



transport

Department:
Transport
REPUBLIC OF SOUTH AFRICA

Guidelines and Requirements:

PUBLIC TRANSPORT INFRASTRUCTURE AND SYSTEMS GRANT 2011-12

27 June 2011

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1. INTRODUCTION

The Department of Transport (DoT) supports quality public transport networks as articulated in the national Transport Policy, land transport legislation as well as Public Transport Strategy (PTS). Quality public transport enables South Africans to access employment, education, and other essential activities and services. The Public Transport Infrastructure and Systems (PTIS) Grant is the principal mechanism by which municipalities are able to strategically invest in the appropriate planning and delivery of quality public transport systems.

The Division of Revenue Act, No.6 of 2011 (DoRA 2011), sets out the medium-term expenditure framework (MTEF) for the PTIS Grant. The PTIS Grant is a conditional grant and in terms of the Act, a **“conditional allocation”** means a conditional allocation to a province, local government or municipality from the national government’s share of revenue raised nationally, contemplated in section 214(1)(c) of the Constitution of the Republic of South Africa, 1996. A **“framework”** means the conditions and other information in respect of a conditional allocation published by the National Treasury in terms of section 14.

The **2011/12 PTIS Framework** is included in Appendix 1.

2. GENERAL CONSIDERATIONS RELATING TO BUDGET PROPOSALS

2.1 Project eligibility for PTIS Grant funds

The intent of the PTIS Grant is to catalyse a transformation of South Africa's public transport sector into a safe, secure, and high-quality experience for the passenger. This section specifies the general types of projects that are eligible to receive PTIS Grant funds. The required elements of a quality public transport system are given in section 3. Recommended elements are outlined in section 2.4.

It must be emphasised that the object of the PTIS Grant is to fund public transport infrastructure and systems that promotes public over private transport. PTIS Grants are to be applied to the development, construction, and operation of quality public transport systems as envisaged by the NLTA and Public Transport Strategy. PTIS Grants may also be applied to assist municipalities in the development of plans required by the National Land Transport Act (NLTA) of 2009.

There are a wide range of potential project types that qualify for investment from a PTIS Grant. Amongst the types of projects that meet these requirements are:

- i. Transformation of conventional bus or minibus-type operations into quality services based upon a reformed business model, including adherence to all standards and requirements set out in the 2009 National Land Transport Act (NLTA), regulations of the South African Revenue Service, and all applicable South African labour laws;
- ii. Preparation and enactment of planning and regulatory provisions under the 2009 National Land Transport Act (NLTA);
- iii. Development and implementation of dedicated priority public transport infrastructure along corridors in municipalities, including associated terminals, depots, and control centres;
- iv. Development and implementation of quality feeder and complementary services connecting communities to rail services, road-based trunk services, and other local destinations; and
- v. Development and implementation of non-motorised transport services that connect communities to rail services, road-based trunk services, and major local destinations.

The PTIS Grant **may not** be applied to non-public transport related investments, such as new or expanded roadway infrastructure for general traffic.

A common question is whether the PTIS Grant can be utilised to develop and implement infrastructure supporting conventional bus or minibus-type services, especially in lower-density areas of larger metropolitan municipalities and along public transport corridors in smaller- and medium-sized municipalities. Such services can indeed be supported by the PTIS Grant provided requirements are met for a transformation of the business and operational models, and for meeting other tax and labour regulations. Infrastructure upgrades should be accompanied by operational improvements, such as the provision of on- and off-peak services to a timetable, regular and appropriate vehicle maintenance, and the provision of security at stations and stops. Such services must also meet the other legal requirements as outlined in section 3 below.

2.2 Planning approvals

The DoT is dedicated to ensuring that lessons are openly shared between municipalities to the greatest extent possible. The DoT is also intent on encouraging the highest-quality output possible for any given financial investment. The DoT will strive to discourage the construction of mistimed infrastructure that will lie idle for many years due to other components of the implementation process being incomplete (e.g. operator contracts).

For these reasons, the DoT requires that all **relevant** documents be submitted for evaluation prior to the commitment of PTIS funds and for record keeping as a national resource.

Specifically, the terms of references for the procurement of work for all planning activities and the actual completed plans (see list below) should be provided to the DoT:

- **Project Management Plan** (project planning coordination, budget management, time management, management information systems, risk assessment, quality assurance, and probity);
- **Operations Plan** (demand modelling, financial modelling, full network route plan, operational characteristics, equipment and vehicle specifications, traffic modelling, NMT integration plan);
- **Business and Institutional Plan** (business structure, institutional plan, industry transition plan, operator contracts, finance plan, economic evaluation including the calculation of a benefit-to-cost ratio);

- **Marketing and Communications Plan** (marketing and branding plan, communications plan); and
- **Infrastructure Design Plans** (road works, top structures, depot facilities, control centres, non-motorised integration facilities, etc.).

The DoT will provide comments on the completed planning documents within 20 working days of receipt. In order to proceed to physical implementation, the DoT must formally sign-off on each mandatory planning document noted above.

In addition, municipalities should provide the DoT with the following terms of references and specifications prior to issuance:

- Vehicle specifications
- Planning terms of references (see list above)
- Fare system specifications
- ITS system specifications
- Vehicle Operator requirements
- Station Services
- Fare System Management
- Infrastructure construction.

The DoT will provide comments on the above tender and contract documents within 10 working days. If the DoT does not respond in this time period, then the municipality may proceed to issue the tender or contract.

Plans issued prior to the publication of the first PTIS Guidelines and Requirements in July 2010 will obviously not be retroactively held to approval from the DoT. Nevertheless, the DoT is requesting that copies of all previous tenders, contracts, and plans should be submitted to the department in order to develop a national library of documents.

DoT recognises that it may not be possible to provide all detailed engineering plans and drawings. Either the physical size or the file size of such plans and drawings may exceed reasonable limits for the sharing of the information. In such cases, DoT may exempt the municipalities from the provision of such information. However, DoT and the municipalities

should discuss the problems with the physical transfer of the information prior to making a decision.

These documents will be collated by a DoT service provider to develop the national library. In the meantime they should be submitted to:

The Chief Director: Public Transport Network Planning
Department of Transport
Private Bag X 193, Pretoria, 0001

Attention: Ms Khibi Manana / Mr I. Seedat

Email: mabusek@dot.gov.za and seedati@dot.gov.za

For documents larger than 2 megabytes – please email to ibrahim.seedat@gmail.com

The completed 2012 MTEF PTIS Budget Proposals should also be sent to both the above email addresses by 31 July 2011 or by a date agreed to between a city and DoT.

2.3 Recommended elements

The DoT encourages municipalities to develop high-quality public transport systems that transform the customer experience. Municipalities are asked to complete the survey in Appendix 2 to indicate which customer-oriented features are being included in the system design.

While these recommended items are not mandatory, it is highly recommended that each municipality should fully consider these options.

The following table provides a checklist of such highly recommended features.

