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CITY OF CAPE TOWN
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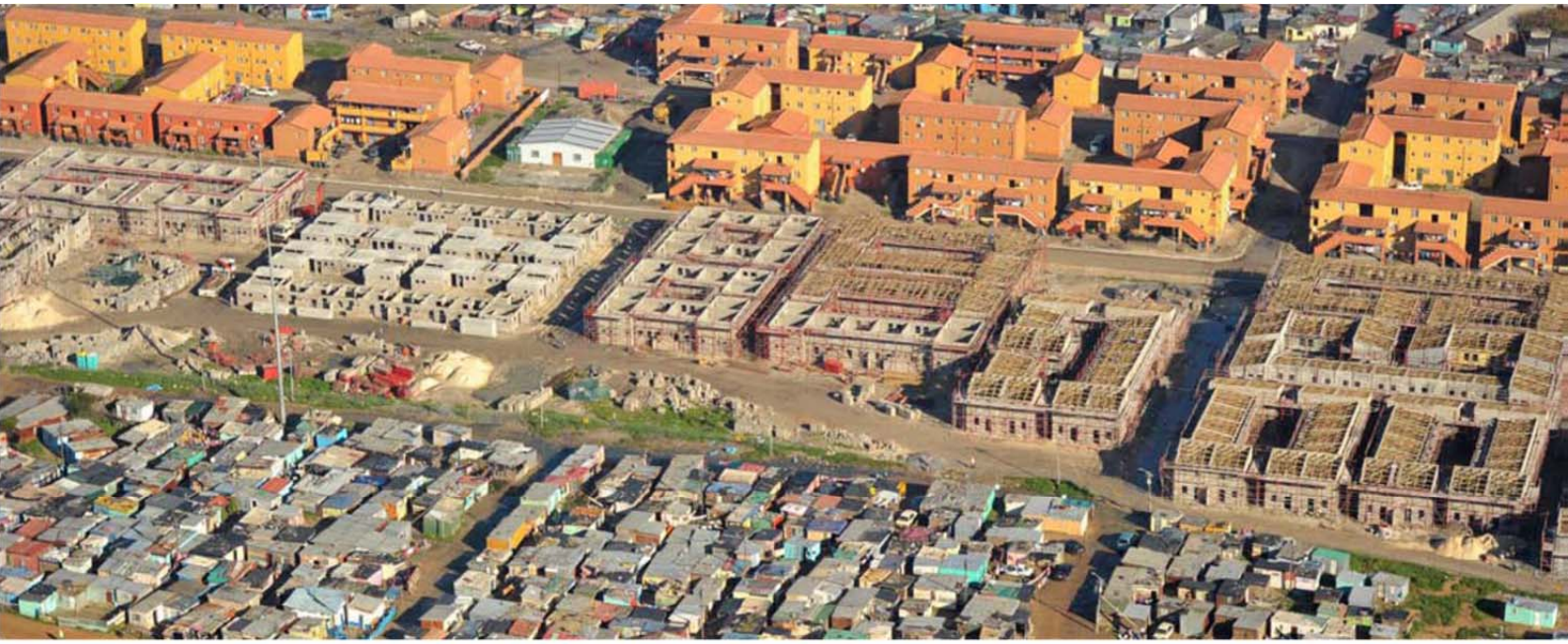


CITY OF CAPE TOWN
Built Environment Performance Plan 2015/16

Making progress possible. Together.

WORLD DESIGN CAPITAL CAPE TOWN 2014

CONTENTS

ACRONYMS USED

ACSA	Airports Company South Africa
BEPP	Built Environment Performance Plan
BNG	Breaking New Ground
CBD	Central Business District
CFR	Cape Floristic Region
CoCT	City of Cape Town
CRU	Community Residential Units
CSIR	Council for Scientific and Industrial Research
CTSDF	Cape Town Spatial Development Framework
CTZS	Cape Town Zoning Scheme
DORA	Division of Revenue Act
ECAMP	Economic Areas Management Programme
EGS	Economic Growth Strategy
EMT	Executive Management Team (of the CoCT)
EPWP	Expanded Public Works Programme
GGP	Gross Geographic Product
GPRC	Grant Projects Review Committee
GIS	Geo Information System
HSCP	Human Settlement Co-ordination Project
HSDG	Human Settlements Development Grant
HSP	Human Settlements Plan
ICDG	Integrated City Development Grant
IDA	Incremental Development Area
IDP	Integrated Development Plan
ISIS	Integrated Spatial Information System
ITP	Integrated Transport Plan
IZSIPs	Integration Zone Strategies and Investment Plans
IMEP	Integrated Metropolitan Environmental Policy
IMR	Infant Mortality Rate
INEPG	Integrated National Electrification Programme Grant
IZ	Integration Zones
IZPMF	Integration Zone Performance Monitoring Framework
IZSIP	Integration Zone Strategy and Investment Plan
Mayco	Mayoral Committee (of the CoCT)
MFMA	Municipal Finance Management Act
MTIIF	Medium Term Infrastructure Investment Framework
MTREF	Medium Term Revenue and Expenditure Framework
NDP	National Development Plan
NDPG	Neighbourhood Development Partnership Grant
NLTA	National Land Transport Act
PHP	Peoples' Housing Programme
PRC	Project Review Committee
PTIG	Public Transport Infrastructure Grant
SCM	Supply Change Management
SDF	Spatial Development Framework
SDBIP	Service Delivery Business Implementation Plan
SIP	Strategic Infrastructure Projects
TCT	Transport for Cape Town
TRA	Temporary Relocation Area
UISP	Upgrading of Informal Settlements Programme
UN	Urban Network
UNS	Urban Network Strategy
USDG	Urban Settlements Development Grant
WCG	Western Cape Government

Map of the City of Cape Town municipal area, key neighbourhoods, protected areas and routes

PREFACE

The Built Environment Plan (BEPP) requires the City of Cape Town (CoCT) to consider and make sense of multiple time-based perspectives in relation to city development and management. One perspective assimilates and reflects on the historical spatial, social and economic challenges of racial division. Another requires the consideration of contemporary global challenges such as urbanisation, fragile economies and climate change. A third perceptive demands a pragmatic forecast of demographics and the economic drivers of the City and how these will relate to the financial viability and quality of life for its resident households and businesses.

Cape Town's population of approximately 3.8m reside in a contrasting environment of opportunities and living environments. Extremes are evident throughout the city in relation to household income and living conditions, population densities, transportation choices and travel times, environmental conditions, and educational and employment opportunities. These issues are not unique to Cape Town: they are common to all South African metropolitan areas and numerous world cities that are grappling with the challenges and pressures of managing urbanisation and stimulating a sustainable and productive economy. The dual nature of formal and informal economic and accommodation markets compounds the urban management complexities for all spheres of government. The impacts are most acutely felt by the municipalities.

The CoCT's administration and developmental partners are tasked with managing these diverse demands and future growth within an annual City capital budget of R6bn. Of this budget, approximately 50% is sourced from National and Provincial grant funding.

The effective utilisation of public funding to firstly enhance the quality of life and opportunities for the City's marginal – largely welfare/grant dependent – communities and secondly, leverage resources to maintain and growing economy and revenue generating assets of the City, requires a robust and structured development rationale and plan. It is against these perpetual challenges at a macro and sectoral scale that this third BEPP submission has been compiled.

The document serves three primary purposes:

- As the key compliance tool for securing grant funding from National Treasury.
- As a monitoring tool (via the BEPP performance indicators).
- As an annual review mechanism to align and enhance the strategic direction and co-ordination of capital investments and operational resources within the City.

This Draft BEPP 2015/16 submission builds on the City's historical BEPP submissions. It is anchored around an emerging transformative policy and investment approach to transportation and human settlement derived from progressive phases of planning and modelling in relation to the Integrated Public Transportation Network (IPTN) and Integrated Human Settlements Framework (IHSF). In addition, this Draft document recognises and is informed by the review comments received by the National Department of Treasury that alluded to the following key issues, inter-alia:

- Developing trade-offs between "the old and new city" that are useful to define the challenge of urban restructuring.
- Clarifying risks and opportunity for changes to the National Housing Code e.g. subsidy bands (including Social Housing).
- Deepening the interface between public transport and human settlement investment programmes within overall strategy.
- Enhancing the BEPP interface with other sector and strategic plans.

- Build on the evidence based policy making and data collection/analysis.

At the inception of the 2015/16 BEPP review process, two key drivers of the built environment within the City – transportation and human settlements – have a renewed clarity of vision via the IPTN and IHSF. These two work streams have developed significantly since the approval of the 2014/15 BEPP in May 2014 and provide a unique opportunity to work in a more progressive and co-ordinated approach in the future[1]. Their respective approaches are based on increasingly robust and evidence-based understanding and assessment of alternative development scenarios and the implications for the sustainability of Cape Town.

As the two sectors that draw on the greatest grant capital allocations via the Human Settlement Development Grant (HSDG), Urban Settlements Development Grant (USDG), and Public Transport Infrastructure Grant (PTIG), there are clear opportunities to enhance the impacts and outcomes of capital investment via this and future BEPP processes.

[1] Considered within sections C.5. and C.6. respectively.

A. INTRODUCTION

A.1. PURPOSE AND FOCUS OF THE BUILT ENVIRONMENT PERFORMANCE PLAN (BEPP)

The BEPP is a requirement of the Division of Revenue Act (DORA), and an instrument for compliance and submission purposes for the following infrastructure grants related to the built environment of metropolitan municipalities:

- Integrated City Development Grant (ICDG).
- Urban Settlements Development Grant (USDG).
- Human Settlements Development Grant (HSDG).
- Public Transport Infrastructure Grant (PTIG).
- Neighbourhood Development Partnership Grant (NDPG).
- Integrated National Electrification Programme Grant (INEPG).

The core national policy objective to be pursued through BEPPs is to enable more compact cities that are integrated, productive, inclusive, liveable and sustainable.

BEPPs are updated annually and need to address how functional integration of municipal investment improves overall sustainable development, what development trade-offs are made and why, associated planning methodology and practice, and required institutional measures. Performance of the built environment need to be assessed and reported in terms of prescribed transformation outcome and impact indicators and reporting reforms.

In terms of the National Treasury's BEPP Guidance Note for 2015/16-2017/18, issued on 3 October 2014, the focus of the updated BEPP should be:

- The refinement and consolidation of elements identified in the 2014/15 baseline BEPP, and specifically the coordination and alignment of planning and implementation related to public transport, human settlement, economic and social infrastructure and location decisions into sustainable urban settlements connected by densified transport corridors.
- Refinement of work related to the city's Urban Network (UN) and Integration Zones (IZ) and specifically detailed planning towards the implementation of catalytic projects.
- Illustrating alignment of human settlements projects to public investment in urban mobility.
- Land development initiatives, including land acquisition and preparation.
- The upgrading of informal settlements and specific poverty pockets, including areas which may not be "catalytic" in nature but will be necessary to address areas with high levels of poverty as part of the inclusion agenda.

A.2. THE BEPP AND OTHER STRATEGIC PLANS AND INSTRUMENTS

The BEPP is not the only plan that considers and directs work towards achieving integrated human settlement, growth and enhanced opportunity. Although the BEPP pursues specific outcomes and outputs (as outlined above), it is an integral part of the municipal package of strategic plans and instruments. It is prepared within the overall strategic context and targets of the municipal Integrated Development Plan (IDP) and budget, and is informed by various sector plans which form part of the IDP. This includes the municipal Spatial Development Framework (SDF), Human Settlements Plan (HSP), and Integrated Transport Plan (ITP). It also informs and is informed by the Service Delivery Business Implementation Plans (SDBIPs) of the City's various directorates and functional units. In many ways, the BEPP is

aimed at facilitating and accelerating the objectives of the City's IDP and various sector plans. It can bring planned projects forward, or unlock hitherto unfunded objectives, programmes or projects. It specifically enhances spatial targeting and increased spatial alignment between different sector plans in the IDP, and advances the development and use of performance indicators focusing on critical interdependencies between urban elements as opposed to sector-specific indicators.

The relationship between the BEPP and other strategic plans and instruments are illustrated in figure 1.

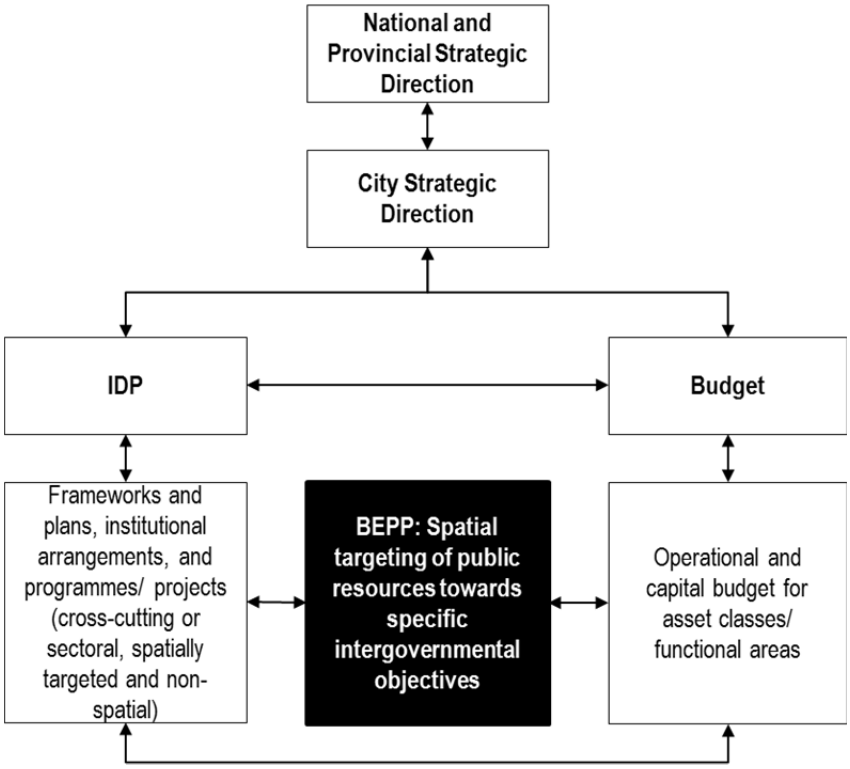


Figure 1: The relationship of the BEPP to other strategic plans and instruments

Among the documents reviewed in the preparation of the Draft 2015/16 BEPP are the:

- National Development Plan.
- ONECAPE2040, the Western Cape's agenda for joint action on economic development.
- State of Cape Town Report 2014.
- City of Cape Town 2014/15 BEPP.
- City of Cape Town Integrated Development Plan (Five year 2012 to 2017 and Draft 2015/16).
- City of Cape Town Budget (for the financial period 2013/14 to 2015/16) and Draft Budget (for 2015/16 to 2016/17).
- City of Cape Town Draft Service Delivery and Budget Implementation Plan (2015/16).
- Cape Town Spatial Development Framework (Statutory Report).
- City of Cape Town Comprehensive Integrated Transport Plan.
- City of Cape Town Transit Oriented Development Strategy.
- City of Cape Town Economic Growth Strategy (2013).
- City of Cape Town Integrated Human Settlement Framework (IHSF).
- City of Cape Town Five-year Human Settlement Plan.
- Sector plans for Infrastructure Services.
- State of the Cape Town Economy Quarterly Reports.
- Work in progress towards the preparation of detailed Integration Zone Strategies and Investment Plans (IZSIPs) for each of the identified integration zones/corridors.

A.3. BEPP PREPARATION PROCESS

The BEPP preparation process follows the annual municipal integrated development planning and budget cycle, and culminates with Council approval.

Accountability for preparation of the 201/16 BEPP rests with the City's Economic, Environmental, and Spatial Planning Directorate (and specifically the Spatial Planning and Urban Design Department). The City's Executive Management Team (EMT) as a whole is responsible for its preparation and various Portfolio Committees, the Section 80 Grant Projects Review Committee (GPRC), and the Economic Development Cluster for its final preparation for consideration by the Mayoral Committee (Mayco) and Council. Day-to-day preparation of the 2015/16 BEPP took place under the auspices of an inter-departmental BEPP Steering Committee (including representatives of various service departments, the Western Cape Government, and other government service partners).

Within the framework set by the National Treasury's BEPP Guidance Note, work of the inter-departmental BEPP Steering Committee explicitly focused on:

- Building on and enhancing existing approvals, processes and institutional arrangements related to the BEPP.
- Exploring opportunities for improved transversal approaches, and partnerships and co-ordination (vertical and horizontal) in the use of grant funding and planning and managing the built environment.

Key process milestones for preparation of the 2015/16 BEPP are as follows:

MILESTONE	DATE
Establishment of inter-departmental BEPP Technical Committee	July 2014
Engagements with service departments and other spheres of government to obtain BEPP inputs	August-October 2014
Engagements with EMT, the GPRC and Mayco on BEPP direction and focus	October 2014
Submission of the 1st Draft BEPP to the National Treasury	November 2014
Revision of Draft BEPP	December-January 2015
Submission of the revised Draft BEPP to the EMT and CoCT political structures	February 2015
National Treasury "expert assessment" of revised Draft BEPP	March 2015
Submission of Final Draft BEPP to Council	April/May 2015
Submission of the Council approved BEPP to the National Treasury	May 2015

A.4. THE CITY'S BROAD APPROACH TO MANAGING THE BUILT ENVIRONMENT

Guided by the five Integrated Development Plan "pillars", the outcome of investment by the City is themed around the Opportunity City; Safe City; Caring City; Inclusive City and Well Run City.

In relation to managing the built environment and facilitating future growth and development, the City's primary intervention relates to the provision and maintenance of infrastructure to support and guide economic activity and livelihood development.

In recent years, more than 70% of the City's capital budget has been allocated to infrastructure services, specifically targeting "basic" infrastructure provision – electricity, water, sanitation - and enhanced public transportation infrastructure. Capital grants from National Government and the Western Cape Provincial Government amounts to almost 50% of the City's capital budget in 2014/15.

Demand for new market driven and state sponsored housing opportunities and access to municipal services continues to place significant pressure on bulk infrastructure. To date, the

City has delivered more than 180,000 housing opportunities post 1994 and presently, in excess of 290 000 households benefit from a free basic services package. These interventions and investments have provided a more dignified, secure and habitable environment for numerous beneficiary communities. Nevertheless, they have also tested the efficiencies and sustainability of existing infrastructure networks and bulk infrastructure. Significant deficits are experienced throughout the respective utilities and in a number of areas these deficits extend beyond just one utility.

Achieving a more sustainable approach and balance between "new" services and the maintenance and renewal of existing infrastructure is at the core of the City's infrastructure planning and resource allocation decisions. Increasingly, more resources are being targeted at improving existing services and improving efficiencies across infrastructure networks.

The ability to expand the rates base of the City to accelerate initiatives to address infrastructure backlogs and expand growth areas remains a challenge for all municipalities in South Africa and this is equally applicable to Cape Town. 47% of the City's households earn less than R3 500 and are dependent on on-going free basic services and would typically qualify for state-assisted accommodation. This represents a significant and perpetual burden on the City's financial resources. New approaches to increase the number of beneficiaries from the funding that is available are been investigated; specifically the "incremental" option in human settlement development. Contemporary and well-intended initiatives such as more robust and environmentally friendly approaches to energy efficiency (which remains a substantial % of the City's revenue) are reducing the revenue generating potential and compounding these resource constraints.

Public and private development within the City is guided by the Cape Town Spatial Development Framework (CTSDF) approved by Council and the Western Cape Government (WCG) in 2012. Based on a more compact, integrated city with associated efficiencies and approaches to resource and environmental sustainability the CTSDF defines a spatial concept, network and policy framework. Supplemented in 2013/14 by the Urban Network Strategy and the commitment to an expanded public transportation network the framework for investment, spatial targeting and prioritisation has been well established.

Various cross-sectoral studies and initiatives have been completed or commenced to assist in the operationalisation and refinement of the City's investment decisions. These include but are not limited to: land use modelling to support transit orientated growth options, an understanding of land availability, land use modelling, a review of social facility standards, mapping areas of infrastructure risk, and understanding the human settlement potential and infrastructure requirements of specific areas to accommodate future growth (including the comparative costs of developing different areas). The integration of informal settlements with existing infrastructure and social facility assets of the city is receiving specific, on-going attention.

Institutionally, the City has been organised to address sector specific demands via political Portfolio Committees (dedicated to sectors). Common and cross-sectoral goals are co-ordinated via integrated economic development and social development Mayco and Portfolio Chairpersons "clusters". Administratively, sector directorates, represented in the EMT, manage functional "types" of infrastructure (and support systems). In parallel, the EMT is organised into two management committees supporting the work of the political clusters, enabling cross-sectoral, integrated work on urbanisation, infrastructure and growth management and Sustainable communities.

The City has invested in enterprise management and performance management systems and processes. Considerable effort is expended on extending the City's customer care systems. Unqualified audit reports have become the norm, and the extent to which budgeted

funds are spent annually remain above 90%. Supply chain management processes meet national requirements and are closely monitored and continuously improved to both enhance good governance and accelerated service delivery.

