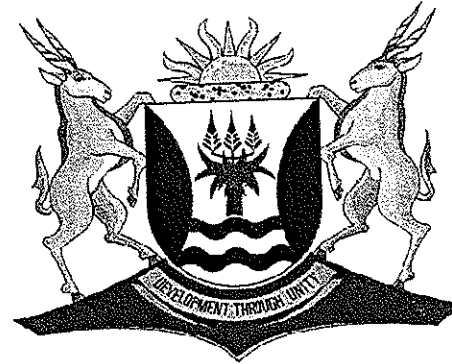


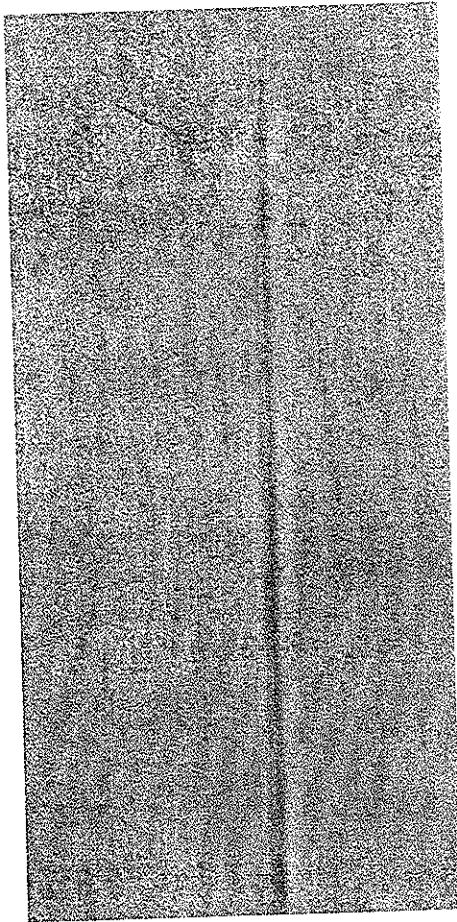
# DEPARTMENT OF ROADS AND PUBLIC WORKS PROVINCE OF THE EASTERN CAPE



## MONITORING STRUCTURES AND PROCESSES FOR JOB CREATION + ROAD MAINTENANCE STRATEGY (INCLUDING POTHOLE REPAIRS)

### Presentation to the Select Committee on Public Services

02 August 2011



**EXPANDED PUBLIC WORKS PROGRAMME**  
Creating opportunities towards human fulfillment



Province of the  
**EASTERN CAPE**  
ROADS & PUBLIC WORKS

# Content

- Introduction.
- Unemployment and Poverty in the Eastern Cape.
- Performance on Creation of Work Opportunities.
- Job Creation Strategy.
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- State of the EC Road Network.
- Maintenance Costs.
- Road Maintenance Strategy (including pothole repairs).
- Conclusions.

# Introduction

- Creation of decent and sustainable work is one of the priorities of the Department.
- Outcome number 6 resonates with the core mandate of the Department – “*An efficient, competitive and responsive economic infrastructure network.*”
- The Department coordinates and leads on infrastructure interventions in the Eastern Cape as per EXCO resolution.
- Infrastructure is a key jobs driver as articulated in the New Growth Path.
- In line with S’hamba Sonke (Provincial Roads Maintenance Grant), maintenance is now regarded as a key priority area.
- Expanded Public Works Programme in the EC is at the forefront of efforts to maximise work opportunities.

## Unemployment and Poverty in the Eastern Cape

- According to the Labour Force Survey, in Quarter 1 of 2011 there were 487 000 people in the EC who were actively looking for work but unable to find it – 26.9% official unemployment rate/“narrow definition”.
- In addition to the 487 000, there were a further 432 000 people who had given up looking for work – the so called “discouraged workers”, thus bringing the total to 919 000 unemployed people – 41% when the unofficial rate/“expanded rate” is used.
- The Province is marked by geo-spatial differences characterised by a relatively developed Western Region, and an impoverished Eastern Region.
- In former homelands, there is a shift from formal to informal employment – thus showing the preponderance of “disguised unemployment in the Province’s labour market.
- The rate of youth unemployment is more than double that of the adult population.

