

CAPITAL INVESTMENT

1. TRANSPORT

Requirements for physical assets in the medium and long term

The Branch's requirements for road network infrastructure in the medium to long term is a multi-stage process that takes place annually. The process involves the use of the Branch's Pavement Management System, Gravel Road Management System, Bridge Management System, Traffic Counting System, Road Network Information System and Project Optimisation System. The results of these systems together with the results of various economic studies undertaken to determine the extent to which transport infrastructure is impacting on the economic growth within particular areas, serve as input to a consultative process involving all spheres of government and community forums. The projects and investments required to preserve and extend the road network are analysed over at least a 20-year period. In addition to the above process, unsurfaced access roads serving communities are identified separately for upgrading to surfaced standards.

Appropriateness of the existing assets

The appropriateness of the road network infrastructure is assessed in relation to the present and projected future traffic demand and according to Branch policy on standards of roughness and geometrics.

Need for new physical assets

Needs studies for new road infrastructure are conducted when appropriate (e.g., overloaded infrastructure, new industrial and agricultural development) and the World Bank HDM4 program is used for the economic evaluation of these projects.

Developing strategies for maintaining the appropriate level of service

Maintenance strategies are an output from the Pavement Management System, Gravel Road Management System, Bridge Management System and Project Optimisation System. These strategies are modified with the input from the District Municipalities' political office bearers and officials, both of whom serve annually on panels that review the maintenance strategies. The strategies are designed to be optimal for the road network as a whole and thus minimise total transport costs and loss of asset value under constrained budget conditions. They are based on Branch roughness standards and minimum maintenance actions for preservation of the road.

Disposal of redundant, obsolete and unserviceable assets

Redundant roads are deproclaimed. Obsolete and unserviceable roads are identified by the systems mentioned above and rehabilitated or reconstructed to current Branch standards.

Developing strategies to meet the needs

A 5-year programme of projects is kept continuously up to date. The funding of the programme is from provincial sources and any other special funding sources (e.g., infrastructure grants, etc.). For at least the last decade the needs have far exceeded the funds available with the consequential deterioration of the network as a whole and the collapse of individual roads. The Branch has moved into a new phase of infrastructure preservation where most work is related to emergency repair and rehabilitation of roads. Without a sustained injection of funds over the next 20 years the road network will deteriorate to a level which will make sustainable economic development unattainable in the Western Cape.

2. PUBLIC WORKS

Requirements for physical assets in the medium and long term

The requirements for physical infrastructure in the medium to long term is based upon the needs of individual client departments and forwarded to the Branch on an annual basis. These requirements should be based on the medium to long -term infrastructure planning of the client departments. The projects and investments required to preserve and extend the physical infrastructure are based upon the requirements as determined by the client departments.

Appropriateness of the existing assets

The appropriateness of the physical infrastructure of the Province is assessed in relation to the present and projected future utilisation demand of client departments and according to set norms and standards for different utilisation purposes.

Need for new physical assets

Needs studies for new physical infrastructure are the responsibility of client departments, and are conducted when appropriate (e.g., based upon changing demographics, population projections, health statistics, etc.). These needs are then forwarded to the Branch, where technical (engineering, architecture, quantity surveying, etc.) as well as financial considerations are used for the economic evaluation of these projects.

Developing strategies for maintaining the appropriate level of service

Maintenance strategies based upon the Building Audit Program, which is comprehensive evaluation of the physical state of the entire Provincial property portfolio. These strategies are designed to protect the integrity of the portfolio and to adhere to the minimum safety requirements as prescribed by the Occupational Health and Safety Act. Due to the limited available funding it is impossible to properly maintain the provincial property portfolio, and the Branch is constantly seeking alternative methods of funding capital infrastructure and maintenance programs (eg. Public -private partnerships, assets swaps, proceeds from the disposal of excess properties, etc.).

Disposal of redundant, obsolete and unserviceable assets

Redundant, obsolete and unserviceable physical assets are identified and rehabilitated or reconstructed to suit current client needs. Alternatively it is disposed of by way of a competitive tendering process.

Developing strategies to meet the needs

A multi -year programme of projects is in place and kept continuously up to date. The funding of the programme is from provincial sources and any other special funding sources (e.g., Provincial Infrastructure Grants (P.I.G), Health Reconstruction and Rehabilitation Program (H.R.R.P), Proceeds from the disposal of assets, etc.). These needs are by far exceeding the funds available with the consequential deterioration of the physical infrastructure of the Province as a whole and the collapse of individual buildings to the extent that they are uninhabitable. The result of this is that the Branch is to a large extent compelled to focus on emergency repair and rehabilitation of buildings. Without a sustained injection of funds the physical infrastructure portfolio of the Province network will deteriorate to a level that will make many valuable buildings worthless, thereby seriously reducing the overall capital value of the Provincial property portfolio.