COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

To date the number of registered indigents increases despite the challenges of capacity and resources. Council also has a Funding agreement with Eskom to provide free basic electricity to approved indigents in the rural areas within BCMM.

T 3.6.6

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and stormwater drainage.

INTRODUCTION TO ROAD TRANSPORT

T 3.7

3.7 ROADS

INTRODUCTION TO ROADS

Buffalo City Metropolitan Municipality (BCMM) has a surfaced road network of ±1501.5km with estimated replacement cost of ± R6, 1 billion (surfacing and structural replacement of surfaced roads) and a gravel road network of ±1229.5km with an estimated replacement cost of ± R0.34 billion.

In order to eliminate the road network backlog an amount of R600million is required for a period of three years in the capital budget.

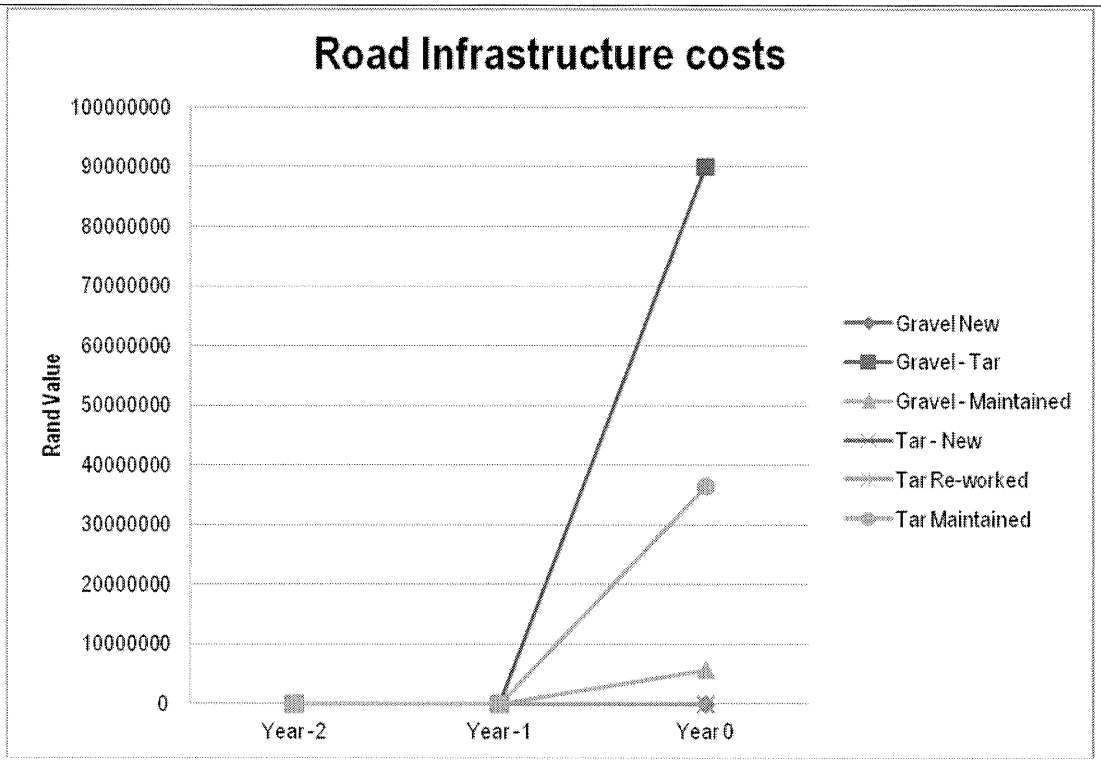
During financial 2012/2013 financial year, BCMM undertook the Bridge and Pavement Management System which outline the Conditional Assessment of the BCMM Road Network. This road roadwork is made up of 1229, 5km of Gravel Roads and the 1501, 5km of Surfaced Roads

T 3.7.1

Gravel Road Infrastructure Kilometres				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained
2010/2011	0	0	0	0
2011/2012	0	0	0	0
2012/2013	1229.5km	0	11.3km	484.8km
				T 3.7.2

Tarred Road Infrastructure Kilometres					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
2010/2011	0	0	0	0	0
2011/2012	0	0	0	0	0
2012/2013	1501.5km	0	4.9km	0	1497km
					T 3.7.3

