

12

Infrastructure delivery and support

■ Introduction

One of the visions of the NDP is to scale up infrastructure investment. Investment in infrastructure can create economic growth and benefit society, particularly the poor and vulnerable. Infrastructure for health and education, for example, has a direct impact on the quality of health and on education outcomes. The delivery of infrastructure is, therefore, critical for achieving socio-economic growth, good quality basic education and healthy lives for all South Africans.

Realising this vision requires shifting away from pure capital project outputs to focusing on the strategic synergies of the infrastructure sector, other sectors and government functions. It also requires using a more comprehensive inter-governmental, rules-based approach to infrastructure planning, management, monitoring and reporting to optimise the value of infrastructure development. As well as increasing value for money, this approach regards infrastructure delivery as a public good. To help to achieve this, government developed a comprehensive Infrastructure Delivery Management System (IDMS) to guide, direct and enable public sector infrastructure delivery. The IDMS takes into account three core legislative requirements, all of which have forward and backward linkages:

- Planning and budgeting
- Supply chain management

- Asset management.

The IDMS addresses portfolio, programme, operations and maintenance and project management processes. Performance and risk management are integrated into its Infrastructure Delivery Management (IDM) processes while the institutional system provides organisations with guidance on a generic approach to building institutional arrangements to implement the IDMS effectively.

This chapter reviews current provincial infrastructure performance and support through the IDMS and describes the medium-term outlook.

Current landscape

Under the auspices of the National Treasury, government initiated the IDIP in 2004. Its purpose is to build capacity to plan, procure for and manage infrastructure delivery at provincial level. Implemented in four phases, it focuses on improving systems and capacity development in the provincial departments of education, health, public works and treasury.

Since the initiation of the IDIP, a number of activities and initiatives have been undertaken to support the institutionalisation and sustainability of the IDMS in the provinces. These have included:

- Establishing infrastructure units in the provincial departments of health and education. For education, funding for infrastructure forms part of the *education infrastructure grant* (EIG); for health, it forms part of the *health facility revitalisation grant* (HFRG) in the annual Division of Revenue Act (DoRA).
- Thirty-nine technical assistants deployed in provinces and national departments to assist with implementation of the IDMS.
- A performance-based system (PBS), a new approach, introduced for the education and health infrastructure conditional grants in the 2012 MTBPS by the Minister of Finance. The aim is to improve and institutionalise good infrastructure planning to achieve better value for money by awarding financial incentives to provincial education and health departments demonstrating good planning.
- A requirement that provinces submit planning documentation (including User Asset Management Plans and Infrastructure Programme Management Plans) and other relevant reports (including Human Resource Capacitation Reports) in line with the minimum bidding requirements set out in the annual DoRA. The incentivised planning approach has evolved to include assessing the financial and non-financial performance of projects and programmes to ensure alignment with IDMS principles.
- Development and introduction of the Framework for Infrastructure Delivery and Procurement Management (FIDPM) in the 2019/20 financial year as Instruction Note 3 of 2019/20; this

relates to implementation of the minimum requirements of the IDMS. The prescribed minimum requirements consist of the IDM processes (portfolio, programme, operations and maintenance and project management processes) and infrastructure procurement gates.

Budget and expenditure trends

Consolidated provincial infrastructure budget and expenditure

Provincial infrastructure spending is focused on constructing, maintaining, upgrading and rehabilitating new and existing infrastructure and is funded through conditional grants and the equitable share. Between 2015/16 and 2019/20, provincial expenditure on infrastructure amounted to R303.9 billion. Expenditure over the five-year period was highest in KwaZulu-Natal, followed in descending order by Gauteng, the Western Cape and the Eastern Cape; the Northern Cape, Mpumalanga and the Free State recorded the lowest expenditure over the same period. Table 12.1 shows that education, health and roads, public works and transport account for over 70 per cent of total provincial infrastructure expenditure between 2015/16 and 2022/23.

Between 2015/16 and 2019/20, provinces spent R303.9 billion on infrastructure.

