

VOTE 15

DEPARTMENT OF INFRASTRUCTURE DEVELOPMENT

Infrastructure Amount to be appropriated by Vote	R 253 291 000
Responsible MEC	MEC for Infrastructure Development
Administering department	Department of Infrastructure Development
Accounting officer	Head of Department

1. STRATEGIC OVERVIEW OF INFRASTRUCTURE PROGRAMME

Strategic objectives

- To improve the technical and administrative capacity of the department towards an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship;
- To expand, maintain and meet the growing demand for public infrastructure to promote the development of the province and address economic disparities;
- To manage the provincial property portfolio for the optimum benefit of all citizens by maximizing access, utilization and value; and
- To implement and co-ordinate the Expanded Public Works Programme (EPWP) in a manner that enhances skills development and optimizes decent employment and entrepreneurship.

Specific objectives

- To ensure the implementation of all infrastructure programmes and projects reflected in the short, medium and long term plans of the Gauteng Provincial Government (GPG);
- To manage the construction of GPG capital expenditure (CAPEX) projects such as schools, hospitals, clinics and recreation centers;
- To manage the provision of maintenance services for all GPG infrastructure;
- To manage the provincial property portfolio;
- To ensure participation and involvement of communities through the implementation of the EPWP within GPG CAPEX projects and other departmental projects; and
- To utilize the construction sector as a catalyst for the development of skills, the creation of jobs and the development of sustainable communities.

Legislative mandate

The infrastructure delivery programme complies with the requirements laid down in the Public Finance Management Act, No. 1 of 1999 (PFMA) and the Division of Revenue Act, No. 10 of 2014 (DORA). Further legislation that is specifically applicable to the delivery and maintenance of health infrastructure includes the following:

- Probation Service Act, No. 116 of 1991
- Public Service Act, No. 111 of 1994
- Prevention and Treatment of Drug Dependency Act, No. 20 of 1992
- Non-Profit Organizations Act, 1997
- Children's Act, No. 38 of 2005
- Criminal Procedures Act, No. 51 of 1977
- Intergovernmental Relations Framework Act, No. 13 of 2005
- Occupational Health and Safety Act, No. 85 of 1993
- Architectural Profession Act, 2000
- Built Environment Profession Act, 2000
- Construction Industry Development Board Act, 2000
- Engineering Profession Act, 2000
- Landscape Architect Profession Act, 2000

- Project and Construction Management Act, 2000
- Property Valuers Profession Act, 2000
- Quantity Surveyors Profession Act, 2000
- Skills Development Act, 1998
- Standards Act, 1982
- National Building Regulations.

2. FUNDING OF INFRASTRUCTURE

Table 1 below shows the infrastructure allocations for the 2014/15 financial year and over the 2015 Medium Term Expenditure Framework (MTEF) period. During the 2014/15 financial year, an amount of R365.9 million was allocated, and later adjusted downward to R237.2 million. Reasons for the downward adjustment were based on the realistic timeframes realised by the department in completion of the Women's Living Heritage project.

Over the 2015 MTEF, the budget increases from R237.2 million in the 2014/15 to R253.3 million in 2015/16 for the completion of Women's Living Heritage Monument. It is anticipated that the project will be completed during the 2015/16 financial year.

Table 1: Summary of Infrastructure Payments and Estimates by Category

R thousand	2014/15		2015/16	2016/17	2017/18
	Main Appropriation	Adjusted Appropriation	Medium Term Estimates		
New Infrastructure	251 420	111 120	131 920	139 080	212 865
Existing Infrastructure	114 541	126 141	121 371	112 220	51 000
Rehabilitation and Refurbishment	87 239	94 666	93 366	71 220	10 000
Maintenance	27 302	31 475	28 005	41 000	41 000
Total	365 961	237 261	253 291	251 300	263 865

Over the 2015 MTEF period, R483.9 million is allocated towards the construction of new infrastructure, R174.5 million is allocated for rehabilitation and refurbishments and R110 million is allocated for addressing maintenance requirements. The budget for new infrastructure assets increases in the 2015 MTEF period, in the main to fund the newly introduced projects in the portfolio i.e. Gauteng Planning House and disposal of the old Natalspruit Hospital.

