

**SPAID**

**MONITORING AND EVALUATION  
FINAL SUMMATIVE REPORT**

Submitted by Singizi

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## SECTION A: INTRODUCTION AND METHODOLOGY

### Introduction

#### Background to SPAID

At the point of undertaking this evaluation SPAID was completing its final phase of work. This report is therefore the final summative evaluation report. SPAID was established by the President's Big Business Working Group in 2005 because of an understanding that it was (is) critical that improved levels of cooperation was (is) achieved between the public and private sectors. This was considered essential to achieving the objectives of AsgiSA. In this context the Business Trust (BT) approved an R 35 million budget on 10 March 2006 for the establishment of a Support Programme for Accelerated Infrastructure Development (SPAID) for the period October 2007 to March 2010, with the following four initial programmes:

- The establishment of a Project Preparation Fund (PPF) to get capital projects at municipal level prepared for implementation in a manner that will accelerate the release of funding and reduce the delays that result from poorly prepared projects and limited capacity to initiate required processes.
- The provision of support to the Department of Provincial and Local Government (now the Department of Cooperative Governance) to direct and focus the wide range of existing municipal capacity building and support programmes in the infrastructure development field that have been established by developing a management information and municipal project expediting system (MPES).
- The provision of a strategic and technical assistance programme (TAP) to support public sector partners to mobilize increased private sector contributions to meet the AsgiSA infrastructure targets, through short to medium-term strategic and technical interventions.
- The establishment of a communication programme to improve the flow of information between the government departments and private stakeholders involved in the development of the infrastructure programme.

In the previous evaluation it was noted that SPAID was reviewed in 2009 to establish a greater degree of coherence in the programme and, based on this, was restructured into three programme areas:

1. Universal Access to Basic Services
2. Improved Project Delivery
3. Infrastructure Sector Strategic Engagement

Subsequent to this, further changes took place in the national context in which SPAID is working: critically this included a change of Minister and a restructuring of the Department of Provincial and Local Government (DPLG) which became CoGTA and since the last evaluation, the Department was restructured again into DCoG. (For the purposes of consistency, this report will refer to the department as DCoG). There were also numerous changes in the political leadership and staff at a Provincial level. In addition to this, other processes were put in place such as the generation of the 12 Outcomes and with these Delivery Agreements between the Minister and the President. This has meant that the priorities for the DCoG, as the key partner, changed which in turn had implications for SPAID programmes. These changes are highlighted in this evaluation report in relation to each of the projects.

#### *Monitoring and Evaluation (M&E) of SPAID*

The previous evaluation report also noted that Singizi is now completely responsible for the evaluation as Dr Sean Phillips was appointed to the Presidency and this new position required that he recuse himself (and therefore GSD) from the evaluation process.

As indicated, this report is the final evaluation report and therefore, provides a summative overview of the achievements of the programme against its broad objectives. It also highlights the specific developments that have taken place with respect to each of the areas of focus within the SPAID programme.

## Methodology

This summative evaluation focuses on each project against what it has set out to achieve. However, as it is the summative evaluation more weight is ultimately placed on the extent to which each of the projects has been able to make a contribution to the overall objectives for the programme.

A consistent approach to the review of the projects that fall within the focus of this summative evaluation has been adopted. This led to the development of core questions, which were applied to each of the projects (though they were of course nuanced depending on the actual programme). These questions focused on:

- Developing an understanding of the developments within each of the projects and how this has changed since the previous evaluation was conducted.
- Establishing the extent to which the programme, taking into account the changes, was considered relevant to role players and whether the interviewee believes that the expected outcomes were achieved.
- Identifying the factors that enabled or hindered the achievement of the objectives of the programme.
- Considering implications of SPAID for Business Trust and for support programmes more generally.
- Reviewing the way in which the programme is managed.

The key methods used in this evaluation report included a documentation review and interviews with key role players and informants.

Key documents that formed part of this review included:

Project Schedule: UPPF

Project Reports

The following people were interviewed as part of this evaluation:

- Mark Misselhorn (Project Preparation Trust (PPT))
- Matthew Nell (Matthew Nell and Associates (MNA))

- Liesel Eksteen (MNA)
- Penny Foley (MNA)
- Andreas Bertoldi (MNA)
- Victor Mathada (DCoG)
- Jeremy Timm (National Treasury: Technical Assistance Unit (TAU))
- Peter Brooks (TAU)
- Ron Watermeyer (private consultant)
- Kabelo Ntisa: Manager: Public Sector Delivery & Procurement Support (Construction Industry Development Board (CIDB))
- Kate Roper (Infrastructure Delivery Improvement Programme (IDIP) in Limpopo)
- Marie Kirsten (DBSA)
- Christina Golino (DBSA)
- Karen Hague (MNA)
- Michael Kiato (SA Cities Network)

## SECTION B: OVERARCHING FINDINGS

It is the view of the evaluation team that the SPAID projects has achieved a key objective for the programme insofar as it has introduced new ways of thinking and approaches to infrastructure delivery in areas such as project preparation procurement models as well as approaches to accountability. In doing this it is noted that the programme did not rigidly try and reflect private sector thinking but captured the best of both the private and public sectors to support improved delivery.

It has also emerged that all of the programmes initiated by SPAID have found institutional homes where there is an intention to sustain them. However, it is uncertain whether certain initiatives that were started during SPAID will come to fruition (for example the SPV) or reflect the desired impact. For example, whether all the project preparation activities will take place as planned in the identified projects, and if, as a result of the project preparation support provided by the UPPF, these will both lead to the improved performance of these projects. It is also uncertain as to whether this will be documented as initially planned and agreed upon.

SPAID has also supported the development of documents and tools which have been integrated into the work of the relevant public sector body, that is one that has the mandate to do work in these areas (such as the procurement tools which are being taken up by both the CIDB and IDIP). However, in some cases, where documents and tools that have been developed to support municipal infrastructure delivery and have been taken up by the relevant department, it is still unclear whether there is the capacity to use these documents and tools as intended.

Related to the previous point, it was found that at this point, SPAID has not achieved as much success pertaining to the objective of improving municipal infrastructure delivery. While SPAID initiated a number of activities in an attempt to support these objectives, these have not yet been implemented. It is possible that if the SPV is established then the documents and tools developed to support municipalities may be used in support of this objective. In addition, aspects of the work flowing from UPPF may assist with infrastructure delivery and this will be possible to assess once the projects are completed and the learning captured and shared. Thus, at this point, it is not clear whether this impact will be realised.

Having stated the above, the evaluation team notes that the challenges that SPAID has experienced in meeting the objective of supporting municipalities in infrastructure development were taken cognizance of by SPAID. It was found that the SPAID team flagged the risks associated with the municipal support programmes in such a manner that allowed decisions to be made accordingly.

However, in other cases it appears that SPAID may not have managed the risks as well such as for UPPF where decisions taken may have underestimated the way in which the procurement environment was likely to impact on the project, or as in LP where there are varied views as to whether SPAID was able to realize an appropriate strategy to secure support from the new leadership.

Overall, in examining the impact of the SPAID programme, the evaluation has considered the factors that have contributed to both its successes and failures. The team suggests that the extent of the achievements of the programme appears to be linked to the degree to which SPAID has been flexible and has met the needs of partners through on-going engagement. In doing this, it is the view of the team that SPAID has recognised the dynamic environment in which it is located.

Further, it was found that SPAID's value lay in its ability to play different roles as part of its support function to its various stakeholders, which has ensured its relevance (for example, at times it has provided direct support, in other cases SPAID has mentored parties, and in other cases they facilitated partnerships).

Finally, it is suggested that SPAID had to take the form it did as it is a 'complex programme'. A complex programme is distinguished from a complicated programme as follows: where it is complicated there are lots of parts rather than where it is complex the programme parts are uncertain and emergent. Examples of this distinction and its implications are provided in an article by Rogers (Using Programme Theory to Evaluate, 2002) who suggests that a simple project would be one of following a recipe, a complicated programme could involve sending a rocket to the moon but a complex programme would be that of raising a child.