Area	Feature
Operations	Demand survey and demand modelling techniques that produce ridership projections to a minimum 75% confidence level
	Frequent services with off-peak headways of 20 minutes or less
	Pre-board fare collection and fare verification for trunk services
	Fare system compatibility and fare integration across all services within the system
	Operations designed so that vehicle densities do not exceed 4,5 standing passengers per square metre of standing space
Business Structure and Institutions	Vehicle operator contracts should be gross-based contracts (income based on vehicle-kilometres of service provided)
	Financial modelling that estimates system costs and revenues at a minimum 70% confidence level
	Fare systems operators should be distinct and independent from vehicle operators
	Inclusive and participative industry transition process
	Achievement of a Benefit-to-Cost Ratio of 2:1 or greater
	Quality control oversight by an independent agency / entity
Infrastructure	Provision of physical priority for public transport vehicles, which may be in the form of segregated busways, queue-jumping features, signal priority, or “virtual lanes”, with the appropriate design depending upon local circumstances
	In corridor segments utilising physically segregated busways, the busways should be located in the roadway median
	Pavement design providing a minimum 20-year lifespan for the given vehicle axle loads and service frequencies
	Physical mechanisms to permit level boarding on all vehicles, such as Kassel kerbs and boarding bridges
	Alignment markers on the vehicle windscreen should be utilised to achieve accurate vehicle docking
	Legibility and lane enforcement enhancements to segregated busways, including lane colourisation
	Fully weather protected trunk stations
	Provision of queuing channels and boarding arrows on the station platform to improve the flow of passengers
	“Green” station design elements including energy-efficient lighting, solar photovoltaic panels, and water saving technologies
	Indicator “totems” at all stations
	Provision of recycling facilities at stations
	Professionally designed and developed depot facilities, including adequate provision for vehicle re-fuelling, vehicle washing, vehicle parking and storage, vehicle maintenance, and vehicle operator administrative offices
	Bicycle parking at key stations
	Integrated cycle ways
	Bicycle rental facilities at key stations
	Pedi-cab integration with key stations
	Metered taxi integration with key stations
	Park-and-ride facilities at major interchange points
Provision of free wireless internet services at major stations	

Area	Feature
Technology	Vehicles should achieve EURO III or better fuel and emissions standards
	Consideration of alternative fuel technologies for vehicles, such as bio-methane from municipal waste
	Provision of air conditioning on vehicles to address summer temperature conditions in the South African context
	Full permission for passengers to board vehicles with bicycles (i.e. provision of a bicycle-compatible wheelchair space with a length of 1.8 metres)
	Real-time information signage for customers at stations and inside vehicles
	Automatic Vehicle Location (AVL) technology on vehicles
	Control centre for vehicle tracking, fleet management, and emergency response
Marketing and communications	System branding name, system logo, and system tag-line
	Professional staff uniforms (drivers, fare salespersons, security personnel, etc.)
	Public participation processes to gather public inputs on customer-friendly system features, station locations, routings, fare system, signage, vehicles, and branding

Relevant information as required by NLTA (Planning requirements) and information generated by other DoT guidelines such as the Model Tender Documents for Network Designs and any other related information may also be submitted.

There are also planning elements that are not required, but nevertheless are necessary and are highly recommended by the DoT. These elements include the following:

- Public Participation Plan (beyond the statutory public participation in the EIA process)
- Social Impact Assessment; and
- Strategic Environmental Assessment (SEA).

2.4 Initial Phase Systems

All quality public transport systems supported by the PTIS Grant should commence Initial Phase services with complete or “full” operations. “Full” means systems in which **all key components** are fully operational at the time of start-up, including:

- All operator contracts (including vehicle operations contracts, station services contracts, fare system contracts, ITS and control centre contracts, etc.);
- All Initial Phase trunk and feeder stations must be universally accessible;
- All Initial Phase vehicles for trunk and feeder services must be universally accessible;

- Electronic fare systems;
- Station and vehicle ITS systems (including related universal access design aspects);
- Control centres; and
- Depot facilities.

Initial Phase systems must be designed to achieve financial operational sustainability. In this case, “sustainability” is defined to mean covering the **direct vehicle operating costs** at a minimum (vehicle operator contract payments including capital costs of the vehicle), through system revenues (fare and advertising revenues and other local revenue sources). Direct vehicle operating costs will initially be defined as all vehicle operating costs (labour, fuel, operator administration, and vehicle maintenance and upkeep), excluding vehicle procurement costs. In the medium term, direct vehicle operating costs will also eventually include vehicle costs; National Government will work with municipalities to move towards an operational model in which vehicle costs can be sustainably captured within the cost model.

In their **Budget Proposals**, municipalities should present results from their Financial Modelling that demonstrate with adequate confidence that the designed Initial Phases can meet the above financial goals.

Municipalities should also demonstrate a plan for maximally covering **other system operational costs**, including station services, fare system management, ITS management and control centre costs, on-going management entity costs, system marketing costs, and infrastructure maintenance costs. Funding sources may include fare revenues, advertising and merchandising revenues, and other local revenue sources (including Council funds, developer contributions, parking levies, fuel levies, etc.), as well as reallocation of the public transport subsidies in the Public Transport Operations Grant (PTOG).

Transitional costs for the establishment of Initial Phase networks such as, support for the industry negotiation process, compensation to incumbent operators and establishment of the network management entity can be motivated for consideration from the PTIS Grant.

The above financial objectives **should not** be achieved by reducing the quality of the services (i.e. dramatically reducing service frequency, operating hours, forcing unnecessary transfers, etc.) but rather by increasing the customer base that has access to the system.

Municipalities with existing or imminent Starter Services or Initial Phase Services¹ will be expected to generate a plan to achieve a financially-sustainable Initial Phase operations by July 2012². All other municipalities will be expected to develop a financially-sustainable Initial Phases from the outset of operations.³

For the municipalities having already opened quality public transport services with support from the PTIS Grant, the immediate tasks will be to achieve operational financial sustainability as soon as possible and to build upon the early phases to achieve a more complete network. For municipalities starting on, or in the midst of Initial Phase planning, the immediate tasks will be to ensure that the appropriate steps are being taken to develop a quality public transport system and to plan a financially-sustainable Initial Phase.

2.5 Historical and projected system costs

2.5.1 Historical system costs

The DoT requires that municipalities provide an itemised breakdown of actual capital costs incurred in the development of the system up to the end of the most recent municipal financial year (30 June 2011). Appendix 3 provides a template for this purpose.

2.5.2 Projected expenditures

The Budget Proposal should provide an itemisation of all projected costs (planning costs, operating costs, infrastructure costs, equipment costs, transitional costs, and infrastructure maintenance costs) for the system during 2011-12 and for a subsequent three-year period. The latter will serve as the basis for the possible MTEF allocation for the 3 year period from July 2012 to June 2015. Municipalities should estimate the amounts required on a quarter-by-quarter basis. Appendix 4 outlines the required information.

The Municipality should differentiate between the amounts being requested from the Public Transport Infrastructure and Systems Grant (PTISG), the Public Transport Operating Grant (PTOG), and the funds being provided by other sources (e.g. Council funding).

The DoT requires that municipalities provide an estimation of all existing public transport subsidies (i.e. PTOG funds) that may be converted to use on quality public transport

¹ Cape Town, Johannesburg, and Nelson Mandela Bay.

² Nelson Mandela Bay must achieve this for their main line trunk services as a minimum.

³ It is recognised that there will be a transition period during the first few months of operation in order to reach a stable customer base.

systems. Municipalities should estimate the potential amount of subsidies that could be converted from conventional use to use on the integrated quality systems where the phased implementation of the integrated network replaces existing bus subsidy contracts. This should be itemised in Appendix 4.

Municipalities may apply PTOG funds to contracted quality public transport operations only where the municipality has a gazetted Integrated Transport Plan containing a full Operations Plan and Business Plan for the integrated network indicating how and when existing subsidised contracts will be phased out and replaced by new contracts.