A.5. BEPP PROGRESS SINCE 2014/15

Since the approval of the 2014/15 BEPP, the CoCT has made significant progress in relation to a number of work areas in support of the national policy objective to achieve more compact cities that are integrated, productive, inclusive, liveable and sustainable. These, further expanded upon in various aspects of the 2015/16 BEPP, include:

- Allocation of responsibility for the preparation of the BEPP to the metropolitan planning function within the Spatial Planning and Urban Design Department (part of the Economic, Environmental, and Spatial Planning Directorate). In this way, BEPP preparation is established as an on-going core task, with dedicated in-house resources, and directly linked to long-term transversal city planning as opposed to vesting with a specific service function.
- Establishment of a the Section 80 GPRC to ensure closer alignment between agreed City political leadership strategy and the allocation of national and provincial grant funds.
- Establishment of dedicated resource teams to prepare detailed strategic and investment plans for identified integration zones and catalytic projects.
- Further development of the City's land use model which allocate land demand to land supply, in support of TOD and in recognition of the various shortcomings of the existing practices for developing housing opportunity.
- Review of the City's IHSF (prepared during 2013) to test its effectiveness and efficiency, and develop strategic implications for a high level human settlement strategy for the CoCT to 2032, including a new "package" of programmes which could address anticipated needs, within expected financial parameters, and in support of TOD.
- Gearing up to prepare a Medium-term Infrastructure and Investment Framework (MTIIF) and associated business case for the CoCT, enabling evidence based, considered resource allocation and decision-making in relation to city infrastructure planning, implementation, and management, in support of TOD (this work will expand previous work undertaken for the north-western and north-eastern growth corridors to the city as a whole).
- Expansion and updating of a Council for Scientific and Industrial Research (CSIR) benchmarking study assessing access to community facility infrastructure across the city.
- Structured engagements between service departments and the City's Organisational Performance Management Department, and preparation of a work programme, with a view to integrate the National Treasury's Guideline for Framing Built Environment Performance Indicators for Metropolitan Municipalities with the City's Performance Management System.

A.6. STRUCTURE OF REPORT

The remainder of this report is structured in five parts:

- **Section B** provides a summary strategic review of Cape Town's built environment challenges.
- **Section C** outlines key City strategies and programmes, including its long-term vision, city-wide spatial, transport, and human settlement planning, and the status of work defining an urban network, integration zones, and hubs.

- **Section D** describes outputs and outcomes of built environment investment pursued by the City, both at corporate, service unit and individual performance level, as well as progress on the development of indicators to refine and enhance measurement of the extent of change in the inclusiveness, diversity, productive capacity, and sustainability of the urban environment and specific urban network elements.
- **Section E** outlines key City institutional and financial arrangements in support of built environment development and management.
- **Section F** draws key conclusions on the BEPP.

A number of Appendices are attached, containing key financial information and performance indicators requested by National Treasury.

B. STRATEGIC REVIEW OF THE BUILT ENVIRONMENT

The sections below highlight key aspects of Cape Town's population and aspects of the built environment. Section B.8 summarises the impacts of population and sector trends on the city's spatial structure and form.

B.1. THE PEOPLE SUSTAINED

Constituted from 61 public authorities into a single metropolitan authority in 2000, the Cape Town metropolitan region is a sprawling (2 359 km²), low-density (1 520 people per km²) and spatially fragmented city of 3.74 million persons.

In the period 1996-2011 the City's population increased by 46% and in the period 2001-20011 by 29.3%. In 2011, the number of households was 1 068 572, an increase of 37.5% since 2001. Other key population characteristics indicated by Census 2011 are summarised below:

- The average household size has declined from 3.72 to 3.50 in the census period.
- The composition of the population has changed between 2001 and 2011. For example, the Black African population increased by 58%, the Coloured population by 14% and the Asian population by 25% (from a low base). The White population group increased by 8%.
- Over 39% of the population growth in Cape Town between 2001 and 2011 comprised new arrivals into Cape Town from outside the Western Cape. The new arrivals into Cape Town from different destinations have located in different areas of Cape Town: for example, new arrivals from the Eastern Cape (who make up 35% of all new arrivals), have largely settled in Khayelitsha and surrounding areas.
- According to the United Nations classification, Cape Town's population is mature or of intermediate age. The proportion of children (0 to 14 years) in Cape Town decreased from 28.48% in 1996 to 24.80% in 2011. The economically active population (15 to 64 years) increased from 66.47% to 69.70%, while the elderly population (65 years and above) grew slightly from 5.05% to 5.50%.
- The ten year trend for adult education of those age 20 years and older is positive in that the percentage of those with no schooling has declined from 4.2% in 2001 to 1.8% in 2011. However, the percentage of Black Africans and Coloureds with an education level higher than Grade 12 at 9% (up from 6% in 2001) is relatively low compared to Asians 35% in 2011 (up from 22% in 2001) and Whites 45% in 2011 (up from 36% in 2001).
- The unemployment rate of the labour force in Cape Town has declined from 29% in 2001 to 24% in 2011. The labour absorption rate of those of working age in Cape Town who are employed has also increased marginally from 47% in 2001 to 50% in 2011.
- In 2011, 47% of households in Cape Town had a monthly income of R3 200 or less (compared to 56% in 2001).
- The Gini coefficient for Cape Town consistently improved in the ten years from 2001 to 2010: in 2010, it stood at 0.60; in 2007, it was at 0.59, and in 2010, it was 0.57.12 The Gini coefficient in 2011/12, however, had increased to 0,67, although this was still the lowest in South Africa.
- The number of indigent households in Cape Town increased from 250 000 in 2003 to 288 703 in 2013. The City uses a cut-off point at R3 200 per month as the poverty line.
- There is a clear decreasing trend in infant mortality rate (IMR) over the ten year period between 2003 and 2012 from 25.2 to 16.4 (per 1 000 live births). The

significant reduction of IMRs, especially in areas with low socio-economic status, is attributed to the improvement of basic service delivery in these areas.

- Of the eight metropolitan areas in the country, Cape Town has the lowest HIV prevalence (5.2%). The black African population group displays the highest HIV prevalence compared to all other population groups, followed by the coloured population. Since 2008, women between the ages of 30 and 34 years have been most affected. In 2005, the Western Cape passed the early phase of the HIV epidemic, which had been characterised by an exponential growth in prevalence. Thereafter, prevalence rates began to stabilise, with a slight decrease in 2012 compared to 2011. The 2013 HIV prevalence rate for the province was even lower, at 17.1%, which was lower than the 2010 rate of 17.3%. A downward trend is therefore beginning to emerge.
- There was a general increase in TB cases and incidence in Cape Town between 1997 and 2013. From 2010 to 2013, however, a downward trend began to emerge. Particular challenges occur in areas with high case loads and high dual infection rates, such as Khayelitsha and parts of Klipfontein, the Eastern district and Mitchells Plain.
- Cape Town had the highest overall crime rate in 2012/13, namely 8 514 per 100 000 people, which is more than double compared to the national crime rate for the same reporting period of 2003/4 to 2012/13.

B.2. ECONOMIC INFRASTRUCTURE

Economy in general

As measured by gross geographic product (GGP), Cape Town's economy (contributing 11.3% to gross domestic product in 2012) is the second-largest municipal economy in the country. Cape Town is a middle-income city[2] with a service-based local economy dominated by financial services, manufacturing and trade. While absolute employment has grown alongside moderate economic growth[3] since 1994, significant in-migration of unskilled jobseekers from rural provinces such as the Eastern Cape has meant that the expanded rate of unemployment (which includes discouraged work seekers) remains high at 24.9%[4].

Currently, Cape Town is ranked 73rd on the *Economist* Intelligence Unit's ranking of city competitiveness – the second most-competitive city in Africa, and ranked just below Johannesburg, which is in 67th place. Cape Town's highest rankings in the sub-indices of the competitiveness index are in the areas of institutional effectiveness and human capital.

Economy by sector

During the last ten years output growth in the financial services, post and telecommunications, other business services, construction and tourism has been faster than that of the economy as a whole. The latter three sectors are more labour intensive.

The industries in which Cape Town has the most pronounced comparative advantage as compared to the country as a whole are fishing, clothing and textiles, wood product manufacturing, electronics, furniture, hospitality, finance and business services industries. Informal-sector employment remains below 10% of total employment (low compared to other

[2] "The regional GDP per capita is USD 15 250, or 40% more than the national average, roughly equal to that of OECD city-regions like Naples or Mexico" (OECD, 2008, p. 13).

[3] Average GVA growth rate between 1995 and 2011 for Cape Town is 3.66%; the absolute number of formal sector jobs rose from 913 777 in 1995 to 1 074 813 in 2007, after contracting to 1 006 463 in the wake of the Global Financial Crisis. Quarterly Labour Force Survey data for Q2 2014 suggests that formal employment in Cape Town is currently approximately 1 514 000.

[4] City of Cape Town (2014), State of the Cape Town Economy Quarterly Report Q2 2014

middle-income metro-regions around the world, where the informal sector may employ as much as 30% of the labour force).

Space economy

The CoCT's Economic Areas Management Programme (ECAMP), beneficiates a wide range of raw City data (together with open source and proprietary data) into actionable information about changing area-specific business conditions by means of a purpose-built diagnostic model.

The high rate of in-migration and sustained economic growth has resulted in decentralised residential and economic expansion in recent decades. Decentralised growth has undermined the relative economic significance of the Inner City and resulted in a more polycentric space economy. This view is confirmed by the observation that the CBD accounts for approximately 15% of formal work places[5] in business districts citywide as of 2012. However, Cape Town stands in sharp contrast with other South African cities in that the historic city centre has – since the late 1990s – enjoyed sustained urban regeneration into a bustling mixed use area driven by residential intensification and quaternary business services.

Having assessed the location attributes of business nodes across the City against the location preferences of secondary and tertiary sectors respectively, the City has developed a spatial impression or "heat map" of location potential and its geographic relationship to major mooted public housing projects and the Integrated Public Transport Network.

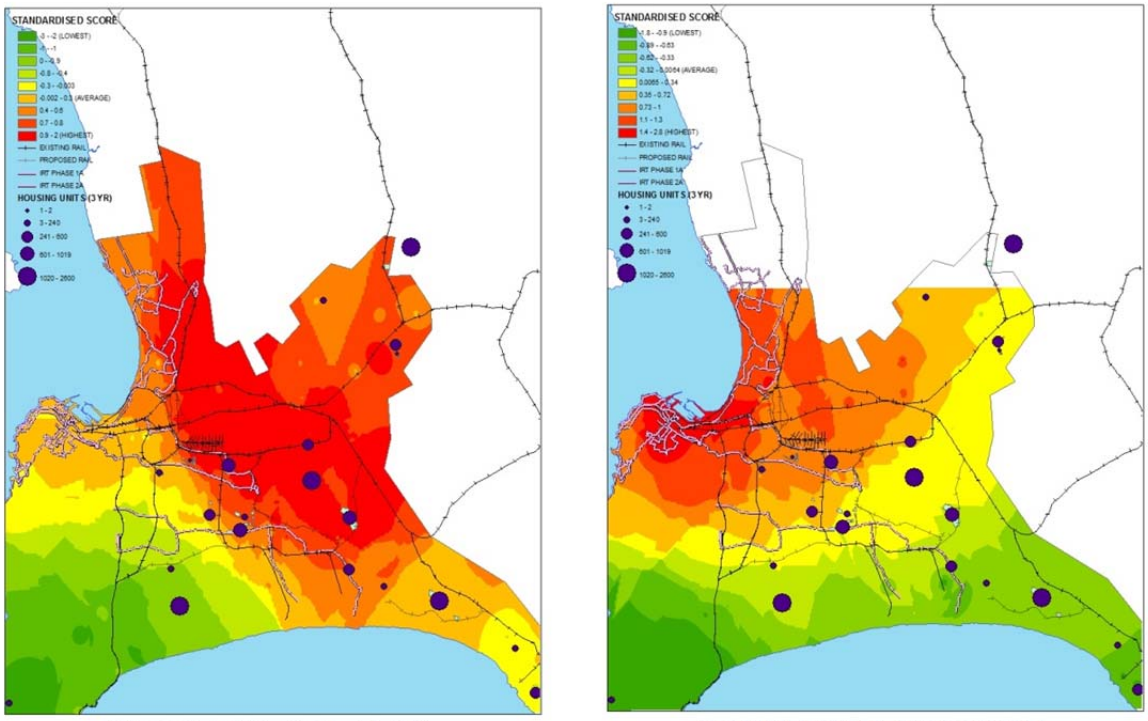


Figure 2: Areas of highest industrial and commercial potential

[5] Calculations are derived by applying generic employment density factors to total internal floor space, as drawn from the City's valuation roll, and correspond to the number of daily morning arrivals as estimated by the City's transport model. If business districts directly adjacent to the central business district are included (i.e. Sea Point, Waterfront, Salt River), this figure rises to 19.5%.

Key observations are:

- Whereas smaller industrial pockets in the south-west continue to perform a critical overall function, the highest opportunity for future industrial investment lays in a NW-SE band from Killarney Gardens the West Coast to Blackheath and Airport Industria. Whereas this potential is being actively exploited in established nodes such as Montague Gardens and Blackheath, significant room for growth remains in incipient areas such as Philippi, Fisantekraal and large undeveloped tracts to the south and east of Bellville CBD.
- New office development – responding to changing location preferences of business and financial sector workers – continues its shift towards spatial concentration and intensification in three nodes: the CBD (incl. Woodstock and the Victoria & Alfred Waterfront), Tyger Valley and Century City.
- Residential intensification is stabilising traditional business nodes otherwise affected by the relocation of office users.
- Most affordable housing projects are located in areas of low to medium long-term economic potential.
- The spatial pattern of economic potential is unlikely to change significantly in medium term due to path dependence.
- Although areas of industrial potential are closer to housing sites, one must be realistic about likely unskilled labour absorption by industrial sector in 21st century.

In broad terms, the key economic potential study policy recommendations are:

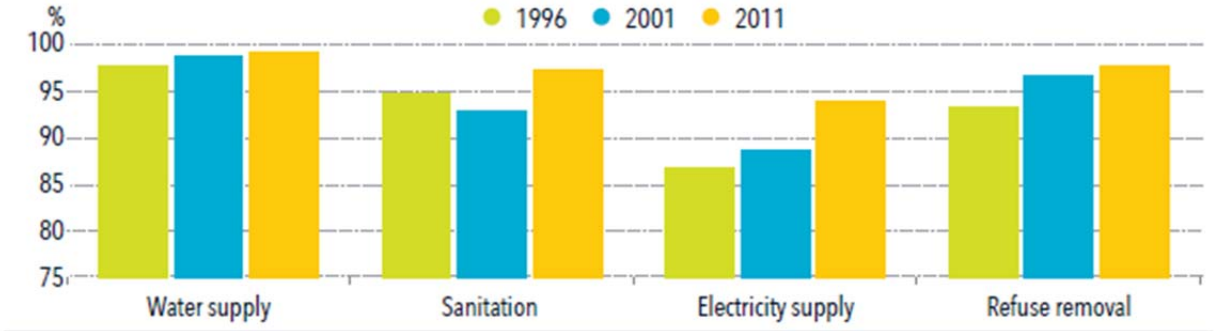
- Integrative policies aimed at increasing accessibility to areas of medium and high economic potential – complemented by better quality universal services such as education and health – is the fiscally sustainable course of action.
- Affordable housing development should prioritise short- to medium term provision in the central and northern parts of the metro, while investment strategies in the south focus on social infrastructure and mobility.
- Established and incipient business nodes with medium and high location potential should be supported with economic infrastructure to leverage off agglomeration economies and location advantage, thus affording the greatest opportunity for employment gains *at scale.*

B.3. BASIC INFRASTRUCTURE

Overall trends

Access to, and coverage of, the provision of basic services such as water, electricity, waste removal and sanitation has improved over the last two decades. Census data for Cape Town suggest that, between 1996 and 2011, households' access to basic services in Cape Town consistently increased – with the exception of sanitation. The drop in access to sanitation recorded in 2001 is likely to have been linked to an increase in the number of new households in Cape Town over the period 2001-2011.

Figure 3 shows households' access to four basic services in Cape Town between 1996 and 2011.



	Water supply	Sanitation	Electricity supply	Refuse removal
1996	97,8%	94,8%	86,8%	93,3%
2001	98,7%	92,8%	88,8%	96,7%
2011	99,3%	97,3%	94,0%	97,7%

Figure 3: Households' access to four basic services in Cape Town between 1996 and 2011. Source: CoCT

Appendix 3 (Table A10) provides a detailed overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

Access to water

Most residents of Cape Town have access to piped water inside their dwellings, or at least piped water inside or outside their yards. Households with "no access to piped water" declined from 2.2% in 1996 to 0,7% in 2011, indicating a gradual and progressive improvement in the provision of piped water in the city. However, the percentage of Cape Town households with "piped water inside dwelling" declined from 79.0% in 1996 to 75.0% in 2011. This trend reflects the growth in the number of households living in informal settlements and, in particular, in backyards in Cape Town over the period under review.

In formal dwellings, the City's water and sanitation service standards provide for full-house water connection through a single water connection per erf. In this regard, 6kℓ of water per month are currently provided free of charge to all consumers. In informal settlements, the City provides a minimum of one tap for every 25 households, within 100m of every household.18 Over the 15 years from 1996 to 2011, this type of access to water increased from 8.3% to 12.0%. The city also provides a monthly indigent grant for additional water supply to qualifying households.

Access to sanitation

The majority of households in Cape Town have access to flush or chemical toilets. Since 1996, Cape Town's households with access to flush or chemical toilets increased from 89.3% to 91.4%. However, households with access to a bucket latrine increased from 3.1% in 1996 to 4.5% in 2011. This reflects the increase in population growth experienced in informal settlements.

In areas with formal dwellings, the City's water and sanitation standard includes on-site waterborne, conservancy tank or suitable waterless technologies. For all those with access to waterborne sanitation (flush toilets), the first 4.2kℓ of sewage conveyance and treatment per month are provided free of charge. In informal areas, the minimum service standard for sanitation is the provision of a shared toilet at a ratio of no more than five families per toilet. This service is provided free of charge. Encouragingly, the number of Cape Town households with "no access to toilet facility" declined from 4.9% in 1996 to 2.7% in 2011.

Access to energy

Access to electricity as the predominant source of energy for Cape Town households increased from 86.8% in 1996 to 94.0% in 2011. Over the same period, the use of paraffin and candles decreased, from 10.0% in 1996 to 3.8% in 2011. In 2011, 94.0% of households used electricity for lighting, 88% for cooking and 63% for heating.

Electricity availability and access backlogs are primarily a challenge in informal settlements. Some informal settlements experience service connection backlogs, while there is also a backlog of electricity provision to backyard dwellers in formal areas. These access needs are addressed on an ongoing basis by the City's Electricity Services Department and Eskom through their respective electrification programmes. However, certain informal housing is excluded from electrification if the structures are situated on areas considered unsuitable, such as road reserves or private land, i.e. being encumbered in some or other way.

Access to refuse removal

The majority of households in Cape Town have access to regular refuse removal services. Statistics show a gradual improvement in refuse removal in Cape Town, with more households receiving a regular, weekly refuse removal service. Households' access to a weekly refuse removal service increased from 88.6% in 1996 to 94.3% in 2011. Households using a communal refuse dump increased from 1.5% to 2.8% in the same period, indicating some of the pressures on the provision of services in a growing urban context.

Free basic services package

The City provides free basic services (electricity, refuse removal, water, sanitation and rates) to residential properties via two procedures, i.e. the municipal value of the property or on application by those with limited income whose property values exceed the set valuation levels. The valuation method is utilized to prevent the creation of a bloated and costly administration to deal with the expected 250 000 to 280 000 applications. Via the billing system criteria the City provides assistance to those residents assumed to be in need, although some with the ability to pay would also receive that benefit. However, the costs of preventing those few unintended cases being assisted would far outweigh the benefits of not providing free services to them. A further benefit of the valuation based approach is that it provides certainty and reduces the risks of fraud. The benefits vary based on the valuation of the properties at R400 000 or below and the recipients vary between 85 000 and 250 000.

The second procedure allows any resident who is required to pay for the mentioned services and whose gross monthly household income is R3 500 or below, to register as indigent to receive the same benefits as if their property values were below R100 000. To date 2 238 residents registered. As from 2013/14 new categories of indigent support were created by granting a 75% rebate on rates to all residents where the gross monthly household income is between R3 501 and R4 000. To date 20 households have registered. Households with gross monthly income between R4 001 and R4 500 receive a 50% rebate on rates and 25 applications have been approved. Applications from households with gross monthly incomes between R4 501 and R5 000 receive a 25% rebate on their rates accounts and to date 11 have been approved. Senior citizens and disabled persons' rates rebate is granted to qualifying applicants where the gross monthly household income is below R12 000. For income up to R3 500 the rates rebate is 100%, reducing gradually to 10% for income between R11 001 and R12 000. Lifeline tariff customers receiving less than 250kWh per month receive a free basic supply 60kWh, with those receiving between 250kWh and 450kWh per month receiving a free basic supply of 25kWh per month. In total approximately 420 000 residents receive this benefit in the City and Eskom area of supply.