This definition of complex programme is taken further in the following description, *"a complex programme is defined as one in which two main features are present: emergent properties, where precise objectives and implementation strategies are developed during implementation as specific*



*opportunities develop, and disproportionate relationships, where, at critical levels, a small change can make a big difference, that is, serve as a tipping point*".<sup>1</sup> This latter point is made with the understanding that this tipping point *"can be created through virtuous circles, or be a result of achieving certain critical levels."* Phrased differently, a complex programme is one that is typically multi-stakeholder in character and is operating in an environment that is continually changing such that it would not be possible to determine the activities that will form part of the programme prior to its implementation. Rather, in a complex programme such as this the activities have to be continually reflected upon and adapted in a manner that tries to ensure that the goal and broader objectives for the programme are realised. This poses challenges for the more conventional (often linear) logic model and highlights the importance of exploring models that indicate principles, that are broad enough to accommodate emergent outcomes and that are iterative throughout the life of the programme. This approach can be anxiety provoking for donors and requires a tight management process where learning is on-going and changes are reflected upon in a structured process.

It is suggested that the approach adopted by Business Trust in this regard offers useful learning for how to manage such 'complex' programmes in a manner that is both enabling and ensures accountability for results.

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<sup>1</sup> Patricia Rogers, Evaluating Complicated—and Complex—Programs Using Theory of Change: note she, and other evaluators, use complex theory as a specific concept, which has a specific meaning as outlined in this report. It is not simply used as a synonym for difficult.

## SECTION C: REVIEW OF PROGRAMMES AND PROJECTS

This section provides a review of the projects which form part of the evaluation.

### **1. Infrastructure Dialogue Programme**

#### **Rationale and objectives**

The Infrastructure Dialogue project was launched in 2009 as an intervention that would:

*“Provide a high level and regular platform for discussion and engagement between senior government, private sector and civil society stakeholders in the infrastructure sector.”*

The intention of this initiative is to:

*“Identify relevant topics challenging the sector in South Africa and through stimulating debates, explore potential blockages in order to overcome the existing challenges.”*

The desired outcome of these collective outputs, as highlighted in the Infrastructure Dialogue Review: 2009-2010 is to create *“an improved climate for policy and decision-making and strengthened cooperation within the infrastructure sector between the key stakeholders.”*

#### **Results**

##### *Developments since the previous evaluation*

Since the projects' inception the Infrastructure Dialogue has shifted from being managed and run by SPAID and co funded by the DBSA to a project that is now being implemented by two key partners - the Development Bank of South Africa (DBSA) and the SA Cities Network (SACN). These partners have taken ownership and accepted their funding responsibility for this activity and the DBSA currently hosts the dialogues while SPAID has provided the secretariat/management services, though this will change once SPAID closes.

In addition to this, discussions are currently underway between the two partners to ensure that there will be funding available for the project for the next financial year (post SPAID). It was indicated

that DBSA has already committed itself to the vast majority of the funding until the end of 2012, and officials state that there is openness to funding this project for a longer period than this.

*“There is good enough reason to keep the process going at the banks’ current contribution.”*  
(DBSA official)

The partners are also seeking additional funding for the project to address the shortfall that has been identified (including for the period ending in 2012). This includes the possibility of bringing in an additional partner who can assist with funding and also provide strategic input. This latter aspect was particularly emphasised by DBSA who state that it would be useful to have a third partner which can *“contribute strategically and financially.”*

With respect to developments in the project it was found that since its launch in 2009, there have been 12 dialogue sessions: four during 2009, seven during 2010 and one during the first quarter of 2011. A full list of the dialogues is provided for in Annexure A. The number of events for the coming year will largely be determined by the final funding agreed to between the partners as discussed above. However, SPAID has indicated that funding carried over from the previous financial year, can be used in 2011/2012 if there is a shortfall. It was indicated that this would cover the costs of one dialogue session ensuring that all events can go ahead as planned.

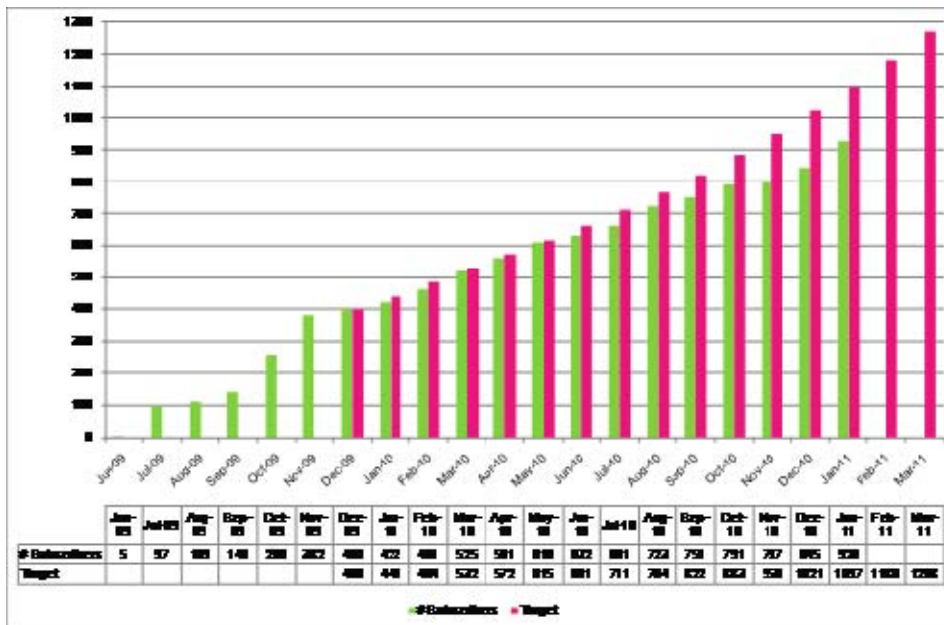
It was also found that the relationship between the project and Engineering News, as the media partner, has continued and has been further strengthened since the last evaluation. Further, DBSA has initiated a process of setting up its own page on the Engineering News website which will allow it to publish content on that page, and this ‘press office page’ will be advertised on the banner of the front page of the website.

In addition to exploring attempts to expand the dialogues profile and coverage, the DBSA in line with the recommendations of the previous evaluation, has sought to improve its electronic communication component in order to expand the reach and impact of the dialogue. The electronic communication enables subscribers to have unrestricted access to the website which is driven by the direct dialogues and is updated following each dialogue. In addition to having access to the website, subscribers receive an email after each dialogue indicating the topic, highlighting the resources that have been made available as part of the session as well as a summary of the dialogue. A number of

activities have been embarked upon to increase usage of the electronic communications, which had increased to 926 subscribers by the end of January 2011. It was suggested that the figure has continued to rise and it was estimated that the figure had reached 1 200 by the end of March (these figures had not yet finalised at the point of completing the evaluation).

The dialogues also appear to have taken on board the recommendation that there is a need to increase exposure and involvement of provincial and local government officials so that they too could benefit from the dialogues. It was found that attempts were made to get municipal and provincial officials to subscribe but a SPAID representative stated that *“many municipalities and provinces do not have time to engage or have access to broadband.”* To address these concerns and to increase subscription, the dialogues produced a CD containing a hard copy of the website and distributed it to every municipal manager around the country. This led to a steady growth in this market signing up and subscribing to the electronic component of the programme with the result that by January 2011 an estimated 167 local government officials had subscribed which constitutes an increase of 18% on the previous figures. Graph 1 below shows the steady growth of subscribers to the website.