Cost of Construction/Maintenance R' 000						
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
2010/2011	0	0	0	0	0	0
2011/2012	0	0	0	0	0	0
2012/2013	0	90000000	5544520	0	0	36408934
						T 3.7.4


Road Infrastructure costs
Rand Value
100000000
90000000
80000000
70000000
60000000
50000000
40000000
30000000
20000000
10000000
0
Year -2
Year -1
Year 0
Gravel New
Gravel - Tar
Gravel - Maintained
Tar - New
Tar Re-worked
Tar Maintained

T 3.7.5

Road Service Policy Objectives Taken From IDP									
Service Objectives	**Outline Service Targets**	**2011/2012**		**2012/2013**			**2013/2014**	**2014/2015**	**2015/2016**
		Target	**Actual**	**Target**		**Actual**	**Target**		
Service Indicators									
(i)	**(ii)**	**(iii)**	**(iv)**	**(v)**	**(vi)**	**(vii)**	**(viii)**	**(ix)**	**(x)**
To provide an accessible all weather BCMM road network									
Kilometres of roads and associated services surfaced and maintained	existing roads gravelled or re-gravelled				50 kms	47.6 km			
	existing roads surfaced				10 kms	18.2 km			
	existing roads & associated services maintained and rehabilitated				600 km	116.5 km			
	Number of Bridges rehabilitated				1 -Westbank	1			
Elimination of gravel roads in townships	Kilometres of gravel roads tarred (Kilometres of gravel road remaining)				16.2 kms gravel roads tarred (4kms gravel roads remaining)	16.2 kms gravel roads tarred (4kms gravel roads remaining)	Baseline (20km) (4 kms gravel roads remaining)		
Development of municipal roads as required	Kilometres of municipal roads developed				16.2km	16.2km			

Road Service Policy Objectives Taken From IDP									
Service Objectives	**Outline Service Targets**	**2011/2012**		**2012/2013**			**2013/2014**	**2014/2015**	**2015/2016**
		Target	**Actual**	**Target**		**Actual**	**Target**		
Service Indicators									
(i)	**(ii)**	**(iii)**	**(iv)**	**(v)**	**(vi)**	**(vii)**	**(viii)**	**(ix)**	**(x)**
Development of the BCMM Roads Masterplan	Masterplan prepared and adopted by Council				1	Report at Bid stage, to be awarded end of July 2013			
									T 3.7.6

Employees: Road Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3		167	139	28	17%
4 - 6		45	39	6	13%
7 - 9		28	25	3	11%
10 - 12		16	13	3	19%
13 - 15		2	2	0	0%
16 - 18		2	2	0	0%
19 - 20		0	0	0	#DIV/0!
Total		260	220	40	15%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.7.7*

Financial Performance Year 0: Road Services					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	41,601	2,683	2,683	143,922	98%
Expenditure:					
Employees	37,961	45,003	44,674	39,386	-14%
Repairs and Maintenance	35,099	65,443	65,443	62,067	-5%
Other	169,119	139,070	139,924	334,468	58%
Total Operational Expenditure	242,178	249,515	250,040	435,921	43%
Net Operational Expenditure	200,578	246,832	247,357	291,999	15%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. *T 3.7.8*

Capital Expenditure Year 0: Road Services					R' 000
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	120,000	179,677	141,574	15%	
West Bank Restitution	15,000	15,000	2,865	-424%	53,000
Quenera Main Roads	5,000	5,000	4,195	-19%	5,000
BCMM Roads Upgrade	30,000	30,000	20,471	-47%	110,000
Mdantsane Roads	60,000	60,000	45,686	-31%	265,903
Mdantsane Roads	–	12,596	12,596	100%	12,596
Vehicle replacementV 741	–	84	–	-	84
Vehicle replacement V382	–	600	–	-	600
Rehabilitation of Rural roads	10,000	10,150	9,663	-3%	45,000
Rehabilitation of Rural roads	–	25,948	26,098	100%	25,948
Vehicle replacement V156	–	300	–	-	300
BCMM Roads Upgrade	–	20,000	20,000	100%	20,000
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.7.9*

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The road network of BCMM is rapidly deteriorating due to aging and adverse weather conditions (Bridges and Pavement Management System : 2012). BCMM is currently not able to address the matter promptly due to funding challenges. Currently BCMM is receiving about 35% of the required funding for rehabilitation and upgrading of its road network. This does, therefore, not assist the institution in performing at its peak when addressing roads challenges.