Table 2: Summary of Infrastructure Payments and Estimates by Source of Funding

R thousand	2014/15		2015/16	2016/17	2017/18
	Main Appropriation	Adjusted Appropriation	Medium Term Estimates		
CONDITIONAL GRANTS	5 511	5 511	9 205	-	-
Expanded Public Works Programme	5 511	5 511	9 205	-	-
PROVINCIAL ALLOCATION	360 450	231 750	244 086	251 300	263 865
Equitable share	360 450	231 750	244 086	251 300	263 865
Total	365 961	237 261	253 291	251 300	263 865

Of the allocated budget over the 2015 MTEF, R768.5 million is funded from the Provincial Equitable Share, which is 99 percent of the budget and R9.2 million is funded from Conditional Grants (EPWP). The department received R9.2 million in 2015/16 as part of the EPWP Integrated Grant to create jobs and increase the duration of existing jobs.

3. REVIEW OF THE 2014/15 FINANCIAL YEAR

In the 2014/15 financial year, a budget of R365.9 million was allocated, later adjusted downwards to R237.2 million due to delays in finalising supply chain management process that resulted in the late start of construction works on site for the Women's Living Heritage Monument and forensic investigations on the two

stadia which could not continue to the construction stage. Key projects in the portfolio were reviewed as follows:

Women's Living Heritage Monument

Phase 2 of the Women's Living Heritage Monument project is at construction stage anticipating completion in the 2015/16 financial year. The implementation of the project encountered technical delays, emanating from the strikes in the metal and steel sector that affected the timeous delivery of steel components of the project.

Stadia

A budget of R34 million was allocated for the rehabilitation of HM Pietjie stadium and finalisation of the project close-out stage of Sinaba stadium project. The budget was later adjusted downwards to R5.2 million due to the ongoing forensic investigation on HM Pietjie and the final account for Sinaba stadium is being completed.

Heritage projects

In the 2014/15 financial year, R16 million was allocated for the construction and completion of construction works at various heritage centres. Of the allocated budget, R1 million was allocated for the June 16 Heritage project and later adjusted upwards to R6.8 million to enable the procurement of heritage artwork in order to operationalise the facility. This has since been completed. The Kagiso heritage project is at construction stage anticipating completion before the end of the current financial year while the Boipatong heritage project is completed.

Rehabilitation of GPG Precinct Buildings

In the 2014/15 financial year, a budget of R87.2 million was allocated for the rehabilitation and refurbishment of existing infrastructure on various GPG precinct buildings which was later adjusted R94.7 million. The bulk of the budget was allocated for Corner House and 78 Fox buildings for replacing lifts and for heating, ventilation and air conditioning (HVAC) equipment. These projects are currently at construction stage anticipating completion in 2016/17 financial year.

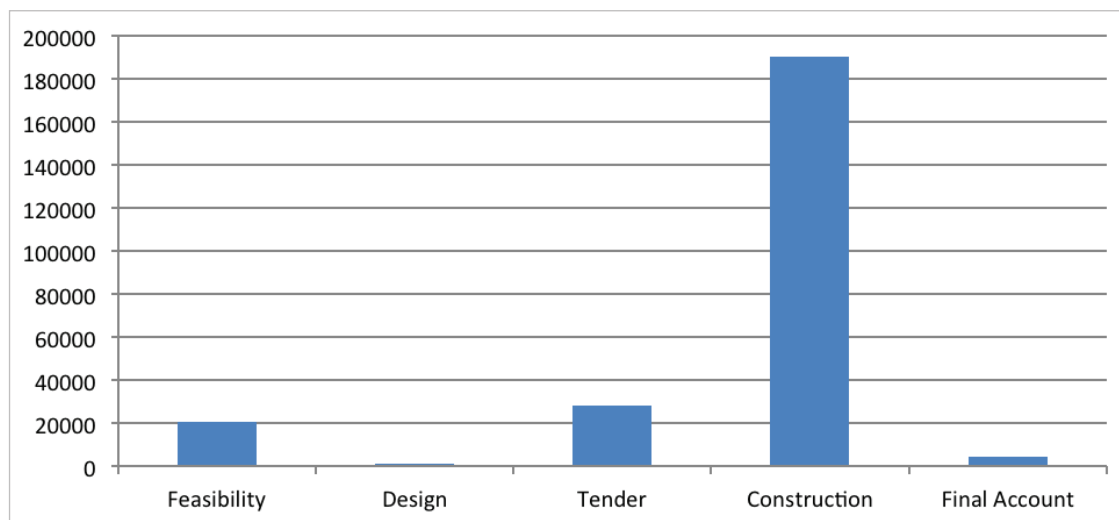
This work is done with the aim to address the Occupational Health and Safety Act (OHSA) in these buildings. The replacements of lifts at 75 Fox Street is completed, while the refurbishment of ground floor at Corner House the completion will be before the end of the 2014/2015 financial year and the replacement of lifts will be completed in the 2015/16 financial year.