Graph 1: Electronic subscriber base



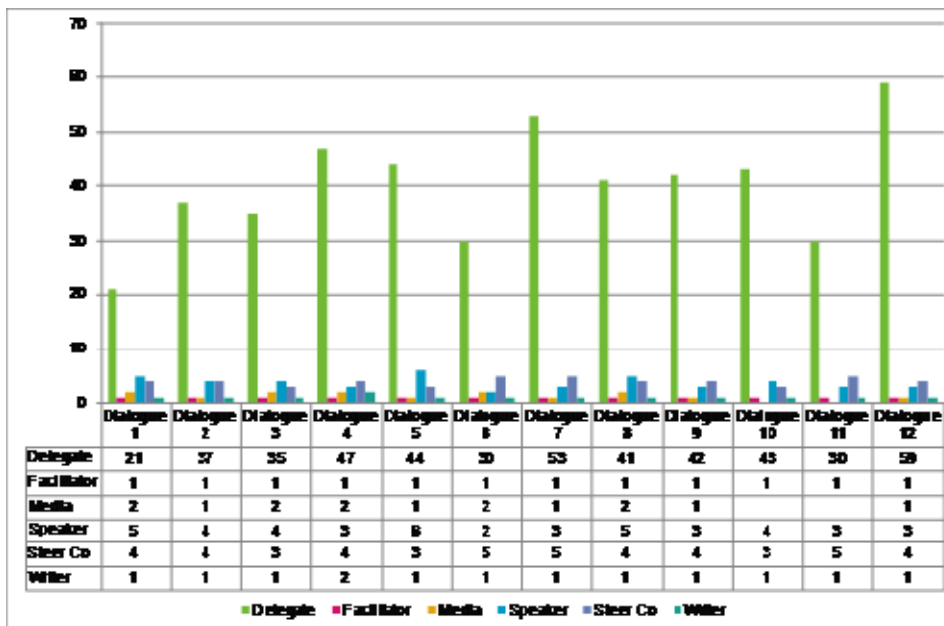
Additional activities to expand the project to provinces were also explored but the existing budget did not allow for any further expansion in this regard.

Finally, the dialogues explored how it could improve its interaction with senior leadership to brief them on the outcomes of the dialogues. However, no further progress has been made in this regard.

Dialogues - achieving its outcomes

In line with the previous evaluation, all interviewees concurred that the dialogues have realised the expected outcomes with people coming and “they come again and again so there is something in it for them”. This is reflected in the growing level of attendance which is highlighted in Graph 2 below.

Graph 2: Growth in attendance to dialogues



In fact it was reported that attendance is reaching saturation point in terms of the numbers that the DBSA is now able to accommodate.

*“We are definitely getting to point of where we logistically cannot accommodate more people and we may have to start turning people away. We are being oversubscribed so we need to consider the implications of this from a budget and logistics point of view. “(SPAID representative)*

The evaluation team suggests that the level of attendance reflects that the dialogues are seen as a quality product. As one DBSA official says, and it has a “good profile in the bank”. The DBSA says:

*“We learnt a lot from this process and realized how important the process of engagement with private sector is. The level of interest from private sector and knowledge and information from the private sector – so easy for us to say we a government institution but we often forget the private sector and in this programme we are not forgetting them they are the main stakeholders. For the bank it is definitely value for money.”*

The Cities Network says *“as a partner to the dialogues it has given us very good exposure and given us a good profile.”*

The one area of concern regarding attendance is that it is felt that not enough government people are attending these sessions. While DBSA interviewees suggest that this has improved, there was a sense that it could be further enhanced. This, one DBSA official indicated is being achieved by giving careful consideration to involving government officials to try and ensure that the speaker helps to *“unblock the attendance of this constituency.”*

#### Sustainability of the project

As indicated, interviewees have highlighted the extent to which the dialogues have become firmly embedded in the DBSA, with the Bank restating it’s commitment to ensuring that the process continues. This is reflected in both the plans the Bank has made to ensure the continuation of the programme as well as in terms of the financial commitments made by both the DBSA and Cities Networks. Interviewees have also emphasised the value that they believe this programme is adding both to improving the sectors understanding of key issues and in creating a platform for the DBSA to engage with stakeholders and in particular the private sector.

With respect to the partnership between DBSA and the Cities Network it was found that the partnership appears to be healthy though there are areas that they continue to be debate rigorously. One interviewee from DBSA observed that *“I am not sure sometimes if we are all are talking on the same page.”* However, the Cities Network commented that, *“invariably our demands and priorities are different but we are happy with the way things are going ...the DBSA is funding much more than we are and they will always have more of a say. We have to understand that dynamic that if someone*

*is putting in more than they should be getting out more.”* It has also been indicated that DBSA would like to bring another partner on board to compliment the perspectives of the existing two partners.

DBSA also explains that they would prefer an addition partner to assist with funding. This takes into account the reality that whilst there is a commitment to the project and the partnership, there is a shortfall in the current finances. The DBSA has indicated that they could not extend themselves further, and the Cities Network says *“we got a sense that the DBSA would love us to increase our contribution...but we have limited resources.”* At this stage, interviewees indicate that a suitable partner has not been identified.

## **Analysis**

This evaluation has found that this project has extended its reach on a number of levels including attendance at the sessions, electronic media as well as other forms of media such as Engineering News. Within this context it was suggested that there has been progress in enabling individuals from the different spheres of government to access these discussions.

However, it is noted that there continues to be a concern about ways to strengthen the involvement of other provinces (aside from Gauteng) in this initiative and to create space for the learning from these forums to be shared across provinces. However, the DBSA cautions about the costs of reaching out, and it is suggested that there may be a need to explore creative options in this regard as there is a shared understanding that the costs involved in bringing people to Gauteng would be prohibitive.

The infrastructure dialogue has become an important forum for engagement between the different stakeholders in the infrastructure space. More importantly, it has allowed the private sector to gain a better understanding of the infrastructure challenges facing government and it has supported individuals from government and in particular public sector organisations (DBSA) to engage with the views of the private sector on matters pertaining to infrastructure delivery.

The DBSA points out that whilst a conversation with the private sector is important from the banks' point of view, *“we learnt a lot from this process and realized how important the process of engagement with private sector is. It is so easy for us to say that we a government institution we*

*need to engage the private sector but we often forget about the private sector and in this programme they are the main stakeholders. For the bank it is definitely value for money.”*

It is however acknowledged that is difficult to quantify the impact of this intervention and to establish whether ideas discussed in these sessions will ultimately result in any changed relations or practices. However, minimally it is suggested that it is leading to an increased understanding across the parties and as observed by one interviewee, *“people are now talking to each other and exchanging views”*.

Overall, the dialogues have proved to be an initiative which provides its target audience with quality and relevant information and has managed to:

*“Take polarized views to find a middle ground and has helped a lot in creating a better environment for people to discuss issues so further down the line it will help in getting things done.”*

Finally, it was found that SPAID has managed to develop a project which has found an institutional home in the DBSA and which is firmly rooted in the partnership between DBSA and Cities Network.

## **2. MISA**

### **Rationale and objectives**

The original MPES project underwent a number of changes since its inception. Initially the projects' objective was to: directly assist municipalities to improve their management of the processes of infrastructure delivery relating to basic services.

Following discussions with the department, this project was refocused and evolved into the Comprehensive Infrastructure Programme Support (CIPS) Project in March 2009. The intention of this project was to assist CoGTA to implement a dedicated support process for municipalities to:

- Improve the alignment of municipal infrastructure plans to achieve the eradication of backlogs in basic service delivery;



- Procure and deploy skilled technical capacity to assist municipalities to either re-plan, improve their plans or implement projects with greater efficiencies to ensure plans achieved; and
- Monitor whether project delivery was improving and contributing to backlog eradication.

This new focus began to assist the department to develop a framework to review municipal capacity with a focus on water and sanitation backlogs. SPAID assisted the department to finalize a diagnostic tool which was to be 'tested' on a municipality and then where needed, further refined. The intention was to apply diagnostics to 35 municipalities to establish whether the infrastructure projects prioritised by municipalities were the '*right projects*' and the level of support was required to ensure their effective and efficient implementation.

However, delays in implementing the project were the result of further restructuring of the department together with changes in leadership and strategy.