T 3.7.10

Chapter 3

3.8 TRANSPORT (INCLUDING PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

The BCMM transport system must provide all citizens with the opportunity to access work, school, community services and recreational activities in a safe and secure environment. This means that the integrated transport system should consist of viable choices ranging from affordable public transport services, private transport and safe walking and cycling opportunities. The provision of the transport system and services must consider the location of residential, business and industrial areas, institutions of learning and services. An integrated approach is important to ensure that the land use structure supports an efficient system. The special needs of the young, the elderly and disabled persons must also be provided for, so that the public transport system is accessible to all people.

Top 3 Priorities include:

Accessibility – A feasibility study for the provision of a bridge linking Needs Camp and Potsdam to provide access for residents to economic, educational and social opportunities in both areas has been completed. The design and implementation of the Ndevana Bridge will provide access to the local cemetery for the local community.

Mobility - The design and implementation of the widening of Gonubie Main Road to four traffic lanes and the provision of a side walk on the southern side to allow for improved mobility during peak hours.

Safety – The installation of traffic signals at the Wyse Ave and N6 intersection to reduce the number vehicle and pedestrian conflicts.

MAJOR SUCCESSES

The following are considered major success for BCMM, as both projects will have a significant socio-economic impact on the City:

A construction tender has been awarded for the Gonubie Main Road widening project to the value of R150 000 000.00. Additional funding has been secured for this project as follows: 2012/2013 – R63 000 000; 2013/2014 – R 55 000 000; 2014/2015 – R 35 000 000. Construction commenced in April 2013 and completion is expected to be finalised in October 2014.

The completion of the detailed design and favourable outcome of the Environmental Impact Assessment for the implementation of a structure/bridge and related roads in Ndevana,

providing access to a cemetery. A tender for the construction of this structure and road is currently being assessed and is expected to be awarded shortly. Construction is expected to take four months once on site.

CHALLENGES

An Operational Plan for the first Phase of the Proposed Bus Rapid Transit System was prepared and approved by the BCM Council on 6 May 2010. Service providers were appointed to commence with the engineering design for the bus ways and work has been completed to preliminary design stage including topographical surveys for the Phase 1A BRT routes.

Additional planning work is required which mainly involves the development of the business planning of the BRT system, but also includes project management, architecture, mechanical, electrical and electronic engineering, legal services, town planning services and marketing and communications planning. A tender for this appointment was awarded in December 2011, but the award was challenged by a losing bidder. As a result, the project is on hold pending the outcome of the High Court, following the court hearing which was held on 21 and 22 June 2012. To date there is no judgement from the court and the project remains on hold to the extent that the City has returned Grant Funding to the tune of R249 000 000.00 for the project back to National Treasury. This delay could cause the City to lose all funding earmarked for the project leaving the City without a viable public transport system.

TRAFFIC ENGINEERING

A traffic study was completed in the King Williams Town CBD to establish current traffic volumes and develop updated signal timing plans. (R158 177)

Traffic signal control equipment is being procured for use in the King Williams Town CBD to replace close- to- obsolete signal control equipment. The new signal controllers will be installed during the new signal timings implementation phase. (R 900,500.00)

Implementation and rehabilitation of traffic safety measures across the City – (R600, 000.) This includes the installation of traffic signals at the intersection of Wyse Avenue and the N6, which traffic volumes and developments in the Abbotsford area warranted.