Transitional costs, such as industry compensation, have been recognised as a critical component of the financial planning process, and thus have been explicitly included in the budget framework. Compensation offered in one municipality will undoubtedly affect the outcome of negotiations in another municipality. For this reason it will be desirable for municipalities to share information about the compensation negotiations. Those municipalities that have commenced negotiations on compensation are requested to provide the DoT with details of the cost and profit formulas used to arrive at a compensation offer. This will facilitate the desired exchange of information.

2.5.3 Operating costs and revenues

Municipalities are also required to provide actual and projected cash flow information for operating costs and revenues. Amongst the operating cost areas to be included are: 1. Vehicle operations; 2. Fare system management; 3. Station services; 4. Oversight entity; and, 5. System marketing.

2.6 Technical Assistance

The DoT is committed to being a full-time partner in achieving quality public transport systems across South Africa. The DoT is making resources available to ensure that lessons are fully shared between municipalities.

To this end, the DoT will provide some technical resources to assist municipalities on key issues. These resources may take the form of specialised workshops or direct technical assistance visits. Topics available for technical assistance include:

1. Tender and contract development
2. Industry transition
3. Industry compensation

4. Marketing and communications
5. ITS and fare system specifications
6. Vehicle specifications
7. User information and way finding
8. Infrastructure (busway construction, Kassel kerbs, platform interface, station design, depot design).

Municipalities interested in technical assistance should contact Bill Cameron (082 565 5628) or Ibrahim Seedat (seedati@dot.gov.za).

3. LEGAL REQUIREMENTS

This section defines the legal elements that are mandatory to receive funds from the PTIS Grant.

Municipalities are encouraged to innovate with options that provide maximum benefit to the end users. At the same time, the DoT and National Treasury have established certain minimum standards that are required to obtain funds from the PTIS Grant. These requirements are all also supported by current law, legislation, and/or national policy.

DoRA 2011 and the PTIS Framework establish the **legal requirements** affecting the DoT and receiving municipalities. In particular, reference should be made to the following sections of DoRA 2011:

- Duties of a transferring national officer – Chapter 3, Part 2, Section 10;
- Duties of a receiving officer (municipal) – Chapter 3, Part 2, Section 12;
- Duties in respect of annual financial statements and annual reports – Section 13;
- Publication of allocations and frameworks (Section 14)
- Section 14. (1) The National Treasury must, within 14 days of this Act taking effect, publish in the Gazette—
 - the allocations per municipality, in respect of Schedule 4 and 6 allocations;
 - the indicative allocations per municipality, in respect of Schedule 7 allocations;
 - the indicative allocations for provinces and municipalities, along with their initial threshold and performance targets, in respect of Schedule 8 allocations; and
 - the framework for each Schedule 4, 5, 6, 7 or 8 allocation.
- Spending purpose and conditions – Section 15;

The **strategic goal of the PTIS** is to support the Public Transport Strategy and Action Plan in promoting the provision of accessible, reliable and affordable quality public transport services in the major cities of South Africa in line with the National Land Transport Act (NLTA).

The specific grant conditions are as follows:

- Owners and operators of the public transport services funded through the PTIS Grant must comply with relevant aspects of the following national standards, policy, and legislation, including:
 - 2009 National Land Transport Act (NLTA)

- South African national labour standards and laws, especially with regard to provisions on employee working conditions, working hours and the provision of holiday leave, personal leave, and sick leave
 - Tax regulations under the South African Revenue Service (SARS)
 - Appropriate Provincial and Municipal public transport operating licences
 - Driver licensing requirements, especially with regard to the appropriately rated licenses for the operation of a public transport vehicle
 - Vehicle insurance requirements
- The current PTIS grant funds municipal public transport infrastructure and systems in support of integrated networks as defined in the Public Transport Strategy and provided for in the National Land Transport Act. In particular, the achievement of “integration” should encompass the following aspects: i) Physical integration between public transport routes and services, as well as with non-motorised transport (NMT) services; ii) Fare integration between routes and services; iii) Marketing integration with unified branding; and, iv) Institutional integration between the services.
 - The allocation of PTIS funds must be aligned with the Integrated Transport Plan as approved by the relevant municipal council.
 - From the start of operations, systems funded by the PTIS Grant must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct vehicle operational costs include fuel, labour and vehicle maintenance. Municipality-wide networks should ultimately also recover the capital costs of vehicles.
 - If vehicles are procured with PTIS Grant funds and the vehicles are used by contracted operators, the municipality must retain ownership until the vehicles are sold, unless National Treasury specifically approves alternative arrangements.
 - Municipalities are required to establish specialist capacity to manage and monitor system contracts and operations as well as to plan future expansions of the network. This capacity must be in place in advance of the first operator commencing with service provision to the public. Municipalities must demonstrate that the institutional structure and arrangements are in place to ensure appropriate management oversight of the system.

- Comply with environmental access standards to meet requirements of the United Nations Convention on the Rights of Persons with Disabilities and Optional Protocol, Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act No 4 of 2000) and the National Land Transport Act (Act No 5 of 2009). In particular, the following universal aspects must be realised:
 - An “Access Auditor” must be appointed by the Municipality to ensure accessibility requirements are achieved.
 - All trunk stations must meet universal access standards, including wheelchair/pram access through at least some fare gates / turnstiles.
 - All stations and stops must include the provision of Tactile Ground Surface Indicators with minimum standards for luminance contrasting both inside stations and along major pedestrian routes leading to stops.
 - All newly procured vehicles must meet universal access standards, including the provision of SABS compliant wheelchair bay(s) inside vehicles and the provision of designated seating inside vehicles for special needs passengers (physically disabled, elderly, parent with pram, and pregnant women).
 - All stations and stops in a system funded through the PTIS Grant must include legible system signage, including emergency signage, system maps, and route maps.
- All systems employing an electronic fare system must comply with the national DoT standards and regulations regarding such systems.
- All vehicles in a system funded through the PTIS Grant must adhere to all relevant vehicle standards and regulations, including maximum axle loads.

The **responsibilities of municipalities** are set out in the PTIS Framework. The following points cover these responsibilities with some interpretation as to the meaning and implications of these responsibilities:

- For initial planning work on quality public transport systems, municipalities are to provide PTISG Budget Proposals for the core planning elements, including Project Management Plan, Operations Plan, Business and Institutional Plan, Marketing and Communications Plan, and Infrastructure Design Plans. For PTISG investments in infrastructure (road works, top structures, depots, control centres, etc.) and equipment (vehicles, fare systems, and ITS systems), municipalities are to provide a completed set of core plans, including the following elements:

- Project Management Plan
 - Operations Plan
 - Business and Institutional Plan (including Industry Transition Plan, Financial Modelling, and an Economic Evaluation incorporating the calculation of a Benefit-to-Cost Ratio)
 - Marketing and Communications Plan
 - Infrastructure Design Plan
- Compile and submit the data requested in Appendix 6 that indicates the efficiency and effectiveness of planned and actual services.⁴
 - Adhere to the conditions listed in the DoRA 2011 PTIS Framework and the technical requirements in the DoT 2011 Allocation letter to the municipality.
 - Establish a dedicated project team to manage and oversee the planning processes and development of the initial project phases. As a minimum, municipalities should possess dedicated technical staff for each major project component (i.e. Project Management, Operations, Business and Institutions, Industry Transition, Marketing and Communications, and Infrastructure Design).
 - Establish and implement an institutional structure that is appropriately staffed with skilled professionals to manage and monitor operations and to plan future system expansions.
 - Comply with all procurement regulations set out in the Municipal Finance Management Act.
 - Submit a quarterly report on progress to DoT within 30 days after the end of the quarter.