As a result, SPAID decided to redirect its funding away from CIPS and it was agreed that these monies would be used to support other SPAID initiatives that were having greater levels of success.

Subsequent to this decision, as highlighted in the previous evaluation report, the department then made an approach to SPAID in late February 2010 and requested that they assist with the establishment of a SPV which was intended to provide the department with the external capacity to assist municipalities and to lead infrastructure issues in local government. SPAID agreed to assist the department in this endeavour. This evaluation both reviews the support and considers changes that have been made in this regard and the implications of these in terms of the extent to which the project can be said to have met its objectives.

## **Results**

### *Developments since the previous evaluation*

It was found that the department, with the assistance of SPAID, was able to finalise a strategy which laid the foundation for a SPV. Interviewees from DCoG were very optimistic about this mechanism stating that they viewed it as a key intervention to support municipalities and ensure infrastructure delivery.

It was explained that as part of this process, the department went through an extensive process of consulting national, provincial and local government. A SPAID representative explains that this process involved presenting to key stakeholders the findings of some basic research around the challenges in the municipal infrastructure environment. It was indicated that this allows stakeholders to reach agreement about the problem statement and possible solutions. Ultimately, it was stated that there was an agreement that there was a need for municipal infrastructure support though it is suggested that there was still some disagreement about the actual mechanism that would be used to implement this support. It was however strongly argued that there was a need for a vehicle which could go into municipalities and assist them in a manner that was mindful of their constitutional mandate.

However, in discussions with other national departments, National Treasury raised a concern about the establishment of a new separate entity. Instead, Treasury argued that this capacity should be established within the Department and in December 2010, an agreement to this effect was reached between the department and National Treasury. The agreement provided that such a vehicle within the department will support municipalities and *“do so without crossing any legislative boundaries”*.

As a result of this agreement the department together with SPAID, is now in the process of converting the strategy into a feasibility study for the establishment of the SPV which will be a dedicated unit (with its own accounting officer etc) within the department.

The department is also in the process of trying to get Cabinet approval for the establishment of the SPV. Departmental officials state that *“we have decided to go to Cabinet for the approval of the strategy as we feel it will give us a good grounding in moving forward. We are going to submit the strategy in early march 2011.”*

In addition, as part of this process, National Treasury took a decision to transfer the Siyenza Manje (SM) project (housed within the DBSA) to be incorporated into the SPV. The Siyenza Manje project provides technical support for infrastructure development and had a budget in the region of R200m. It was noted that consolidating the SPV with the SM project is likely to be a considerable challenge.

### Sustainability of the project

Interviewees explained that in the next few weeks SPAID has to deliver on a number of the above-mentioned technical documents. These are considered critical to enabling the department to set up the SPV.

These deliverables include the development of a proposal to the Department for Public Service and Administration to establish the SPV as a unit within the department. In addition, SPAID is to provide an assessment of how SM can be brought into government. As a SPAID representative explains, *“before it was a programme within a public entity within a national department and now it is moving into a government component in a national department.”*

It was indicated that once these documents have been completed it will be up to the department to drive the process and get the required approval to set up the SPV. A departmental official says *“we are hoping to be up and running in April but there could be some delays. However, we will need SPAID’s support for as long as it is possible, but we have come to acknowledge that SPAID is phasing out.”*

SPAID interviewees reflect on some concern about the extent to which the vehicle will be institutionalised, whether there will be capacity to staff this body and if there is the political will to make this a success. This uncertainty is reflected upon in the analysis of these results provided below.

### **Analysis**

It was found that SPAID showed considerable flexibility and responsiveness in moving from assisting with the CIPS project to then supporting the establishment of the SPV. A SPAID representative says *“the programme has been completely responsive to the environment. We had to be responsive both to the political imperative and the reality on the ground and figure out how the department could*

*respond in a way to change the situation in terms of infrastructure delivery. The success will be if the entity is established, SM is incorporated and targeted municipalities are being supported.”*

It was suggested that through the SPV, SPAID was able to influence the system and to make people think about how to do things differently. A departmental official stated that CIPS was not leading to concrete implementation and that the SPV had greater possibilities for success in this regard,

*“With government programmes one cannot sit in a corner and design it, you have to go in first to the implementers and have the same understanding that when moving forward they move with you so they that understand and buy in – it has to become their product.”*

However, interviewees recognised the reality that National Treasury had not been brought on board early enough and that the time frames for the SPV had been, and remained, ambitious.

Interviewees are confident that the SPV in its proposed form will be accepted, though this remains a risk and that it may be that, as discussed previously, while there are officials that are very committed to the project there may be insufficient political will and/or resource (human and other) to implement the project. In such an eventuality the risk is that the tools and documents developed by CIPS will not be effectively used to support improvements in infrastructure delivery in municipalities.

### **3. UPPF**

#### **Rationale and objectives**

As highlighted in the previous evaluation report, the UPPF was established out of the recognition that project preparation was critical to service delivery and infrastructure development. The objectives of the UPPF were to:

**Enable participating municipalities to initiate structure and accelerate projects; mobilise private sector resources and know-how to accelerate infrastructure delivery and ensure the financial sustainability of the Funds’ activities**

As mentioned in the last report, the UPPF business plan recognised that procurement would be an issue. However, the plan initially assumed that this could be resolved by DCoG and National Treasury. However, National Treasury had formally rejected the request from DCoG to allow a single source arrangement for municipalities to procure the services of the UPPF.

The evaluation explained that this left SPAID with three options to choose from: out of these options the evaluators recommended that SPAID pursue the option of slowing down the implementation of the UPPF while DCoG developed and implemented a public competitive public tender process for the provision of project preparation support to municipalities. This public tender, it was argued, should be done independently from the SPAID programme if UPPF was to be allowed to tender. However, it emerged that internal processes led to delays and ultimately a decision not to go ahead with the tender. Instead the new leadership within the Department took a decision to instead rely on the proposed SPV to take forward the project preparation related issues.

Furthermore, the initial business plan incorporated the testing of the market for private sector funding for project preparation: this possibility was tested and SPAID found that there was no appetite for private sector funding and the costs that applied. This finding also led to further changes to the plan and the ultimate implementation of the project.

## **Results**

### *Developments since the previous evaluation*

As per the previous section, the evaluation found that since the last report, the project has developed a new business plan which prices the bridge funding of the project preparation service on a fully commercially sustainable basis, which made it possible for project preparation to be contracted.

Based on this decision it was agreed that project preparation for a number of different infrastructure project types would be piloted so as to develop a toolkit for a wide range of project types (e.g. water, roads, sanitation storm water etc.) At this point, the pilot work is not yet complete nor is it likely that these will be complete before the end of the SPAID programme. However, there is an understanding that the pilots will carry on reporting to the Business Trust who will then feed the findings and learning from the pilot projects through to other processes that will take forward the SPAID work.