The free basic services package is regulated by Council's budget related policies, and is reviewed annually based on modelling the impact of the tariffs and policies on all residential properties. All the free basic services are provided for in the City's balanced operating budget. The costs for the indigent support on charges for refuse removal, the R77.23 for water and sanitation and the 60kWh of free electricity are partially financed by National Government through the local government equitable share received in terms of the annual DORA. However, the City allocates R49 million from rates income to balance this expenditure whilst the costs of the free 6 kilolitres of water (and concomitant sanitation) and the R200 000 valuation rebate on rates for those residents within the valuation brackets deemed to be indigent are paid for by those remaining residents.

Households receiving free basic services are expected to increase by an average of 3% over the 2014/15 MTREF. The annual increase in households receiving free basic services consequently increases the cost for providing the services. The associated cost of providing the free basic services is projected to escalate from R1 839 million in 2014/15, R1 995 million in 2015/16 and R2 231 million in 2016/17. The City's cost of free basic services as a ratio of the equitable share equals 122%, 110% and 102%, respectively, over the 2014 MTREF, which shows that the equitable share does not compensate for the full cost of free basic services.

Balance between new service roll-outs and maintenance of existing infrastructure

The demand for new housing and access to municipal services has put some pressure on bulk infrastructure. In the context of resource constraints, meeting the magnitude of needs has meant that maintenance of the existing (bulk) infrastructure was inadequate in certain areas for certain services. More recently, better budget balance between new service roll-outs and maintenance of existing infrastructure is at the core of the City's infrastructure plans, with more resources targeted at improving existing services and improving efficiencies across the infrastructure networks.

National Treasury, in its Municipal Finance Management Act (MFMA) circulars, has indicated that a minimum of 40% of the capital budget should be for renewal as opposed to new infrastructure. In the City's proposed capital budget the renewal of existing assets equates to R2 521 million or 41.5% of the total 2014/15 capital budget, while new assets represents R3 560 million or 58.5% (it is important to note that asset renewal represents the upgrading or replacement of existing City owned assets, while new assets will result in an increase in the asset base of this City).

In line with the approach of recent financial years, 2014/15 appropriations again provide for significant and above-CPI level increases to repairs and maintenance. The total repairs and maintenance allocation for 2014/15 is R3 153 million, which represents a growth of 11% from 2013/14. The 2014/15 repairs and maintenance provision represents more than 11% of total operating expenditure (it increases by 8.8% over the 2014/15 MTREF and is higher than the National Treasury benchmark of 8%).

Appendix 3 (Tables A9 and SA34a-c) provides a detailed overview of the City's planned expenditure on new assets, the renewal of existing assets, and repairs and maintenance by asset class.

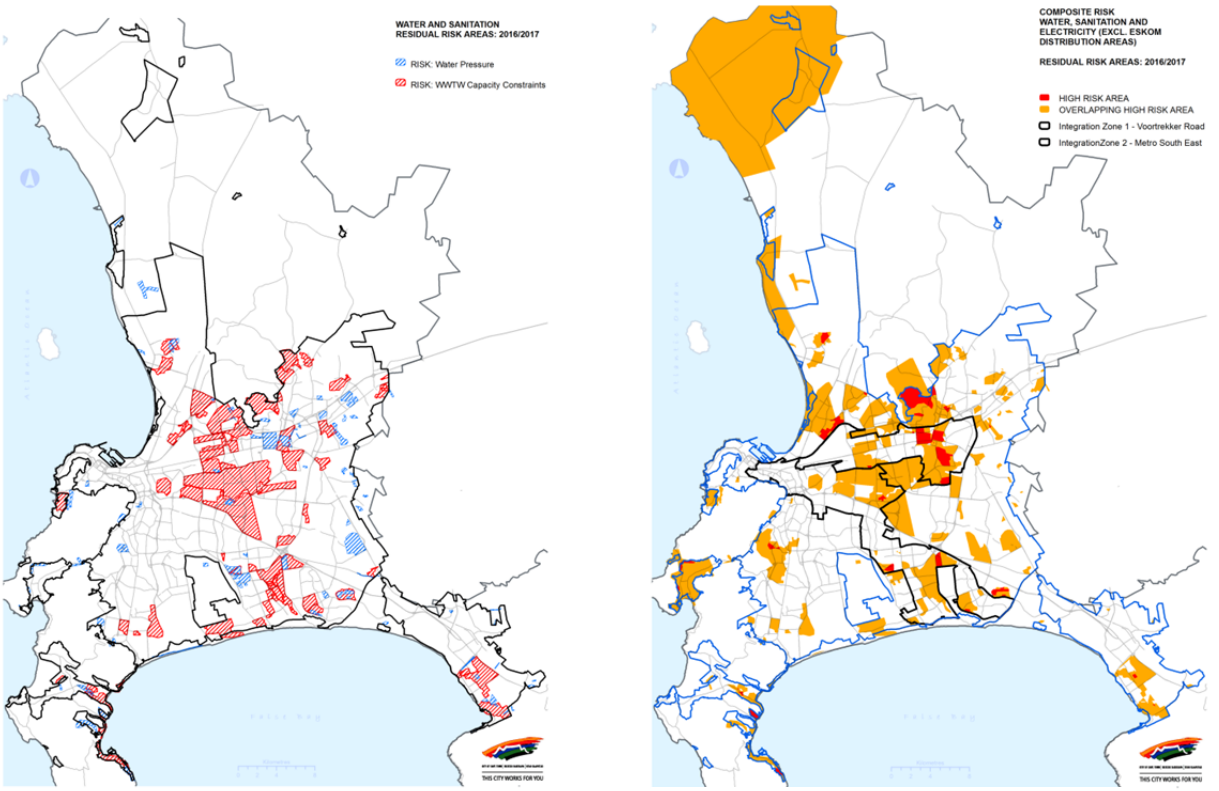
Infrastructure risk assessment and planning

The infrastructure plans for water and sanitation services, solid waste management and electricity services are updated annually to reflect five-year plans for implementing service

delivery in a sustainable manner. Medium and longer-term planning is facilitating the integration of transport, land use, human settlements and infrastructure planning.

The City evaluates services risks and the impact of the capital budget on services risks on an on-going basis to ensure optimal inter-service investment value. Broad risks associated with specific services are outlined below:

SERVICE	STATUS
Water/sanitation	It appears that capital expenditure is not fully aligned with risk areas but the spatial distribution of capital expenditure in water and sanitation is determined by topographic and network factors, and thus is not subject to simplistic spatial interpretation.
Electricity	• CoCT capital expenditure on electricity infrastructure is aligned with risk, but questions persist about Eskom's level of alignment. • CoCT and Eskom needs to coordinate investment planning to ensure effectively risk management.
Consolidated engineering services	• There is a correlation between infrastructure risk and designated Integration Zones. • Subsidised housing sites will constrain the extent to which investment in infrastructure services generate sustainable returns via rates. • There appears to be limited ostensible risk on the periphery of city (however, the risk status changes upon the introduction of new land development in those areas).



Water and sanitation

Composite engineering services

Figure 4: Examples of services risk mapping
Source: CoCT

B.4. ACCESS TO TELECOMMUNICATIONS

In Cape Town, access to telephony (landlines and/or cellphones) increased from 61.2% in 1996 to 87.0% in 2007; and to 91.3% in 2011. Census 2011 results show that 83% of black Africans in Cape Town use cellphones as their sole means of communication Access to, and the use of, landline telephones on premises or nearby appear to be on the decline. According to Census 2011, Cape Town households with landlines as their main source of communication declined from 4.9% in 2007 to 2% in 2011.

It cannot be assumed that increased mobile phone access is synonymous with access to mobile internet. Census 2011 showed that 51% of all Cape Town households still do not have access to the internet. Among black African households in particular, those without internet access are estimated at 63.2%. In addition, while prices are coming down, mobile internet remains more expensive than fixed-line internet access.

The first initiatives by the City to make internet available to low-income residents were through the provision of public internet access points. The City's Smart Cape initiative, which was launched in June 2002, continues to provide free internet access via the public libraries in the city. From an initial five pilot sites, Smart Cape facilities have expanded and are now available in all the public libraries in Cape Town.

The City launched its broadband infrastructure roll-out throughout the metro as part of its broadband infrastructure programme. Through the programme, the City aims to "bridge the digital divide" by providing less-advantaged communities with connectivity. The municipal connectivity projects are part of the strategy to run the municipality more efficiently, to facilitate cost savings (rather than pay the high commercial prices) and to reach underserviced areas, for example by connecting all its libraries to the internet. The increased availability of bandwidth will benefit Cape Town's growing knowledge-based economy and help attract foreign investment, which could bring major economic and social benefits to the city.

The WCG's broadband initiative, launched in 2012, will also provide a big boost to efforts to connect Cape Town residents to the internet. A large focus of the initiative is to make communication and information exchange within the provincial government, as well as linkages with municipalities, more efficient. However, residents in Cape Town and the province will gain internet access through private-sector service providers, who will be able to access the Western Cape's broadband infrastructure and sell excess bandwidth.

Subject to proof of concept, the City approved the construction of a wireless telecommunications network in the metro south-east for implementation in 2014/15, at an estimated cost of R100 million. Upon its completion, this community access project would leverage the City's optic fibre network to enable Khayelitsha and Mitchells Plain to access wireless internet at reduced prices at the household level

B.5. RESIDENTIAL INFRASTRUCTURE

Cape Town's emerging human settlements pattern suggests that population of poor households are increasing, and that proportionately more households rely on access to informal and public housing delivery. The increase in informal housing is in line with the increase in the population of Cape Town between 1996 and 2011, and the growth in informality is the physical expression of the population growth rate outstripping housing supply. In 1996, 19.2% of Cape Town households lived in informal dwellings. By 2011, this figure had increased to 20.5%. Over the same period, the proportion of households living in formal housing declined gradually from 79.3% to 78.4%. The percentage of those with no housing access decreased slightly from 1.5% in 1996 to 1.1% in 2011.

There are currently approximately 376 informal settlements, consisting of 146 488 dwellings. The official number for service delivery purposes is 149 860 service points. The proportion of households in informal dwellings in backyards increased from 3.3% in 1996 to 7.0% in 2011. During the same period, households in informal dwellings in informal settlements declined slightly from 15.9% to 13.5%.

	1996		2001		2011	
Dwelling type	Number	%	Number	%	Number	%
Formal housing	516 867	79,3%	599 793	78,9%	837 533	78,4%
Informal housing	125 233	19,2%	142 910	18,8%	218 781	20,5%
No housing	9 872	1,5%	17 060	2,2%	12 261	1,1%

Figure 5: Access to housing by households, 1996-2011
Source: CoCT

Growth in informal dwellings largely occurs in the metro south-east, and the establishment of backyard dwellings is mainly prevalent in areas where subsidised housing has been delivered. Large numbers of backyard dwellings also occur in older low income areas of the city.

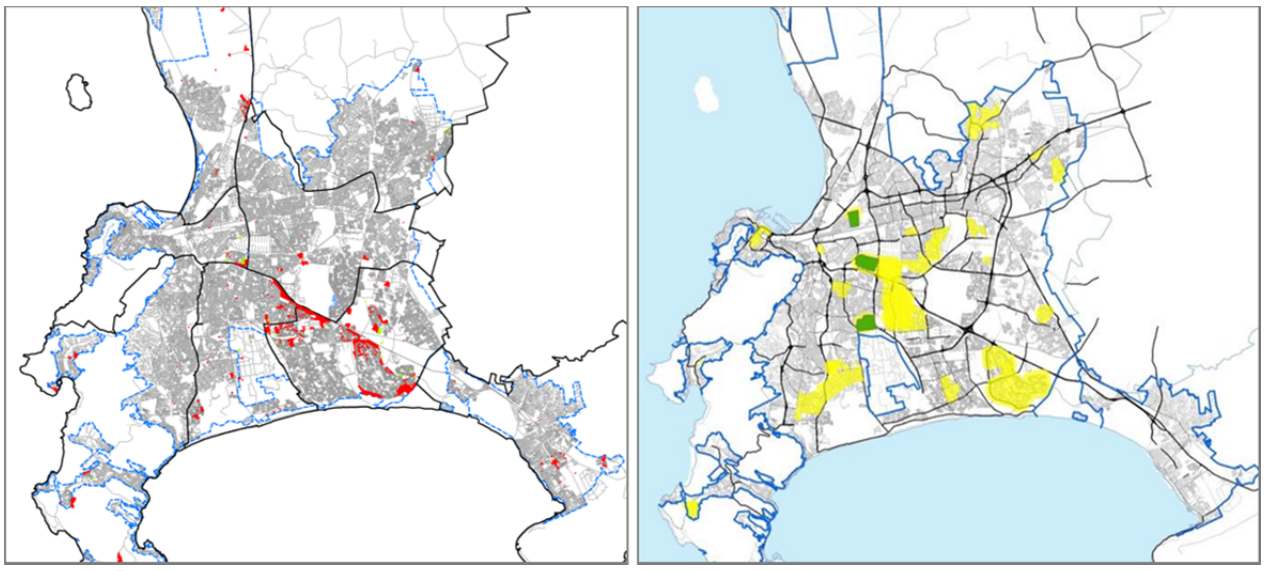


Figure 6: The location of informal settlements (to the left, comprising over 141 000 households) and backyard priority areas (to the right, comprising over 41 000 households)
Source: CoCT

The table below summarises the CoCT's current understanding of the extent of housing need[6]:

[6] Census 2011 shows a total housing backlog of about 264 800 households (143 823 in informal settlements, 74 958 in backyard shacks and 46 014 in overcrowded formal housing). While it is vital to verify and reconcile this discrepancy with the CoCT's own estimates, part of it can be ascribed to different methodologies used. For example, in 2007, the Community Survey estimated that 84 000 households lived in informal settlements in Cape Town, whereas a physical counting of shacks in informal settlements from aerial photographs put this number at 109 000. Similarly, on-the-ground work by CoCT officials, including a rental audit (completed in 2013), and new work related to preparation of an informal settlement matrix, has informed the City's estimate of backlogs.

CATEGORY	NUMBERS (HOUSEHOLDS)	%
Overcrowding in CoCT rental stock	87 000	23
Overcrowding in RDP or Breaking New Ground (BNG) housing	70 000	19
Backyarders in formal Community Residential Unit areas	41 000	11
Backyarders in RDP or BNG areas	34 000	9
Informal settlements	141 141	38
TOTAL HOUSEHOLDS	373 641	100

Table 1: Cape Town's current housing backlog
Source: Census 2011/ CoCT

Based on the City's 3% 10-year average annual growth between 2001 and 2011, the total Cape Town population is expected to grow by a further one million people by 2021, and by another one million by 2030, when the total Cape Town population will be an estimated 5.8 million. If a compounded City growth rate of 3% per annum is assumed – and considering that household size has decreased and the number of households are therefore growing at a faster rate than the overall population – the City estimates that:

- Total housing need will grow to more than 830 000 opportunities by 2040.
- Housing need will grow to more than 650 000 opportunities by 2040 if current delivery of 6 100 opportunities per annum is maintained.
- Housing need will grow to more than 560 000 opportunities by 2040 if current delivery is increased to 10 000 opportunities per annum.
- Existing and future need will be met if ± 30 000 opportunities per annum is deliver.

Nature of need

The table below categorises the nature of need for housing in terms of income and product type (the nature of dwelling that could be suitable in terms of government typology):

HOUSEHOLD EARNINGS (RAND PER MONTH)	% IN CAPE TOWN	DWELLING TYPE	PROPOSED % SPREAD	PROPOSED ROUNDED % SPREAD
0-1 600	31.03	BNG, Serviced site (Greenfields/ UISP),CRU, Hostels, PHP	42.23	42.00
1 601-3 200	15.99	BNG, Serviced site (Greenfields/ UISP),CRU, Hostels, PHP, Social housing, Institutional housing	21.81	21.50
3 201-6 400	14.45	BNG, Serviced site (Greenfields/ UISP),CRU, Hostels, PHP, Social housing, Institutional housing	19.71	19.00
6 401-12 800	13.08	GAP, Serviced site	17.78	17.50
12 81-25 600	11.85	Upper GAP	n/a	n/a
>25 601	13.64	Private market	n/a	n/a

Table 2: Nature of housing need
Source: Census 2011/CoCT

With more than 50% of households earning less than R12 800 per month and more than 30% less than R1 600 per month, it is clear that housing need is greatest – and will continue to be – among citizens in the very low income categories.

Past delivery and current delivery targets

The past housing opportunity delivery figures as reported by the CoCT are on average 7 900 units per year. It must be noted that the past delivery figures up to 2009/10 reflects only the delivery of delivery of formally proclaimed sites, with or without top structures. In terms of the CoCT's 2013/14 the delivery targets for the "number of housing opportunities" to be provided

– reflecting "types" of delivery separately as per an instruction by the Auditor General – is as follows:

"TYPE"	NUMBER
Sites	4 400
Top structures	4791
Others (CRU upgrades and shared services)	4641
Re-blocked settlements (number could vary depending on community readiness)	*To be determined*
Total number of housing opportunities	13832

Table 3: 2013/14 housing delivery targets
Source: CoCT 2013/14 SDBIP

In terms of the CoCT Business Plan for 2013/14 submitted to the National Department of Human Settlements the delivery target for the number of structures to be delivered is:

TYPE OF STRUCTURE	NUMBER
Incremental Housing Programme	4330
Social and Rental Housing	807
Total number of structures	5137

Table 4: 2013/14 type of structure delivery targets
Source: CoCT 2013/14 Business Plan

It is expected that delivery on these targets will exceed past delivery performance. Nevertheless, the rate of current delivery will not meet current and future demand.

Existing project pipeline

The City's existing project pipeline comprises of 19 committed/under construction projects (amounting to 18 131 opportunities) and 34 planned projects (amounting to 21 708 opportunities). The spatial distribution of committed/under construction and planned projects is illustrated in figure 5. Most of the projects focus on the south-east metro, within established lower income areas. Noticeable is the lack of large projects – comprising between 5 000 and 10 000 opportunities. Arguably, the delivery of smaller projects is as difficult and complex as bigger ones, specifically given the difficult land and social context of the south-east metro.

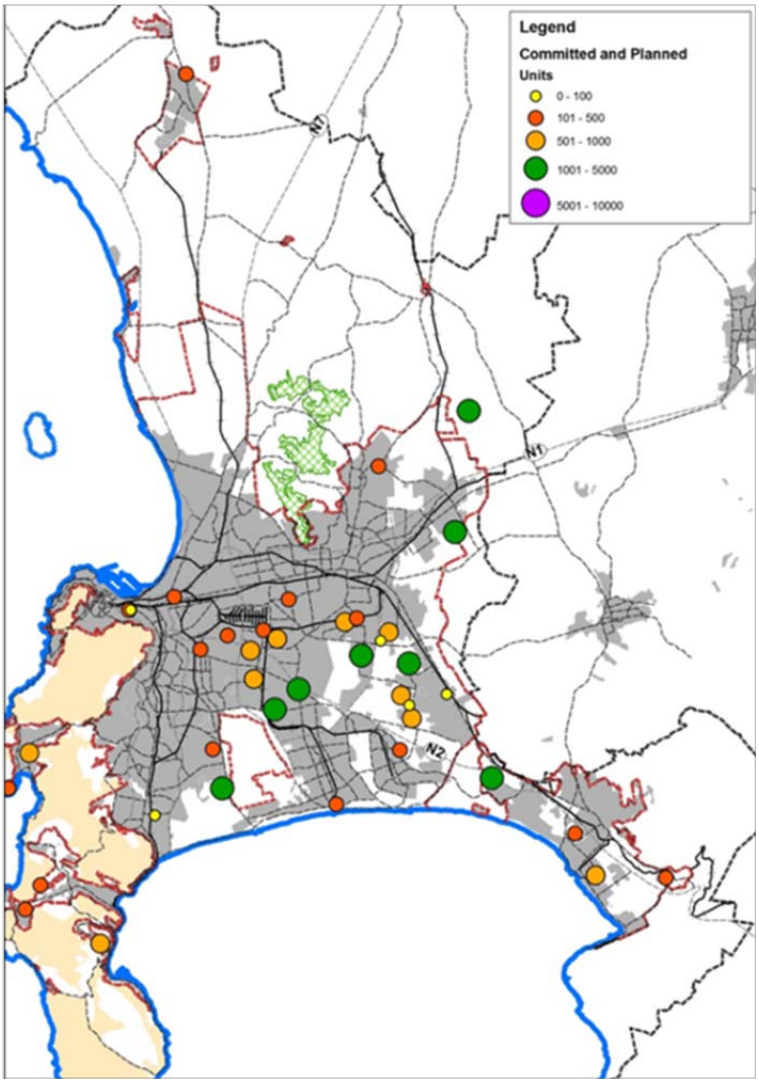


Figure 5: Spatial distribution of committed and planned projects

Current housing product mix

The 53 committed/under construction and planned projects exhibit the following product mix:

"TYPE"	COMMITTED/ UNDER CONSTRUCTION (% OF NUMBER OF UNITS)	PLANNED (% OF NUMBER OF UNITS)
UISP	15.5	9.5
BNG (including PHP)	69.6	73.1
CRU	1.9	6.7
Social/ Institutional	2.7	9.9
GAP/ Bonded	10.3	0.8
	100	100

Table 5: Proportion of different housing types provided
Source: CoCT

The individual tenure unit (BNG or PHP) predominates as housing type in the committed/ under construction and planned projects pipeline.