LED traffic signal heads are currently being phased in to replace the older signal head technologies like halogen and incandescent. The LED signal heads are much more energy efficient and also improve safety because of the better visibility in direct sunlight. LED kits are also retrofitted to existing signal heads to avoid unnecessary scrapping of heads that are still in a good mechanical condition but have failing optical components (R 1,289,000)

Chapter 3

On-going implementation of the Buffalo City Metropolitan Municipality's guidance signage system which includes Guidance, Tourism and Local Destination type signage. This signage system is necessary to aid all road users to navigate the road network within the BCMM and arrive safely at their intended destination with reduced journey times. (586,446.00)

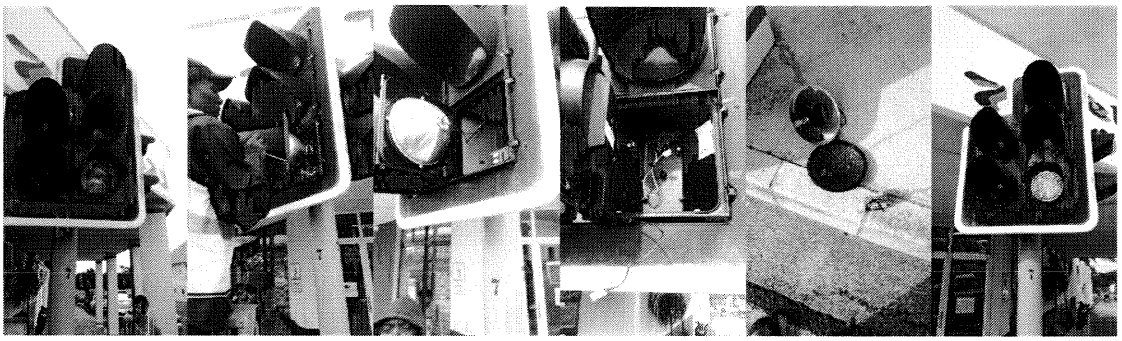


Figure – Upgrade of traffic signal heads to LED

Figure – Installation of traffic signals at the intersection of Wyse Avenue and the N6

PUBLIC TRANSPORT (MUNICIPAL BUS SERVICE)

BCMM operates a fleet of 33 municipal buses. In order to make the bus system more user friendly, the Metro has embarked on a process of consolidating numerous facilities into more attractive, modern and economically viable hubs, where a range of services can be provided to commuters and operators and which will make public transport a more comfortable and secure mode of travel. Procurement issues have, however, led to delays in appointing suitable service providers.

T 3.8.1

Municipal Bus Service Data					
		2011/2012	2012/2013		2013/2014
	Details	Actual No.	Estimate No.	Actual No.	Estimate No.
1	Passenger journeys	not available	not available	not available	not available
2	Seats available for all journeys	various size buses	various size buses	various size buses	various size buses
3	Average Unused Bus Capacity for all journeys	not available	25%	25%	25%
4	Size of bus fleet at year end	33	33	33	33
5	Average number of Buses off the road at any one time	not available	25%	25%	25%
6	Proportion of the fleet off road at any one time	not available	25%	25%	25%
7	No. of Bus journeys scheduled	15	15	15	15
8	No. of journeys cancelled	not available	not available	not available	not available
9	Proportion of journeys cancelled	not available	not available	not available	not available

T 3.8.2

Transport Service Policy Objectives Taken From IDP									
Service Objectives	**Outline Service Targets**	**2011/2012**		**2012/2013**			**2013/2014**	**2014/2015**	**2015/2016**
		Target	**Actual**	**Target**		**Actual**	**Target**		
Service Indicators									
(i)	**(ii)**	**(iii)**	**(iv)**	**(v)**	**(vi)**	**(vii)**	**(viii)**	**(ix)**	**(x)**
Service Objective: Provide Integrated and sustainable transport systems by implementing programmes and projects emanating from Integrated Transport Plan (ITP)									
To develop a balanced multi-modal safe and integrated transport system that promotes mobility and accessibility	The Integrated Transport Plan of BCMM is the over arching plan that guides transport development in the City and should be reviewed annually as per the National Land Transport Act 2009.	Council adoption of reviewed ITP.	Service Provider appointed to carry out review		Council adoption of reviewed ITP.	Review complete and report to Council for adoption	Review and Update Arterial Road Plan	Update Integrated Transport Plan	
Provide integrated and sustainable transport systems by implementing programmes and projects emanating from integrated transport plan	Projects identified through the Integrated Transport Plan must be implemented to ensure that the BCMM Transport System promotes mobility and accessibility	5	4		5	5	8	10	
									T 3.8.3