**The table 1 below is a list of pilot projects at different stages of implementation. A comprehensive list is attached as annexure B**

Project	Subcategory	Stage	Comments
KwaMbotho Rural Housing Project	Rural Housing	Preparation	Phase 2, detailed design in progress, PDA planning report complete, invoice with DoHS for approval and payment.R131 000
Sundumbile WWTW	Waste Water Treatment Works	Preparation	Work has already commenced and we are expecting a report and invoice shortly.
Richmond Waste Water Treatment Works	Waste Water Treatment Works	Preparation	A letter of support confirming the funding arrangement KV3 appointment and project priority has now been secured from the District and work can now commence on the project.
ORIO Application	Bulk Water Supply	Preparation	Prep Services agreement has been signed by the service provider, work has already commenced and we are expecting a report and invoice shortly
Eshowe	Bulk Water Supply	Preparation	Draft feasibility report including environmental basic and wetland assessment as well as desktop geotech and engineers' feasibility report received for pre-evaluation. Awaiting draft approval from the Municipality before submission to MIG.
Refurbishment of Waainek Bulk Water Supply	Bulk Water Supply Treatment(Refurb)	Preparation	Appointment and priority confirmed by Muni, pre-feasibility report expected shortly.
Maqongqo	bulk Water Supply	Preparation	A letter of support confirming the funding arrangement KV3 appointment and project priority has now been secured from the District and work can now commence on the project
Middeldrift	Water supply - bulk & reticulation	Preparation	Has proceeded with Prefeasibility report imminent. Feb 9th tele discussion
KwaHloko	Water supply - bulk & reticulation	Preparation	Has proceeded with prefeasibility and feasibility due to pressure from Muni, Prefeasibility report imminent. Feb 9th telephonic discussion. Eyethu appt by Municipality
Melville	Rural Sanitation	Preparation	Municipality has requested meeting to clarify additional support they require
Riebeck East (Alt water supply)	Rural Water Supply	Preparation	Have received confirmation of appointments at risk for MBB who are proceeding with the project.
12 Hlabisa Landfill	Landfill Sites	Preparation	Hlabisa have provided a letter confirming SBA appointment however must confirm need as Integrated Waste management Report indicates that they can use the Matubatuba waste site, however engineers are completing a confirmation of the need assessment as they feel that the IWMR is incorrect as it does not factor transport and other logistics in moving all Jozini waste to Matubatuba. (See e-mail from Geoff Purnell 9 Feb 2010).Muni uncertain about doing project due to O&M.
Locksley Drive and Rainbow Ridge	SettlementHousing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager
Umlazi S1 , S2 and S3	Settlement Housing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager
Buks Farm (Stage 1 Prefeasibility)	Settlement Housing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager

Lacey Rd (Top Up to Rainbow Ridge and Locksley Dr, Stage 1Pre-feasibility)	Settlement Housing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager
Vukukhanye Westville Foster Care Home	Special Needs Housing	Preparation	Secure support of Dept of Social Development by means of clarifying registration facilities in terms of new legislation (Children's Act)
Rehoboth Children's village	Special Needs Housing	Preparation	Status of project in relation to the department of Social Development to be clarified
19 Ingane Yami Children's Village	Special Needs Housing	Preparation	Status of project in relation to the department of Social Development to be clarified
Jozini Regional Landfill	Landfill Sites	Signed agreement	Still waiting for muni have informed SBA that they have until 24 Feb when OpsCo will take a decision on reallocation if no resolution is received from the Municipality. 3 x meetings with muni cancelled by them. The municipality has requested an initial meeting with UPPF before commencement. The Meeting is being arranged by SBA and has been set for the 30th of September 2010.
Sokoutenda to phiphidi	Rural access roads, bridges	Agreement not signed as yet	Awaiting confirmation letters from municipality

The table above highlights the fact that the UPPF team tried to ensure a reasonable spread in terms of the types of projects chosen: these projects range from road building, landfill sites, sanitation and housing. In addition, an attempt was also made to seek a balanced spread across urban and rural based projects.

The evaluation also found that there have been real developments with respect to the mainstreaming of project preparation: in particular, it was found that CIDB is taking on this role and is even exploring the possibility of making project preparation a policy requirement. Interviewees generally expressed a sense of confidence in this process. In addition, National Treasury believes that IDIP will be able to integrate the work done by SPAID going forward. As one National Treasury interviewee said: *"IDIP is most appropriate process to take SPAID work forward, there has always been an overlap of work between SPAID and IDIP"*.

Having said that, it is noted that there are concerns that at this stage, the project was not able to ensure that project preparation was used to help resolve capacity challenges within government. Of even greater import, it is unclear whether this will be possible in the future as there is not yet clarity as to the way in which government will fund project preparation activities in the future. This raises questions as to the extent to which this will take place as intended.

### Sustainability of the project

It was found that while some of the learning from the project has already been integrated into the work of national bodies, it is anticipated that this will be expanded upon when the demonstration projects are completed.

However, whether the structure set up in this project to enable municipalities to access project preparation will be sustained in the absence of a clear commitment from government remains uncertain.

### **Analysis**

In evaluating this project, it is noted that most interviewees agree that it did satisfactory work in the area of setting up a project preparation fund. It was also able to test the market for private sector involvement in funding project preparation where it found that going forward; the public sector will still have a major role to play in funding project preparation.

The evaluation also found that some progress has been made in conceptualising, and in some cases implementing, alternate business models for funding project preparation services.

However, the evaluation has found that the project may not have managed the risks as well as they could have. This relates both to its initial decisions which do not appear to have taken the national procurement environment into account, and the delays in shifting approach. Ultimately, the project appears to have finally taken these factors into account and changed strategy in time to ensure that there could be some progress made in testing alternate models and or new approached in project preparation with municipalities. This delay, coupled with the challenges experienced by the project in finalising and/or agreeing on the pilot projects focus and output with municipalities, has meant that no pilot has been completed so far to the point of capturing the learning in a comprehensive way.

It is therefore considered critical that the pilot work initiated by the project will have to carry on beyond the life of SPAID. The role of the Business Trust in this regard is considered vital in ensuring that the lessons emerging from these pilots are fed into the CIDB and IDIP process which are currently taking most of the UPPF project work forward.



This will ensure that the project capitalises on the two major successes namely: (i) to bring project preparation to the fore and (ii) to ensure that there is a vehicle to take the work forward.

With regards to the first point, it was found that the project has managed to get people to look at infrastructure and infrastructure development quite differently than before, and it has raised the profile of the discussions and the understanding of these matters. However, a number of the interviewees raised the concern that without some sort of policy pronouncement or requirement on project preparation, it will be difficult to sustain the new thinking and or approach within the public sector. It is suggested that a delicate balance needs to be established to ensure that a proposed policy requirement does not lead to the further weakening of delivery capacity of the public sector in this area, but that it helps drive the implementation of new processes and practices to improve capacity and capability within this sector without which it is suggested that work of the project cannot proceed.

With respect to the second point, it was found that both Treasury and CIDB appear to be willing, and have capacity, to take forward the learning acquired through SPAID. An interviewee from Treasury observed that, *“the IDIP process is the only vehicle that is available to take the UPPF work forward.”*

In this regard, it is reiterated that it is vital that a view be taken on how the learning and the work of UPPF can be formally fed into IDIP and CIDB initiatives. While interviewees from Treasury indicate that the involvement of Treasury (TAU) in both UPPF and IDIP allows it to easily integrate UPPF outputs into IDIP work going forward so as to inform public sector practices and policy formulation process, this does not negate from the importance of ensuring that the demonstration projects are completed including the documentation of the lessons learnt.

## **4. Limpopo Procurement Project**

### **Rationale and Objectives**

As the previous evaluation report highlighted, the objectives of this project are *“to secure agreement with a public sector partner to participate in the programme; introduce a strategic approach to sectoral infrastructure procurement in one provincial department; pilot and test the Sector Procurement Strategy and to communicate the results of the LP pilot to illustrate how it*

*has improved project delivery at municipal and provincial levels through the project preparation and sector procurement strategies.”* Concretely this project took the form of a partnership with the Limpopo Department of Education (LDoE) which focused on the development of a comprehensive sector procurement strategy.

As indicated in the last report it was agreed that the project would be implemented in three phases: (1) The development of a framework for procurement; (2) Application in LP (establishing needs and developing procurement strategy); and (3) Roll out strategy and process (with national and scaling up). At the time of the previous evaluation, the project was nearing completion of phase 2: this phase as detailed in the last report contained two elements: developing a generic methodology for formulating an education infrastructure procurement strategy and applying the generic methodology to LDoE’s infrastructure plan, to produce a five year infrastructure procurement strategy for LDoE. Both elements as reported were completed within the planned timeframe.

However, due to developments in the province, the project was unable to progress beyond phase 2 in Limpopo though despite this, it has made significant progress with respect to phase 3 – that is, it has begun to consider scaling up and rolling out in earnest.