## Performance on Creation of Work Opportunities (2010/11 Financial Year)

EC	118,181	18%
FS	41,804	7%
GP	113,845	18%
KN	120,900	19%
LP	79,004	12%
MP	44,450	7%
NC	23,287	4%
NW	43,864	7%
WC	57,784	9%
<b>Total</b>	<b>643,119</b>	

- The Province is one of the significant contributors to the national effort on EPWP Phase 2 implementation.
- As at end March 2011, 118, 181 W/O were created against the annual target Of 72, 000.
- The EC contributed an impressive 18% to national work opportunities.
- Still only second to KZN.

## Breakdown of Work Opportunities per Sphere/Sector

Sector	Municipal	National	Provincial	Total
Infrastructure	24,676	168	30,879	55,723
Environmental & Culture	5,901	12,536	1,118	19,555
Social	49	8,492	6,125	14,666
NSS: Community Works Programme		23,070		23,070
NSS: Non-Profit Organisations		5,167		5,167
<b>Total</b>	<b>30,626</b>	<b>49,433</b>	<b>38,122</b>	<b>118,181</b>

- National Departments reported most of the W/O created (49, 433).
- Provincial Departments created 38, 122 W/O.
- Municipalities created the least W/O (30, 626).
- Of concern are the low W/O created by the Provincial sphere in the Environmental sector.

# Job Creation Strategy

The Department has adopted a Job Creation Strategy based on the following pillars:

Pillars	Justification
Maintenance.	<ul style="list-style-type: none"> <li>• Infrastructure maintenance as a strategic tool to promote job creation. Appropriate maintenance contributes to longer duration employment.</li> <li>• Preventive and routine maintenance prioritised as job creation drivers.</li> </ul>
Embedding LIC methods from the onset – planning and design for job creation.	<ul style="list-style-type: none"> <li>• LIC methods do not happen by default.</li> <li>• There must be concerted efforts to infuse and inculcate LIC amenable designs from the very onset.</li> </ul>
Optimisation and re-orientation of budgets for job creation.	<ul style="list-style-type: none"> <li>• Re-orientation of budgets for job creation means that existing budgets must be used optimally to maximise employment.</li> </ul>



# Job Creation Strategy / cont.

The Department has adopted a Job Creation Strategy based on the following pillars:

Pillars	Justification
Skills development.	<ul style="list-style-type: none"> <li>• Skills development needs to be approached in a strategic manner that increases chances to be employable and self-employable.</li> </ul>
Enterprise/Emerging Contractor development.	<ul style="list-style-type: none"> <li>• Creation of contracting opportunities for Historically Disadvantaged Individuals and companies.</li> <li>• SMME and Cooperatives development is vital to job creation.</li> </ul>
Linkages with National, Provincial and Municipal Initiatives.	<ul style="list-style-type: none"> <li>• Establishing links with National, Provincial and Provincial initiatives to access other funding envelopes and best practice for job creation.</li> </ul>



# Monitoring Structures and Processes for Job Creation

The Department uses the following structures and processes to strengthen efforts at job creation and coordination:

Structure/Process	Intent
<b>Provincial Steering Committee.</b>	<ul style="list-style-type: none"> <li>• Coordination of efforts on job creation by National, Provincial and Municipal Public Bodies implementing EPWP.</li> <li>• Sharing of best practice.</li> </ul>
<b>Protocol Agreements.</b>	<ul style="list-style-type: none"> <li>• Protocol Agreements between the Premier and Mayors:               <ul style="list-style-type: none"> <li>• Political leadership on job creation.</li> <li>• Setting and monitoring of job creation targets.</li> </ul> </li> </ul>
<b>Reports to Clusters and Cabinet Committees.</b>	<ul style="list-style-type: none"> <li>• Updating of Heads of Departments and Political Heads on progress made in implementing EPWP Phase 2.</li> </ul>
<b>Reports to NDPW and NDoT.</b>	<ul style="list-style-type: none"> <li>• Accounting to NDPW and NDoT on EPWP Phase 2 and S'hamba Sonke.</li> </ul>
<b>Regional Coordinating Committees.</b>	<ul style="list-style-type: none"> <li>• Coordination of job creation efforts at Regional levels.</li> </ul>

