

**A CASE FOR
THE RATIONALISATION
OF
THE MANAGEMENT
OF
SOUTH AFRICA'S ROAD NETWORK**
(a discussion paper)



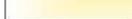
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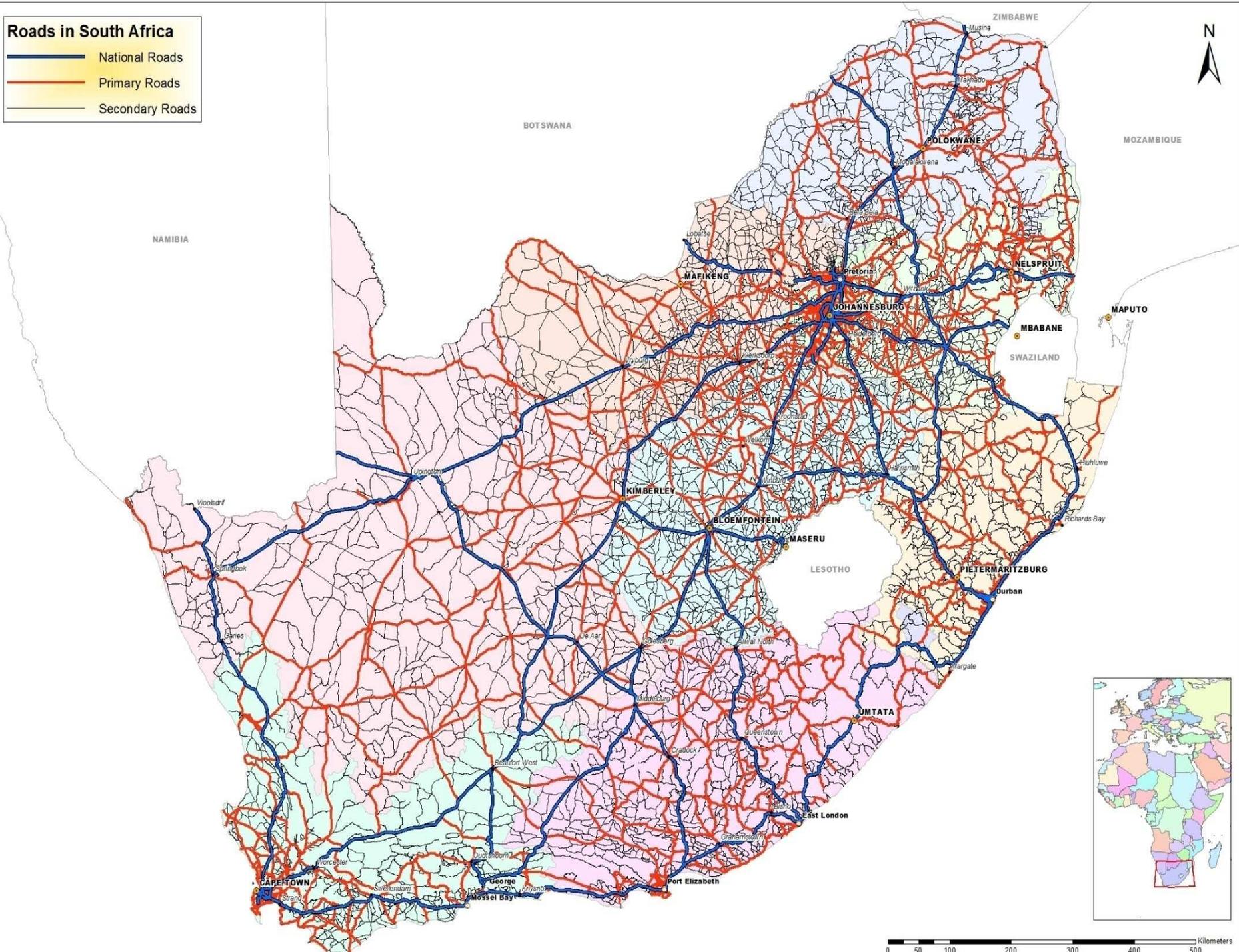
Founded in 1950