## **Results**

### *Developments since the previous evaluation*

The evaluation found that the work in the LDoE has stopped as a result of a number of factors which will be discussed but which centre around the fact that during the period in which the project was being implemented, new leadership and officials were appointed in the province and they did not share the vision for the project or have a sense of its need.

However, since the last evaluation the work of the project at a national level has been sustained and there is a real commitment with respect to rolling out the strategy nationally. Workshops on sector procurement have been run by Treasury and IDIP provincially and nationally. The CIDB were very positive about this development and states that a key achievement of SPAID is the development of the Construction Procurement strategy training material that was used to run provincial and national workshops in collaboration with IDIP/Treasury.

In addition, CIDB comments that they have now put the tool kit onto the CIDB website. The interviewee states that project *“has managed to change the way CIDB thought of infrastructure development and project preparation”*.

Further, an interviewee noted that work has been carried out in the Eastern Cape relating to this project, but at the point of writing this final evaluation, agreement about how this work will proceed in the province has not yet been secured.

### Sustainability of the project

As indicated above, it was found that work done in this project has fed into the CIDB process of developing a tool kit and guidelines. This is seen as critical to ensuring that the work undertaken as part of the project will be used and taken forward and that it has supported national processes.

In addition to the CIDB, it was found that Treasury is willing to take this project forward, and is doing this through the work of IDIP. Interviewees from Treasury emphasise their willingness to take on this work and state that IDIP is seen as the natural home for this project and that the work of integrating the products from this project into their work is already underway.

Finally, it is noted that the evaluation found that some private consultants are already using the work that was completed in the Limpopo in similar projects. This is considered a success as again it ensures that learning from the project will be sustained.

## **Analysis**

This evaluation has found that while the project made considerable progress in Limpopo it was ultimately stalled as a result of administrative and political challenges in LP. This highlights the complexity of implementing projects within a changing environment.

Interviewees observed that the developments in Limpopo point to the need for an understanding of the political dynamics in managing projects that demand high levels of political support and leadership. Again this confirms the finding in the last report that highlighted a need for a well thought out and resourced communications strategy with key stakeholders and constituencies likely to be affected by the proposed changes. An interviewee said *“communication efforts fell through the*

*cracks*”, not because this was a deliberate tactic but rather a consequence of having limited resources.

These comments resonate with the finding that a key learning from LP is that aside from providing technical support; there is a need for a political strategy which ensures that there is on-going support for the strategy. One interviewee stated that this suggests that any support team that goes in to provide technical support will need to be complimented with a team that has an understanding of communication issues and ways in which to engage with political leadership, senior officials as well as key role players.

This perspective was also highlighted by an interviewee from Treasury who was asked “mid-stream” in the project to take over chairpersonship of the steering committee. The interviewee commented that the project needed more political understanding and management in the final phase. The interviewee observed that *“you cannot push technical solutions in a political environment without political support or buy in”*. The interviewee commented further that it was unfortunate that *“I realised this after the process had already encountered resistance”*.

Having said this, it is noted that SPAID attempted to take these issues on board in the way in which it engaged in LP since the last evaluation. However, it appears as if the dual imperatives of wanting the project to continue whilst at the same time having to recognise that the leadership was new and had not even identified the issues addressed by this strategy as challenges, confounded the project. This meant that while the project was initiated in Limpopo because the Provincial leadership had recognised the need for this work and had requested this support, once there were new individuals on board the project was seen as an external pressure.

An interviewee from SPAID observed that this meant that despite the reality that considerable energy was put into the process of bringing the new leadership on board the time available from the appointment of the new leadership (political and officials) in Limpopo and the closure of SPAID did not allow time to begin the process again and that this unfortunately could not be avoided given the level of change.

Despite all these constraints it is clear from the interviews that the technical work done by SPAID in Limpopo was very good and interviewees were positive about the quality of the work and the value that it can bring to the way in which procurement is thought about nationally.

Thus, while there have been challenges in Limpopo it is the view of the evaluation team that this project has succeeded insofar as it has brought about important changes in how project procurement is conceptualised. It is generally felt that this is an important contribution given it is an area that has been identified as problematic in terms of infrastructure delivery.

It has also been found that the project has succeeded in institutionalising some of the best practices developed from the Limpopo experience, for example the guidelines that were developed by CIDB and the fact that the project has managed to contribute towards changing the way people think about project development/management.

Finally, it is noted that some interviewees believe that the movement of officials from Limpopo DoE to the national Department of Health (DoH) might ensure that the strategy also gains some traction there creating opportunities for the extended application of the learning from the project.

## **5. UHABS**

### **Rationale and Objectives**

DCoG is mandated with the coordination and oversight of the national effort to address the delivery of universal access of basic services to all households in South Africa by 2014 and for the reporting to Cabinet on the eradication of basic infrastructure backlogs. However, DCoG has battled to establish a consistent measure to track levels of household access to basic services and how this changes over time.

SPAID agreed to assist DCoG with the development of a Universal Household Access to Basic Services (uHABS) Index. Following this agreement, DCoG, with the assistance of SPAID, has worked together with the Economics of Social Policy Programme at Stellenbosch University on the design and development of the uHABS Index as an updatable and accurate monitoring tool for assessing household access to basic services.

The previous evaluation noted that the partnership with Stellenbosch was consolidated through a MoU and that the first uHABS Index was well received and viewed as an important tool in tracking service delivery based on the reporting of households rather than delivery statistics as produced by provinces or municipalities. This report considers how this was in fact used and the extent to which this has been further developed.

## **Results**

### *Developments since previous evaluation*

SPAID has handed over the responsibility for uHABS to DCoG and reached agreement about how it would be updated in the future. This agreement has been implemented and a second uHABS Index is about to be completed.

However, interviewees indicate that DCoG has not yet been able to assign a dedicated person to oversee the future production of uHABS although they state that, in the interim, there are individuals within the department that are committed to its future production. It was also reiterated that the partnership with Stellenbosch is seen as valuable though an interviewee from SPAID suggested that this relationship needs to be firmly cemented prior to the completion of the SPAID programme.

It was also found that while a decision was taken not to officially launch uHABS, as discussed in the previous evaluation, this does not negate from its perceived value. A DCoG interviewee confirmed this view and indicated that uHABS has far exceeded its anticipated outcomes. In addition, this interviewee stated that the Minister has allowed the Index to be distributed. Interviewees generally remarked on the fact that it has been widely distributed and very well received though it is acknowledged that because of the time lag between the development and the distribution of the document some of the information became out of date.

Finally, the previous evaluation noted that there were discussions about the possibility of the tool being linked to the Performance Monitoring arrangements between the Presidency and DCoG. It has emerged that this has since taken place and uHABS has been included in the national M&E framework and now forms part of the presidency delivery agreements for all sectors and is incorporated into outcomes 8 of the performance contracts for DCoG and Human Settlements.

### Sustainability of the project

This project now has an institutional base insofar as DCoG has taken responsibility for it and has entered into a MoU with Stellenbosch University. However, as highlighted by departmental officials, there is a concern that the department has not appointed a dedicated person to manage this project going forward. A departmental official observed that: *“we do not yet have systems in place but this is not rocket science but more about willingness. We need commitment and the right people in the department to commit to it and so we need someone in the department to oversee it. I think it should be located in M&E section under research policy and information and IT.”*

### **Analysis**

The evaluation team has found that, even without an official launch, uHABS has been distributed and is being referred to within government. A DCoG representative said the main issue here is that uHABS was distributed and people are using it and they are referring to it even if some do not agree with it, *“it gives people a sense of where they are in terms of service delivery. Government has acknowledged it and it was used in a Cabinet Lekgotla.”*

A SPAID representative concurs with this view and suggested that uHABS has been *“distributed all over the place and liberally used and you can come across them in all sorts of government departments...uHABS has become the main source document on service delivery which is what we wanted all along. I walk into any government office and see it there and it is being used.”*

It was also found that there is a commitment to use it as a tool to track delivery. It was also been integrated into the Presidency’s M&E function which is considered to be an important way of ensuring that it supports its original objectives of improved accountability.