Table 12.1: Provincial infrastructure expenditure, 2015/16 – 2022/23

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	% Growth rates: Estimated actual		
	Outcomes				Preliminary outcome	Medium-term estimates			2015/16-2019/20	2019/20-2020/21	2019/20-2022/23
R thousand											
Payments for Infrastructure by province											
Eastern Cape	7 803 823	8 112 200	8 703 747	7 658 836	8 063 832	8 440 636	7 851 829	8 136 113	0,8%	4,7%	0,3%
Free State	4 185 011	4 043 571	4 443 824	3 982 914	3 999 981	4 372 508	4 477 667	4 686 797	(1,1%)	9,3%	5,4%
Gauteng	8 169 740	12 329 077	12 249 219	6 289 573	10 882 148	5 258 049	5 783 412	5 600 911	7,4%	-51,7%	-19,9%
KwaZulu-Natal	12 173 981	12 395 419	12 637 686	12 512 129	12 403 020	13 878 706	13 917 274	14 627 206	0,5%	11,9%	5,7%
Limpopo	5 118 186	4 002 458	6 078 386	5 131 799	5 175 987	7 104 179	6 647 694	6 693 543	0,3%	37,3%	8,9%
Mpumalanga	4 201 745	4 167 047	4 537 807	5 057 278	5 454 906	5 302 027	5 485 352	5 752 313	6,7%	-2,8%	1,8%
Northern Cape	2 244 943	2 365 627	2 684 308	2 547 808	2 465 235	2 855 961	2 729 061	2 821 828	2,4%	15,8%	4,6%
North West	6 121 263	5 785 004	6 102 673	5 215 066	3 523 939	5 391 513	5 048 261	5 330 485	-12,9%	53,0%	14,8%
Western Cape	7 882 204	8 158 035	8 587 958	8 649 046	9 615 121	8 894 178	8 754 081	9 132 786	5,1%	-7,5%	-1,7%
Total Infrastructure	57 900 896	61 358 438	66 025 608	57 044 449	61 584 169	61 497 756	60 694 629	62 781 983	1,6%	-0,1%	0,6%
Payments for Infrastructure by category											
Existing infrastructure assets	34 025 035	34 064 870	36 604 670	33 462 945	32 201 735	36 701 145	37 398 697	39 226 087	-1,4%	14,0%	6,8%
Maintenance and repair	11 709 162	12 187 736	13 945 460	14 539 180	14 614 882	15 707 382	14 234 835	15 805 869	5,7%	7,5%	2,6%
Upgrades and additions	12 623 612	12 429 547	13 988 935	10 894 596	10 092 614	11 462 301	13 687 894	14 115 270	-5,4%	13,6%	11,8%
Refurbishment and rehabilitation	9 692 261	9 447 586	8 670 275	8 029 169	7 494 239	9 531 462	9 475 968	9 304 948	-6,2%	27,2%	7,5%
New infrastructure assets	11 828 410	14 550 616	15 586 276	8 672 232	11 605 237	8 849 681	8 585 602	8 156 641	-0,5%	-23,7%	-11,1%
Infrastructure transfers	10 247 095	10 547 757	11 000 248	10 256 934	11 511 997	9 255 643	8 932 368	9 037 237	3,0%	-19,6%	-7,8%
Current	164 502	196 125	217 955	681 109	9 422 633	1 804 403	1 484 332	1 518 482	175,1%	-80,9%	-45,6%
Capital	10 082 593	10 351 632	10 782 293	9 575 825	2 089 364	7 451 240	7 448 036	7 518 755	-32,5%	256,6%	53,2%
Infrastructure: Payments for financial	-	-	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	256 837	531 355	560 462	559 492	417 450	548 194	557 734	511 477	12,9%	31,3%	7,0%
Non Infrastructure	1 543 519	1 663 840	2 273 952	4 092 846	5 847 750	6 143 093	5 220 229	5 850 542	39,5%	5,1%	0,0%
Total Infrastructure	57 900 896	61 358 438	66 025 608	57 044 449	61 584 169	61 497 756	60 694 629	62 781 983	1,6%	-0,1%	0,6%
Payments for Infrastructure by department											
Education	10 003 489	12 635 381	12 615 521	11 678 640	12 226 313	12 328 495	12 671 355	13 381 139	5,1%	0,8%	3,1%
Health	8 414 518	8 478 568	9 372 301	9 117 080	9 884 830	10 593 650	10 409 444	10 777 063	4,1%	7,2%	2,9%
Roads, Public Works and Transport	22 450 998	21 465 495	23 962 145	23 103 332	22 033 895	26 022 953	25 395 787	26 128 470	-0,5%	18,1%	5,8%
Other	17 031 891	18 778 994	20 075 641	13 145 397	17 439 131	12 552 658	12 218 044	12 495 311	0,6%	-28,0%	-10,5%
Total Infrastructure	57 900 896	61 358 438	66 025 608	57 044 449	61 584 169	61 497 756	60 694 629	62 781 983	1,6%	-0,1%	0,6%

Source: National Treasury provincial database

Funds are made available through conditional grants for the appointment of permanent staff in the infrastructure units of provincial education and health departments.