4. PROCESS FOR APPROVAL OF MTEF ALLOCATIONS

4.1 Requirements of the PTIS Framework

The following is the annual process for approval of medium-term expenditure allocations:

- **Municipalities will be requested to submit Budget Proposals that are based on sound Operations Plans and Business Plans by 31 July 2011 (or an agreed alternative date) ;**
- These requests will be evaluated by a Joint PTIS Committee comprising the Department of Transport and National Treasury;

⁴ For those municipalities with no services in operation the data should comprise estimates of the "planned" situation at the end of the first year of operation. For the "actual" data the information should relate to the cumulative total.

- Municipalities may be required to make presentations to the Joint PTIS Committee; and
- Municipal provisional allocations will be finalised by 30 November 2011.

4.2 Contents of budget proposals

The budget proposals should be based on an Operations and/or Business Plan approved by the municipal council⁵. The following are the **minimum requirements for Budget Proposals**:

1. **History of PTIS Grant receipts and expenditure in the municipality.**
Municipalities will complete the table provided in Appendix 3, which gives an annual breakdown of funds transferred and annual expenditure since the inception of the PTIS Grant (2005-present).
2. **Outputs and achievements to date (end June 2011).** Municipalities will itemise the following information along with the date of completion or implementation:
 - Completed plans
 - Awarded contracts
 - Equipment delivered along with quantity (vehicles, fare system, ITS, etc.)
 - Infrastructure implemented along with quantity (roadway civil works, stations and stops, depots, control centre, etc.)
3. **Performance indicators.** Municipalities should provide the performance indicator data in Appendix 6. Indicators should be provided to indicate both the performance of the system once it is operational and the amount of infrastructure that has been completed. These indicators will also help evaluate the value for money achieved with the investments.
4. **Anticipated progress from July 2011 to June 2012.** Give milestones and anticipated outputs in 2011/12 in the form of new construction and or new services to be introduced.
5. **Confirmation of adherence to PTIS Grant conditions and requirements.**
Municipalities shall confirm their adherence to the conditions listed in the DoRA 2011

⁵ In the case of municipalities that have not completed either of these plans, the Budget Proposal should be limited to a motivation for planning funds (Project Management Plan, Operations Plan, Business and Institutional Plan, Marketing and Communications Plan, and Infrastructure Design Plan).

PTIS Framework and the technical requirements in the DoT 2011 allocation letter to the municipality. Municipalities will also note their anticipated timeframes for fully meeting any conditions and requirements not currently under compliance.

6. **Itemised breakdown of estimated costs in the period 2011/12 to 2014/15.** This should reflect the project phases in the Operations Plan and the related Business Plan. Municipalities should complete the information requested in Appendix 4. This information should include all planning costs, operating costs, equipment costs, infrastructure costs, transitional costs, and infrastructure maintenance costs. Municipalities should also indicate applicable multi-year construction contracts that will require assurances from Treasury regarding the conditional grants.
7. **Itemised breakdown of operating costs and revenues in the period of 2011/12 to 2014/15.** This should reflect the project phases detailed in the Operations Plan and the related Business Plan. Municipalities should complete the information requested in Appendix 5. This information should indicate the projected operational revenues by source (fare revenues, advertising and merchandising, PTISG, PTOG, and other). This information should also itemise the cost category (vehicle operations, fare system management,
8. **Overall network plan.** The budget proposal in Appendix 4 should reflect the 3-year network development in the context of the overall municipality-wide integrated network. A map should be provided indicating completed sections and sections to be completed in 2011/12, 2012/13, 2013/14 and 2014/15. If municipality-wide integrated Operations and Business Plans are only at a scoping level, the budget proposal needs to include a bid to complete the full network Operations and Business Plans by June 2013.
9. **System quality survey.** Municipalities are requested to complete the system quality survey provided in Appendix 2. The survey assists DoT in understanding the relevant characteristics of each system.
10. **Assessment of risks.** For the three year (2012/15 MTEF) the budget proposal should provide an assessment of risks, based on the history of network implementation in the municipality, the efficacy of the Business Plan in successfully engaging with the minibus taxi industry, environmental issues, and potential cost escalation.

5. PROCESS FOR MONTHLY, QUARTERLY, AND ANNUAL REPORTING

The Table below summarises the legal requirements for reporting on the PTIS Grant.

	Financial Year	National Treasury	Transferring Officer			Receiving Officer		
Dates	Quarter	31 March - DORA takes effect	Ensure Framework requirements complied with before and throughout the Financial year			Comply with Framework conditions		
April	First		By 14 April certify to NT that Framework is reasonable, no undue admin burden, monitoring OK & Business Plan approved before start of financial year.					
May			Transfer Funds only after above satisfied & relevant info provided to NT.					
			Transfer only in accordance with payment schedule.					
June			Quarterly performance report within 45 days of end of quarter to NT in line with Framework requirements.			Quarterly performance report within 30 days of the end of each quarter to DoT and NT		
July	Second							
August								
September			Quarterly performance report within 45 days of end of quarter to NT in line with Framework requirements.			Quarterly performance report within 30 days of the end of each quarter to DoT and NT		
October	Third							
November								
December			Quarterly performance report within 45 days of end of quarter to NT in line with Framework requirements.			Quarterly performance report within 30 days of the end of each quarter to DoT and NT		
January	Fourth							
February								
March			Quarterly performance report within 45 days of end of quarter to NT in line with Framework requirements.			Quarterly performance report within 30 days of the end of each quarter to DoT and NT		
April to June	Last quarter of municipal financial year		Evaluate performance of programme and submit report to NT within 6 months of end of Financial Year					
						Quarterly performance report within 30 days of the end of each quarter to DoT and NT		
						Evaluate performance of programme and submit report to DoT within 2 months of end of Financial Year		

Before 20th of each month submit information to NT for the month & year to date on:

1. Amount of funds transferred; 2. Amount of funds withheld/stopped; 3. Steps taken to deal with problem; 4. Actual expenditure; 5. Any matter prescribed in Framework; 6. Other as determined by NT.

Before 20th of each month submit information to NT for the month & year to date on:

1. Amount of funds received; 2. Amount of funds withheld/stopped; 3. Extent of compliance with the Act and conditions; 4. Explanation of problems; 5. Any matter prescribed in Framework; 6. Other as determined by NT.

The table outlines the monthly and quarterly reporting requirements of both transferring (DoT) and receiving (municipal) officers. Performance reports made by both DoT and municipalities are quarterly and annual. Monthly reports should cover both financial and implementation progress reports. The former should relate to funds transferred or stopped and expenditure, and the latter to the main expenditure items in the month in question. The monthly report is made on a template supplied by the Department of Transport (PTIS Monthly Reporting Template) which has been circulated but which is appended to this document (Appendix 7).

6. CONTENTS OF ANNUAL AND QUARTERLY REPORTS

6.1 Annual Report

As a minimum the annual report should contain the following information:

1. Process and project management

This section should discuss the relevant process and project management activities of the year. The section should include the following amongst others:

- Project management activities, including the use of project management tools such as Gantt charts and precedent charts;
- Procedures and resources dedicated to budgeting and financial management;
- Appointment of staff (provide the number of staff by specialty on project team and organogram)
- Staff training, such as customer service training for operators and skill training for control centre personnel.

2. Milestones

Municipalities will list and briefly describe each major project milestone during the previous year. Milestones shall include all plans, model runs, infrastructure additions, and equipment additions. As a minimum, the areas covered will be: 1. Project Management; 2. Operations; 3. Business and Institutional; 4. Marketing and Communications; and, 5. Infrastructure.