In this it is suggested that while uHABs was not a large programme it does appear to have been well received and the fact that it has, pragmatically, taken available data and packaged it in an accessible and user friendly way has allowed people to engage with this data.

It was found that, in part, the success of this project has been about timing as it came about at the same time that the Presidency was setting up its M&E section. Critically, it has been suggested that the possibility of making these linkages was identified and that as a result its value was elevated.

The full impact of the project however can only be understood when it is established whether it continues to be produced and if government actively uses it to manage delivery and keep provinces and districts accountable.

## **6. Infrastructure Inputs Monitoring Project (IIMP)**

### **Rationale and Objectives**

The last evaluation highlighted that the IIMP project had produced two reports on the state of key infrastructure sector inputs and in 2009 a review was conducted amongst key public sector stakeholders to assess whether the project still met a need and to review options for its on-going development. As part of this process, it emerged that the DBSA would provide an appropriate home for the project going forward and the Bank was approached in October 2009 to determine whether the institution would be happy to take over management of the project. The DBSA responded positively to this request with its Development Planning Division stating that the IIMP was well-aligned to the objectives of the Bank, especially, its focus on promoting economic growth through infrastructure development finance. As a result, the DBSA took over the management of the IIMP from the Business Trust.

### **Results**

#### **Developments since last evaluation**

Since the last evaluation, SPAID undertook a handover workshop to DBSA so that they could formally take ownership of the project. Following numerous delays this took place, and ultimately, the DBSA



has allocated appropriate resources to drive the project and ensure that a follow up report is compiled.

Interviewees from the DBSA state that the handover has occurred and the project is now being fully managed by the bank. They also indicate that the project has gained some momentum and that it is anticipated that the new report will be published in September 2011 while the database will be more regularly updated. They state that the value of this project is increasingly being seen. An interviewee from the DBSA stated:

*“The programme remains relevant and very much in line with our commitment to build relations with the private sector. This intervention is more for the private sector than anyone else because the outputs will be more for their use than for government. We are looking to highlight in the next report the full government spend on infrastructure which is in the region of R810bn over the medium term. We will unpack it and look at every cent government is spending on infrastructure and we will try to work out all the inputs, including labour. This tool is important for the private sector and helps them to plan.”*

They further indicate that this commitment to IIMPS is in line with the approach that has been adopted by developed countries in terms of infrastructure processes: *“developed countries do this on a regular basis and are part of the outputs of government in many European countries in terms of communicating to the private sector what government is purchasing.”*

Finally, interviewees attribute the increased momentum in the project to the consultant that has been appointed to deliver the next report and the changed environment in that the Banks sees its value in terms of building relations with the private sector and informing it of the planned infrastructure spend by government over the next three years. In addition, interviewees suggested that the process of revisiting the two previous studies and turning them into a more user friendly document and thereafter ascertain where the gaps are has proven to be quite valuable.

#### Sustainability of the project

The project has found an institutional home with the DBSA which has the internal capacity to manage it in a sustainable way though it has been indicated that the Bank might need to look for additional funding to keep the project going in the future.

## **Analysis**

It was found that while there had been initial uncertainty about the project and delays experienced in ensuring a proper hand over to the DBSA, this has since been resolved. The DBSA now appears to have both the capacity and the commitment to sustain the project and interviewees from the DBSA saw its value. In particular, they indicated that the project has value for the private sector and therefore, has the potential to further develop the DBSA's own relationship with the private sector.

This evaluation suggests that this project is likely to grow provided that funding is secured for sufficient time so that it can be properly marketed so that the private sector can see its value. This in turn could create a possible revenue stream for the project over time.

## SECTION D: CONCLUSIONS

The overarching section that introduced this report highlights the areas in which it is felt that SPAID has succeeded and where there has been less progress. This final section highlights the implications of these findings for the Business Trust to consider in relation to promoting and funding support programmes in government. Hence, the first point below relates to the closure of this programme and the remaining points to support programmes more widely:

The first concrete implication of this evaluation and the current status of some of the projects is that it requires that Business Trust give consideration to ensure that learning from SPAID is used. This is particularly the case for UPPF where it is noted that the UPPF demonstration projects are not yet complete. It will be important that the Business Trust considers how to support and manage this process. It has been indicated that the Business Trust is already participating in the on-going process related to the UPPF and it is suggested that as part of this role Business Trust ensures that the extent to which the demonstration projects have achieved the anticipated results is both evaluated and documented and that the learning from this process is shared. This may also require that the Business Trust formally engage with the CIDB and IDIP at the closure of SPAID.

Other broader implications for BT relating to support programmes more broadly include:

The evaluation reports concluded within SPAID highlight the imperative for a Support Programme to recognize and engage with political change and the implications of providing support where there is limited public sector capacity.

The developments within the programme highlight the potential negative impact on the programme where substantial changes in the leadership (political and/or officials) takes place and emphasizes the importance of managing these changes in an on-going and deliberate way so that leadership retain a sense of ownership over the programme. It also points to the reality that in some cases the changes may either require a revised set of activities being developed in order to meet the objectives of the programme or in some cases that there is a recognition that it will no longer be possible to continue with a programme.

It is also noted that even where SPAID managed these relationships and achieved some success in retaining the credibility of the programme there were a number of challenges that emerged pertaining to the capacity of the public sector to drive the initiative. Interviewees highlighted the concern that this limited capacity may lead to a Support Programme (and this comment was not directed at SPAID but was more reflective of Support Programmes more generally) selecting to focus on the generation of tools and documents which lead to concrete products rather than on the development of capacity and skills transfer within government.

This tension was recognized within SPAID and an attempt to balance these dual imperatives was made. Critically it was suggested that given the flux of staff it is important that there are tools and documents that can lend support to ensuring that the process is retained in the 'institutional memory,' however it was acknowledged that these are only used effectively where there are people that recognize their value and are able to ensure that they are implemented.

In addition it is suggested that the SPAID programme offers further insight into the question of risk. The UPPF programme in particular highlighted the very real differences that exist between the ways that risk is understood within the private sector as compared to the public sector. This meant that many of the programme assumptions had to be re-thought as the public sector does not manage these processes in a manner that builds in risk for either of the partners.

Further, the programme reinforces the need to recognize and manage risk when implementing a support programme. The programme provides a number of examples of managing risk to the extent that the activities within a programme had to substantially change or even where a "Walk Away Point "(WAP) was reached and it was necessary to redirect resources from an area that was not gaining traction to an area that was more likely to succeed.

It is suggested that it would be valuable if Business Trust tries to capture this learning pertaining to managing risk within a development programme so that it is available as a resource. This document could provide clarity on ways in which risk is understood, how it can

best be managed and how decisions could be taken within the context of an uncertain environment so that it is possible to make progress even where the results may not be entirely as initially anticipated.

Finally, as discussed previously and linked to all of the above-mentioned points, programmes such as SPAID highlight the challenges related to evaluating complex programmes (as defined in evaluation theory). For example, having multiple stakeholders and dealing with changing political and administrative environments mean that there is a need to change activities and shift priorities to ensure that objectives can be met. It is suggested that there is a need to understand how much variance can be allowed for, without re-drawing the target and in a way that allows one to measure success. It is proposed that the learning emerging from this programme, about ways to manage such programmes so that it is both enabling and ensures accountability for results, should be captured and shared more widely.