Table 6 illustrates the varying costs of different housing products.

PROGRAMME	PRODUCT	COST
Integrated Residential Development Programme (IRDP)	Serviced site and top structure	Site: ± R40 000 Top structure: ± R85 000
	Serviced site (without any structure)	± R40 000
Upgrade of Informal Settlements Programme (UISP)	Serviced site (without any structure)	± R40 000
Community Residential Unit (CRU)	New rental unit, including • Conversion of "brown" buildings into residential units • Redevelopment of existing hostels • Major maintenance/ upgrade of existing rental stock	± R300 000
Social Housing Programme	Rental unit	± R280 000-R300 000
	Rent to buy	± R200 000
Institutional Housing Programme (IHP)	New house	± R300 000
	Existing house	± R300 000
Finance-linked Individual subsidy Programme (FLISP)	New house	± R300 000
	Existing house	± R300 000
Individual Subsidy	Serviced site	Value of subsidy: R86 000

Table 6: Costs of different housing products
Source: CoCT

It is clear that the most affordable way to assist those in need is the serviced site. The most expensive product type, and arguably the best one in terms of achieving the objectives of city densification and efficiency, is multi-storey rental units.

Land availability in relation to demand

To gain an understanding of how much land is available for meeting current and future demand, a review of public land suitable for housing development was undertaken at the end of 2013. The list encompasses 542 discrete cadastral entities and represents the vast majority of sites that have come up for assessment and at some time over the last 5 years. It includes land not yet fully secured for housing. This assessment attempts to ascertaining, in general terms, the means/resources available to proceed with delivery in future. It requires further refining but such work would not fundamentally change conclusions or recommendations.

Deliberate exclusions are:

- Sites upon which projects are already running, since the type is committed.
- Private land for which the prospect of obtaining it is doubtful and inclusion would lead to a false sense of the quantum "availability".
- State farms outside the existing city footprint not feasible to develop in the foreseeable future and subject to sensitive environmental considerations.

A most appropriate housing product (i.e. type) was assigned to each parcel to enable an understanding of the total number of opportunities possible. Appropriate means a type which would:

- Provide a logical solution to human settlement need in the surrounding area (e.g. large number of back-yard dwellings, informal area, income levels, etc.).
- Be acceptable to the local community.
- Not degrade the local property market.

An estimate was made on what percentage of each parcel could not be used for development (i.e. having an existing use or an exclusion zone over it, etc.). The balance is the "usable" surface area. The results are as follows:

Possible Housing Type	Number of parcels	Total Hectares	Usable Hectares	Possible Unit Yield
Social Housing	67	136.8	101.8	4 884
BNG/ RDP	161	602.5	506.9	15 652
CRU	42	38.2	31.1	1 492
Hostel Redevelopment	1	0.8	0.8	41
Site and Service	6	24.7	5.8	201
Incremental Development Area	14	37.9	28.9	1 156
UISP	92	203.8	11.3	901
Mixed	107	3 209.7	2 625.7	99 308
Lower GAP	27	168.6	153.7	4 611
Upper GAP	23	98.9	98.2	2 454
	542	4 523	3 564	130 700

Table 7: Land parcels and potential yields per product type
Source: CoCT

Based on experience, it could further be assumed that as much as 35% of the usable area is "difficult" to develop, being either costly to remedy natural or "built" conditions or subject to the lifting of (or setting aside of) regulatory impositions on the land, or due to constraints on development of the land due to other imperatives (e.g. conservation areas, flood attenuation areas, etc.).

A land "ownership" analysis was also done. It includes private and public land, although the majority of holdings covered in the assessment are in public hands.

Ownership category	Number of parcels	Total Hectares	Usable Hectares	Possible Yield
Private: Being Bought	59	173.92	150.86	5 510
Private: Bought	37	1 359.23	1 318.26	52 623
Cape Town Municipality	210	751.53	526.32	17 960
National Departments	62	1 422.22	878.60	35 370
WCG Human Settlements	84	262.52	259.89	9 064
WCG Public Works	80	410.63	286.99	10 167
Total				130 700

Table 8: Ownership of suitable land parcels
Source: CoCT

Key conclusions of public land availability in relation to demand are:

- At an average delivery rate of 10 000 opportunities per annum across all types at current density norms (higher than in the past), public land supply would suffice for the next ten years. At a delivery rate of 20 000 opportunities per annum across all types across all types, land supply would last for five years.
- Even if all usable public land is developed at a relatively high density of 80 opportunities per hectare, and 20 000 opportunities are provided per annum, land supply would not last much beyond ten years.
- A large number of public land parcels regarded as suitable for development has not yet been transferred to the CoCT.
- There is insufficient land in the land pipeline to support a substantial increase in delivery of housing opportunities over a sustained period.

- The City can no longer rely on publicly held land as its primary source of land for the delivery of new housing opportunities into the future.
- There is an urgent need to acquire land, ideally parcels larger than 100ha in extent from the private sector, especially in the growth corridors, which is developable within a 6-15 year time frame.
- If necessary the City will need to expropriate land.

It should also be remembered that, on the whole, delivery is more difficult today than it was 15 years ago. The "realistic" delivery practice has always been one of using politically and technically "easier" land first, leaving more complex areas for another day. The upshot is that in the immediate period delivery may be swifter than in outer years.

B.6. COMMUNITY INFRASTRUCTURE

The Council for Scientific and Industrial Research (CSIR) benchmarking study of community infrastructure (2014) is in final stages of completion. It calculated access and capacity of existing facilities as well as forecasted facility demand for the estimated population growth between 2011 and 2032. It covered the following sectors: Parks, Sport and Recreation, Community Halls/Civic Centres, Education, Primary Health, Fire, and Libraries. The projections for 2032 signals an important message to both the WCG and the CoCT with regard to the current backlog and large growing demand for the provision of social facilities.

- The metro south-east area remains to be in highest need and is placed further under pressure due to population growth.
- Current investment is prioritising areas of high population growth with regards to both educational and primary health care facilities.
- Future investment should focus on (a) expanding capacity through new facilities or upgrading existing facilities, (b) enhancing access to these facilities by improving public transport, (c) actively engage with space allocation (erf sizes and building design) of facilities developing new models of co-location and clustering as well as multi-level facilities, and (d) a clear notion that developing new facilities on the outskirts of the city will exacerbate the backlog demand in the built-up part of the city.

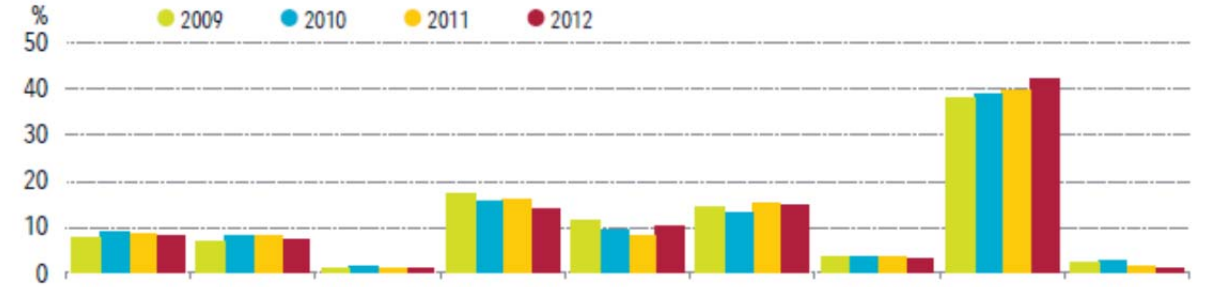
B.7. TRANSPORTATION INFRASTRUCTURE

Transport and the related infrastructure and systems are critical to the economic well-being of any city and individual citizens and households. Key statistics related to Cape Town's transport system and users are summarised in the table below.

Estimated percentage of population who rely on public transport	55%
Total passengers across all modes	2 528 000 per day
Total length of passenger rail network	914km
Total length of dedicated BMT lanes	25km
Total length of dedicated BRT median bus-ways	24.4km
Signalised intersections	1 050
Signalised pedestrian crossings	355
Total length of City roads	9 836km
Cost of upgrading/ rehabilitating all "poor" and "very poor" residential roads	R12.2bn over 15 years
Cost of relieving 3 key congestion hotspots (Blaauwberg, Kuilsriver, Kommetjie)	R887.50m
Current estimated value of roads	R78.9bn
Increase in estimated value of roads due to growth of Cape Town	R900m every three years

Table 9: Key statistics related to Cape Town's transport system
Source: CoCT

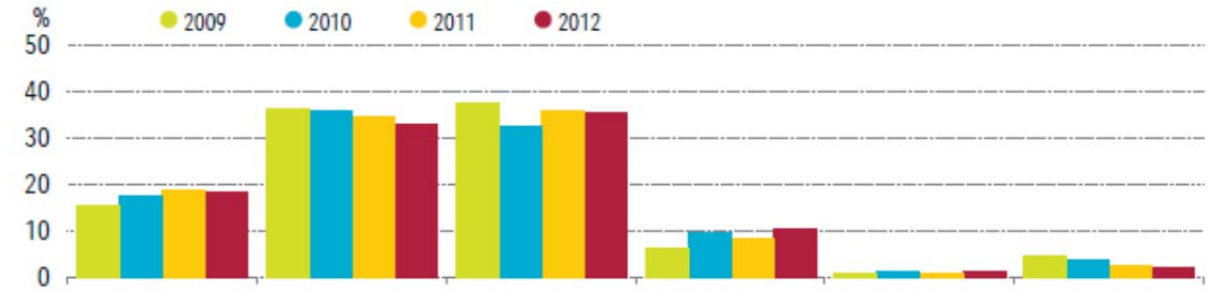
Statistics reveal that, between 2009 and 2012, the private/company car was the most dominant or preferred mode of transport used by commuters in Cape Town. Between 2001 and 2011, most commuter trips entering the Cape Town central business district (CBD) on a daily basis were by private/company car, followed by train, minibus/metered taxi and, finally, bus. Most commuters used public modes of transport, including trains and buses. Private/company-car use in Cape Town increased from 37.8% in 2009 to 42.0% in 2012. Over the same period, minibus/sedan taxis were the second most-used mode of transport, followed by train and bus. However, whilst train use remained steady at an average of 14%, the use of minibus/sedan taxis and buses declined slightly. This decline seems to have been in line with the increase in private/company-car use, which suggests that more people in Cape Town moved from public to private modes of transport to commute to and from work during the period under review. However, in terms of the daily modal split for passenger trips entering the Cape Town CBD between 2001 and 2011, about 60% passenger trips entering the Cape Town CBD were by means of public transport modes, compared to more than 30% in private cars.



	Office is at home	Walking	Motorcycle/ bicycle	Minibus taxi/ sedan taxi	Bus	Train	Lift club	Private/company vehicle	Other
2009	7,4%	6,6%	0,7%	17,0%	11,1%	14,0%	3,2%	37,8%	2,2%
2010	8,9%	8,1%	1,1%	15,4%	9,3%	13,1%	3,3%	38,5%	2,4%
2011	8,4%	7,8%	0,7%	16,0%	8,0%	14,8%	3,3%	39,5%	1,4%
2012	8,0%	7,1%	0,8%	13,7%	9,8%	14,7%	3,1%	42,0%	0,7%

Table 10: Transport modes to and from work 2009-2012

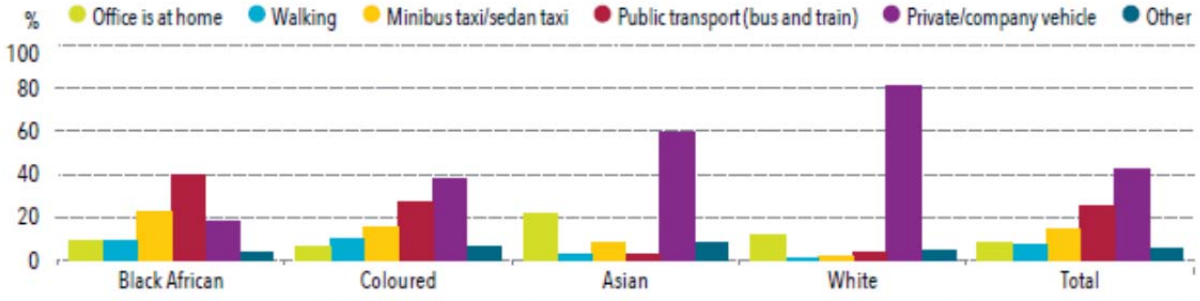
Between 2009 and 2011, the majority of commuters travelled an average of 15 to 60 minutes from home to work. Table 11 shows that between 2009 and 2012, there was a fair split between commuters who took between 15 and 30 minutes and 31 and 60 minutes to travel to and from work – each of the categories constituted an average of 35%. General Household Survey data indicate that commuters in the Asian and white population groups had the shortest commute, and took less than 15 minutes on average to travel to work, compared to in the black African and coloured population groups respectively. In turn, those who took between 61 and 90 minutes were predominantly commuters from the black African and coloured population groups.



	Less than 15 minutes	15 to 30 minutes	31 to 60 minutes	61 to 90 minutes	More than 90 minutes	Unknown
2009	15,2%	36,2%	37,4%	6,0%	0,7%	4,5%
2010	17,3%	35,5%	32,4%	9,6%	1,3%	3,8%
2011	18,6%	34,4%	35,7%	8,1%	0,7%	2,6%
2012	18,3%	32,7%	35,0%	10,5%	1,4%	2,0%

Table 11: Travel time to and from work 2009-2012
Source: CoCT

Table 12 indicates that almost 40.0% of black African commuters used public transport (bus and train) between home and work in 2011. This is in contrast with the 27% of coloured commuters and 3.11% of white commuters who used public transport. Altogether 59.16% of Asian and 80.28% of white commuters used private transport to commute, compared to 17.37% of black African and 37.19% of coloured commuters.



	Black African	Coloured	Asian	White	Total
Office is at home	8.69%	5.60%	21.36%	10.92%	8.04%
Walking	9.01%	9.40%	1.95%	0.82%	7.06%
Minibus taxi/sedan taxi	22.18%	15.16%	8.04%	0.97%	13.72%
Public transport (bus and train)	39.30%	26.77%	2.03%	3.11%	24.50%
Private/company vehicle	17.37%	37.19%	59.16%	80.28%	42.03%
Other	3.45%	5.87%	7.45%	3.90%	4.64%

Table 12: Transport modes to and from work by population group 2011
Source: CoCT

The traditional lack of formalised institutional arrangements to assist in coordination and delivery on an integrated transport mandate includes a fragmentation of functions relating to transport infrastructure and systems. The City has recently established a Transport Authority to be the custodian of all transport matters within the city itself and to be the interface with surrounding municipalities and other transport related stakeholders, with single point responsibility for transportation matters for the Cape Town Metropolitan functional area. The Transport Authority called Transport for Cape Town or “TCT" for short; introduces a new era for transportation in Cape Town, focussing human and other resources, skills, and finances to deliver a superior service to the citizens and other partners of the city.

TCT, constituted in terms of the National Land Transport Act (NLTA), is mandated by the Act to fulfil a number of functions to allow it to plan and implement proper transport in Cape Town. Included are functions such as administration, planning, communicating, contracting, regulating, monitoring and evaluating, managing, and operating transport infrastructure and services. These functions, roles and responsibilities have been assigned to various entities in the Constitution of Transport for Cape Town By-law recently approved by the City. TCT is in the process of creating a strong focussed professional team that will coordinate the strategic intent in the City

Some of the transport and infrastructure related inefficiencies in Cape Town that have significant negative impacts on the economy, society and the environment, and forms the focus of TCT's efforts, include the following:

- Congestion, particularly through increasing private car usage in Cape Town, causes a loss of millions of Rand to the city economy. Congestion contributes over 50% of the atmospheric emissions in cities – the highest source of pollution. Congestion also has an impact on the economy through time delays, increased use of fuels, and so on. Project research in relation to three of the main congested hotspots in Cape Town has quantified the required infrastructure interventions to be in the region of R900 million.
- High accident rates involving pedestrians and high numbers of fatalities increase the burden on hospitals and on medical and social services and decrease economic productivity. The City has developed a Road Safety Strategy but urgently requires a public transport law enforcement unit that needs resourcing.
- The high cost of transport disempowers marginalised communities (both urban and rural) due to travelling distances and the lack of an adequate and integrated transport system.
- Limited access for persons with special needs to transport and the associated infrastructure further isolates already vulnerable individuals in communities.
- Increasing backlogs in maintenance of transport infrastructure hamper economic activity. Deteriorating road conditions versus maintenance mechanisms to prolong the life and efficiencies of the system. The current budget shortfall and the lack of prioritisation have meant that the management and maintenance of the road network is on a continuous deterioration curve.
- The value of Cape Town's 10 000km of roads is estimated at some R78.9bn. Research has quantified the repairs and maintenance needs for the categories 4 and 5 roads at R12bn over 15 years.
- Across the City of Cape Town there are approximately 352 public transport interchanges, many in disrepair and only 60 of which are being managed by TCT. There are also over 3 500 bus shelters of varying standards, many of which are in very poor condition. There is overcrowding on public transport and the access facilities are in many cases inferior and substandard.
- The poorest households – predominantly Black African – live on the outskirts of the city, furthest away from potential employment and income-earning opportunities. They are the least able to afford the costs of urban sprawl, but have to commute longer distances and at times use public transport modes that are currently not optimally integrated. Black African and coloured commuters commonly travel between 15 minutes to an hour to get from their homes to places of employment. In contrast, white commuters – who mostly travel by private car – are most likely to travel for less than 15 minutes up to a maximum of 30 minutes.
- Encouraging behavioural change among the high proportion (75%) of commuters in the white population group in Cape Town who use their private cars, most often also travelling alone.

In the 2010/11 financial year, the MyCiTi service was launched, providing dedicated bus lanes in places to help cut travelling time by half during peak hours, reduce traffic congestion, and save on overall travel costs. The MyCiTi service commenced in the inner city, and then expanded along the R27 towards Table View and within the Table View area. It has also launched routes towards the northern and West Coast suburbs, where there is high passenger demand, yet no rail service. Early in the 2013/14 financial year, MyCiTi extended to Hout Bay, Dunoon, Atlantis, Mamre, Melkbosstrand, Montague Gardens, Joe Slovo, Century City and other areas within the phase 1A area. In July 2014, MyCiTi launched an express service between Khayelitsha and Mitchells Plain, and the city centre. The new services complement the rail service of the Passenger Rail Agency of South Africa (PRASA), and serve to meet the needs of commuters on high-demand corridors.

PRASA is helping the City deliver on its transport goals and plans to create a multimodal Cape Town city region, and will help provide the public transport linkages between urban nodes. The Blue Downs line – involving some R2.5 billion in investment – has emerged as the next priority rail link in the Cape Town metropolitan region, and forms a critical link between the metro south-east and Bellville. This new passenger rail line will assist in developing a more compact Cape Town by providing easier access to new potential employment opportunities (in Bellville), reduced travel times, as well as better access to health, education and recreational facilities for the communities along the new line and from Khayelitsha and Mitchells Plain. It is expected that this alternative link to Bellville will have a direct positive and substantial impact on the quality of rail services to more than 50 000 current commuters.

B.8. SUSTAINABLE DEVELOPMENT

Biodiversity

Cape Town has enormously rich biological diversity, and is known for its incredible natural beauty. The city is located within one of the world's six plant kingdoms – the Cape Floristic Region (CFR). The CFR, a recognised UNESCO world heritage site, is the smallest yet most biologically diverse of all the plant kingdoms. The CFR has one of the highest proportions of endemic species in the world, with over 70% of its approximately 9 600 plant species found nowhere else, and has been officially identified as a "global biodiversity hot spot". This designation recognises it as one of the planet's 25 most threatened ecosystems, and places an international responsibility on all spheres of government to ensure its adequate conservation.