# Monitoring Structures and Processes for Job Creation / Cont.

The Department uses the following structures and processes to strengthen efforts at job creation and coordination:

Structure/Process	Intent
<b>Service Level Agreements with Municipalities.</b>	<ul style="list-style-type: none"> <li>• SLA's entered into with Municipalities for:               <ul style="list-style-type: none"> <li>• Maintenance of Access Roads.</li> <li>• Purchasing of Plant.</li> <li>• Developing of RAMS.</li> </ul> </li> </ul>
<b>Project based monitoring.</b>	<ul style="list-style-type: none"> <li>• Site visits for verification of project data.</li> <li>• Use of Emerging Contractors to monitor/supervise Household Contractors.</li> </ul>
<b>Provision of Technical Support to Municipalities.</b>	<ul style="list-style-type: none"> <li>• Identification and packaging of EPWP amenable projects – Designs.</li> <li>• Development of Contract Documents.</li> <li>• Reporting.</li> </ul>
<b>Transport/Roads Forums.</b>	<ul style="list-style-type: none"> <li>• Platforms for sector coordination</li> <li>• Project identification and prioritisation.</li> </ul>

# Background to the EC Road Network

- Eastern Cape provincial road network consists of approx. 43,000 km of roads.
  - Only 12% or approx. 5,200 km are surfaced and this network carries 62% of traffic volumes.
  - Over 11,000 km of gravel network also carries high traffic volumes.
  - The total annual vehicle operating cost for the 4.8 billion vehicle-kilometres travelled on the Eastern Cape roads in 2010 was a staggering R24.6 billion.
  - The network is currently severely stressed and in an unstable (deteriorating) condition.
- The local municipal networks constitute a further 14,000 km of roads.

## Background to the EC Road Network / Cont.

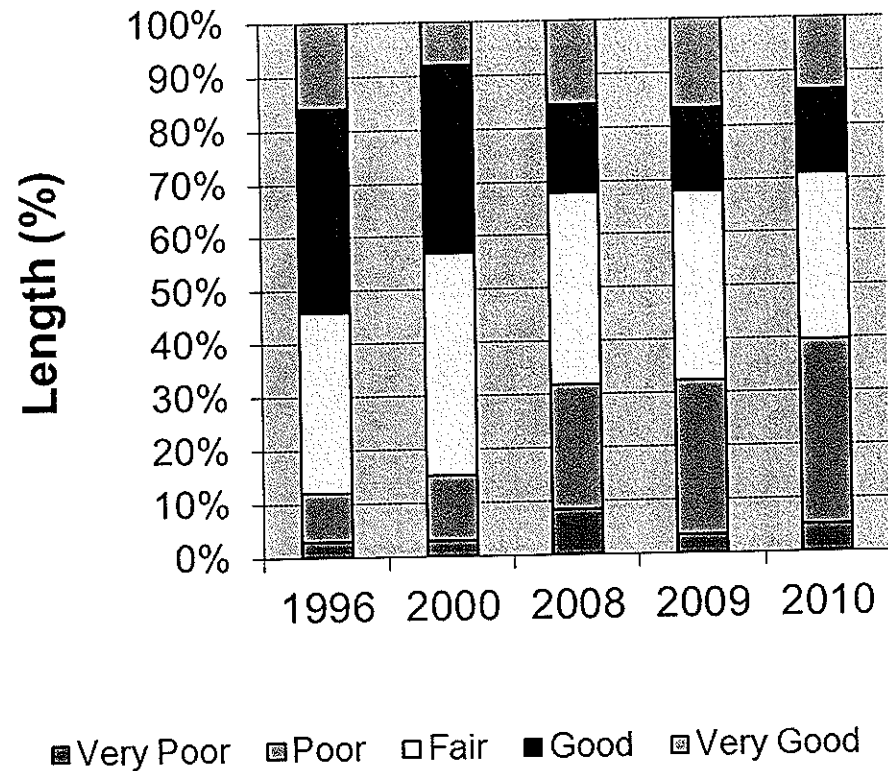
- DRPW receives approx. R 2 billion for Roads and EPWP programmes (½ Equitable Share and ½ PRMG).
  - But this must be spread over 43,000 km.
  - Approx. 50% spent on capital projects and overheads (Salaries, Planning, M&E, Governance).
    - Enormous backlog in new and upgrading roads and bridge projects particularly in the former homelands.
  - Approx. 50% spent on Maintenance
    - But still **only 25% of budget** required for sustainable maintenance.
    - Nationally roads maintenance has been underfunded since the 1980's.
    - This has resulted in a huge backlog in maintenance (approx. R13 billion for EC provincial roads).
    - Problems compounded by damages from a series of recent flood events (over R 500 million assessed damage).