Maintenance

In the 2014/15 financial year, a budget of R27.3 million was allocated and later adjusted upwards to R31.5 million in order to address the overwhelming emergency maintenance that is to be addressed within the Precinct buildings, including the clearing of vacant land. The department had prioritised OHSA standards that will need to be addresses as the electrical works, plumbing matters as emergencies as a mitigating factor on curbing high unplanned expenditure on the aging building and be made suitable to accommodate officials in Gauteng.

4. OUTLOOK FOR THE 2015/16 INFRASTRUCTURE PROGRAMME

In an endeavour to implement the above activities, adequate time for planning, design and procurement processes are fundamental. Of the allocated budget in 2015/16 financial year, a budget of R199.2 million (79 per cent) is allocated to projects at construction stage, R20.5 million (8 per cent) is allocated to projects at feasibility stages, R1 million (0.4 per cent) is allocated to projects at design stages and R28.1 million (11 per cent) is allocated to a project at tender stage and R4.5 million (1.6 per cent) is allocated to a projects at retention stage. The bulk of the budget is allocated to projects at construction stage, the majority of which has been allocated to the Women's Monument.

Figure 1: 2015/16 Budget across various stages of the project life cycle

In the 2015/16 financial year, a budget of R131.9 million is allocated for the construction of new infrastructure. Of the allocated budget, R90 million is allocated for the Women's Living Heritage Monument project to continue with the construction work for phase 2 of the project. The project is anticipated to be completed within the 2015/16 financial year. R4 million is allocated for the payment of the final account for work completed for Phase 1 of the project. A budget of R6 million is allocated for Kagiso Memorial project which is at construction stage, of which the site was handed over on the 4th March 2014 anticipating completion within 2015/16 financial year. Planning for the Gauteng Planning House is scheduled to commence in the 2015/16 financial year.

Table 3: New Construction and Replacement

R thousand	Project Status	No. of projects	2015/16	2016/17	2017/18
Heritage Centres	Construction	4	106 420	-	-
Hospitals	Tender	1	15 000	-	-
Planning House	Feasibility	1	10 500	139 080	212 865
Total			131 920	139 080	212 865

In the 2015/16 financial year, a budget of R93.4 million is allocated for the rehabilitation and refurbishment of existing infrastructure on various GPG Precinct buildings. These are planned to be done with the aim to address the electrical compliance requirements and plumbing in the building to satisfy the occupational health and safety act.

Table 5: Rehabilitation and Refurbishment

R thousand	Project Status	No. of Projects	2015/16	2016/17	2017/18
78 Fox	Construction	5	21 731	7 000	-
75 Fox					
Corner House					
Sage Life	Construction	2	12 000	11 150	-
Bank of Lisbon					
30 Simmonds	Tender	1	47 985	-	-
	Tender	1	4 650	8 070	-
	Tender	1	3 000	32 000	10 000
	Tender	1	4 000	13 000	-
Total			93 366	71 220	10 000

In the 2015/16 financial year, a budget of R28 million is allocated for addressing maintenance needs at the GPG Precinct buildings, state houses and state owned facilities. The department undertakes day-to-day maintenance to ensure the upkeep of the buildings and the regionals offices. Of the allocated budget, R11 million is allocated towards statutory maintenance and R17 million for unplanned maintenance. There are various aspects of maintenance, i.e. scheduled maintenance, routine maintenance, day-to-day maintenance

and emergency maintenance. The budget above mainly will be spent on scheduled and routine maintenance at identified state owned facilities in order to protect the lifespan and conditions of facilities.