Employees: Transport Services					
Job Level	Year -1	Year 2012/2013			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3		6	5	1	17%
4 - 6		8	6	2	25%
7 - 9		27	24	3	11%
10 - 12		7	6	1	14%
13 - 15		3	1	2	67%
16 - 18		3	2	1	33%
19 - 20		1	0	1	100%
Total		55	44	11	20%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T3.8.4*

Financial Performance Year 0: Transport Services					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	46,732	56,083	56,083	48,021	-17%
Expenditure:					
Employees	34,562	43,165	43,085	37,385	-15%
Repairs and Maintenance	1,775	3,012	2,962	950	-217%
Other	17,628	18,224	18,666	15,133	-20%
Total Operational Expenditure	53,965	64,401	64,712	53,469	-20%
Net Operational Expenditure	7,233	8,318	8,629	5,448	-53%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual. *T 3.8.5*

Capital Expenditure Year 0: Transport Services					R' 000
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	120,902	107,737	62,452	-94%	
Potsdam/Needscamp Bridge feasibility Study	–	234	205	100%	234
Bus Rapid Transit	78,702	3,000	133	-58923%	81,762
Construction of BRT lines	–	30,000	–	-!	30,000
Integrated Transport Plan Implementation	3,000	3,000	0	-	9,000
Public Transport Facilities	23,000	6,000	0	-	58,000
Gonubie Main Road	15,000	45,000	44,885	67%	85,000
N2/R72 Link Road Survey	1,200	–	–	-	–
Traffic Management Measures	–	1,289	–	-	1,289
Guidance Signage	–	586	–	-	586
Rural Non Motorised Transport Facilities (Ndevana Bridge)	–	178	178	100%	178
Public Transport Facilities - Taxi Ranks	–	2,356	959	100%	2,356
Gonubie Main Road	–	16,093	16,093	100%	16,093
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.					*T 3.8.6*

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

BCMM has spent 69% its adjusted capital budget allocation for the 2012/13 financial year, however the unspent conditional grant funding is committed to contracts that have been awarded already.

Bus Rapid Transit – In the Buffalo City area currently, 82% of public transport trips/passenger trips are made using minibus-taxis, 9% of the trips are made using standard buses and 9% use trains. The minibus-taxis services are informal and are therefore unreliable, expensive and can be unsafe. Thus it is the responsibility of the City to provide a safe, secure and reliable service to its residents. To date the National Department of Transport has allocated approximately R350 million through the Public Transport infrastructure Grant to the Phase 1 implementation of this project. At present however the project is on hold due to a legal challenge by service providers which were not appointed to carry out the comprehensive services that are required to see this project to fruition. This delay has meant that the funds that have been allocated to the project have not been spent and a large portion of these funds have now been returned to the National Department. This project will be completed in less than 5 years.

Gonubie Main Road widening – The City has a shortage of developable land within the Urban Edge that can be used effectively to assist in the City's growth. The land between Beacon Bay and Gonubie can assist the City in this process. However, accessibility to the land has been restricted by the traffic congestion that is experienced in the area. The widening of the Gonubie Main Road will increase the capacity of the road thereby making access more favourable and allowing the City to grow as required. This project will be completed in less than 5 years.

Public Transport Facilities – Public Transport facilities within the City are outdated, lack facilities for users and operators alike and are generally not well located for commuters. The City has therefore embarked on a process of consolidating numerous facilities into more attractive, modern and economically viable hubs where a range of services can be provided to commuters and operators to make public transport a more comfortable and secure mode of travel. Procurement issues have lead to delays in appointing suitable service providers to assist the City in progressing with this project. This has lead to significant under expenditure of the allocated budget for this project. During the midyear budget adjustment process funding was reallocated to other projects within the municipality.

Integrated Transport Plan Implementation - It is the responsibility of the City to ensure that commuters on all modes of transport are able to access the various opportunities the City has to offer in a secure, safe and reliable manner. The ITP that is developed by the City includes all components of the transport system, including the movement of people and freight on the road and rail systems, public transport services, non-motorized transport, and traffic safety. Projects identified in the ITP are then implemented in order of priority to achieve the desired levels of service. Procurement issues have lead to delays in the appointment of suitable service providers to assist the City in progressing with this project. This has lead to significant under expenditure of the allocated budget for this project. It is expected however going forward that the bulk of the budget allocation for the current and outer years will be spent within the allocated period.