In addition, the municipalities will summarise main milestone dates and actual performance and implementation progress by project and area on an updated Gantt chart showing Planned and Actual start and finish times.

3. Expenditure

Municipalities will complete Appendix 4, updating both the current financial year and the subsequent financial years. The report will include a discussion and explanation of any discrepancies between the original projected amounts and the actual expenditures.

4. Cash flow analysis of operations

Municipalities will complete Appendix 5, noting actual operating costs and revenues (for municipalities with current customer operations) and noting projected future costs and

revenues. The report will detail also explain any discontinuities in the income or expenditure flows.

5. Adherence to Grant conditions and requirements

The report shall confirm adherence to the conditions listed in the DoRA PTIS Framework and the technical requirements listed in the PTIS allocation letters from DoT to the municipalities. The report should discuss the anticipate progress with dates in terms of meeting the conditions and requirements.

6. Contract development and industry transition

The report should discuss the status of each contract component including contracts for vehicle operators, fare systems, control centre and ITS, and station services, as well as any other contracts. It should detail the status of minibus taxi and bus industry negotiations and describe compensation and fare system arrangements.

7. Procurement

The report should give the status and progress of all significant tender and procurement activities including infrastructure (busways, top structures, depots, and control centre) and equipment (vehicles, ITS, and fare systems). The report should also confirm that all contracts, tenders, and plans have been submitted to DoT for approval and for inclusion in the National Public Transport Library.

8. Establishing the oversight entity

The report should describe progress in legally establishing the oversight entity for the long-term management and monitoring of the system and its related contracts. The report should provide a time line for the establishment of the entity along with the major milestones, such as the completion of the section 78 process, Council approval, and staffing.

9. System quality survey

Municipalities are requested to complete the system quality survey provided in Appendix 2. The survey assists DoT in understanding the relevant characteristics of each system.

10. Performance evaluation

The report shall provide estimates of the full set of indicators requested in Appendix 6.

6.2 Quarterly Report

The quarterly report should contain the same features as the Annual Report but the content should be limited to the progress and milestones achieved during the quarter in question. The performance evaluation may be restricted to the significant features associated with the quarter in question.

APPENDIX 1

2011/12 PTIS GRANT FRAMEWORK

AS GAZETTED ON 10 MAY 2011

1. <u>Public Transport Infrastructure and Systems Grant</u>	
Transferring department	<ul style="list-style-type: none"> • Transport (Vote 37)
Strategic goal	<ul style="list-style-type: none"> • To support the Public Transport Strategy (PTS) and Action Plan in promoting the provision of accessible, reliable and affordable Integrated Rapid Public Transport Network (IRPTN) services in the major cities of South Africa in line with the National Land Transport Act (NLTA)
Grant purpose	<ul style="list-style-type: none"> • To provide for accelerated planning, construction and improvement of public and non-motorised transport networks.
Outcomes statements	<ul style="list-style-type: none"> • Improved public transport (PT) network services that are formal, scheduled and well managed and which are accessible to an increasing percentage of the population of the major cities
Outputs	<ul style="list-style-type: none"> • Public transport infrastructure includes development of dedicated lanes, upgrade of network routes, stations, depots and control centres and the fare system • Public transport services include buses, security, station management, ticketing and contributions towards the economic rights of existing operators and workers. • IRPTN plans which should be approved at municipal level and contain: <ul style="list-style-type: none"> - network operational plans including universal access design plans - engineering and architectural designs - vehicle and technology plans - institutional and operator business plans and financial, marketing and communication plans for the network services
Priority outcome (s) of government that this grant primarily contributes to	<ul style="list-style-type: none"> • Outcome 6: An efficient, competitive and Responsive infrastructure network
Details contained in business plan	<ul style="list-style-type: none"> • This grant uses Integrated Rapid Public Network (IRPTN) operational plans
Conditions	<ul style="list-style-type: none"> • The allocation of Public Transport Infrastructure and Systems (PTIS) funds PTIS must be aligned with the Integrated Transport Plan (ITP) and its IRPTN components as approved by the relevant municipal council • From the start of operations, IRPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct operational costs include fuel, labour and vehicle maintenance. City-wide networks must ultimately also recover the capital costs of vehicles. • If buses are bought with grant funds and are used by contracted operators, the municipality must retain ownership unless National Treasury specifically approves alternative arrangements. • Cities are required to establish specialist capacity to manage and monitor IRPTN system contracts and operations as well as to plan future expansions of the network. This capacity must be in place in advance of the first IRPTN operator commencing with service provision to the public. • Up to R10 million in the 2011/12 financial year may be used to prepared for the public transport regulatory function (see Responsibilities of Municipalities). In future years, funding must be sourced from municipal sources.
Allocation criteria	<ul style="list-style-type: none"> • The grant is focused on IRPTN implementation in up to 12 cities in accordance with Phases 1 and 2 of the Public Transport Strategy and Action Plan. • Budget requests will be evaluated in accordance with the outputs of a municipal IRPTN operational plan which specifies the infrastructure, systems and transitional costs of serving a defined number of passenger trips per day by a given fleet of IRPTN vehicles running on a defined amount of exclusive IRPTN infrastructure (including IRPTN stations, feeder stops, depots and exclusive lanes.)
Reason not incorporated in equitable share	<ul style="list-style-type: none"> • Public transport network investment needs are not provided for -in the local government equitable share allocations
Past performance	2009/10 audited financial outcomes <ul style="list-style-type: none"> • Allocated and transferred R2 418 million to municipalities with R4 279 million (176.9 percent) spent by the end of the 2009.10 municipal financial year.
	2009/10 service delivery performance <ul style="list-style-type: none"> • 43 vehicles were delivered to the City of Cape Town and 24 vehicles to Nelson Mandela Bay municipality. • The Phase 1a trunk service supported by complimentary and feeder services is operating in