Spending per infrastructure category (nature of investment) shows that, between 2015/16 and 2019/20, R170.4 billion was spent on existing infrastructure assets and R62.2 billion on new infrastructure assets. Infrastructure transfers over the same period amounted to R53.6 billion; these are mainly allocated to departments of human settlements which service stands and transfer completed houses to households or transfer funds to municipalities for implementation of housing projects. Human settlements projects are largely funded from the HSDG. The remaining spend, amounting to R17.7 billion between 2015/16 and 2019/20, was for infrastructure leases and non-infrastructure items. Non-infrastructure items are not buildings or other fixed structures but include items such as machinery, equipment, furniture and compensation of employees. Spending on compensation of employees involved with infrastructure development for departments of health and education is funded from the EIG and the HFRG.

Table 12.1 shows that, between 2015/16 and 2019/20, the provincial education sector spent R59.2 billion on infrastructure. The focus was on accelerating constructing, maintaining, upgrading and rehabilitating new and existing education infrastructure, including district and circuit facilities. It is estimated that the sector will spend R38.4 billion on infrastructure over the 2020 MTEF. The EIG allows for the appointment of public servants on a permanent basis in the departments' infrastructure units.

Between 2015/16 and 2019/20, R45.3 billion was spent on provincial health sector infrastructure and it is expected that R31.8 billion will be spent over the 2020 MTEF. The focus is on accelerating the construction, maintenance, upgrading and rehabilitating and existing infrastructure including health technology, organisational development systems and quality assurance. The HFRG allows for the appointment of public servants on a permanent basis for these departments' infrastructure units.

Between 2015/16 to 2019/20, the provincial transport sector spent R67.3 billion on road infrastructure, including maintaining, rehabilitating, upgrading and constructing new roads but with the main focus on maintenance. Over the 2020 MTEF, the sector is planning to spend R54.7 billion and will continue to focus on maintenance; this is supported through the PRMG.

Despite improvements in infrastructure planning and delivery, challenges remain. These include:

- Lack of alignment between infrastructure planning, budgeting and implementation
- Deficiencies in the institutional environment supporting infrastructure delivery

- Lack of skills and capacity to plan and manage infrastructure delivery in client departments and with implementing agents
- Poor information management and reporting
- Under-expenditure of infrastructure budgets, despite the growing need for infrastructure delivery.

The IDMS is key to addressing these challenges as it describes the processes to be followed to derive value for money when managing infrastructure delivery.

Consolidated number of projects per nature of investment

Table 12.2 shows the consolidated number of infrastructure projects implemented by departments from the nine provinces between 2015/16 and 2019/20. Projects implemented by departments of education, health and transport accounted for 60 per cent of the total.

Over the five financial years, the percentage of the total that related to existing infrastructure increased from 66.3 per cent to 75.3 per cent, with the percentage expenditure on maintenance and repairs (18 per cent of the total), upgrades and additions (17.7 per cent) and refurbishment and rehabilitation (17.7 per cent) quite evenly balanced. Expenditure on new infrastructure assets accounted for 18.3 per cent of the total over this period.

Table 12.2: Consolidated number of projects per nature of investment, 2015/16 – 2019/20

	2015/16	2016/17	2017/18	2018/19	2019/20
	Outcome				Preliminary Outcome
R thousand					
Existing infrastructure assets	6 155	8 200	10 753	8 903	10 259
Maintenance and repairs	1 127	1 286	2 523	2 103	2 456
Upgrades and additions	3 528	4 656	5 872	4 454	5 397
Refurbishment and	1 500	2 258	2 358	2 346	2 406
New infrastructure assets	3 076	5 286	3 826	2 166	2 486
Infrastructure transfers	51	155	243	196	331
Current	27	129	151	114	58
Capital	24	26	92	82	273
Infrastructure: Payments for	–	–	–	–	–
Infrastructure: Leases	–	–	2	3	2
Non infrastructure	–	278	408	680	539
Total	9 282	13 919	15 232	11 948	13 617
Existing infrastructure assets	66,3%	58,9%	70,6%	74,5%	75,3%
Maintenance and repairs	12,1%	9,2%	16,6%	17,6%	18,0%
Upgrades and additions	38,0%	33,5%	38,6%	37,3%	17,7%
Refurbishment and	16,2%	16,2%	15,5%	19,6%	17,7%
New infrastructure assets	33,1%	38,0%	25,1%	18,1%	18,3%
Infrastructure transfers	0,5%	1,1%	1,6%	1,6%	2,4%
Current	0,3%	0,9%	1,0%	1,0%	0,4%
Capital	0,3%	0,2%	0,6%	0,7%	2,0%
Infrastructure: Payments for	0,0%	0,0%	0,0%	0,0%	0,0%
Infrastructure: Leases	0,0%	0,0%	0,0%	0,0%	0,0%
Non infrastructure	0,0%	2,0%	2,7%	5,7%	4,0%
Total	100,0%	100,0%	100,0%	100,0%	100,0%