## Current State of the Provincial Road Network

- DRPW has a Road Asset Management System in place to:
  - Assess and record condition data.
  - Monitor condition trends over time.
  - Determine priority maintenance needs.
  - Optimise impact of limited available funding.
- Visual assessments completed:
  - Paved roads in 2008, 2009 and 2010.
  - Unpaved roads in 2008 (1/3) and 2009 (2/3.)
- Profile measurement done on paved roads in 2009.

# Visual Condition Index (VCI) (Surfaced Roads)

- 1996: 12% poor/very poor
- 2000: 15% poor/very poor
- 2008: 31% poor/very poor
- 2009: 32% poor/very poor
- 2010: 40% poor/very poor



# Surfaced Road Network

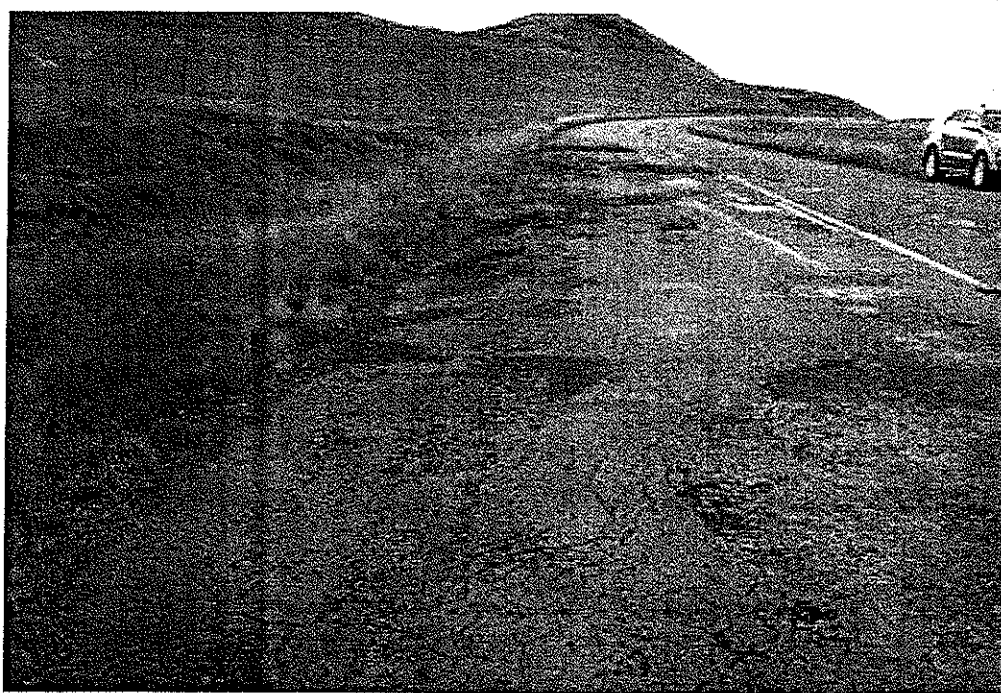
- The Eastern Cape paved network asset:
  - Carries fairly high traffic volumes (41% more than 2,000 vpd).
  - Has too high % in poor and very poor condition (40%)
  - Has too high % in fair condition (31%).
  - Has a substantial % with warning to severe roughness (43%).
  - Has a substantial % with warning to severe rutting (31%).
  - Has very high backlogs for preventive maintenance and rehabilitation:
    - 1,800 km (33%) require reseals and light rehabilitation.
    - 500km (10%) requires structural repair/ heavy rehabilitation.
  - Is currently severely stressed and not in a stable condition.