Over 60% of the original extent of Cape Town's natural vegetation has been lost, mostly in the lowlands. Of the 24 vegetation types or subtypes present in the city, ten are classified as critically endangered. For eight of these ten, it is impossible to meet the national conservation targets, as less than the target extent of each remains. Five vegetation types are classified as endangered, five as vulnerable, and the remaining types are classified as least threatened. Of the 21 South African critically endangered vegetation types, 52% are found in Cape Town. Cape Town also has a high incidence of threatened species – 18% of South Africa's threatened species are found in Cape Town, which comprises only 0.1% of the country's area; and 13 plant species are already extinct. Urban and agricultural expansion has been responsible for much of the biodiversity loss over the past century, with urban growth having been the main contributing factor since 1994.

Although the total area of biodiversity lost has increased, the total area under formal protection has also expanded over the past century, with significant increases since the mid-1990s. In 2009, as part of the Environmental Agenda 2009-2014, the City set itself a target to conserve 60% of the biodiversity network by 2014. Although this target has not yet been

achieved, there has been a significant increase from approximately 42% of the biodiversity network conserved in 2008, to 51% in 2014. It is important to note that much of this land falls within the Table Mountain National Park, and therefore lowland vegetation types are underrepresented.

Increasingly, the environmental impact assessment process (as stipulated in NEMA) fails to provide sufficient protection for critical biodiversity areas, as it is generally unable to halt inappropriate developments. In addition, insufficient mitigation measures are often included in the record of decision when developments are approved. The city's biodiversity is also suffering due to the lack of a metropolitan open space system that aims to deal with all natural, semi-natural and man-made open environments – including nature reserves, parks, sports fields, etc. – as part of an integrated system. Currently, many important natural areas are subject to increasing fragmentation and isolation, which has a negative impact on biodiversity. There is an urgent need to address and ensure the protection of the city's natural resources, as these provide the basis for the city's economy. Without these natural resources, and the ecosystem services and benefits that they provide, Cape Town will be increasingly exposed to significant risks, and will become more vulnerable to climate change and other natural hazards. In addition, as the natural environment is one of the key factors that makes Cape Town an attractive place to visit, live and work, and attracts many tourists, residents and businesses, loss of or significant damage to this natural environment will have a very negative impact on the City's competitive advantage.

Energy use

Cape Town's electricity use increased steadily between 2001 and 2007 in line with the city's population and economic growth, and reached a high of approximately 12 250 GWh in 2007 (3 430 kWh per capita). However, there has been a marked decrease in electricity consumption since 2007, with total consumption having declined year on year since 2010. In 2010, total annual electricity consumption was 10 556 GWh. Since then, it has reduced to 10 488 GWh in 2011, 10 431 GWh in 2012 and 10 200 GWh in 2013. Over the period April 2013-April 2014, consumption remained consistently 20% (2 446 GWh) below the business-as-usual baseline (projected at 3.3% annual increase on 2006), and is now even below the 2007 consumption.

Cape Town's energy breakdown by sector indicates that energy use is dominated by transport, which consumes approximately 50% of total energy, followed by the residential (18%), commercial (17%), industrial (14%) and local government (1%) sectors. However, although the transport sector consumes the largest share of energy (50%), it is responsible for only 27% of CO2 emissions, while residential and commercial sectors produce comparatively higher CO2 emissions. This is due to the carbon intensity of coal-based electricity generation.

In 2010, Council adopted a comprehensive Energy and Climate Change Action Plan (ECAP), which links energy and climate to Cape Town's development strategy, and coordinates 40 programme areas that are made up of over 120 projects. The City's commitments include achieving a 10% reduction in greenhouse gas emissions off a business-as-usual baseline by 2014; a 10% reduction in municipal electricity consumption by 2012; a 10% city-wide electricity consumption reduction by 2012, and a 10% supply of renewable and cleaner electricity by 2020. The municipal and city-wide consumption reduction targets have been achieved and exceeded.

The City runs an active electricity-savings campaign for the residential and commercial sectors and some efforts are under way to increase the proportion of renewable and cleaner energy in Cape Town's energy mix. The City has had a power purchase agreement with an independent power producer (Darling wind farm) since 2009. It is also in the process of

establishing systems to support distributed generation through an appropriate feed-in tariff, and is pursuing micro-hydro, solar electricity and waste-to-energy options in its own operations. In addition to the electrification programme, including in informal settlements, efforts are under way at a small scale to increase the energy mix used at the household level through the distribution of solar lights and hotboxes.

Climate change

Cape Town is vulnerable both to the effects of climate change – such as rising sea levels, changes in rainfall patterns and resultant water scarcity – as well as anticipated resource limitations, like the depletion of oil and mineral reserves and the impact on local energy supply and costs. The environmental challenges that the City faces and is responding to include: climate change adaptation and mitigation, conservation of unique natural landscapes and ecosystem goods and services, mitigating resource depletion (for example water and land), and pollution of air, inland water systems and the coastal environment.

Air quality

Cape Town's carbon dioxide (CO^2) footprint has tended to increase in line with (coal-based) energy use, and was last calculated at approximately 7.8 tons of CO^2 per capita. The City's Environmental Agenda 2014 target is to reduce the per capita carbon footprint to an annual average of five tons of CO^2 by, among others, encouraging the increased use of public transport in the city, and reducing the reliance on, and use of, private vehicles.

A key aspect of the City's environmental health approach is the monitoring and management of air quality, with the goal of reducing air pollution. Air pollution is often seasonal and localised, which makes it difficult to detect general trends. Encouragingly, Cape Town continues to have high levels of compliance with the National Ambient Air Quality Standards. Data from 2011 showed that air quality across the city was generally improved compared to the 2009 reporting period.

Coastal and inland water quality

The quality of coastal water and inland water bodies is an important biodiversity conservation issue, as well as a significant public health concern. Clean inland water bodies contribute to the City's efforts to conserve biodiversity. The quality of Cape Town's inland freshwater ecosystems – rivers and wetlands – is evaluated from two perspectives: recreational water quality and ecosystem health.

In terms of the City's Integrated Metropolitan Environmental Policy (IMEP) targets, half of Cape Town's rivers and vleis must achieve 80% target compliance with the public health recreational guideline. Recent results show that the overall water quality in rivers remains poor, and is not on track to meet the targets. In turn, water quality in wetlands has improved; just over half of wetland ecosystems meet the public health guideline for water quality.

The greater majority of coastal water points on the False Bay and Atlantic coast comply with coastal water quality guidelines. Areas with poor coastal water quality tend to be clustered around, and associated with, stormwater and wastewater outlets, river mouths, or ageing or damaged sewer infrastructure. Current City initiatives that will contribute to the improved quality of inland and coastal water include ongoing improvements in treated wastewater effluent quality, the treated-effluent reuse programme, the continual improvement of sewerage infrastructure – such as repairs to leaking sewers and damaged pump stations in coastal areas – increasing the capacity of stormwater drains, and closing the gaps in service delivery to informal dwellings and settlements.

Access to fresh water

One of the key resource concerns for Cape Town is continued easy access to fresh water. Among other interventions, the City is implementing water demand management initiatives and building public awareness about water saving. Per capita water use in Cape Town dropped to 208.6 litres per day in 2012, the lowest daily water use figures per capita for 17 years. Efforts are also under way to investigate opportunities for the sustainable harvesting of new water sources – such as underground reservoirs (a non-renewable resource) and desalination plants – alongside upgrading water reticulation systems to minimise leaks and water losses.

Waste management

Municipal solid waste management is linked to the need to reduce greenhouse gas (GHG) emissions: Post-consumer waste is estimated to account for almost 5% of total global GHGs, while methane from landfills represents 12% of total global methane emissions. Increased recycling and improvements in solid waste disposal will likely decrease the demand for landfill in a context where developable land in Cape Town is limited, and where less land under landfill will support the City's biodiversity conservation goals.

In Cape Town, unlike the positive response to calls to conserve water, the call for residents to recycle more has found limited uptake, and recycling levels in the city remain low. Results from the 2011 household survey indicate that over 80% of Cape Town households are not recycling their waste. The City implements several initiatives to encourage recycling by business and residents, including the establishment of integrated waste management facilities to recover materials for reuse and recycling. Renewed efforts to divert waste from landfill are starting to yield positive results in the amount of waste minimised and diverted from landfill, with 15.75% of waste diverted for the 2011/12 financial and 16.12% of waste minimised for the 2012 calendar year.

Environmental considerations in housing delivery

The City is committed to align its housing delivery activities to the Energy and Climate Change Action Plan and has instituted a number of related initiatives. Most of these relate to harnessing the power and cost efficiencies of renewable energy through the use of solar devices to heat water and warm houses. Natural shading is also maximised to assist with the cooling of living environments in summer. As far as possible the street plans for new developments are laid out in a manner that maximises the number of houses with north facing aspects to make the most of sun in winter and facilitate natural cross ventilation by the prevailing south-east winds during the hot summer months. Windows on north facing facades are shaded against midsummer sun but are typically larger than standard to maximise winter sunshine.

Although not required by the national standards, City contractors are encouraged to include solar water heating systems in their tender offers. The Human Settlements Directorate's energy services programme aims to reduce the energy costs of households in energy inefficient "RDP" houses, backyard dwellings, City rental units and informal settlements. For example, an estimated 40 000 RDP units (as built to 2005) have no ceilings. At present, the City is implementing:

- A major roll-out of solar heaters to all income groups across the city, accessing the Escom rebate and other funding options.
- The installation of ceilings to dwellings without ceilings, at a cost of some R400 million, financed through internal and grant funding.

Apart from household savings and environmental benefits, both initiatives have considerable training and job creation potential. For example, community based training is provided to enable residents to install their own ceilings.

B.9. IMPACT OF SECTOR TRENDS ON SPATIAL STRUCTURE AND FORM

In summary, key sector trends and impacts on the City's spatial structure and form are:

SECTOR	IMPACTS ON CITY STRUCTURE AND FORM
Demography	• Rapid population growth places pressure on existing infrastructure, land, and opportunity.
Economic infrastructure	• The bulk of new urban residents are from the ranks of the poor, with limited resources to meet their housing and other development needs, largely depending on public-sector assistance. • There is a mismatch in the labour market between skills demand and supply, and the growth in the number and proportion of unemployed in the city. • Non-residential growth remain largely in traditional centres as opposed to poorer residential areas (albeit the centres growing at different rates). • Economic infrastructure in the metro south-east is largely confined to the retail sector (malls largely "internal" to townships). • "Hazardous" infrastructure (e.g. Koeberg Power Station and the Cape Town International Airport) consume a large amount of land, not only for own operations, but also in "buffering" adjoining areas, possibly assisting city sprawl.
Basic infrastructure	• The capacity and condition of infrastructure in traditional areas (including integration zones) inhibits redevelopment/intensification (and therefore city compaction). • There is an urgent need to upgrade infrastructure in older parts of the city in support of densification and TOD.
Residential infrastructure	• The large proportion of low income households, limited housing funding and delivery, and focus on provision of a "complete" subsidised unit, results in rapid growth in informal settlements/backyard accommodation and a focus on the City's cheaper periphery for new settlement (where land holdings are larger and cheaper). • Given large income gaps between residential areas, already poor/inadequately provided and dense areas accommodate new growth (because highest growth is among poor). • Slow progress on the release of strategic national land assets increases pressure to find land on the city's periphery. • Existing and future housing demand for poorer citizens cannot be met through the application of existing housing models (focussing on the freestanding BNG house). • The private sector is largely excluded from lower income housing provision.
Community infrastructure	• High and very high risk in provision of social and community facilities is focused on the metro south-east, and areas such as Du Noon, Wallacedene, and Bloekombos.
Transport infrastructure	• The CoCT's mobility strategy is first and foremost about getting working individuals in poor communities and households closer to jobs, which are largely seen to be located in the CBD and other economic nodes across the city.
Sustainable development	• Water scarcity will continue to present a challenge for Cape Town into the future, including balancing the growth in urban demand with maintaining water supply for agriculture and food production. • Increasing recognition/protection of biodiversity/heritage assets which contributes to city desirability/tourism also inhibits redevelopment and intensification (and possibly assists in sprawl) through development constraints imposed and slow processes.

Table 13: Sector trends and impact on spatial structure and form

C. STRATEGIES AND PROGRAMMES

C.1. LONG TERM VISION AND STRATEGIC PLANNING

Integrated Development Plan

The City's IDP clearly articulates a vision established on five pillars, namely:

- The Opportunity City.
- The Safe City.
- The Caring City.
- The Inclusive City.
- The Well Run City.

Each pillar has a detailed set of objectives to demonstrate the approach to realising this vision. All are significant and essential to the vision, however of particular to relevance to the Built Environment Performance Plan and applications for funding that are made for capital grant funding are the following objectives:

The Opportunity City

- Objective 1.1: Create an enabling environment to attract investment that generates economic growth and job creation.
- Objective 1.2: Provide and maintain economic and social infrastructure to ensure infrastructure-led economic growth and development.
- Objective 1.3: Promote a sustainable environment through the efficient utilisation of resources.
- Objective 1.4: Ensure mobility through the implementation of an effective public transport system.
- Objective 1.5: Leverage the City's assets to drive economic growth and sustainable development.

The Caring City

- Objective 3.1: Provide access to social services for those who need it.
- Objective 3.2: Ensure increased access to innovative human settlements for those who need it.
- Objective 3.4: Provide for the needs of informal settlements and backyard residences through improved services.

The Inclusive City

- Objective 4.2: Provide facilities that make citizens feel at home.

The Well-Run City

- Objective 5.2: Establish an efficient and productive administration that prioritises delivery

The City's strategic focus areas and objectives are aligned with various higher-level National, Provincial, and City strategic documents. These include:

- The National Development Plan (NDP).

- ONECAPE2040, the Western Cape's agenda for joint action on economic development, which defines six key transitions and focus areas to move towards a highly-skilled, innovation-driven, resource-efficient, connected, high opportunity and collaborative society.
- The CoCT City Development Strategy (CDS), which provides a strategic framework, focus areas, and strategic levers for growing the economy, social development, protecting the natural environment, and working towards appropriate city form and infrastructure.

Various strategic plans, frameworks, institutional arrangements, and programmes/projects (spatially targeted and non-spatial) expand on the City's strategic vision and objectives. In relation to the 2014/15 BEPP, and specifically the identification of Integration Zones, the Economic Growth Strategy, CTSDF, ITP, Integrated Human Settlement Plan (IHSP), and Medium Term Infrastructure Expenditure Framework (MTIIF), are key.

C.2. ECONOMIC GROWTH STRATEGY

The City's Economic Growth Strategy (EGS) recognises the transversal nature of economic development and the need for a "whole of city" approach in dealing with the challenges of economic development. The EGS also recognises that infrastructure is the backbone of the economy, and highlights the links between well developed and functioning infrastructure and economic growth. In a similar way that economic development is a "whole of city" function, infrastructure provision and service delivery also needs to be tackled in a transversal manner.

The EGS identifies six key infrastructure levers or strategies for concerted focus, outlined below.

	STRATEGY	PURPOSE	FOCUS
1.	Leverage underutilised City assets to maximise economic benefits.	The CoCT is one of the largest landowners in the greater Cape Town area having accumulated assets from the seven municipalities that merged in 2000. However, many sites, buildings and other items of immovable assets remain underutilised.	Investigate the City's existing and potential strategic assets, and articulate how they may be leveraged to encourage economic activity and generate revenue.
2.	Develop a coordinated approach to Cape Town's international transport hubs.	• Although the airport is a world-class facility, the "hub-and-spoke" model adopted by the Airports Company of South Africa (ACSA) – where international flights are routed through Johannesburg – is undermining Cape Town's competitiveness as a business destination. • The port is an equally important transport hub, though businesses have noted that it is slow and expensive. As a consequence, freight traffic has contracted over the past five years, contributing to its ranking 116th in the world.	• Work with ACSA to attract an increased number of direct flights between Cape Town and international destinations. • Engage Transnet to better align the future development of the port with the requirements of the Cape Town economy.
3.	Expand public transport and consolidate the transport integration process.	The relatively low-density character of Cape Town's and the legacy of apartheid era planning means that many people are separated from the economic hubs as a consequence of distance, cost and time. Meanwhile, wealthier residents using private cars increasingly experience high levels of congestion and lengthy commuting times (The City's transport system is the single most frequently criticised component of city's infrastructure on account of unsafe, unreliable and poor quality train and mini-bus taxi services, a notable exception being the MyCiti' bus rapid transit system (BRT).	• Roll-out phase 2 of the BRT to the metro south-east area as well as an express service along the N2 in a manner that is integrated, based on a thorough cost-benefit evaluation, and aligned with the CTSDF. • Utilise the City's expanded mandate as per the National Land Transport Act (NLTA) to implement a fully integrated vision of "one" public transport network, featuring a single ticketing system.
4.	Maximise opportunities to enhance infrastructure financing through SIP 7.	Municipal infrastructure development has been identified as a key driver of economic growth by the national government, and a special presidential infrastructure coordinating commission, chaired by the President, has been set up to plan for the roll out of the government's multi-billion rand infrastructure programme.	• Develop a multi-phase work programme of implementable projects that align with the infrastructure needs of the city. • Engage with the national government to ensure that additional funds leveraged for infrastructure development in Cape Town align with the strategic needs of the local economy.
5.	Roll-out the	It is reported that web-based activities contributed to 21% of	• Partner with the WCG to implement an

	broadband project and define stakeholder roles and opportunities.	GDP growth in mature economies, and that there is a direct correlation between internet access and increased productivity, rising living standards and job creation. South Africa has lagged behind its peers, ranked 119th for bandwidth per user (behind Kenya and Mali) and 83rd for affordability (behind Cape Verde and Jamaica). With fewer than 20 WCG buildings and approximately 50 CoCT sites connected at speeds of 10 MB/s or more, this lack of broadband penetration is also negatively affecting government efficiency.	expansive fibre-optic communication network across the metro (the R1.3 billion project will take 7-10 years to complete and will provide high-speed internet to 45 WGC and 130 CoCT, with an initial focus on Khayelitsha, Mitchells Plain, Ndabeni, and the southern suburbs). • Enter into agreements with private service providers to make spare data capacity available to disadvantaged areas at a reduced fee (a feasibility study funded by the United States Development and Trade Agency to assess the various options is underway).
6.	Maintain and upgrade basic service infrastructure to ensure sustainability.	Basic service infrastructure is fundamental to economic growth and job creation. However, the City faces numerous challenges maintaining and upgrading basic infrastructure. Rapid urbanisation is putting pressure on the City's existing stock as never before, while financial, capacity and environmental considerations limits its options to maximise the strategic benefits of basic infrastructure.	• Develop a public infrastructure plan that will coordinate future infrastructure development with broader long-term social and economic planning priorities. • Develop a strategic asset register that will inform its infrastructure asset management programme (IAMP) that will reduce long-term costs. • Investigate innovative financing models (such as public/private sector partnerships, joint trusts, direct financing by the private sector and leveraging national and international infrastructure funds) to ensure fiscal sustainability while maximising economic impact.

Table 14: Key infrastructure levers of the EGS

C.3. SOCIAL DEVELOPMENT STRATEGY

The City's Social Development Strategy (SDS) provides the framework within which the City can coordinate and integrate inter-directorate initiatives to address poverty and social ills, alongside initiatives for social crime prevention. The strategy articulates the City's role in promoting and maximising social development, where "social development" is broadly understood as the overall improvement and enhancement of residents' quality of life, especially among the poor and/or marginalised. At its core is a focus on addressing poverty, inequality and social ills, while providing for people's participation in their own development.
The SDS sets out what the City is doing and still plans to do, and articulates where external stakeholders – such as contracted service providers and organisations receiving City grants – can contribute to creating an opportunity, safe, caring, inclusive and well-run city that allows people to achieve their potential.

C.4. SPATIAL DEVELOPMENT STRATEGY

City-wide spatial planning

The CTSDF was endorsed by Council on 30 March 2011 and approved by the WCG in terms of the Land Use Planning Ordinance (LUPO) in May 2012. Key focus areas of the CTSDF include managing growth and land use changes in the city, and ensuring that urban growth happens in a sustainable, integrated and equitable manner. Key strategies included in the framework focus on:

- Planning for employment and improving access to economic opportunities.
- Managing urban growth, and creating a balance between urban development and environmental protection.
- Building an inclusive, integrated, and vibrant city.

Each strategy is accompanied by a set of sub-strategies, policies and guidelines. Specifically the CTSDF identifies:

- A multi-directional accessibility grid for the city, as opposed to the original radial system focused on the CBD, to enable convenient access and multi-directional movement. The grid informs public transport routes.
- Areas of land use intensification in accessible, high opportunity locations (including Development Corridors, Urban Nodes, Strip Development and Civic Precincts).
- Development edges and growth directions to contain sprawl and protect valued natural, heritage and urban areas, while proactive directing urban expansion in the medium to longer term.
- Destination places which are significant existing or potentially significant points of attraction that form part of Cape Town's unique identity.