Table 6: Maintenance

R thousand	2015/16	2016/17	2017/18
Statutory Maintenance	11 000	24 000	24 000
Unplanned (Day to Day and emergencies) Maintenance	17 005	17 000	17 000
Total	28 005	41 000	41 000

5. OUTLOOK FOR THE 2015 MTEF INFRASTRUCTURE PROGRAMME

Over the 2015 MTEF, R483.9 million is allocated for the new infrastructure programme, key projects include the completion of Women's Living Heritage Monument, Disposal of old Natal Hospital and planning for Gauteng Planning House.

Over the 2015 MTEF, R174.5 million is allocated for the rehabilitation and refurbishment of existing infrastructure. The bulk of the budget is allocated for Corner and 78 Fox buildings for replacement of lifts, electrical compliance, HVAC and fire pumps and planned to be completed in 2015 MTEF. A number of floors at Corner house were made available to the contractors in order to commence with the HVAC and renovations.

Over the 2015 MTEF, R110 million is allocated for addressing planned and unplanned maintenance needs. The department undertakes day-to-day maintenance, statutory, planned and emergency maintenance needs across (Department of Infrastructure Development) custodian buildings, head office and the regional offices.

6 EXPANDED PUBLIC WORKS PROGRAMME

According to the Division of Revenue Act, the purpose of the Expanded Public Works Programme (EPWP) Incentive grant is to expand work creation efforts using labour-intensive delivery methods in the following identified focus areas, in accordance with EPWP guidelines:

- Road maintenance and the maintenance of buildings,
- Low traffic volume roads and rural roads,
- Other economic and social infrastructure,
- Tourism and cultural industries, and
- Sustainable land based livelihoods.

In 2015/16 financial year, an amount of R9.2 million is allocated from the expanded public works programme incentive grant. This presents an increase of 59 per cent when compared to the 2014/15 financial year EPWP Incentive grant allocation.

No.	Facility/Asset Name	Municipality	Township/ Surburb Name	SIP Category	Implementing Department/ Agency
1	Kagiso Heritage : New	Mogale	Kagiso	Not related to SIPs	Infrastructure Development
2	Sokhulumani Multi-purpose centre	Tshwane		Not related to SIPs	Infrastructure Development
3	Women Living Heritage Monument phase 1	Tshwane	Tshwane CBD	Not related to SIPs	Infrastructure Development
4	Women Living Heritage Monument phase 2	Tshwane	Tshwane CBD	Not related to SIPs	Infrastructure Development
5	Old Natal Spruit - Fencing	Ekurhuleni	Soweto	Not related to SIPs	Infrastructure Development
6	Old Natal Spruit - Rehabilitation/Demolition	Ekurhuleni	Soweto	Not related to SIPs	Infrastructure Development
7	Planning House	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
Total for New and replacement assets					
2. Rehabilitation, renovations and refurbishments					
8	78 Fox Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
9	78 Fox Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
10	78 Fox Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
11	78 Fox Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
12	75 Fox Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
13	75 Fox Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
14	Corner House	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
15	Corner House	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
16	Corner House (63 Fox Street)	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
17	Sage Life Building	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
18	Sage Life Building	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
19	Bank of Lisbon	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
20	30 Simmonds Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
Total for Rehabilitation, renovations and refurbishments					
3. Maintenance and repairs					
21	30 Simmonds Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
22	78 Fox Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
23	ABSA Building	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
24	Bank of Lisbon	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
25	Corner House	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
26	Imbumba House	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
27	Motlotlo Extension	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
28	Peoples Bank	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
29	Sage Life Building	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
30	Thusanong Building	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
31	18 Rissik Street	City of Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
32	11 Diagonal	Johannesburg	JHB CBD	Not related to SIPs	Infrastructure Development
33	Eccleston Dr Bryanston	City of Johannesburg	Bryanston	Not related to SIPs	Infrastructure Development
34	Vaaldam	Emfuleni	Vaal	Not related to SIPs	Infrastructure Development
35	GPG Buildings and heritage sites in GPG	All around Gauteng	All around Gauteng	Not related to SIPs	Infrastructure Development
36	Rodeplaat Dam	Tshwane	All around Tshwane	Not related to SIPs	Infrastructure Development
37	Cleaning of Vacant Stands	Tshwane	Tshwane CBD	Not related to SIPs	Infrastructure Development
38	State Houses	Tshwane	All around Pretoria	Not related to SIPs	Infrastructure Development
39	Emoyeni	Johannesburg	Parktown	Not related to SIPs	Infrastructure Development
40	Westhoven Regional Office	City of Johannesburg	Westhoven	Not related to SIPs	Infrastructure Development
41	Tulisa Park Regional Office	City of Johannesburg	Tulisa Park	Not related to SIPs	Infrastructure Development
42	Soweto Regional Office	City of Johannesburg	Soweto	Not related to SIPs	Infrastructure Development
43	Pretoria Regional Office	Tshwane	Tshwane CBD	Not related to SIPs	Infrastructure Development
44	Garankuwa Regional Office	Tshwane	Garankuwa	Not related to SIPs	Infrastructure Development
45	Springs Regional Office	City of Johannesburg	Springs	Not related to SIPs	Infrastructure Development
46	EPWP Incentive Grant	City of Johannesburg	Maintenance	Not related to SIPs	Infrastructure Development
Total for Maintenance repairs					
Total Infrastructure Development Budget					