Johnston Townsend of Cape Town sent us this picture from a recent trip she was on. "On a recent trip to Coffee Bay in the Eastern Cape, I was horrified at the state of the roads. Road holes are a problem, but when there is a little rain, the animals (pigs, goats, cows, sheep) use the road as a drinking hole," said a dumbfounded Cindy. "This is endangering drivers and I could not believe the way the government has let our roads go to rack and ruin, and left them in absolute disrepair. They will have to start from scratch to rebuild these roads. A road that used to take you to your new town now takes two and a half hours to complete the journey." "I'm sure you can't see the road in the picture, but it's a terrible mess."

# Collapsing Surfaced Road Network



## Pothole nightmare on Qtn-Dordrecht road

By Charlotte van der Berg

A ROMA NIVES BURGG lack of maintenance of the Njova, has been admitted to Prore Hospital in East London, following a car crash on the road between Qonovonvwa and Dordrecht.

Njova, 39, and his family were travelling from KwaZulu to a church service in Fort Elizabeth on Tuesday.

Cloddy Potholes when he lost control of his vehicle on the pothole-riddled road. The Njova, in which the family was travelling overturned and landed next to the road.

Njova, who sustained back injuries, was taken to Tygerberg Hospital, where he was treated for 19, who is in a serious condition.

Njova's wife, Anthoni, was killed and chest

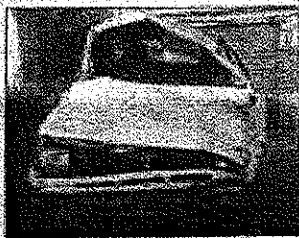
and leg injuries and was admitted to Frontier Hospital.

During the same week end, a Toyota Corolla travelling from Fort Elizabeth, had to be halted near town after a rear wheel was damaged by a pothole.

The vehicle of local trader Sibusiso Mafule overturned on the same stretch and the car had to be towed back to Dordrecht.

A sign has since been erected near Dordrecht to warn people of the potholes, which stretch for about 22 kilometres on the road between the two towns.

An expert official



**BEYOND REPAIR:** This vehicle in which the Njova family was travelling shortly before their trip to a church conference in Fort Elizabeth was cut short in a crash on Good Friday.

Picture: SUPPLIED

has been made for repairs with Earthshakers Municipality spokesman Luthando Nkomo saying the road was the responsibility of the Roads Department.

A source commenting Robert Watson said

Kandall Brown of the Roads Department visited the stretch of road this week, with Watson saying the problem would be receiving attention.

The deterioration of the road had been ascertained by recent heavy rains, he said.