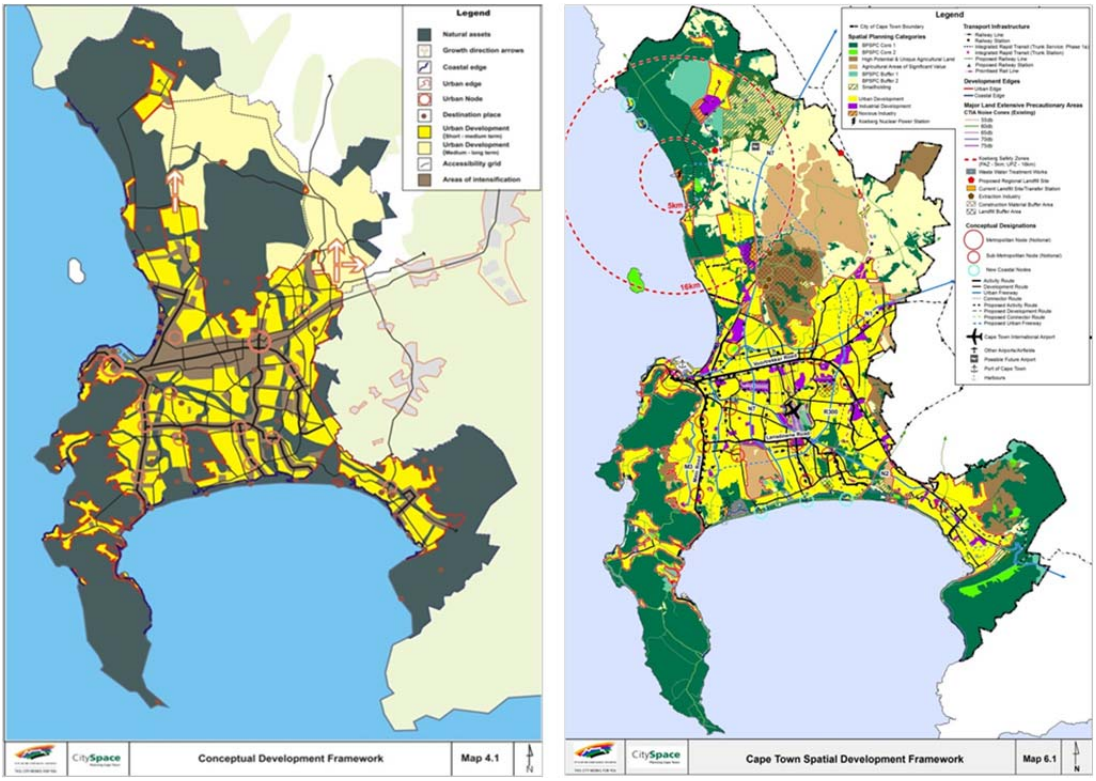


Figure 6: The CTSDF (concept left and plan right)
Source: CoCT

District planning

Eight District Plans, compiled for each of the City's planning districts, support the CTSDF. The District Plans aim to:

- Provide direction to the desired nature and form of development in the district.
- Assist in proving a guide to land use and environmental decision making processes.
- Provide a spatial informant to strategic public and private investment initiatives.
- Inform the development of priorities for more detailed local area planning.

District Plans include integrated Environmental Management Frameworks (EMFs) developed in terms of the National Environmental Management Act (NEMA). All eight district plans have been approved by the City of Cape Town as structure plans in terms of section 4(10) of LUPO.

Planning for densification

The CTSDF maintains that rapid and continuous low-density development is threatening the long-term sustainability of Cape Town. The City's Densification Policy was approved in February 2012.

The key strategic questions informing the design of this policy are:

- What level of densification should Cape Town aim for?
- Where should various types of densification take place and how should it be managed?
- How can densification be facilitated?

A "middle path" spatial strategy has been selected as the appropriate densification option for Cape Town. The strategy aims to achieve a targeted average gross base density for the City by encouraging higher levels of densification at selected and specified spatial locations (including parts of certain residential areas) together with lower levels of incremental densification across the City where contextually appropriate and feasible. A multi-faceted implementation approach based on strategic, partial control is recommended. The controlled aspects relate to the higher density location criteria and guidelines, particularly those outlined in local density plans.

Key directives and considerations of the policy include:

- Proactively encouraging densification in density priority zones and urban civic upgrade areas. It is possible that different packages of incentives will be applied in different locations. The packages could include land use measures (e.g. overlay zones, class rezonings and the relaxing of building lines, authorising enhanced bulk, reduced parking and public open space provisions), financial mechanisms (adjustments to developer contributions, property rates and/or planning application fees), and procedural improvements (e.g. stream lining application procedures).
- Generally speaking, the gross density of formal housing in subsidised housing areas is higher than other parts of the city and appropriate. Challenges in some of these areas include the monotonous mono-functional form of the subsidised housing developments, their spatial location and the number of informal backyard dwellings. The City will investigate, promote and support urban design as well as financial and institutional mechanisms that support multi-storey/more suitable forms and locations of subsidised housing in order to achieve better city form and higher quality, sustainable living environments.
- The City should proactively encourage the development of state owned land within the urban fabric. This land should be developed in a way that facilitates spatial integration and the intensification of land uses.
- The notion of separate water and electricity meters and refuse and sewerage charges where there is more than one dwelling unit on a property is actively supported.
- Informal settlements and subsidised housing areas that are too densely settled to make their upgrading feasible may necessitate the relocation of some households to alternative sites and/or the use of creative design and financing solutions.

The table below outlines densification guidelines for specific spatial areas/types of development:

AREA	DESCRIPTION	DENSITIES
Residential areas	All residential areas are suitable for incremental densification through second dwellings (such as "granny flats") or subdivisions, as long as they do not damage the character of the area, and the City's engineers are satisfied that the	-

	infrastructure will cope with the increased densities.	
Affordable housing areas	Areas of focused public sector investment, e.g. subsidised housing	40-150 du/ha (gross) or 80-300 du/ha (nett) Single to 4 storeys
Development and activity routes	Development routes, such as Jan Smuts Drive, Klipfontein Road, Durban Road, and activity routes such as Koeberg Road, Main Road and Voortrekker Road, are suitable for higher-density development (up to 15-storey buildings). The areas most suited to this densification are near transport intersections, intense mixed-use areas, and commercial complexes.	50-180 du/ha (gross) or 100-375 du/ha (nett) 4-15 storeys
Activity streets	An activity street is a local street section of concentrated activity, such as Newlands Main Street and Halt Road. Townhouses and small four-storey buildings usually fit in well in these areas, which are usually near public transport stops, stations, and public institutions and facilities.	50-180 du/ha (gross) or 100-375 du/ha (nett) 4-15 storeys
Major economic opportunity zones	Cape Town, Bellville and Claremont/Wynberg Central Business Districts are major urban centres, and are suitable for four-storey to 15-storey developments. These areas are usually near to public transport routes, as well as social facilities and public open spaces.	50-180 du/ha (gross) or 100-375 du/ha (nett) 4-15 storeys
District economic opportunity zones	Fish Hoek, Kenilworth, Mitchells Plain, Milnerton, Century City, Kuils River and Durbanville are good examples of district economic opportunity zones, where there are clusters of shops, restaurants, offices, banks, hospitals and clinics, parking, and public transport interchanges.	35-80 du/ha (gross) or 75-175du/ha (nett) 3-7storeys
Places of amenity and attraction	A place of "amenity" or "attraction" is a significant urban place that attracts people, such as public spaces, heritage areas, and places with good views and recreational attraction. Examples include Kalk Bay, the Cape Quarter, De Waterkant, Simon's Town and Tyger Valley Quarry. Included in this category are coastal nodes, such as Gordon's Bay, Table View, Mnandi and Monwabisi. These areas are suitable for higher-density developments, as long as they do not have a negative impact on built, heritage or natural assets.	Location specific. Where appropriate influenced by the urban and coastal edge management guidelines.

Table 15: Densification guidelines

The Densification Policy identifies five work areas – currently in progress – to ensure that its proposals are implemented:

- Incorporating proposals into the SDF, District SDPs and local density plans.
- Preparation and implementation of a communication strategy that explains the need for densification and outlines the City's Densification Strategy.
- Reviewing the existing Densification Guidelines Manual (2002).
- Ensuring regulatory support, including:
  - Incorporation of the strategy into the Cape Town Zoning Scheme.
  - The schedule of standards and guidelines for the provision of public facilities and amenities.
  - The public parking policy.
  - The introduction of municipal rates rebates and/or penalties which encourage densification.
  - The review of the developer contributions policy.
- Developing a monitoring and evaluation system that tracks the location and extent of densification, impact on infrastructure capacities, and identify bottlenecks and issues that need intervention.

Land use modelling

The City's land use model allocate land demand to land supply (based on extensive local professional knowledge related to the suitability of different uses and the provisions of Council adopted District Spatial Plans) in terms of three scenarios:

- A business-as-usual scenario, where green field development outweigh infill.
- A pragmatic densification scenario, with less emphasis on green field development.
- A transit-oriented scenario with little green field development and most development allocated to transit corridors.

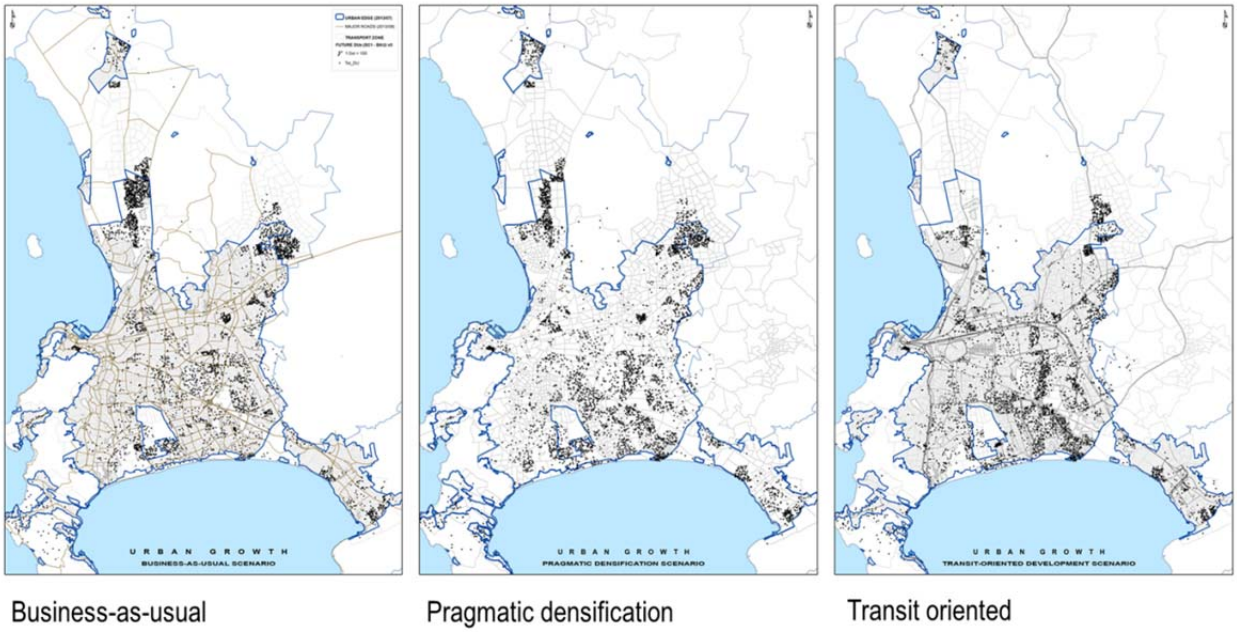


Figure 7: The three development scenarios
Source: CoCT

All three scenarios assume a significant proportion of future housing need being accommodated through private rental. The pragmatic densification scenario supports the current broad spatial focus of human settlement programmes, specifically:

- A current focus on infill and renewal development in the Philippi Central, Khayelitsha, Delft, DuNoon/Table View, and Helderberg areas.
- The call that the City should as a matter of priority acquire and land bank substantial tracks of privately owned land in the north-western, north-eastern and Helderberg growth corridors and areas of housing shortage.
- The call for detailed planning to commence on a number of major projects focused on the north-western, north-eastern and Helderberg growth corridors and possibly the Strandfontein/Vanguard Drive area.

Transit Oriented Development

Over the longer term, the TOD is the ideal, pursuing mixed use neighbourhoods designed to maximise access to public transport and:

- Increase “location efficiency” so that people can walk, cycle and use public transport.
- Boost multi-direction shorter ridership and minimize congestion.
- Increase economic opportunity in areas dominated by residential development.
- Deliver efficiencies in urban infrastructure.
- Drive down the cost of the User Access Priority for both new and existing residents.
- Increase a sense of place.

The City has positioned the TOD concept under the leadership of a senior MAYCO member and collaborative effort is put forward by all departments to participate in the Voortrekker Road and Metro South East Integration Zone Strategy and Investment Plan processes. In support to that, technical and political working groups are making good progress with communication of the concept across the range of stakeholders. The technical working group is busy with a comprehensive TOD modelling exercise and to package and present a

variety of TOD projects and initiatives. In October 2014, the TOD Summit was held for a group of stakeholders in the City ranging from property developers, senior officials on provincial and local government, to academics and certain public and NGO groups.

Rationalisation of the land use management system

The City has adopted a single Cape Town Zoning Scheme (CTZS) and a new, converted zoning map to replace the previous scheme, which was becoming increasingly ineffective. The new scheme involves a move from the previous 425 zones contained in 27 schemes, to a total of 35 base zones. This conversion was undertaken according to the principle of "best fit" between the old and the new zone of a property, and in a way that ensures no significant loss of property rights. This unified zoning scheme will introduce new zoning tools and mechanisms to make land use control more effective, and to streamline administrative procedures. Mechanisms are also included to link the policy environment (such as spatial development frameworks and plans) with the regulatory environment. The new CTZS will ensure equal opportunities for all property owners and residents, and will replace the last remnants of apartheid planning legislation. The CTZS is in place since March 2013 and certain review processes will be undertaken annually.

C.5. URBAN NETWORK, INTEGRATION ZONES, AND HUBS

Urban Network

The approved CTSDF identifies Cape Town's urban network – comprising CBDs, urban hubs, and transport links and activity corridors – which is the focus for public transport, the concentration of economic opportunity, and densification. The urban network, illustrated in figure 8, has been further refined through the recently completed ITP.

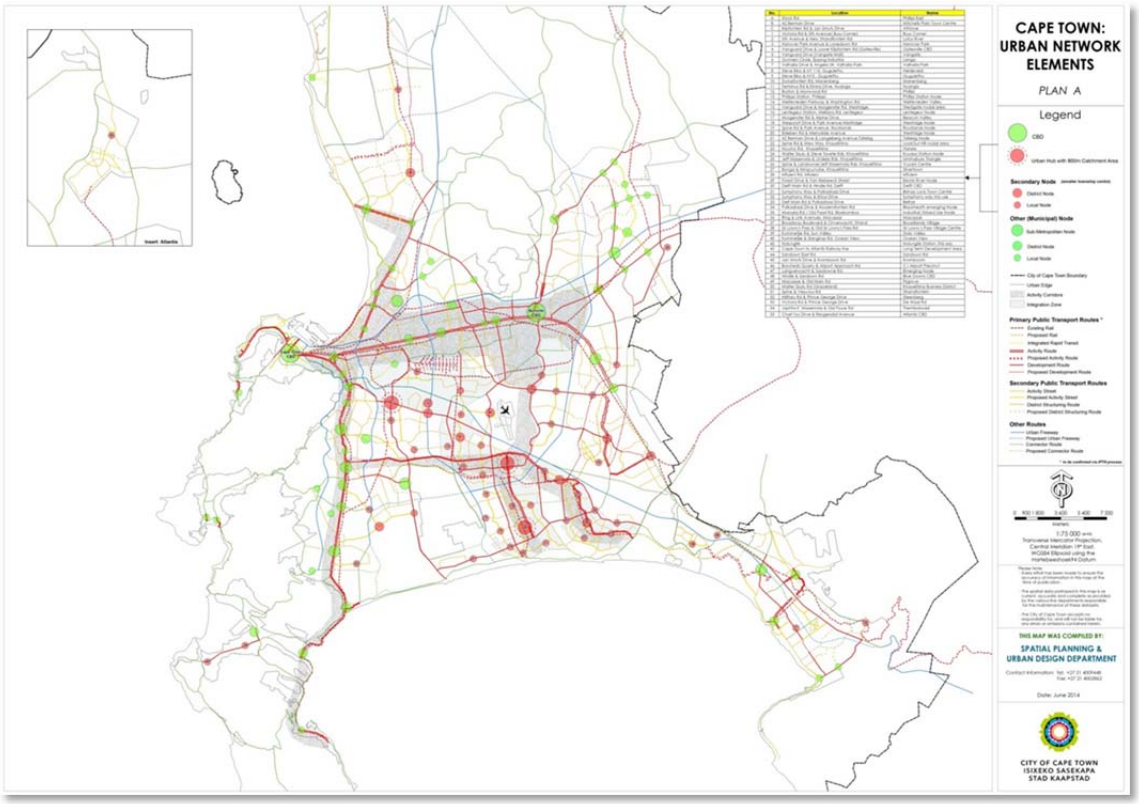


Figure 8: Cape Town's urban network

Integration Zones

Aligned with the "strategic planning window" of the ICDG, and informed by the urban network that underlie the CTSDF and ITP, the City has undertaken a preliminary identification of a first set of integration zones, including two corridors based on primary public transport linkages connecting emerging urban nodes with established ones (including the two major metropolitan nodes: the Cape Town and Bellville CBDs). The two integration zones endorsed by Council are the Metro South-east Integration Zone and the Voortrekker Road Corridor Integration Zone.

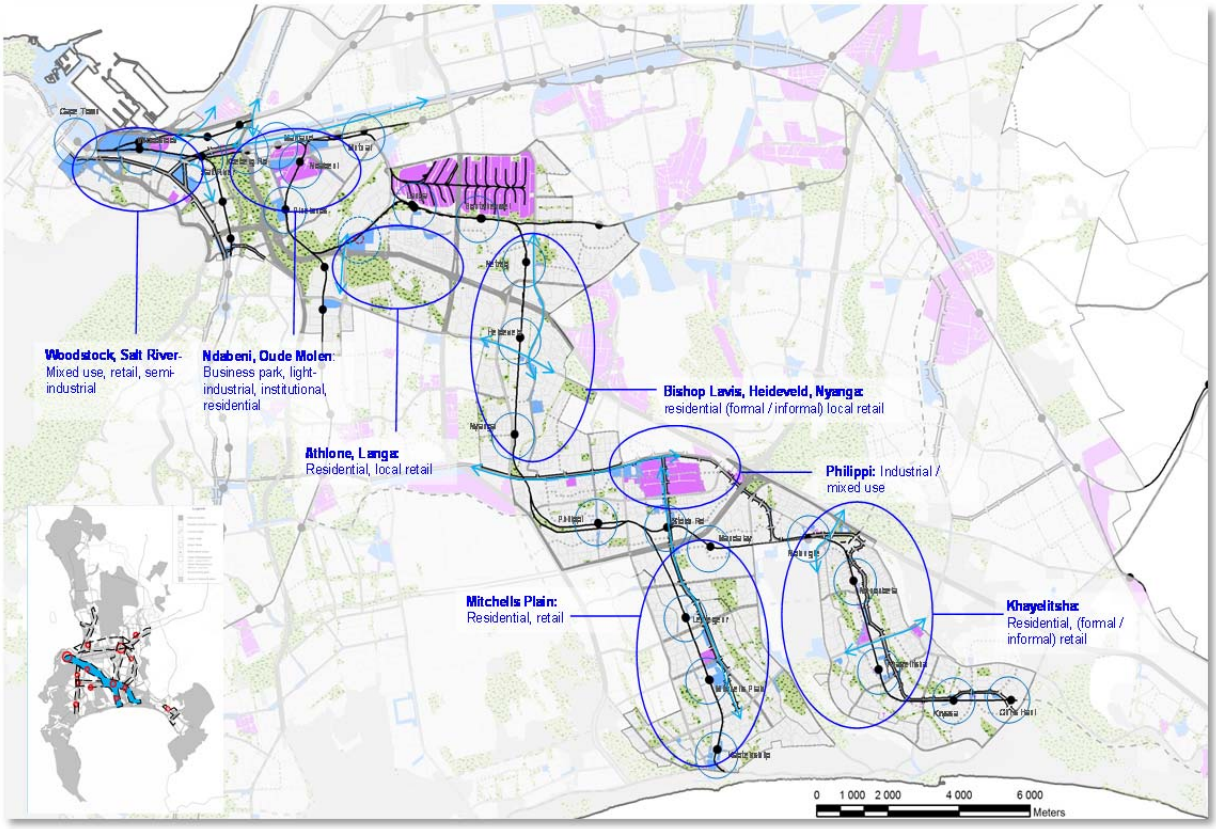


Figure 9: The Metro South-East Integration Zone

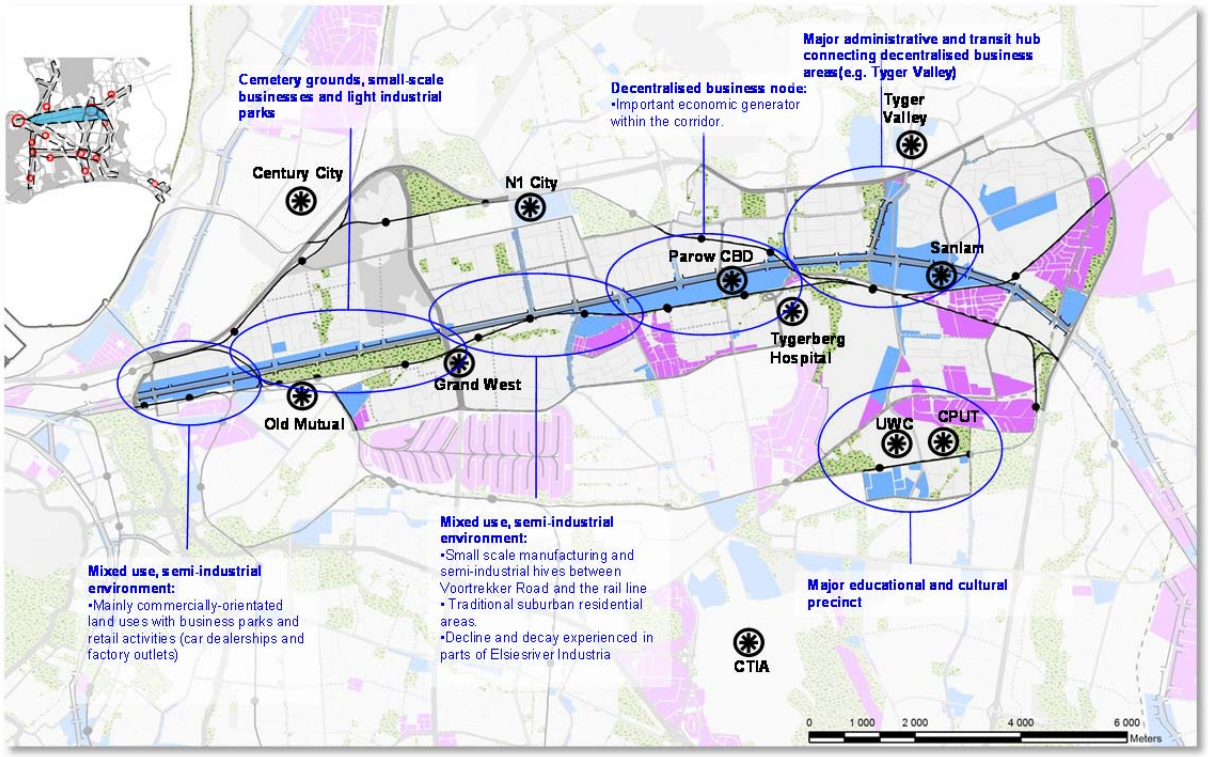


Figure 10: The Voortrekker Road Corridor Integration Zone

Both corridors were chosen because they offer the best opportunity for investment which:

- Grows the economy (and specifically enhanced job creation).
- Enable opportunity to be accessed via public transport.
- Builds on existing City assets and planned intervention in public transport infrastructure.