T 3.8.7

3.9 WASTE WATER (STORMWATER DRAINAGE)

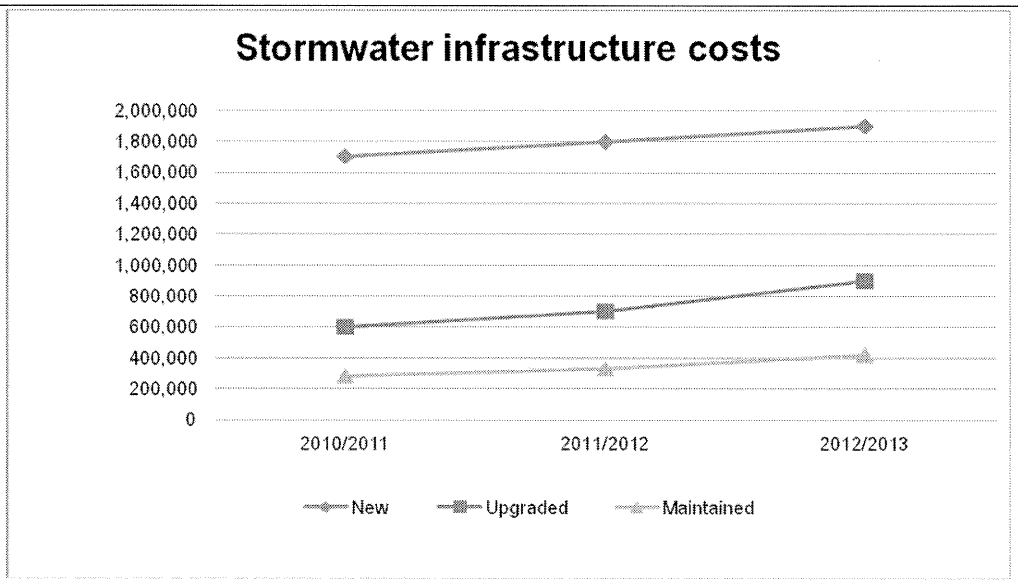
INTRODUCTION TO STORMWATER DRAINAGE

The Bridge and Pavement Management System which outlines the Conditional Assessment of the BCMM Road Network, also includes the storm water structures assessment.

T 3.9.1

Stormwater Infrastructure Kilometres				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
2010/2011	145	15	10	100
2011/2012	160	20	12	120
2012/2013	166	25	14	140
				T 3.9.2

Cost of Construction/Maintenance R' 000			
	Stormwater Measures		
	New	Upgraded	Maintained
2010/2011	1 700 000	600 000	280 000
2011/2012	1 800 000	700 000	330 000
2012/2013	1 900 000	900 000	420 000
			T 3.9.3



T 3.9.4

Employees: Stormmwater Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3		1	1	0	0%
4 - 6		2	2	0	0%
7 - 9		6	6	0	0%
10 - 12		6	6	0	0%
13 - 15		2	2	0	0%
16 - 18		1	1	0	0%
19 - 20		0	0	0	#DIV/0!
Total	0	18	18	0	0%

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* *T 3.9.6*

Financial Performance 2012/2013: Stormwater Services					R'000
Details	2011/2012	2012/2013			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	**25 406**	**326**	**326**	**101**	**-222%**
Expenditure:					
Employees	21 217	24 132	24 186	16 228	-49%
Repairs and Maintenance	25 956	38 273	38 273	31 720	-21%
Other	32 619	34 081	34 935	15 657	-118%
Total Operational Expenditure	**79 793**	**96 485**	**97 394**	**63 605**	**-52%**
Net Operational Expenditure	**54 386**	**96 160**	**97 069**	**63 504**	**-51%**

T 3.9.7

Capital Expenditure Year 0: Stormwater Services					R' 000
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	–	626	624	100%	
East Bank Comm Second Aeration	–	615	615	100%	615
Asset Replacement :Desktop	–	11	9	100%	11

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate. *T 3.9.8*