1. Public Transport Infrastructure and Systems Grant	
	<p>the City of Johannesburg. It is 25.5 km with 33 stations and carrying a peak of 34 000 passengers/day</p> <ul style="list-style-type: none"> • City of Cape Town had constructed 17 km of West Coast route and 17 stations between the Civic Centre and Bayside. An 18.5 km Airport to Civic Centre trunk service is currently operating. • Nelson Mandela Bay has constructed 8.45 km. of busway at an average cost of R34.6 million/km. • Other cities that have completed Operational Plans (Tshwane, Polokwane and Rustenburg) have spent most of the PTIS funds allocated up to June 2010 on infrastructure and services for the FIFA World Cup. Tshwane spent over R600 million on road and non-motorised transport infrastructure. Ethekeini spent R332 million on strategic projects including R65 million on Warwick Junction, R30 million on electronic ticketing and R20 million on an inner-city distribution system. Match-day operations cost R25 million.
Projected life	<ul style="list-style-type: none"> • The grant is expected to continue up to at least 2020 in support of the Public Transport Strategy of 2007
2011 MTEF allocations	<ul style="list-style-type: none"> • 2011/12: R4 803 million, 2012/13: R5 000 million and 2013/14: R5 564 million
Payment schedule	<ul style="list-style-type: none"> • Transfers are made in terms of the approved payment schedule by National Treasury
Responsibilities of the National Department and Municipalities	<p>Responsibilities of the national department</p> <ul style="list-style-type: none"> • Disburse PTIS funds and monitor PTIS expenditure • Monitor IRPTN implementation progress in line with the National Land Transport Act and the Public Transport Strategy • Verify reports from municipalities by conducting at least one site visit per annum • Allocate the funds based on stated priorities through a Joint PTIS Committee comprising the Department of Transport and National Treasury • Evaluate the performance of the grant annually
	<p>Responsibilities of municipalities</p> <ul style="list-style-type: none"> • Ensure that projects are implemented in line with what is reflected in the integrated development plan of the municipality • Reporting is done correctly on the management of this grant and all relevant DoRA requirements are adhered to • Provide Budget Proposals for the PTIS IRPTN funding that are based on sound operational plans • Compile and submit data that indicates the efficiency and effectiveness of planned and actual IRPTN services - Including: <ul style="list-style-type: none"> - number of weekday passenger trips carried on IRPTN systems - change, relative to the previous year, in the number and percentage of households within 500 metres of IRPTN access points (stations and feeder service stops) - number of kilometres of bi-directional, exclusive lanes in operation in IRPTN systems - number of IRPTN network stations and feeder service stops in operation - planned/actual capital expenditure per IRPTN passenger kilometre (initially estimated but actual when the system is operational) - planned/actual operational expenditure per IRPTN passenger kilometre - size of the formal IRPTN vehicle fleet in operation (per contracted trunk, complementary and feeder vehicle type) as well as passenger trips per trunk/complementary vehicle per weekday - Provide detailed information on the actual costs of procuring IRPTN inputs including those for infrastructure, systems and transitional and regulatory items • Establish a dedicated IRPTN project team to implement the system in the development phase and subsequently once IRPTN services to the public have commenced • Establish a specialist capacity to manage and monitor operations and to plan expansions
Process for approval of 2012 MTEF allocations	<ul style="list-style-type: none"> • Municipalities will be requested to submit Budget Proposals that are based on sound IRPTN operational plans by 15 July 2011 • These requests will be evaluated by a Joint PTIS Committee comprising the Department of Transport and National Treasury • Municipal provisional allocations will be finalised by 30 November 2011

APPENDIX 2

SYSTEM QUALITY SURVEY

All municipalities must respond to the following survey. Municipalities must note which quality features are being employed in their system. If a municipality elects not to undertake a particular feature, please provide a brief explanation of why not undertaken.

System Quality Survey

Feature	Mark with an "X" if included in Municipality's system (X)	Explanation if feature is not included
Operations		
All vehicle headways at both on- and off-peak periods are of 20 minutes or less		
All trunk stations employ pre-board fare verification		
Designed and actual passenger densities are less than 4,5 passengers per square metre of standing space		
Business		
Vehicle operator contracts on gross basis (income based on vehicle-kilometres of service provided)		
Fare collection contract independent of vehicle operators		
Achievement of a project Benefit-to-Cost ratio of 2:1 or greater		
Civil works		
Segregated busways on majority of trunk corridors		
Roadway surface constructed for a minimum 20-year life		
Busway lane colourisation or other demarcation		
Kassel kerbs or Nantes kerbs at trunk stations		
Kassel kerbs or Nantes kerbs at feeder stations		

Feature	Mark with an "X" if included in Municipality's system (X)	Explanation if feature is not included
Control centre for vehicle tracking, fleet management, and emergency response		
Stations		
Trunk stations located in roadway		
Fully weather protected trunk stations		
Level boarding platform at trunk stations		
Level boarding platform at feeder stations		
Wheelchair accessibility		
Colour-differentiated tactile paving tiles		
Queuing channels and boarding arrows on platform		
Indicator "totem" at trunk stations		
Indicator "totem" at feeder stations		
System map at station entrance		
System map inside station		
Route map inside station		
Local area map at station entrance / exit		
Large display of station name at entrance and sides of station		
Provision of recycling facilities at stations		
Solar photovoltaic panels at stations		

Feature	Mark with an "X" if included in Municipality's system (X)	Explanation if feature is not included
Energy-efficient lighting technology at stations		
Rainwater collection/use at stations		
Water efficiency technologies at stations		
Provision of wireless internet service at major stations		
Depot facilities		
Access control entrance and exit point		
Re-fuelling facilities		
Vehicle parking		
Vehicle maintenance area		
Secure parts and tools storage		
Operator administrative offices		
No sharing of maintenance facilities or administrative offices between multiple operators at the same depot		
Control centre		
Control centre for fleet management		
Control centre integration with emergency services		
Automatic Vehicle Location (AVL) technology on vehicles		
Modal integration		
NMT facilities		
NMT lanes integrated with public transport system		

Feature	Mark with an "X" if included in Municipality's system (X)	Explanation if feature is not included
Upgrades to pedestrian facilities around stations		
Pedicab integration with key stations		
Park-and-ride facilities at major interchange points		
Formal metered taxi ranks at major stations		
Quality control of metered taxi operations		
Vehicles		
Vehicles with EURO III or higher fuel and emissions standards		
Use of alternative fuel technologies, such as bio-methane from municipal waste		
Boarding bridges on doorways		
Alignment markers on windscreen		
Wheelchair bay(s) in vehicle		
Designated special needs seating in vehicles		
Air conditioning in vehicles		
Bicycles permitted inside vehicles		
System map inside vehicle		
Route map inside vehicle		
Real-time information displays inside vehicles		

Feature	Mark with an "X" if included in Municipality's system (X)	Explanation if feature is not included
Digital audio announcements on station and route name		
Infotainment inside vehicles		
Fare System		
EMV-based fare cards		
Wheelchair accessible fare gates and turnstiles at stations		
Marketing and communications		
System branding name		
System logo		
System tag-line		
Professional staff uniforms		
Planning elements		
Project Management Plan		
Probity (anti-corruption) Audit		
Operations Plan		
Household Demand Survey within pass two years		
Business Structure Plan		
Financial Modelling		
Industry Transition Plan		
Finance Plan		
Economic Evaluation (Benefit-to-Cost ratio)		
Marketing Plan		
Communications Plan		
Public Participation Plan		

Feature	Mark with an "X" if included in Municipality's system (X)	Explanation if feature is not included
Environmental Impact Assessments		
Strategic Environmental Assessment		
Social Impact Assessment		
Preliminary Design Plan		
Detailed Design Plan		

APPENDIX 3

EXPENDITURE TO DATE FROM PTIS GRANT

1. Complete the following table to reflect historic and current PTIS Grant expenditure by main expenditure item.
2. Municipalities that have not yet commenced the implementation of systems should submit nil returns for all but the planning items.
3. 2010 FIFA World Cup Host Municipalities should differentiate between public transport and non-public transport expenditures. Examples of non-public transport expenditure would include a bypass road or interchange for general traffic. Municipalities with non-public transport expenditures should complete a separate table for the public transport and non-public transport expenditure components.

Historical PTISG expenditures

Name of Municipality _____				
Expenditure items		Expenditure from PTISG up to 30 June 2011 (R millions)	Unit	Number
Planning costs	Project Management		N/A	N/A
	Operations Plan		N/A	N/A
	Business Plan		N/A	N/A
	Marketing & Communications Plan		N/A	N/A
	Preliminary and Detailed Infrastructure Design		N/A	N/A
	Other Planning Cost		N/A	N/A
Operating costs	Vehicle operations		N/A	N/A
	Station services (station cleaning, security, fare collection, landscaping, etc.)		N/A	N/A
	Fare system management			
	Infrastructure maintenance		N/A	N/A
	Control centre management		N/A	N/A
	Operating entity costs		N/A	N/A
	System marketing costs		N/A	N/A
Equipment costs	Trunk vehicles		No. of vehicles	
	Complementary vehicles		No. of vehicles	
	Feeder vehicles		No. of vehicles	
	Fare system equipment		N/A	N/A
	ITS Equipment		N/A	N/A
Infrastructure costs	Road way civil works (road way materials and construction, delineators, signage, colourisation, utilities, etc.)		Bi-directional lane-km ⁶	
	Trunk station top structures		No. of stations	
	Feeder station top structures		No. of stations	
	Depots		No. of depots	
	Control centre		N/A	N/A
	Land and property acquisition		Sq. metres	
Transitional costs	Industry compensation		N/A	N/A
TOTAL			N/A	N/A

⁶ Excluding mixed traffic operation.