South African Road Federation

Roads in South Africa

-  National Roads
-  Primary Roads
-  Secondary Roads



0 50 100 200 300 400 500 Kilometers

South African Road Network

Authority	Paved	Gravel	Total
SANRAL	16,170	0	16,170
Provinces - 9	48,176	136,640	184,816
Metros - 9	51,682	14,461	66,143
Municipalities	37,691	302,158	339,849
Total	153,719	453,259	606,978
Un-Proclaimed (Estimate)		140,000	140,000
Estimated Total	153,719	593,259	746,978

Un-Proclaimed Roads = Public roads not formally maintained by any Authority

THE PATH TO WHERE WE ARE TODAY

HISTORIC BACKGROUND – THE EARLY YEARS

1843 first road authority – Cape Roads Board

1843 to 1910 – uncoordinated development, roads by local authorities

1910 to 1935 - province's and local authority roads departments

1935 NRB, but implementation by provinces
(considerable friction)

1948 NTC, and delivery still through provinces and still friction

HISTORICAL BACKGROUND – the “modern era”

(inter-city roads)

1971 - NTC becomes a road authority, together with the four provinces

1976 – creation of TBVCs and SGTs (now 15 RAs)

1988 – SARB supercedes NTC, but with same responsibilities

1994 – new Constitution (now 9 provinces plus SARB)

1998 – creation of SANRAL

- A steady escalation in number of RAs
- Lack of concentrated thrust in managing total intercity road network
- “Uncomfortable” relationship between provinces and local government in metropolitan areas.

IS THIS THE MOST EFFICIENT WAY TO MANAGE THE NETWORK?

HOW HAVE SOCIETAL SERVICES, SUCH AS ROADS, TRADITIONALLY BEEN PROVIDED?

18th and 19th centuries – mainly through the private sector

20th century – creeping bureaucracy and increasingly dominant role of government

21st century – rolling back frontiers of bureaucracy

- commercial approach
- partnerships

A RESEARCHED ANALYSIS OF THE CURRENT SOUTH AFRICAN ROAD SYSTEM

(based on a performance indicator survey)

Overall road network performance - variable

Adequacy of institutional arrangements – SANRAL, good

Provinces , poor

Effectiveness of road traffic management – fair

Effectiveness in addressing country's overall goals – 27% YES

63% NO

Availability of network planning data – SANRAL and some metros only

continued --

continued

Intergovernmental relations – poor

Adequacy of network performance monitoring – inadequate

Soundness of financial management – not good other than SANRAL
and some metros

**MOST DEFINITELY NOT A FAVOURABLE STATE OF
AFFAIRS**

HOW DO WE FIX IT?

A ROAD NETWORK MANAGEMENT SYSTEM SHOULD DELIVER

Effective and efficient management of the road programme

Appropriate matching of needs and resources

Cost reductions in overall system management

Provision of market related services

High level of accountability

Appropriate role for government

Minimisation of structural and political conflicts

Key is accountability for performance and optimal use of resources

Need to guard against “turf protection”

WHAT ARE THE PRINCIPLES FOR INSTITUTIONAL REFORM?

Minimum number of administrative units

Delivery to be optimised – (the devil is in the delivery)

Cost effective administration is an essential

Most effective distribution of resources and jurisdictions is a prerequisite

Clearly defined responsibilities are needed

Government should play a strategic role, in the main

GENERALISED EVOLUTIONARY INSTITUTIONAL STAGES IN “RNM”

STAGE 1

- no centralised control
- uncoordinated development of local roads – no network approach
- delivery through the public sector

(South Africa up to 1935)

STAGE 2 – bureaucratic approach, government control and delivery

- network approach, with centralised fund allocation
- mix of government delivery bodies
- increasing use of the private sector

(South Africa: 1935 to circa 1990)

continued ---

RNM INSTITUTIONAL EVOLUTION – continued

STAGE 3 – commercial approach, with government control

- Road agencies for delivery
- concessioning
- Clear split : policy and strategy/delivery

(South Africa 1990, and the future?)

STAGE 4 – free market approach

- ownership and responsibility with the private sector
- market forces dictate service levels

(very distant future, but concessioning approaches this stage)

CONTEXT FOR INSTITUTIONAL RATIONALISATION OF RNM IN S.A.