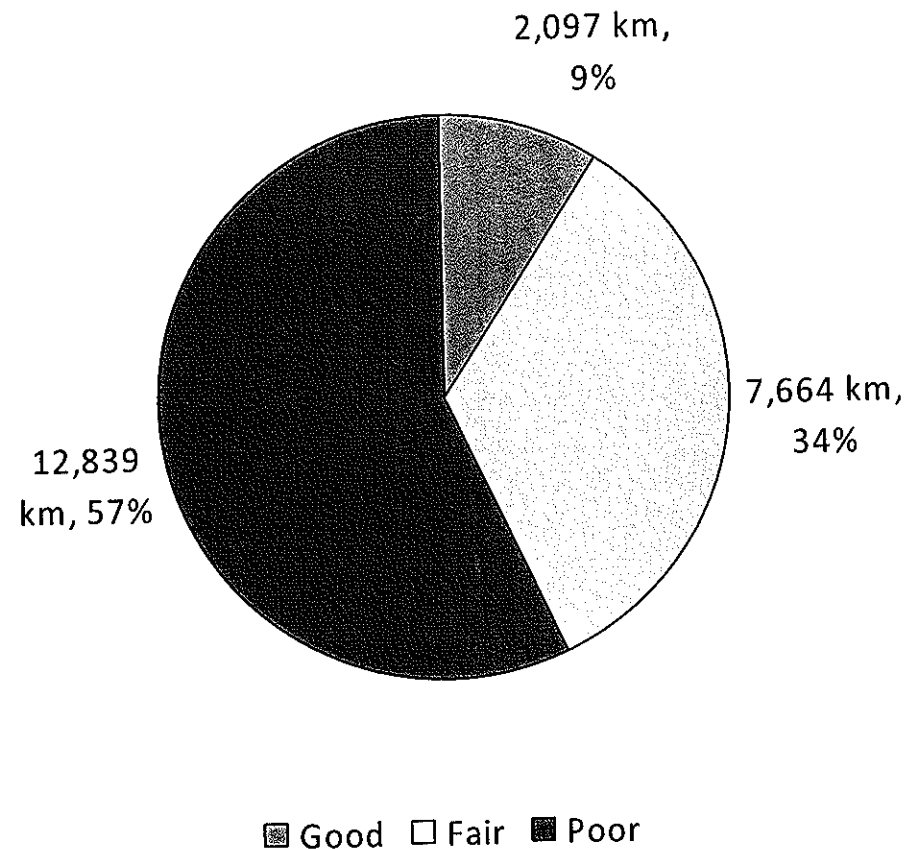


# Visual Gravel Index (VGI)

- Average network VGI 2009: (Average 44% - i.e. Poor)

- Poor: 57%
- Fair: 34%
- Good: 9%

- 2011/12 inspections to expand data to include additional 11,000km of minor roads and 14,000km of municipal roads.



# Unsurfaced Road Network

- The Eastern Cape unpaved network asset:
  - Average condition is poor at 44% VGI.
  - Average gravel thickness is 52 mm.
  - Has too high % in poor condition (57%).
  - Has too high % in fair condition (34%).
  - Has very high backlog of regravelling.
  - Has a high backlog for upgrading to paved standards
    - over 1,000 km carrying > 500 vehicles/day.
    - over 10,000 km carrying more than 250 vehicles/day.
  - Is currently severely stressed and not in a stable condition.
  - Has been further severely damaged by several flood events.

# MAINTENANCE COSTS

- Roads Maintenance Allocation 2011/12:
  - Routine Maintenance R 425 million.
  - Reseals R 150 million.
  - Overheads (incl COE) R 160 million.
  - **Total R 735 million.**
- Allocation to Paved roads: R85 million or R 15,500/km (5,500km).
- Allocation to Unsurfaced roads: R340 million or R 9,000/km (38,000 km).
- Annual requirements for Unpaved Roads:
  - Regravelling on a 5yr cycle R 1,900 million (R 350,000/km)
  - Routine maintenance R135 million (R 5,000/km)
  - Blading 4 times per year R162 million (R 1,000/km)
  - **Total R 2,2 billion per annum.**

# MAINTENANCE COSTS / Cont.

- Annual requirements for Paved Roads:
  - Resealing ( 2872 km over 7years @ R1,5 mil/km) R 615 million.
  - Routine maintenance (R 25,000/km) R 137.5 million.
  - Fencing ( 1375km over 15 years at R 80,000/km both sides) R 7.5 million.
  - **Total** R 760 million/annum.
- Requirements vs. Actual
  - Routine Maintenance Paved
    - Required R 145 million/yr or R 26,000/km
    - Current R 85 million or R 15,500/km
  - Periodic Paved maintenance
    - Required R 615 million/yr
    - Current R 150 million
  - Routine Maintenance Paved
    - Required R 2,2 billion/yr
    - Current R 425 million
  - Current budget is **only 25% of required level.**
  - Due to chronic underfunding a maintenance backlog of approx. R 9 billion exists.