APPENDIX 4

PTISG AND PTOG BUDGET PROJECTIONS

Complete the following tables with estimations of project expenditures for 2011-12, 2012-13, 2013-14 and 2014/15.

Leave the PTOG column blank if the municipality has not yet undertaken sufficient Financial Modelling to estimate the amount of existing bus subsidy amounts (PTOG) that will be converted to the quality public transport system (although municipalities that are not able to complete this information will not be eligible to convert PTOG funding to quality public transport operations in the next fiscal year).

Note that the requested PTOG amount only refers to the portion of existing public transport subsidies that will be transferred to quality public transport usage.

**PTISG and PTOG Projections
Budget Year 2011/12 (R millions)**

Name of Municipality:		2011 (Jul-Sep)			2011 (Oct-Dec)			2012 (Jan-Mar)			2012 (Apr-Jun)			Total
Area	Expenditure item	PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	Total
Planning costs	Project Management													
	Operations Plan													
	Business Plan													
	Marketing & Communications Plan													
	Preliminary and Detailed Infrastructure Design													
	Other (specify)													
Operating costs	Vehicle operations													
	Station services													
	Fare systems management													
	ITS management													
	Oversight entity													
	System marketing													
	Other (specify)													
	Trunk vehicles													
	Complementary vehicles													
	Feeder vehicles													
Equipment costs	Fare system equipment													
	ITS equipment													
	Other (specify)													
	Roadway civil works													
	Top structures for stations / stops													
Infrastructure costs	Depots													
	Control centre													
	Land and property acquisition													
	Other (specify)													
	Industry compensation													
Transitional costs	Other (specify)													
	Infrastructure maintenance													
	Other (specify)													
TOTAL														

**PTISG and PTOG Projections
Budget Year 2012/13 (R millions)**

Name of Municipality:		2012 (Jul-Sep)			2012 (Oct-Dec)			2013 (Jan-Mar)			2013 (Apr-Jun)			Total
Area	Expenditure item	PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	Total
Planning costs	Project Management													
	Operations Plan													
	Business Plan													
	Marketing & Communications Plan													
	Preliminary and Detailed Infrastructure Design													
	Other (specify)													
Operating costs	Vehicle operations													
	Station services													
	Fare systems management													
	ITS management													
	Oversight entity													
	System marketing													
	Other (specify)													
	Trunk vehicles													
	Complementary vehicles													
	Feeder vehicles													
Equipment costs	Fare system equipment													
	ITS equipment													
	Other (specify)													
	Roadway civil works													
	Top structures for stations / stops													
Infrastructure costs	Depots													
	Control centre													
	Land and property acquisition													
	Other (specify)													
Transitional costs	Industry compensation													
	Other (specify)													
Infrastructure maintenance costs	Infrastructure maintenance													
	Other (specify)													
TOTAL														

**PTISG and PTOG Projections
Budget Year 2013/14 (R millions)**

Name of Municipality:		2013 (Jul-Sep)			2013 (Oct-Dec)			2014 (Jan-Mar)			2014 (Apr-Jun)			Total
Area	Expenditure item	PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	Total
Planning costs	Project Management													
	Operations Plan													
	Business Plan													
	Marketing & Communications Plan													
	Preliminary and Detailed Infrastructure Design													
	Other (specify)													
Operating costs	Vehicle operations													
	Station services													
	Fare systems management													
	ITS management													
	Oversight entity													
	System marketing													
	Other (specify)													
	Trunk vehicles													
	Complementary vehicles													
	Feeder vehicles													
Equipment costs	Fare system equipment													
	ITS equipment													
	Other (specify)													
	Roadway civil works													
	Top structures for stations / stops													
Infrastructure costs	Depots													
	Control centre													
	Land and property acquisition													
	Other (specify)													
	Industry compensation													
Transitional costs	Other (specify)													
	Infrastructure maintenance													
	Other (specify)													
TOTAL														

**PTISG and PTOG Projections
Budget Year 2014/15 (R millions)**

Name of Municipality: Area	Expenditure item	2014 (Jul-Sep)			2014 (Oct-Dec)			2015 (Jan-Mar)			2015 (Apr-Jun)			Total
		PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	PTISG	PTOG	Other	
Planning costs	Project Management													
	Operations Plan													
	Business Plan													
	Marketing & Communications Plan													
	Preliminary and Detailed Infrastructure Design													
	Other (specify)													
Operating costs	Vehicle operations													
	Station services													
	Fare systems management													
	ITS management													
	Oversight entity													
	System marketing													
	Other (specify)													
	Trunk vehicles													
	Complementary vehicles													
	Feeder vehicles													
Equipment costs	Fare system equipment													
	ITS equipment													
	Other (specify)													
	Roadway civil works													
	Top structures for stations / stops													
Infrastructure costs	Depots													
	Control centre													
	Land and property acquisition													
	Other (specify)													
	Industry compensation													
Transitional costs	Other (specify)													
	Infrastructure maintenance													
Infrastructure maintenance costs	Infrastructure maintenance													
	Other (specify)													
TOTAL														

APPENDIX 5

OPERATING COSTS AND REVENUES

Complete the following tables with estimations of operating costs and revenues for 2011-12, 2012-13, 2013-14 and 2014/15.

Leave the table blank if the Municipality has not yet completed the required financial modelling.

**Costs and revenues
Budget year 2011/12**

Name of municipality:	Revenue Source								Total
	Fare revenues	Advertising and merchandising	PTISG	PTOG	Council funds	Developer contribution	Parking levy	Other	
Vehicle operations									
Fare system management									
Station services									
ITS and control centre mgmt.									
Oversight entity									
System marketing									
Other									
Total									

**Costs and revenues
Budget year 2012/13**

Name of municipality:	Revenue Source								Total
	Fare revenues	Advertising and merchandising	PTISG	PTOG	Council funds	Developer contribution	Parking levy	Other	
Vehicle operations									
Fare system management									
Station services									
ITS and control centre mgmt.									
Oversight entity									
System marketing									
Other									
Total									

**Costs and revenues
Budget year 2013/14**

Name of municipality:	Revenue Source								Total	
	Fare revenues	Advertising and merchandising	PTISG	PTOG	Council funds	Developer contribution	Parking levy	Other		
Vehicle operations										
Fare system management										
Station services										
ITS and control centre mgmt.										
Oversight entity										
System marketing										
Other										
Total										

**Costs and revenues
Budget year 2014/15**

Name of municipality:	Revenue Source								Total
	Fare revenues	Advertising and merchandising	PTISG	PTOG	Council funds	Developer contribution	Parking levy	Other	
Vehicle operations									
Fare system management									
Station services									
ITS and control centre mgmt.									
Oversight entity									
System marketing									
Other									
Total									

APPENDIX 6

PERFORMANCE INDICATORS

Complete the following tables with estimations of performance indicators for 2011-12, 2012-13, 2013-14 and 2014/15.