A broad summary of the general characteristics, issues, opportunities, and planned/current interventions associated with each corridor is provided in table 16.

GENERAL CHARACTERISTICS	ISSUES	OPPORTUNITIES	PLANNED/ CURRENT INTERVENTIONS
VOORTREKKER ROAD CORRIDOR			
• Population of 210 692 (5.5% of metro). • Rapid residential population growth in western (e.g. Maitland area) and eastern sections (Bellville CBD), including significant "foreign" component; no significant population increase in central section (e.g. Goodwood, Parow). • Income distribution (for corridor as a whole) higher than metro average. • Significant commercial, corporate and institutional "nodes" of metropolitan significance situated on/ adjacent to corridor (e.g. Old Mutual, Century City, Tygervalley, tygerberg Hospital, UWC, CPUT).	• Low residential population numbers/ density corridor with the highest public transport accessibility. • Industrial and commercial areas along Voortrekker Road perform poorly compared to those towards the west and east. • The Elsieskraal River flood risk zone directly affects development at rail stations. • Stretches of bulk stormwater system in vicinity of Voortrekker Road need upgrading (for >10 year events). • Sufficient water supply infrastructure for current land use. • Aging infrastructure may affect densification. • Pressure in water supply drops towards the east end of VR. Therefore high rise developments with high fire requirements require boosting. • Limited capacity along sewer networks draining to Athlone and Bellville WWTWs.	• Significant origin-destination movement (am peak) from all parts of the city into the corridor, with some station interchanges serving as gateway junctions. • Corridor comprises of "distinct" areas (in terms of land use) offering significant integration opportunities. • Opportunities for more integrated development at majority of stations (including social facilities). • Number of strategic sites that can assist in restructuring (Transnet Wedge, Wingfield, Conradie Hospital, Tygerberg Hospital, Hardekraaltjie, Stikland Hospital, Paint City site, Stikland Triangle, WCG land holdings in the Central City area and along Voortrekker Road). - City land holdings at stations. • Corridor well serviced with range of social/ public facilities.	• Establishment of Greater Tygerberg Partnership and Vorrtrekker Road City Improvement District. • Significant planned improvement to movement infrastructure to increase accessibility of corridor (Durban Road realignment south of the N1 to link up with Robert Sobukwe Road, Frans Conradie Drive link to Sable Road, Odin Road extention across the railway to link with Voortrekker Road. Blue Downs railway link to Bellville, Fisantekraal railway link to Bellville, Bellvile PTI redevelopment, • Symphony Way IRT link from metro south-east to Durbanville via Bellville PTI). • Bellville CBD planning (linkages to Tygervalley) under way. • Tygerberg Hospital redevelopment under planning. • Major improvements to bulk/ reticulation infrastructure planned for completion by 2015/16.
METRO SOUTH-EAST CORRIDOR			
• Population of 1 278 902 with densities highest in the south-east. • Income levels are highly uneven with the poorest areas in the south east, mirroring of a number of socio-economic indicators. • Major movement from the metro south-east (am peak), with interchanging at key points of along corridor. • Contains 9 of top 10 rail stations for boarding and alighting (the other one is Bellville Station). • Contains major mixed uses, commercial, industrial areas (Salt River, Ndabeni, Epping, Philippi).	• Industrial and commercial areas in the south-east perform poorly compared to those closer to Cape Town CBD and the airport. • Current social/ public facility shortfalls are well understood. • Waste water risks. • Electricity risks.	• Major opportunity for intensified mixed use in western sector (in association with existing commercial, industrial areas. • Opportunities for more integrated development at majority of stations (including social facilities). • Airport and Philippi industrial areas reflect growth potential. • Number of strategic sites that can assist in restructuring: – Athlone Power Station. – Two Rivers Urban Park. – District 6.	• The rail corridor is phase 1 of PRASA's modernisation programme. • Local land use/ transport planning, land packaging, urban management, regulatory reform work in progress at most stations. • Western sections overlap with Restructuring Zones identified for social housing. • Central and south-eastern sections are focus for numerous informal settlement upgrade, formal housing, and backyarder assistance programmes. • Civic precincts and major "destination places" have been identified throughout the corridor. • Provincial capital spending on schools/ health facilities aligned with risk areas. • Critical WWTW upgrades at Athlone and Zandvliet. • Lotus River widening for storm water attenuation. • Road projects at Swartklip and Heideveld. • Electricity and sewerage reticulation network upgrades in Khayelitsha). • Regional solid waste initiatives.

Table 16: Broad characteristics, issues and opportunities of the identified Integration Zones

The City is currently formulating an Integration Zone Strategy and Investment Plan (IZSIP) for each of the Integration Zones. The overarching aim is to identify a range of prioritized interventions, which may include specific catalytic projects within identified prioritized local areas, as well as integration zone wide interventions (institutional arrangements, adjustments to spatial targeting instruments, and so on). Each of the identified projects or programmes will be identified with a network element as identified in the Urban Networks Strategy (i.e. CBD, Urban Hub, Activity Corridor etc.). The baseline performance of each zone, and multi-year, measurable outcomes and targets for monitoring and evaluating progress towards achieving stated objectives, will be developed.

Although similar approaches will be followed for the Voortrekker Road-Rail Corridor Integration Zone and the Metro South-east Integration Zone, it is envisaged that the outcomes and pertinent focuses would differ substantially for each Integration Zone. The envisaged approach towards formulating these strategies is illustrated in the figure below.

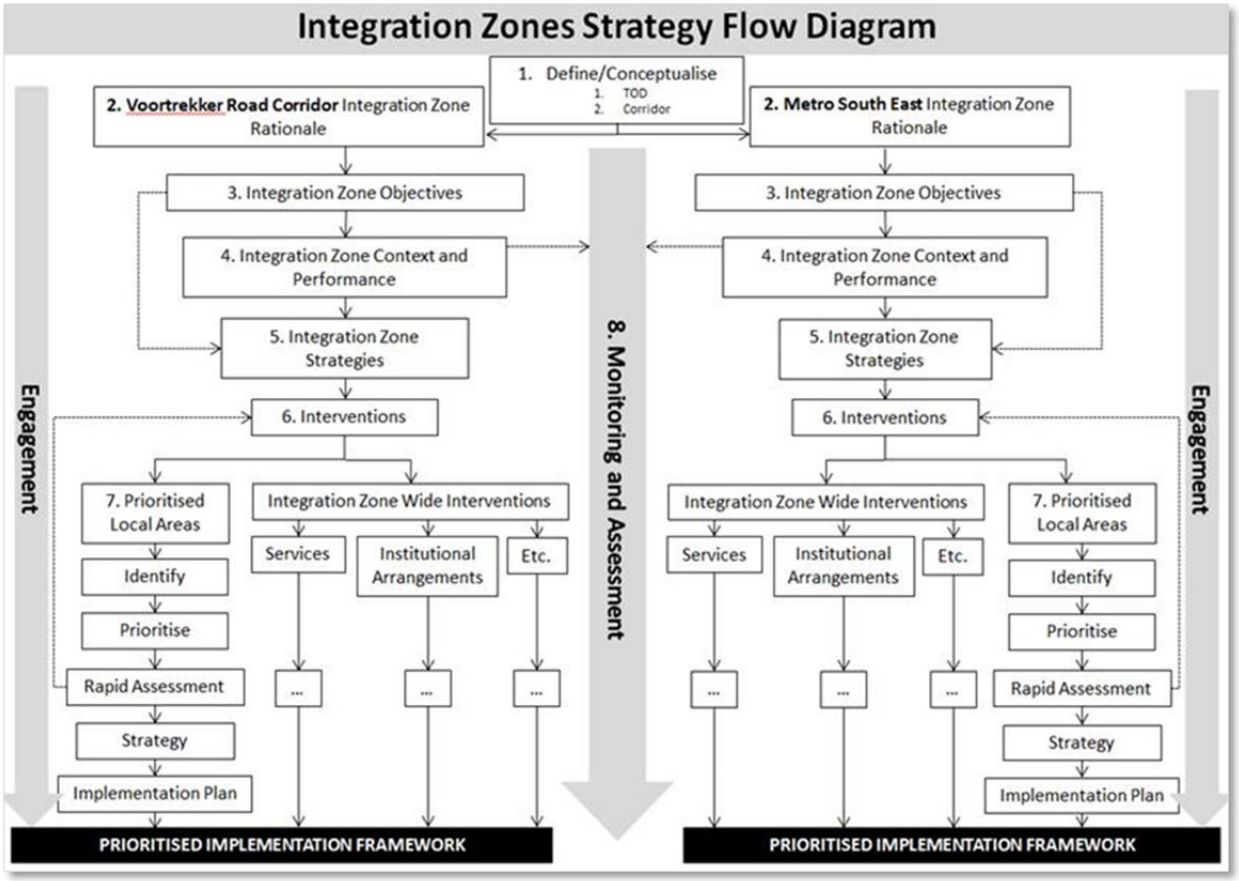


Figure 11: The City's approach to developing Integration Zone Strategy and Investment Plans

Given that the identified integration zones are already the focus of numerous City interventions – both sector specific and serving multiple outcomes – the detailed development strategies are envisioned to build on existing work and institutional arrangements. Rather than starting anew, the aim is to enhance and integrate existing

initiatives, and to find new associated opportunities, towards transit oriented development and spatial transformation.

Specific objectives of the MSE IZSIP are to:

- Enhance the MSEIZ's contribution to a more compact and integrated city, with associated efficiency, productive, and resource sustainability gains.
- Use the TOD Strategy as a lever to growth and development through the enhancement of public transport infrastructure (including its institutional arrangements and processes) and the support of appropriate development at appropriate locations.
- Maximise the investment by various spheres of government and related agencies in the provision and maintenance of infrastructure and public facilities; and encourage private sector and individual entrepreneurship and investment through appropriate infrastructure and facility provision, regulations, and urban management instruments.
- Enhance infrastructure provisions in the MSEIZ by:
  - Strengthening institutional arrangements and support systems that enable cross-sectoral, integrated work on urbanization, infrastructure and facility provision and management.
  - Improving existing infrastructure and public facility services in the MSEIZ and improving efficiencies across infrastructure and facility networks.
  - Integrating informal settlements with existing infrastructure and social facility assets offered by the MSEIZ and the city broadly.

The core objective of the VRC IZSIP is the spatial transformation of the apartheid city through the use of transit oriented development aimed at achieving the following:

- Mixed use development.
- Mixed income residential.
- Increased dwelling unit density.
- High quality public transport provision and accessibility.

In parallel to the development of detailed development strategies for the two identified integration zones, the City intends to identify further integration zones – consistent with the urban network – for enhanced detailed planning and interpretation. This could include the western and north-eastern development corridors, the eastern corridor, and the Helderberg corridor. In this way, the whole of the city's urban network will be aligned with ICDG objectives and planning and budgeting processes.

All three additional corridors are significant in relation to meeting the city's human settlement development agenda. For example:

- The western and north-eastern development corridors has the potential to provide some 430 000 housing opportunities (more than half the anticipated 30-year need). Significant work has been undertaken to understand associated infrastructure investment and the area could be the key focus of future public land acquisition and public/private partnerships.
- The Helderberg corridor, including the "Heartland" site and areas associated with Sir Lowry's Pass.

- The eastern corridor is a major focus for informal settlement upgrading and infill development (including "decanting" of existing informal settlements). The future Blue Downs rail link is an essential trigger to enable integration of this area with broader city opportunity.

C.6. TRANSPORT PLANNING

Transportation Trajectory

"Imagine Cape Town in the year 2032: a vibrant and dynamic city where millions of people – young and old – move between their homes and places of work, education and entertainment. It is a city where approximately 80% of residents are placed within 500 metres of a trunk (BRT/rail) or bus feeder route, where significantly fewer people rely on private vehicles, and those who are using public transport can expect to reach their destinations within an hour."

The above statement followed the approval by the Mayoral Committee of the Integrated Public transportation Plan (IPTN) and reflected the commitment to a more compact and integrated future city form and structure. Efficiency (of urban systems and networks), productivity (of human skills and development and of the economy), and resource sustainability are core principles associated with this vision.

"The IPTN confirms the City's commitment to improve mobility, eradicate barriers, reduce costs and overcome the apartheid spatial planning legacy. It will enhance our residents' access to economic opportunities and social amenities – one of our key commitments in building an opportunity city"[7]

The IPTN commits the City to an expanded transport network and a strategic direction for investment inclusive of rail, BRT, bus, minibus-taxi, metred taxi and non-motorised transport. It has inherent challenges to operations and financial sustainability and now more than ever, the linkages and dependencies between land use, transportation and sequenced infrastructure provision (inclusive of social amenities) is being highlighted.

"… the IPTN makes the unequivocal link between the viability of public transport and an effective land-use strategy. Densification (dwellings per hectare), the mix (residential combined with commercial as is the case in Century City) and distribution (the location of residential, office, industrial and recreational sites) affects public transport in terms of the cost, optimal use and viability. For the City's public transport system to be viable and efficient, more passengers have to live and work in close proximity to the trunk routes. Furthermore the land has to be developed in such a manner that it leads to increased density along these routes, and the development must be the right mix between residential and commercial. A comprehensive transit-oriented development approach has therefore been identified as a key element if Cape Town is to realise its vision for 2032".

Without a reconfiguration of largely unidirectional passenger flows (specifically from outlying areas towards the CBD and other central employment areas) the long term sustainability of the infrastructure and approach is at risk.

[7] 17 June 2014: Statement by the City's Mayoral Committee Member: Transport for Cape Town, Councillor Brett Herron.

The Urban Network Strategy (UNS) and associated Integration Zones (IZs) and Urban Hubs described in the preceding section frame much of the IPTN; in particular the prioritisation of the rail and BRT infrastructure associated with the Metro South East and Voorterkker Road corridors. The detailed planning work being undertaken in these corridors will begin to offer investment strategies to leverage responses on the part of development actors in Cape Town that support and build onto public transport investments, and assist with the configuration of space and movement in these areas and in particular, the urban hubs and nodes associated with these IZs.

Integrated Transport Plan

The City of Cape Town's ITP 2013-2018 is a statutory requirement. This sector plan flows from the IDP and provides the City and TCT with its strategic, functional and operational mandate in relation to transport. This ITP has followed due process and determined service delivery programmes, projects and initiatives that will move towards driving down the cost of the User Access Priorities. This will be done through striving towards achieving the Transport "Vision of 1" and the related nine objectives. The Vision of 1 is fully aligned to the five strategic pillars identified in the IDP.

The key objective for TCT will be addressing the percentage of household income spent by lower income groups on access. Currently, estimates suggest that this is somewhere between 45% and 70%. By contrast, the international standard is between 5% and 10%. As a first step to meeting this objective, TCT will undertake a study to ascertain the percentage accurately so that TCT has a clear understanding of the scale of its challenge. The objective of reducing this high percentage of household income being spent on access is inevitably a long term one. Nevertheless, TCT regards substantial progress on this objective as essential if Cape Town is to leave behind the legacy of apartheid and truly become an opportunity city.

TRANSPORT FOR CAPE TOWN'S VISION OF 1	
1 Plan	1 Plan refers to the ITP 2013-2018, which includes the 9 long-term objectives and will include a mini review to get the ITP in line with the budgetary cycle and to allow for performance-based, target-driven implementation plans for each of TCT's 8 Departments.
1 Network	An integrated road and rail network, which relates to infrastructure, facilities, street furniture, systems, etc. that is well maintained and facilitates safe, reliable, efficient and effective access for a multiplicity if users.
1 Management System	Over the next five years and beyond TCT will establish a unified information management system and a functional management system for all of its departments, which focus on focused, performance-driven service delivery. The management system will further develop unified and sustainable standards for all of its functions so as to drive down the cost of the User Access Priorities.
1 Contracting Authority	The Contract Authority relates to section 41 and 46 contracts. The assignment for the management of the section 46 contract is eminent. TCT will set up and manage all vehicle operator contracts in a performance-driven, unified manner.
1 Ticket and Timetable	Critical to driving down the User Access Priorities that relate to social, economic and environmental costs, is the establishment of an integrated timetable and an electronic EMV ticket across all modes. The aim is to have both in place within the next 5 years.
1 Unified Enforcement System	1 Unified Enforcement System relates to the establishment of the Municipal Regulatory Entity (MRE), strengthening the public transport law enforcement capacity in the City and rolling out an integrated CCTV system across Cape Town, all managed at the TMC.
1 Unified Structure	TCT, the City of Cape Town's transport authority has been established. It now operates within the bounds of the TCT Constitution Bylaws, 2013 and the newly established Implementation Plan. The foundations of the unified structure have been established, which enables its further growth over the next 5 years and beyond.
1 Brand	The TCT Brands had now been established and confirmed in a brand strategy, as detailed in Chapter 10 of the ITP. It has also been aligned to the City of Cape Town's Brand. The aim is to roll the TCT Brand out

	over the next 5 years and beyond so as to enable transportation direction, information management, regulation and control.