Vote 15: Infrastructure Development

Type of Infrastructure	Project Duration		Source of Funding (Equitable Share/Grant)	Budget Programme number	Total Available	MTEF Forward Estimates	
	Date: Start	Date: Finish			2015/16	2016/17	2017/18
School-primary/secondary/ specialised: admin block, water, electricity, sanitation/ toilet, fencing etc.							
Construction of Heritage	5/Mar/14	5/Mar/15	Equitable Share	Programme 3	6,000	-	-
Construction of new facility	11/Jun/11	30/Aug/15	Equitable Share	Programme 3	6,420	-	-
Construction of Heritage	5/Aug/13	24/Mar/14	Equitable Share		4,000	-	-
Construction of Heritage	15/Apr/14	17/Jul/15	Equitable Share	Programme 3	90,000	-	-
Construction of a Fence	1/Apr/15	31/May/15	Equitable Share	Programme 2	5,000	-	-
Rehabilitation/Demolition of a Hospital	1/Apr/15	30/Jun/16	Equitable Share	Programme 2	10,000	-	-
	1/Apr/15	31/Mar/18	Equitable Share	Programme 2	10,500	139,080	212 865
					131,920	139,080	212 865
Precinct	1/Sep/13	31/Mar/16	Equitable Share	Programme 2	18,231	-	-
Precinct	1/Sep/13	1/Sep/16	Equitable Share	Programme 2	500	-	-
Precinct	1/Sep/13	30/Sep/16	Equitable Share	Programme 2	2,000	7,000	-
Precinct	1/Apr/15	31/Mar/16	Equitable Share	Programme 2	1,000	-	-
Precinct	1/Apr/14	30/Jun/15	Equitable Share	Programme 2	7,000	-	-
Precinct	1/Apr/15	30/Sep/16	Equitable Share	Programme 2	5,000	11,150	-
Precinct	1/May/14	30/Jun/15	Equitable Share	Programme 2	4,367	-	-
Precinct	1/Oct/14	30/Sep/15	Equitable Share	Programme 2	600	-	-
Precinct	1/Apr/14	31/Mar/16	Equitable Share	Programme 2	43,018	-	-
Precinct	1/Apr/15	30/Sep/16	Equitable Share	Programme 2	3,000	8,070	-
Precinct	1/Apr/15	30/Sep/15	Equitable Share	Programme 2	1,650	-	-
Precinct	1/Apr/15	30/Jun/17	Equitable Share	Programme 2	3,000	32,000	10,000
Precinct	1/Apr/15	30/Sep/16	Equitable Share	Programme 2	4,000	13,000	-
					93,366	71,220	10,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	-	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	500	500
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	300	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	1,000	2,000	2,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	500	500
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	1,000	1,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	1,000	1,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	1,000	1,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	1,000	1,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	1,000	1,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	1,000	1,000
Maintenance	1/Apr/15	4/Apr/16	Equitable Share	Programme 2	500	1,000	1,000
	1/Apr/14	31/Mar/15	EPWP Incentive Grant	Programme 3	9,205	-	-
					28,005	41,000	41,000
					253,291	251,300	263 865