## ANNEXURE A: Infrastructure Dialogues

The topics covered since the last evaluation includes the following:

March 2010	<p><b>Infrastructure Sector Procurement Strategies</b></p> <p>In implementing projects and programmes government procures goods and services from the private sector. A review of procurement strategies in the infrastructure sector will be undertaken with examples of excellence through case studies.</p>
June 2010	<p><b>Urban Infrastructure</b></p> <p>A review of the successes of the substantial investment into public urban infrastructure for purposes of urban regeneration. It will explore the quantum of this investment and the type of infrastructure investments that has been employed. It will explore the successes of these investments in terms of leveraging private sector investment and other elements of a score carding including employment creation and urban integration. It will delve into the effectiveness of these investments in enhancing social cohesion, creating safe neighbourhoods and creating effective markets. It will also explore the workings and synergies that are created by deploying infrastructure investment incentives with other intervention measures such as fiscal incentives and regulatory and policy incentives.</p>
August 2010	<p><b>Roads</b></p> <p>Addressing the roads network of South Africa recognising that roads make an important economic and social contribution through improving efficiencies and opening up business opportunities and employment creation as well as providing access to social services such as educational, health and community facilities. Critical challenges include, institutional and regulatory environment, funding and developmental leverage.</p>
October 2010	<p><b>Municipal Water Services</b></p> <p>Water has a profound importance to human survival. While the objectives of policy reform in the 1990s, and the principles underling them are widely lauded, it is evident that the system does not have the capacity fully to achieve them. This problem is most significant at the Municipal level. The dysfunctionality of local government is not confined to provision of water services alone, but the systemic nature of the problem and the generally weak governance that prevails makes it harder to deal with.</p>
November 2010	<p><b>Infrastructure Stimulus Package – Development Outcomes</b></p> <p>This dialogue explores the experiences to date in securing development outcomes from the infrastructure spend. It also provides an opportunity to discuss the tensions between primary (mandate related) and secondary (developmental outcomes related) objectives in the delivery of infrastructure and how these can be accommodated and aligned.</p>
January 2011	<p><b>Municipal Infrastructure Investment Framework-Planning till 2019</b></p>

## ANNEXTURE B

Project	Municipality	Province	Subcategory	Stage	Comments
KwaMbotho Rural Housing Project	Umuziwabantu	KZN	Rural Housing	Preparation	Phase 2, detailed design in progress, PDA planning report complete, invoice with DoHS for approval and payment.R131 000
Sundumbile WWTW	ILembe DM	KZN	Waste Water Treatment Works	Preparation	Work has already commenced and we are expecting a report and invoice shortly.
Richmond Waste Water Treatment Works	uMgungundlovu DM	KZN	Waste Water Treatment Works	Preparation	A letter of support confirming the funding arrangement KV3 appointment and project priority has now been secured from the District and work can now commence on the project.
ORIO Application	ILembe DM	KZN	Bulk Water Supply	Preparation	Prep Services agreement has been signed by the service provider, work has already commenced and we are expecting a report and invoice shortly
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Maqongqo	uMgungundlovu DM	KZN	Bulk Water Supply	Preparation	A letter of support confirming the funding arrangement KV3 appointment and project priority has now been secured from the District and work can now commence on the project
Middedrift	uThungulu DM	KZN	Water supply - bulk & reticulation	Preparation	Has proceeded with Prefeasibility report imminent.Feb 9th tele discussion
KwaHlokoHloko	uThungulu DM	KZN	Water supply - bulk & reticulation	Preparation	Has proceeded with prefeasibility and feasibility due to pressure from Muni, Prefeasibility report imminent.Feb 9th tele discussion. Eyethu appt by Muni.
Melville	KwaDukuza LM	KZN	Rural Sanitation	Preparation	Muni has requested meeting to clarify additional support they require
Riebeck East (Alt water supply)	Makana LM	EC	Rural Water Supply	Preparation	Have received confirmation of appointments at risk for MBB who are proceeding with the project.
12 Hlabisa	Hlabisa LM	KZN	Landfill Sites	Preparation	Hlabisa have provided a letter confirming SBA appointment however must confirm need as Integrated

Landfill				on	Waste management Report indicates that they can use the Matubatuba waste site, however engineers are completing a confirmation of the need assessment as they feel that the IWMR is incorrect as it does not factor transport and other logistics in moving all Jozini waste to Matubatuba. (See e-mail from Geoff Purnell 9 Feb 2010).Muni uncertain about doing project due to O&M.
Locksley Drive and Rainbow Ridge	eThekwini Metro	KZN	Inf Settlement Housing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager
Umlazi S1 , S2 and S3	eThekwini Metro	KZN	Inf Settlement Housing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager
Buks Farm <i>(Stage 1 Prefeasibility)</i>	eThekwini Metro	KZN	Inf Settlement Housing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager
Lacey Rd <i>(Top Up to Rainbow Ridge and Locksley Dr, Stage 1 Prefeasibility)</i>	eThekwini Metro	KZN	Inf Settlement Housing Upgrade	Preparation	Preliminary investigations have commenced including an organized site visit with the Planner, geotechnical engineer and project manager
Vukukhanye Westville Foster Care Home	eThekwini Metro	KZN	Special Needs Housing	Preparation	Secure support of Dept of Social Development by means of clarifying registration facilities in terms of new legislation (Children's Act)
Rehoboth Children's village	Hibiscus Coast LM	KZN	Special Needs Housing	Preparation	Status of project in relation to the department of Social Development to be clarified
19 Ingane Yami Children's Village	eThekwini Metro	KZN	Special Needs Housing	Preparation	Status of project in relation to the department of Social Development to be clarified
Jozini Regional Landfill	Umkhanyakhude DM or Jozini LM	KZN	Landfill Sites	Signed agreement	Still waiting for muni have informed SBA that they have until 24 Feb when OpsCo will take a decision on reallocation if no resolution is received from the Municipality. 3 x meetings with muni cancelled by them. The municipality has requested an initial meeting with UPPF before commencement. The meeting is being arranged by SBA and has been set for the 30th of September 2010.
Sokoutenda to phiphidi	Thulamela LM	Lim	Rural access roads, bridges	Agreement not signed as yet	Awaiting confirmation letters from municipalities



**Schedule of B String projects approved by OpsCo on the 17th of September 2010 for possible replacement of any approved projects which are not secured**

Alicedale Water Treatment Plant, upgrade	Liesel/Makana	DP	Bulk Water Treatment Works, Water Purification	OpsCo Approved, 17 Sep 2010	High prep value in relation to capital value, availability of capital funding, no consultant appointed as yet
Belmont Valley Waste Water Treatment	Liesel/Makana	DP	Wastewater Treatment Works	OpsCo Approved, 17 Sep 2010	Access to finance as previous MIG application unsuccessful,
Mpofana WWTW upgrade	KV3	Council Resolution	Wastewater Treatment Works	OpsCo Approved, 17 Sep 2010	Appointment , UDM history, lack of MIG funding available to DM
Dikwe Masekane	Metro	Short Term, High Priority	Informal Settlement Housing Upgrade	OpsCo Approved, 17 Sep 2010	Landowners

**Schedule of cancelled projects as at the 14th of Feb 2011**

Cancelled	Engcobo cluster 6, Water Backlog, Scheme 2	SBA: EL	Chris Hani DM	Rural Water Supply Scheme - reticulation	cancelled	RM sort addendum see below. Cancelled, Municipality secured funding for feasibility independently.
	Clarkson Water Treatment	SBA: PE	Koukamma LM	Bulk Water Treatment Works, Water Purification	cancelled	Addendum to SBA agreement required to close admin. The Municipality has recently indicated that they do not want UPPF assistance as they have already appointed consultants to complete this work.
	Ikhaya uthando Foster Care	iKhaya UThando Welfare Org	eThekweni Metro	Special Needs Housing	cancelled	Reluctant to sign PSA, due to operation and maintenance costs
	Khakhu to Mangwele Access Road	UWP	Mutale LM	Rural access roads, bridges	OpsCo Approved, 17 Sep 2010	We have now (14th Jan 2011) received word now from the Municipality that they no longer want to proceed with this project, new projects are currently being identified by the service provider.
	Upgrading of the Klipplaat WWTW	SBA: PE	ikwezi LM	Waste Water Treatment Works	Signed Agreement	Contact finally made with municipalities Olwetha Kwababana (technical director?) who has indicated that the municipality has already completed the MIG application and has received a capital approval. They will send me a new list of project shortly.