Source: National Treasury infrastructure reporting model

The purpose of expenditure on maintenance is to avoid asset deterioration and an increased maintenance backlog.

The purpose of expenditure on maintenance is to avoid asset deterioration and an increased maintenance backlog. NDBE and NDoH are encouraging provincial departments to assign at least 20 per cent of each financial year's budget to maintenance.

Table 12.3: Consolidated number of projects per nature of investment: education, health and transport, 2015/16 – 2019/20

	Education					Health					Transport				
	2015/16	2016/17	2017/18	2018/19	2019/20	2015/16	2016/17	2017/18	2018/19	2019/20	2015/16	2016/17	2017/18	2018/19	2019/20
Existing infrastructure assets	3 857	5 063	6 780	5 129	6 044	676	969	1 663	1 581	1 801	748	1 151	1 192	1 035	972
Maintenance and Repairs	422	249	854	555	673	161	271	718	728	842	291	330	390	297	442
Upgrading and Additions	2 726	3 430	4 612	3 233	4 055	250	464	506	468	420	222	475	420	341	307
Rehabilitation, Renovations & Refurbist	709	1 384	1 314	1 341	1 316	265	234	439	385	539	235	346	382	397	223
New or Replaced Infrastructure	1 720	1 423	448	550	936	316	537	542	420	350	99	156	485	364	144
Infrastructure transfers	12	6	19	7	4	4	3	-	5	3	11	10	3	4	2
Capital	3	1	6	6	2	1	3	-	2	1	4	3	2	3	1
Current	9	5	13	1	2	3	-	-	3	2	7	7	1	1	1
Infrastructure Leases	-	-	1	2	1	-	-	-	-	-	-	-	1	1	1
Non-Infrastructure	-	25	53	60	71	-	244	267	329	283	-	5	36	52	40
Totals	5 589	6 517	7 301	5 748	7 056	996	1 753	2 472	2 335	2 437	858	1 322	1 717	1 456	1 159
Existing infrastructure assets	69%	78%	93%	89%	86%	68%	55%	67%	68%	74%	87%	87%	69%	71%	84%
Maintenance and Repairs	8%	4%	12%	10%	10%	16%	15%	29%	31%	35%	34%	25%	23%	20%	38%
Upgrading and Additions	49%	53%	63%	56%	57%	25%	26%	20%	20%	17%	26%	36%	24%	23%	26%
Rehabilitation, Renovations & Refurbist	13%	21%	18%	23%	19%	27%	13%	18%	16%	22%	27%	26%	22%	27%	19%
New or Replaced Infrastructure	31%	22%	6%	10%	13%	32%	31%	22%	18%	14%	12%	12%	28%	25%	12%
Infrastructure transfers	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%
Capital	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Current	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%	0%
Infrastructure Leases	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Non-Infrastructure	0%	0%	1%	1%	1%	0%	14%	11%	14%	12%	0%	0%	2%	4%	3%

Source: National Treasury infrastructure reporting model

The education, health and transport sectors have increased their focus on maintenance, rehabilitation and refurbishment to reduce the backlogs.

Table 12.3 gives information about provinces' education, health and transport infrastructure projects for the years 2015/16 to 2019/20. The education sector focused on projects relating to existing infrastructure (mainly upgrades or additions to improve compliance with school infrastructure norms and standards). Averaged across the five financial years, these projects accounted for 56 per cent of the sector's infrastructure budget. Maintenance and refurbishment accounted for approximately 9 per cent.