# Road Maintenance Strategy

- EC Road maintenance Strategy incorporates:
  - Road Asset Management System (RAMS)
    - Provincial RAMS in place to guide maintenance.
    - Covering surfaced and primary unsurfaced network.
    - 2011-12 will see minor roads and municipal roads included.
  - Pothole Repair Programme on entire provincial network
    - 19 245 square metre potholes patched in the 1<sup>st</sup> Quarter of 2011.
    - Pothole repair service standards – potholes temporary repairs within 2 days and permanent repairs within 2 weeks.
    - 4800 km of surfaced roads set up to be maintained by 17 contractors on 3-year term contracts.
    - 900 km surfaced roads to be maintained by in-house teams.
    - Covers pothole patching and other routine maintenance.
    - Key performance standards set for repair response times.
    - Gravel road network maintenance similarly covered by 3-year term maintenance contracts or in-house teams per LMA.
    - R60 million over 3 years to assist King Sabata Dalindyebo municipality to set up a PMS and fix potholes in Mthatha (presidential project).



# Road Maintenance Strategy /Cont.

## – SMME development

- Roads Programme has set up a 3 year emerging contractor (CIDB levels 1-5 ) and consultant programme to build road construction and maintenance capacity and expertise.
- R 540 million budget for 2011/12.
- A number of the surfaced (5) and gravel road (16) maintenance contracts have been allocated to REDP programme.
- Our regravelling programme also allocated to REDP programme.
- Emerging contractors and consultants will be trained and mentored
- Emerging consultants will also be rotated through the various sub-programmes annually to improve experience and expertise gained
- In addition it is projected that 3, 562 jobs per year over the next three (3) years will be created through this programme.

# Road Maintenance Strategy /cont.

- Job Creation through maintenance
  - Due to the certainty and length of a 3-year appointment the Surfaced and unsurfaced maintenance contracts will generate significant numbers of 'quality' jobs and training
  - Household contractors employed under the Zibambele programme to be incorporated into these maintenance contracts to ensure proper utilisation, health & safety compliance, supervision and quality control.
- Maintenance and Resealing of High Volume Roads
  - Approx. 120 km of resealing & patch rehab of high volume surfaced roads to be done in 2011/12.
  - Approx . 1,000 km of yellow and white line painting.
  - Dept. desperately seeking additional R300 million over 2 years to effect 'holding action' projects to preserve network to 2014 when additional funding has been promised by National Treasury.

## Maintenance through Household Contractors

- The EC DRPW has been implementing the Zibambele Household Contractor model since 2003.
- These Household Contractors are used to maintain both provincial, but predominantly access roads.
  - The total amount to be invested in the maintenance of access roads in 2011/12 is R265 234 million.
  - Currently, the EC DRPW has engaged **24, 000 Household Contractors**.
  - During 2011/12, an additional 6, 000 Household Contractors will be recruited, taking the total to 31, 000. This second only to KZN!
  - In partnership with the Independent Development Trust (IDT), the EC DRPW is developing Exit Strategies for Household Contractor Savings Clubs.

# Conclusions

- Nationally, the Eastern Cape is among the top 3 contributors to job creation.
- Monitoring structures and processes in place for job creation.
- However, participation by Municipalities is still less than optimal.
- Eastern Cape Network:
  - Vast and relatively heavily trafficked.
  - Is currently severely stressed and in an unstable (deteriorating) condition.
- Maintenance (& capital) budgets are grossly inadequate.

## Conclusions / Cont.

- A comprehensive maintenance strategy has been implemented:
  - To cover the entire network.
  - To ensure best possible level of service within current capacity restraints.
  - To ensure potholes are addressed – the Dept is investigating best practice in labour intensive pothole patching. Ugu District Municipality in KZN will be visited this month.
  - To develop SMMEs and jobs.
  - To implement a Road Asset Management System for the entire provincial and local municipal network.
  - To ‘hold the network together’ until the additional funding promised by National Treasury from 2014 is available to help address the backlog.