Report figures in non-cumulative terms, unless otherwise indicated.

Leave the blank if the Municipality has not yet modelled operations for a particular year.

Performance indicators

Area	Indicator	As of June 2011	Projected for June 2012	Projected for June 2013	Projected for June 2014	Projected for June 2015
Passenger numbers	Number of average weekday passenger trips carried on the integrated system					
	Number of average weekly, monthly, and annual passenger trips carried on the integrated system					
System coverage	Estimated number and percentage of households within 500 metres of access points (stations and feeder stops) of the quality road-based public transport system					
	Estimated number and percentage of households within 500 metres of existing rail stations					

Area	Indicator	As of June 2011	Projected for June 2012	Projected for June 2013	Projected for June 2014	Projected for June 2015
Number of kilometres of system	Number of kilometres of bi-directional median busway lanes in operation within the integrated system for trunk and/or complementary services (cumulative total)					
	Number of kilometres of bi-directional kerbside busway lanes in operation within the integrated system for trunk and/or complementary services (cumulative total)					
	Number of kilometres of single lane busways in operation within the integrated system for trunk and/or complementary services (cumulative total)					
	Number of kilometres of bi-directional trunk or complementary services operating in virtual lanes ⁷ (cumulative total)					
	Number of kilometres of bi-directional trunk or complementary services operating in mixed traffic lanes (cumulative total)					
	Number of kilometres of bi-directional feeder services operating in dedicated lanes (cumulative total)					
	Number of kilometres of bi-directional feeder services operating in virtual lanes (cumulative total)					
	Number of kilometres of bi-directional feeder services operating in mixed traffic lanes (cumulative total)					
	Number of kilometres of bi-directional rail services (cumulative total)					

⁷ "Virtual lanes" includes partial priority measures such as queue-jump lanes at intersections and signal priority measures.

Area	Indicator	As of June 2011	Projected for June 2012	Projected for June 2013	Projected for June 2014	Projected for June 2015
Number of stations and stops	Number of trunk stations in use in network (cumulative total)					
	Number of feeder stops in use in network (cumulative total)					
Vehicle fleet	Number of trunk vehicles in use by vehicle size (cumulative total)					
	Number of complementary vehicles in use by vehicle size (cumulative total)					
	Number of feeder vehicles in use by vehicle size (cumulative total)					
	Number of passenger trips per weekday in trunk vehicles					
	Number of passenger trips per weekday in complementary vehicles					
	Number of passenger trips per weekday in feeder vehicles					

Area	Indicator	As of June 2011	Projected for June 2012	Projected for June 2013	Projected for June 2014	Projected for June 2015
Capital costs	Total capital costs by infrastructure category Civil road works Stations and stops Depots Control centres Other					
	Capital expenditure per kilometre of bi-directional busways (inclusive of civil works, property procurement, and station costs but exclusive of depot, control centre, and other costs)					
	Capital expenditure per kilometre of single-lane busways (inclusive of civil road work, property procurement, station costs but exclusive of depot, control centre, and other costs)					
	Capital expenditure per kilometre of virtual lanes (inclusive of civil road works and station costs but exclusive of depot, control centre, and other costs)					
	Capital expenditure per kilometre of trunk mixed traffic operation (inclusive of any civil road works and station costs but exclusive of depot, control centre, and other costs)					
	Capital expenditure per kilometre of feeder services (inclusive of any civil road works and shelter costs but exclusive of depot, control centre, and other costs)					
	Number of depots in system (cumulative total)					
	Capital expenditure per passenger kilometre travelled on the system based on the full capital expenditures (including all trunk, complementary, and feeder infrastructure costs as well as depots and control centres)					

Area	Indicator	As of June 2011	Projected for June 2012	Projected for June 2013	Projected for June 2014	Projected for June 2015
Transitional costs	Total costs expended on industry compensation as a separate transitional cost					
	Equipment costs	Expenditure on trunk vehicles by vehicle size				
18 metre						
12 metre						
Other						
	Average cost per trunk vehicle by vehicle size					
	18 metre					
	12 metre					
	Other					
	Total expenditures on complementary vehicles by vehicle size					
	Average cost per complementary vehicle by vehicle size					
	Total expenditures on feeder vehicles by vehicle size					
	Average cost per feeder vehicle by vehicle size					
	Total fare system equipment cost					
	Fare system equipment cost per trunk station					
	Total ITS costs of stations and vehicles					
	Average ITS cost per station					
	Average ITS cost per vehicle by vehicle type					

Area	Indicator	As of June 2011	Projected for June 2012	Projected for June 2013	Projected for June 2014	Projected for June 2015
Operating costs	Total operational costs by category: Vehicle operations Fare system Station services ITS and control centre Oversight entity management System marketing					
	Operational expenditure per passenger kilometre travelled based on costs in vehicle operator contract					
	Operational expenditure per passenger kilometre travelled based on vehicle operator costs and fare system costs					
	Operational expenditure per passenger kilometre travelled based on vehicle operator costs, fare system costs, and station services costs					
	Operational expenditure per passenger kilometre travelled based on vehicle operator costs, fare system costs, station services costs, and oversight entity administration and marketing					
	Infrastructure maintenance costs	Infrastructure maintenance costs required during the course of the year				

APPENDIX 7

MONTHLY REPORTING REQUIREMENTS

Public Transport Infrastructure and Systems Grant (PTIS Grant)

Monthly Report as per the Division of Revenue Act for DoT 2011/12 year

The onus is on the municipality to confirm that the return has been received by the Department of Transport (return the form to K Manana email: mabusek@dot.gov.za)

Municipality		DoT Financial Year	2011/12
		Month end	M10 April

Financial Accounting for Grant Funds Received and Expended

	Rand
PTISG funds received since inception (before April 2011)	
PTISG funds received this month	
PTISG funds received since April 2011	
Total PTISG funds received	
Spent in prior periods since inception (before April 2011)	
Spent this month	
Total PTISG funds spent	
Total PTISG funds received and not spent	
Percentage of funds spent	
Funds currently committed and not spent	
Scheduled transfers withheld	

Conditions

The following grant conditions are gazetted in the Draft Dora 2011 PTIS Grant Framework.

- The allocation of Public Transport Infrastructure and Systems (PTIS) funds PTIS must be aligned with the Integrated Transport Plan (ITP) and its IRPTN components as approved by the relevant municipal council
- From the start of operations, IRPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct operational costs include fuel, labour and vehicle maintenance. City-wide networks must ultimately also recover the capital costs of vehicles.
- If buses are bought with grant funds and are used by contracted operators, the municipality must retain ownership unless National Treasury specifically approves alternative arrangements.
- Cities are required to establish specialist capacity to manage and monitor IRPTN system contracts and operations as well as to plan future expansions of the network. This capacity must be in place in advance of the first IRPTN operator commencing with service provision to the public.
- Up to R10 million in the 2011/12 financial year may be used to prepared for the public transport regulatory function. In future years, funding must be sourced from municipal sources.

Municipalities are required to submit Budget Proposals by the end of July 2011

Summary of Activities

Reasons for variance (If any). Insert explanations for variance from payment schedules, transfers and expenditure and other matters.

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(Print name below)

I _____ The Accounting Officer or Delegate certify that the above information is correct and that this report has been submitted electronically as required.

Signed

Save file as: Muncde_PTIG_ccyy_Mnn.XLS (e.g. GT411_PTIG_M01.xls)

Muncde = municipality code. Ccyy = Financial Year End. Mnn = M01 to M12