Over the five financial years, an annual average of 66 percent of the health sector's infrastructure expenditure went to existing infrastructure. The number of new infrastructure projects increased in 2015/16 and 2016/17 but decreased between 2017/18 and 2019/20. Thus, to reduce the backlog in this area, the focus in the sector has increasingly been on maintenance and refurbishment.

In the transport sector, from 2015/16 to 2019/20 an average of 80 percent of projects related to existing infrastructure. New or replacement projects

included bridges, access roads, causeways and gravel roads and on average accounted for 18 percent annually over the five financial years.

Consolidated number of projects per project status

Table 12.3 shows the consolidated number of projects implemented in the nine provinces across the different departments between 2015/16 and 2019/20. Large projects can take place over more than one financial year.

The number of projects in the initiation, pre-feasibility, feasibility and design phases increased from 1 278 in 2015/16 to 3 530 in 2019/20 (as noted above, completion of some projects may take place over more than one financial year). These increasing numbers indicate that provincial forward planning has been improving.

Construction projects accounted for the largest number of projects across all the financial years:

- 3 081 in 2015/16
- 3 490 in 2016/17
- 4 293 in 2017/18
- 4 080 in 2018/19
- 4 530 in 2019/20.

Practical completion status indicates that construction has been completed and the structure has been handed over for use but the close-out report, final completion certificate and defects certificate have not been issued and the final account has not been submitted. Between 2015/16 and 2019/20, 11 779 projects had reached practical completion stage. Departments must put more effort into ensuring that all projects achieve final completion status (close-out report, final completion and defects certificates issued and final accounts submitted). After final completion stage is reached, the asset register needs to be updated with the details of the completed project. Between 2015/16 and 2019/20, 4 020 projects were closed off.

Over the five financial years, projects terminated or put on hold numbered 213 and 419 respectively. Terminated projects were mainly due to non-performance by contractors. Projects' on hold status was due to factors including lack of financial resources, community unrest and disruptions on site.

Table 12.3 Number of projects per project status, 2015/16 – 2019/20

	2015/16	2016/17	2017/18	2018/19	2019/20
Project Initiation	354	580	1 520	1 168	923
Pre-feasibility	215	141	241	189	254
Feasibility	253	1 072	620	687	897
Design	456	972	1 181	1 063	1 456
Tender	390	781	1 714	1 124	1 160
Site Handed Over to Contractor	90	164	210	203	153
Construction 1% - 25%	674	932	1 075	1 045	1 141
Construction 26% - 50%	451	500	677	639	646
Construction 51% - 75%	654	509	778	660	759
Construction 76% - 99%	1 302	1 549	1 763	1 736	2 014
Practical Completion (100%)	2 600	2 759	2 297	1 712	2 411
Final Completion	1 026	856	910	460	768
On Hold	67	90	71	51	140
Terminated	81	53	38	27	14
Other - Compensation of Employ	80	46	37	41	48
Other - Packaged Ongoing Project	589	2 915	2 100	1 143	843
Totals	9 282	13 919	15 232	11 948	13 627

Source: National Treasury infrastructure reporting model

Other - Compensation of Employees in Table 12.4 relates to salaries and consultants' fees paid under the infrastructure budgets. Some infrastructure grants such as the EIG or the HFRG allow for departments to pay salaries. The Other - Packaged Ongoing Project budget item shown in Table 12.4 relates mainly to unplanned maintenance.

Table 12.4 Number of projects per project status: education, health and transport, 2015/16 – 2019/20

	Education					Health					Transport				
	2015/16	2016/17	2017/18	2018/19	2019/20	2015/16	2016/17	2017/18	2018/19	2019/20	2015/16	2016/17	2017/18	2018/19	2019/20
Project Initiation	255	242	975	776	214	37	29	196	139	171	15	35	85	51	143
Pre-feasibility	192	100	179	104	56	16	3	43	46	113	1	217	3	28	4
Feasibility	90	835	295	336	488	55	52	178	139	162	34	95	62	90	68
Design	172	527	606	417	897	113	114	254	285	275	54	179	167	75	128
Tender	259	563	1 203	573	772	28	28	132	222	188	16	2	155	145	65
Site Handed Over to Contract	51	72	85	77	67	18	36	67	73	44	4	52	27	18	4
Construction	1 856	1 632	1 979	1 998	2 589	177	610	544	848	601	277	357	798	423	442
Practical Completion (100%)	562	341	158	74	1 688	205	44	659	247	190	90	383	28	3	100
Final Completion	1 992	1 980	1 582	1 199	112	140	229	224	167	516	178	30	204	116	9
On Hold	27	58	45	15	30	3	3	-	-	-	5	27	6	6	17
Terminated	18	12	12	12	3	3	10	2	-	-	6	-	11	10	2
Other - Compensation of Empl	6	13	9	11	8	71	2	25	26	24	1	160	-	-	-
Other - Packaged Ongoing Pr	109	144	171	156	132	130	162	148	143	153	177	216	171	491	177
Totals	5 589	6 519	7 299	5 748	7 056	996	1 322	2 472	2 335	2 437	858	1 753	1 717	1 456	1 159