Political aspects

Constitutional imperatives

Economic development goals

Role of government

International practice

Resource and managerial imperatives

Intergovernmental relations

CONSTITUTIONAL IMPERATIVES

South Africa – a unitary state with strong federal characteristics (as a result of compromise in 1910 and 1994)

Ten “intercity” roads authorities - for a small surfaced road network (64 000 km.) by world standards

Central government has obligation to “ensure maintenance of appropriate standards, or meeting specific standards in rendering of a service”, such as the road network. (South African Constitution, art.100)

POLITICAL ASPECTS WHICH INFLUENCE PERFORMANCE

Undue and inappropriate political involvement in executive functions of road authorities (SAICE report)

Evidence of political agendas in implementing (or non-implementing) of transport strategy planning (JU doctoral thesis)

“Deployment” of unsuitable persons into senior executive positions (SAICE report)

Roads can be a political “power base” for the dispensing of largesses

ECONOMIC DEVELOPMENT IMPERATIVES

An efficient road network – after education this is the most important catalyst for the development of any country

Good roads are a pre-condition for economic growth, since transport costs form a significant percentage of production costs

Roads are by far the primary mode of transport, worldwide

Poor roads considerably increase excess road user costs

HENCE inter-city roads need to be effective and efficient to promote economic growth

ANOTHER FACTOR – THE APPROPRIATE ROLE OF GOVERNMENT

A worldwide move towards government's role being confined to :

- Broad strategic planning and policy formulation
- Monitoring of performance of infrastructure
- Setting standards and service levels
- Ensure public accountability in service delivery

But not delivery (or implementation)

RESOURCE & MANAGEMENT IMPERATIVES

South Africa has about 20% of professional engineers per capita compared to similar countries – hence we need to use them effectively

An example : KZN roads authority, about 10 professional engineers in 2011, but about 50 in mid 1960s

Requirements – streamline delivery of road projects

- institutional memory and “hands on experience
- good governance and accountability
- an effective road management system
- monitoring and control ability
- effectiveness in carrying out professional activities
- ability to effectively maintain network

But most of all - **LEADERSHIP**

INTERGOVERNMENTAL RELATIONS

Road network acts as an integrates system

Hence good intergovernmental relations essential

Co-ordination made more difficult by multiplicity of institutions

A critical issue is the matter of the intergovernmental relations and relative powers and responsibilities in metropolitan areas

The experience of poor intergovernmental relations between central government and provinces during the period 1935 and 1998 needs to be heeded and avoided in any institutional reform

INTERNATIONAL PRACTICE - for road programme delivery

Most countries have two government levels with STRONG roads powers,
South Africa has three

United Kingdom – strong central and local, second level , weak

Russia, strong central, through Federal Highway Directorate, plus local authorities

Australia – strong State (provinces) for delivery of system, plus local authorities

Canada – strong provincial government, plus local authorities, weak central government

New Zealand – strong central government (Transit NZ) plus local authorities

Sweden – Strong central government through SNRA, plus local authorities

Powers follow governmental system (Federal or Unitary) but in South Africa,
“constitutional compromise” held sway

WORLD BANK “RMI” INITIATIVE (1988 onwards)

Objective: sustainable improvements in road sector performance

Regulatory essentials:

- Clear demarcation and allocation of responsibilities
- Separation of policy and strategy from delivery
- Sound commercial management principles
- Proper financial management
- Competition for the provision of services
- Accountability and the use of performance measures

For debate: A POSSIBLE APPROACH TO THE RATIONALISATION OF ROAD AUTHORITIES

- Adopt RISFSA model as a broad approach
- Strengthen RA's professional abilities i.r.o. policy making and strategic planning
- Central government to update all standards concerning roads sector to incorporate latest knowledge
- Delivery of **surfaced** inter-city roads through two agencies:
 - SANRAL for economic and strategic roads
 - SAPRA for secondary surfaced roads (primarily access and feeder roads)
- Gravel roads delivery to be through provinces (or DCs)
- Investigate most effective way to manage ALL arterials in metropolitan areas
- Instigate a comprehensive "road needs study" to gain RELIABLE knowledge of inter-city roads needs