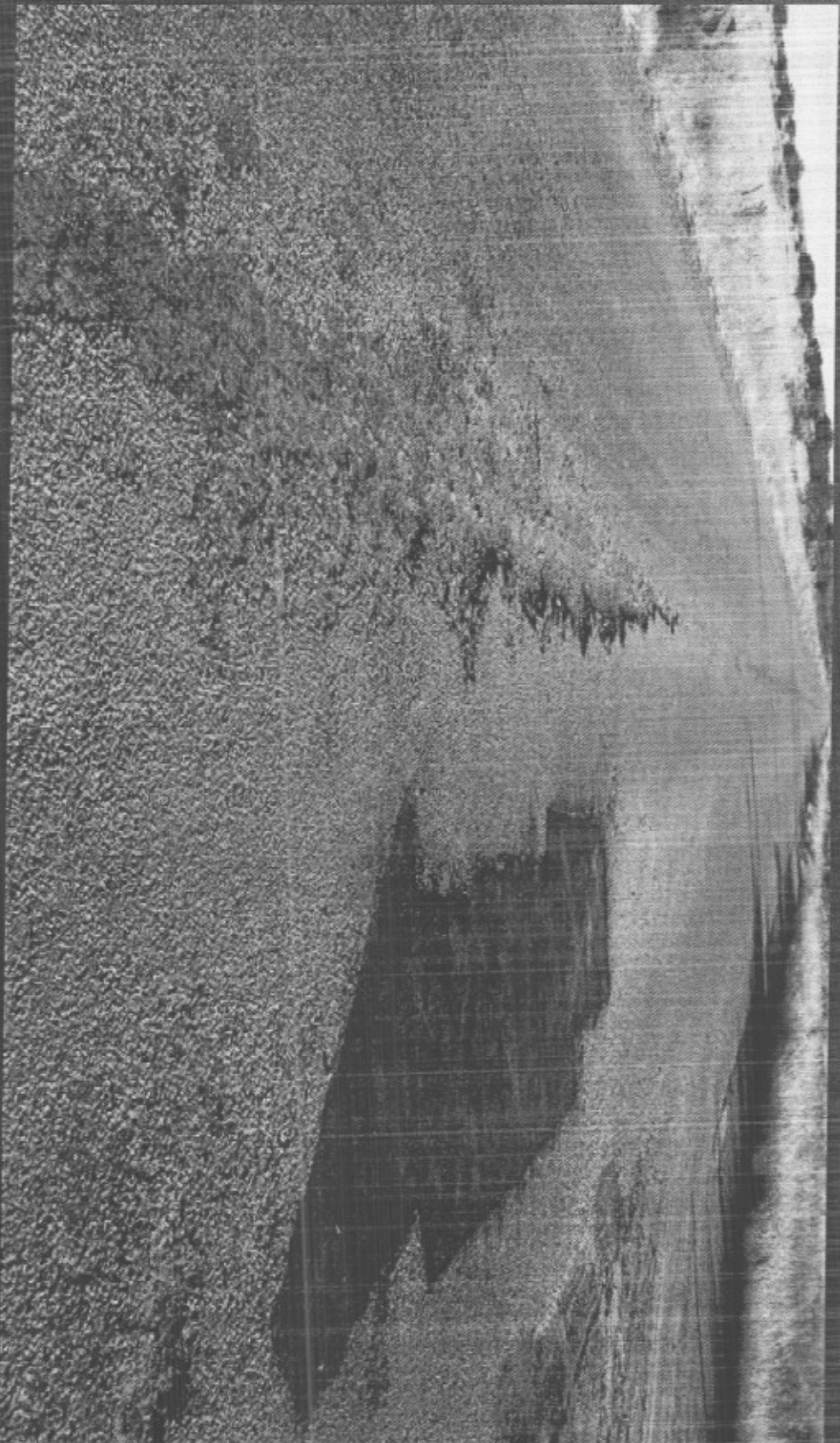
Challenges: Bosplaas - Babelegi Road which is failing (2008)



Other Challenges:

- Lack of adequate funding
- The Construction industry fees increase due to CPIX
- No inclement weather
- Agreements not honoured by other authorities

Kraaipan Road (begging for repairs)



FUNDING REQUIREMENTS ANALYSIS OF BACKLOGS:

The Department has a backlog maintenance of **R6 billion** and requiring an average investment of **R1.2 billion** annually for an unbroken period of five years to clear the backlog maintenance.

Funding Requirements for Routine Maintenance

MINIMUM FUNDING REQUIREMENT(EXCL NEW DEVELOPMENT)	
TREATMENT	ESTIMATED ANNUAL BUDGET
PAVED ROADS	
Routine maintenance	R112 000 000
Resealing	R413 000 000
Rehabilitation	R588 000 000
Sub total	R1 113 000 000
UNPAVED ROADS	
Routine maintenance	R100 000 000
Regravelling	R500 000 000
Sub-total	R600 000 000
TOTAL	R1 713 000 000

MTEF BUDGET ALLOCATION

Budget Allocation	2008/09 R`000	2009/10 R`000	2010/11 R`000
MTEF Allocation	1,666,377	1,932,358	1,903,199
Conditional Grant	451,035	505,725	564,038
N.C Grant as % of total allocation	27.1%	26.2%	29.6%
P.I Grant	127,629	277,655	121,085
P.I Grant as % of total allocation	7.6%	14.3%	6.3%

Monthly reports on transfers

The Department does not make any transfers to either Municipality or other Departments.



END