Source: National Treasury infrastructure reporting model

Table 12.4 shows the number of education, health and transport sector infrastructure projects in the various project stages in all provinces for the years 2015/16 to 2019/20. Over the five financial years, education projects accounted for on average 40 per cent of the total.

During the period, most of the projects in the three sectors were reported as being under construction. As percentages of the totals, these increased by 57 percent from 2 310 in 2015/16 to 3 632 in 2019/20, with the increase driven mainly by the health and transport sectors.

In the education sector, 6 865 projects reached final completion stage between 2015/16 and 2019/20; in the health and transport sectors, the numbers were 1 276 and 537 respectively. During the period, the three sectors reduced the number of projects on hold and the number of projects terminated.

The number of projects in the construction phase grew by 57 per cent from 2 310 in 2015/16 to 3 632 in 2019/20, with the increase driven mainly by the health and transport sectors.

■ Medium-term outlook

The development of the Infrastructure Delivery Management System Body of Knowledge (IDMSBOK) was driven by the need to advance and sustain the work already done in terms of the IDMS. The purpose of the IDMSBOK is to structure, expand and enhance the IDMS in order to support institutionalisation of the IDMS methodology. A knowledge hub, supported by an interactive IT platform, will be accessible to all spheres of government. Its objective is to standardise infrastructure service delivery and ensure that the infrastructure value chain is auditable in accordance with the IDMS methodology. It will also give infrastructure practitioners access to the most up to date and relevant infrastructure documentation to assist them with managing public sector infrastructure delivery. Achieving the objectives of the IDMSBOK will include the development of structured IDMS training; communities of practice (CoPs); the IDMS interactive IDMSBOK IT platform; a Helpdesk and Support facility; and IDMS curriculum development for higher education institutions.

The District Development Model (DDM) introduced by government is intended to enable all three spheres of government to work together, with communities and stakeholders, to plan, budget and implement in an integrated way. In addition, infrastructure institutional arrangements have been introduced in relation to DPWI, the main department responsible for coordinating infrastructure development nationally. To implement these changes successfully, synergy amongst departments is vital. The National Treasury's focus over the 2020 MTEF is on capacitating provincial treasury infrastructure units to sustain the IDMS. A total of R135 million (R45 million in each year of the MTEF) has been allocated for this.

In total, the provinces are projected to spend R185 billion on infrastructure over the MTEF. The intention is to accelerate maintenance to reduce backlogs; refurbish and rehabilitate; upgrade; and construct new infrastructure assets. There will be less focus on constructing new infrastructure and an increased focus on maintenance, refurbishment and rehabilitation.

The National Treasury, through the PBS, will continue to incentivise the provincial departments of education and health to improve their planning and performance over the MTEF. In 2019/20, R1.1 billion was allocated to departments of education and R624 million to departments of health qualifying for the incentives provided for in the PBS. Unallocated amounts of R1.1 billion in 2020/21 and R1.2 billion in 2021/22 are reserved for departments of education. Incentives to departments of health for planning and performance are set at R660 million in 2020/21 and R712 million in 2021/22.

Conclusion

The IDIP provides for capacitation of the provinces' education and health departments and makes use of the PBS and the IDMS toolkit. Sustaining the IDMS beyond the IDIP requires provinces to implement their capacitation strategies.

The IDMS is key to addressing infrastructure delivery challenges. It describes the processes to be followed when managing infrastructure delivery to derive value for money and makes clear that collaboration between national and provincial sector departments is essential in planning, implementing, monitoring and overseeing infrastructure development and maintenance.

The focus over the MTEF will also be on developing the IDMSBOK and capacitating provincial treasury departments to fulfil their IDMS roles and responsibilities. This will be essential for successful institutionalisation of the IDMS.