	OBJECTIVES
1.	An efficient and viable relationship between land use, supporting infrastructure and transport for the sustainable development of the City region
2.	Integrated, intermodal, interoperable, responsive and car competitive public transport for the benefit of the community
3.	An economically viable transport system by balancing service provision with demand and through transparent regulation
4.	Services delivered in an accountable, investment orientated and performance driven manner, ensuring quality and unified standards
5.	A costed, viable and financially accountable transport management system and network through exploiting all potential sources of funding
6.	Consolidated and improved public transport law enforcement functions in the City so as to facilitate safety and security on the public transport network and related facilities for the benefit of all
7.	Comprehensive communication and stakeholder management under the banner of TCT so as to ensure responsible service delivery in partnership with all industry role players
8.	A fully integrated, responsive and well maintained infrastructure network along with related facilities that are appropriately managed as the largest asset of the City
9.	Fully functional and user friendly systems on the intermodal network

Table 17: The vision and objectives of TCT

Conceptually, the ITP comprises:

- A logical framework which integrates land use, transport operations, transport infrastructure, and support systems.
- A needs assessment, comprising of a comparison between the desired transport system (strategic informants) and the current reality (as contained in a Transport Register). The strategic informants include an expanded understanding of the requirements and transport implications of transport on the environment, social dynamics, and economic and financial realities of the city.
- Goals and objectives.
- A Tactical Framework comprising:
  - Travel demand.
  - A conceptual Integrated Public Transport Network which defines the operational requirements of different links and nodes, the range and desirability of the appropriate mode in specific parts of the network, as well as the conflicting needs of through and locally bound trips in the network.
  - Transport Corridor Densification, providing a strategic approach to secure adequate ridership numbers, and thereby the affordability of the transport system to the broader community. The strategy assesses the building blocks of a viable corridor, which includes a description of the role land use and building management, utility services, human settlements, and other City services.
- Sector Plans will document the required or desired response to the ITP from all stakeholders that influences or is influenced by the plan. These include stakeholders within the Transport, Roads and Stormwater Directorate, other City directorates, and outside agencies (including parastatals). The Sector Plans will result in a list of programmes and projects, based on the realistic roll-out of the "supply side" of the proposed public, private and freight logistics system.
- The prioritisation and implementation of programmes and projects.

Transit Oriented Development – as outlined in section C.4 – is integral to the ITP.

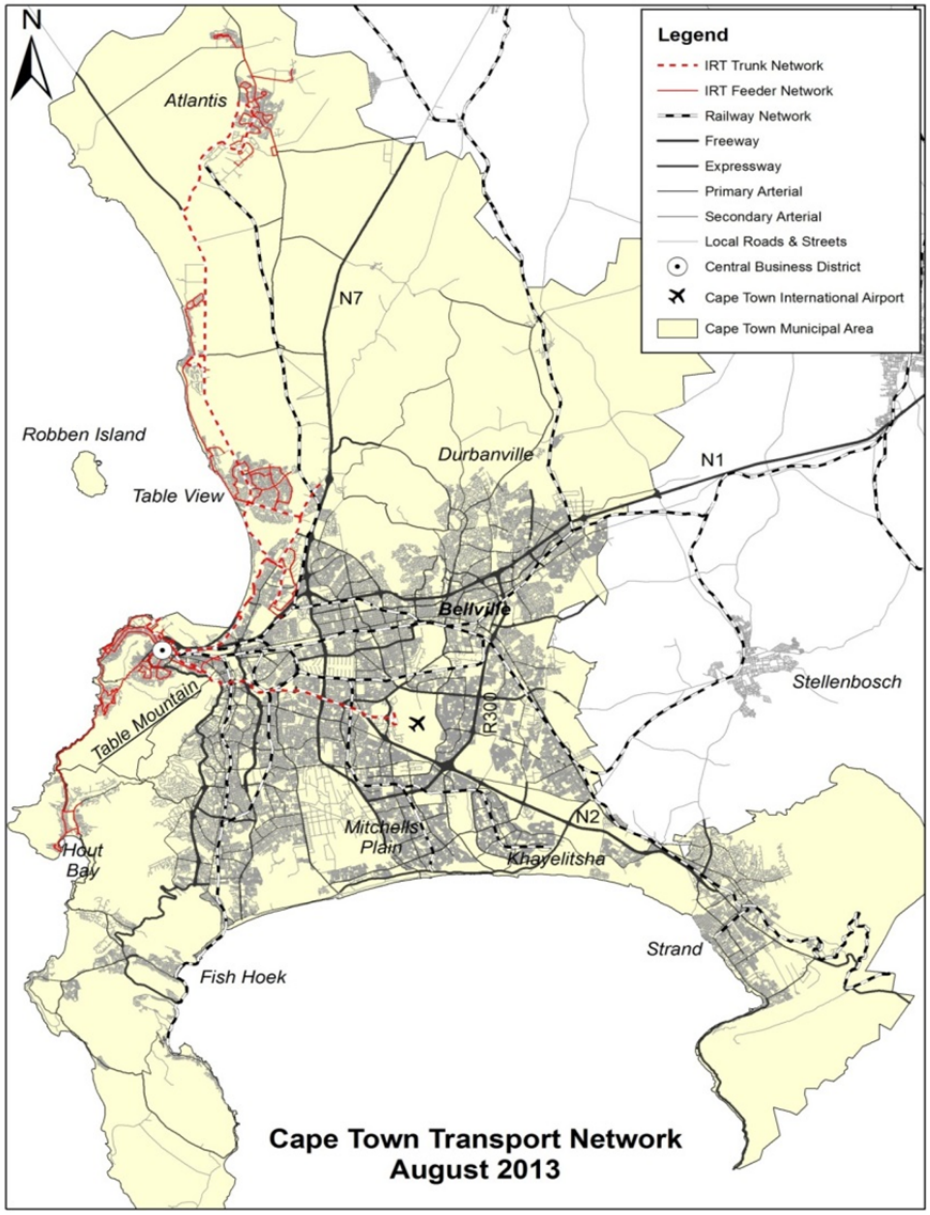


Figure 12: CoCT's Road and Rail Network: 2013
Source: CoCT

Significant investment is scheduled to improve the public transport network. This includes the improvement of the rail corridors as part of the rail modernization programme, the implementation of bus rapid transit (BRT) routes, and the improvement of public transport interchanges. Some improvements planned are:

- Rail Modernisation Corridor CBD-Metropolitan Southeast (2015/16).
- BRT Phase 1A/B and BRT Interim N2 Express Service (2014).
- BRT Lansdowne-Wetton Corridor (2016/17).
- BRT North-South Symphony Way Corridor (2019/20).
- BRT Metropolitan Southeast-West Corridor (2020/21).

Rail modernisation

The PRASA is helping the City deliver on its transport goals and plans to create a multimodal Cape Town city region, and will help provide the public transport linkages between urban nodes. Key programmes and projects of PRASA are outlined in the table below.

PROGRAMME	PURPOSE	SCOPE	PROGRESS
Mega projects	Rolling stock recapitalisation	Replace full Metrorail fleet including additional capacity over 18 years	Preferred supplier appointed for Phase 1 (involving 3 600 vehicles)
	Signalling recapitallisation	Replace the whole signaling system with a "state of the art" electronic system with 3 min headways	Preferred contractor appointed
	Priority corridor modernisation/ improvement	• Station/platform upgrades • Integrated station access management systems • Corridor and rail equipment protection	Proposals completed for Philippi, Nolungile, Bonteheuwel, Mandalay, Lentegeur stations
Supplementary projects	Safety improvements	Refurbishment of signaling, electrical, perway, telecom tools/equipment	In progress
	Operational improvements	Level crossing elimination	In progress (Koelenhof, Buttskop, Military Road)
		Depot upgrade	Salt River Depot feasibility completed, final tender designs under preparation
		Platform realignment	Professional team appointed
		Heathfield Station footbridge	Professional team appointed
		Replace trunk radio system	Contractor appointed
		ICT upgrade	In progress
		Facilities upgrade programme	Work Place Improvement in progress
Property development	National Station Precinct Development Programme	Develop commercial opportunities at station locations on PRASA property	Work in progress for Cape Town, Heideveld, Retreat, Goodwood, Wetton, Tygerberg, Lentegeur, Nolungile, Salt River, and Woodstock stations
Shared funded projects	CCTV surveillance pilot (CoCT)	Feasibility of interfacing Metrorail CCTV with TMC	Technical feasibility in progress
	Metro South-east fencing (WCG)	Fence between Langa/Lavistown and Netreg/Heideveld stations	Completed
	R310 level crossing elimination (WCG)	Vlaeberg and other farm crossings	Construction started on Vlaeberg
	Scrambler project (WCG)	Purchase of scrambler motor bikes	Completed
	High mast lighting (WCG)	Erect high mast lighting at vulnerable stations	Tend to be awarded
	Sea level rise study (CoCT/WCG)	Determine risk of sea level rise on transport corridors along the southern peninsula	Final report submitted

Table 18: Summary PRASA development programme
Source: PRASA

Bus rapid transit

The City is implementing the MyCiTi bus rapid transit service in phases. The first elements of the system enabled the City to meet the public transport requirements for hosting the 2010 FIFA World Cup. This service consisted of an events service to the Cape Town Stadium, a service to the Airport and a temporary service around the inner city. In May 2011, the first network was launched. This consisted of a route between the Civic Centre station in central Cape Town and Table View, temporary services around the residential areas of Table View, Blaauwberg and Parklands – connecting to the main route – and a connecting temporary

route around the central city. The next step was eight new routes covering areas including Woodstock, Salt River, Oranjezicht, Tamboerskloof, the Atlantic Seaboard suburbs including Camps Bay, and Hout Bay and Imizamo Yethu. New routes are also being extended to areas north of the central city, including Atlantis, the informal settlements of Du Noon and Jo Slovo Park, the industrial area of Montague Gardens, and the seaside suburb Melkbosstrand.

The second phase will provide a more extensive service to the southeast parts of the city, including Mitchells Plain and Khayelitsha, to destinations across the peninsula. The third phase will include Belville, Delft, the rest of the northern suburbs and Stellenbosch, and the fourth phase the Greater Helderberg area. The full system is expected to take about 15-20 years to implement, with each phase being built as funds become available. Most of the funding is provided through the PTIG, with the balance funded by the City. The aim is to eventually build a reliable, safe and cost-effective transport network accessible within 500m of 75% of the homes in the city.

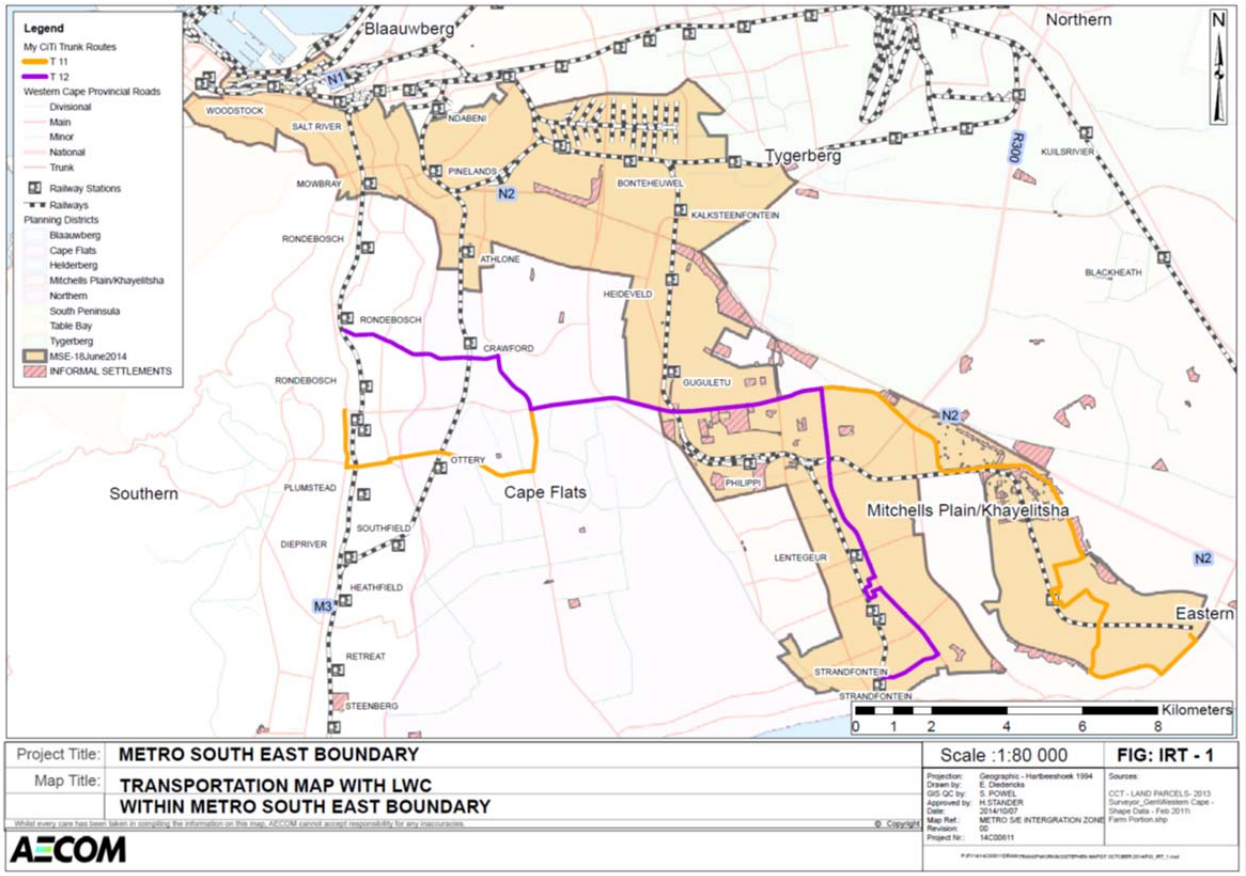


Figure 13: The 2nd phase of the BRT, comprising Trunk Routes 11 and 12, in relation to the MSEIZ

Non-motorised transport

The City's Non-Motorised Transport (NMT) Strategy includes a comprehensive plan that guides the planning and implementation of programmes and facilities that will respond to the many needs of NMT users in the City. The plan is aligned with other elements of the public transport system.

C.7. HUMAN SETTLEMENT PLANNING

The Human Settlement Co-ordination Project and draft Integrated Human Settlement Framework

Overall findings and conclusions

Concurrent to the implementation of the first phases of the IPTN and planning of future phases, the City has been re-assessing a practical approach to the provision of human settlement options via an Integrated Human Settlements Framework (IHSF).

The Human Settlement Co-ordination Project (HSCP) was established in July 2013 by the WCG and the CoCT. The HSCP has developed a draft Integrated Human Settlement Framework (IHSF) for Cape Town which outlines short and long term housing options for the City of Cape Town. During 2014, the IHSF was reviewed to test its effectiveness and efficiency. On the basis of this assessment, strategic implications for a high level human settlement strategy for the CoCT to 2032 were formulated.

The IHSF process considered not only the existing backlogs associated with housing (including overcrowding estimates) but also the future projections in relation to household growth in 2032. The assessment undertaken during 2014 – including a review of growth projections, analysis of income groups and household "circumstance" – indicates that the City and its development partners are tasked with the facilitation of 504 000 housing opportunities by 2022 (an average of 42 000pa over 12 years) and a further 148 000 opportunities by 2032 (an average of 30 000pa over 22 years).

A number of land supply scenarios were considered in relation to "spatial arenas" differentiated in the following categories:

- Development inside the urban footprint: i.e. land within existing urban development area of the city.
- Extensions to the existing footprint: i.e. land beyond the extent of existing "built-up" areas, but inside the urban edge or adjoining/adjacent to existing development.
- Leapfrog development: land located beyond the urban edge.
- Land that correlated with targeted densification areas was further classified as TOD.

The spatial arenas are significant as they were used to consider a number of supply scenarios in relation to a complex and extensive list of housing "interventions".

Overall findings and conclusions of the reviewed IHSF are:

- The City will not have sufficient capital funding to provide all households in need with a fully subsidised house. There is a critical need to avoid continuing to reinforce such an unsustainable expectation as well as an expectation that the City will directly provide houses to all in need.
- There is insufficient direct delivery management capacity within the City to tackle the annual requirement for 35 to 50 000 housing interventions per annum. This requires the City to gear up direct delivery capacity by 500 to 800%. Accordingly, it is

essential to recognise and build on the willingness of households to invest in housing for themselves and to deliver additional housing to others. This comprises:
  - Supporting households in the development of their own top structures and accepting indefinite timeframes for the incremental completion of top structures.
  - Creating opportunities for households to become part of the delivery process by building second dwellings on their properties for rental or subdividing their properties to sell.
- Affordability for housing credit particularly for those households earning below R6 400pm is extremely limited. This limitation is exacerbated by high levels of household indebtedness which reduces actual ability to access housing finance. Consequently an approach which accepts long term incremental approaches for completing the top structure rather than high levels of household borrowing is essential.
- While it is important to also mobilize private sector delivery, the impact of such delivery will be limited particularly for households with incomes below R 6 400pm because of both affordability and creditworthiness constraints.
- The modeling indicates further that there is a limited but manageable land constraint to 2032. The City will need to acquire land from private land owners amounting to about half of their current land holdings. This land should be within or immediately adjacent to the existing urban footprint. This ignores the NIMBY factor which is reportedly inhibiting the use of a substantial proportion of land for low income housing. This needs to be addressed. The pressure on new land for development can be significantly reduced with a strong emphasis on household densification in existing areas.
- Informal settlements and backyard rental are an essential part of the housing supply process whereby households are investing in their own houses and generating additional income through rentals. While it is recognised that informal settlements provide sub-optimal housing, they serve a critical function in the urban environment where households have secured access at extremely low financial cost and have started to piece together various livelihood strategies. Most of the existing informal settlements in Cape Town have been in existence for a considerable number of years and the households living in them have made significant investments (in terms of their low incomes) both in terms of funds into their structures and their social capital into the community.
- The estimated 650 000 housing interventions required to be delivered by 2032 is significant both in terms of management and funding constraints. To meet this target the following shifts should be considered:
  - The City needs to shift its delivery emphasis away from providing formal give-away houses to providing access to well-located land, good quality municipal services, improving the public environment and supporting households to build their own houses.
  - The City must recognise and incorporate as much of its current informal settlements as possible and focus on incrementally improving the sub-optimal conditions in these settlements. This should be done progressively over all settlements and in a manner that maximises the use of the existing land and infrastructure.
  - The City must take advantage of the significant opportunity that household densification offers. The City needs to encourage and enable existing households to accommodate additional households on their existing properties. An added

advantage of this is that through this process the existing households become more sustainable and better able to pay rates and taxes.
- The City must actively promote the delivery of substantial new housing stock. This must be undertaken in a consistent, fair and equitable manner that ensures a similar product being offered to all households.
- The City must mobilise additional non municipal delivery capacity (existing households and the Private Sector) to deliver a significant portion of the required housing required.

Strategy components

The key components of the proposed revised human settlement strategy are:

- The regularisation and progressive upgrading of all informal settlements, including a shift from a pipeline of comprehensive upgrade projects to a broad based (all settlements) ongoing improvement of services, public space and tenure provided while households formalise their top structures. Densities must be sufficient to minimise the need to relocate households.
- Increase the supply of new housing opportunities by households through encouraging and supporting the development of second dwellings through regularising existing backyard dwellings and opening up new designated areas for formal backyard rental units. In addition, the upgrading and formalisation of existing backyard dwellings should be enabled. Further densification should be supported in designated areas by providing incentives and expediting sub-divisions of existing residential properties for the building of additional housing for sale and also the building by households of second dwellings (granny flats) for rental on their properties.
- Open-up new areas for housing development within and adjacent to the existing developed areas of the City, emphasising high densities and starter units that support incremental completion of the house over an indefinite period. The City should prioritise development of super blocks for third party development or sites and services for household occupation and incremental building of their houses themselves over an indefinite period.
- Support higher density affordable apartment unit investment by Social Housing Institutions and Private Developers, specifically around the transport corridors and in priority nodes, actively encouraging developers through investment incentives, rapid planning and building plan approvals, and special concessions around development contributions. Public land should where relevant be made available. The conversion of non-residential properties to affordable residential rental should also be encouraged.
- A focused programme should be undertaken to improve home-ownership related credit worthiness within Cape Town, particularly in respect of lower income households.
- A focused communications programme should be undertaken to adjust the expectations of stakeholders.

Programmes

The following programmes are proposed:

- Programme 1: Upgrading of informal settlements.
- Programme 2: Encouraging and supporting backyard dwellings.
- Programme 3: Encouraging and supporting household densification.
- Programme 4a: New areas for housing development (Supported serviced sites).
- Programme 4b: News areas for housing development (Housing developer delivery support programme).
- Programme 5: Supporting higher density development in transport corridors and priority nodes.
- Programme 6: Programme to enable low income households to participate more effectively in the housing market.
- Programme 7: Communication programme focussed on promoting the new strategic approach and adjusting the expectations of stakeholders.

Details of each proposed programme are given in the table below.

PROGRAMME 1: UPGRADING OF INFORMAL SETTLEMENTS	
Target households	100% of households living in informal settlements.
Status in relation to Housing Code	Partial.
Number of households in category	143 823
Number of households assisted through programme	143 823 (100% informal settlements).
Households in income category below R3 200 assisted	100%
Key assumptions	• 100% households receive administrative incorporation. • 60% households remain in situ and receive serviced site with wet core and 40m² slab. • 40% households are relocated to serviced site with wet core and 40m² slab. • Density of 100 units/ha.
Estimated programme cost	• Total cost: R31.13bn • City's contribution: R 15.66bn • Households' contribution: R15.47bn • Private sector contribution: R0.0bn
Programme dependencies	• The City expedites the administrative incorporation of all informal settlements. • An investment and upgrading framework for informal settlements is created whereby the City provides security of tenure and services once the community in the informal settlement reaches specified milestones. The communities accesses services depending on how they organise to meet the agreed milestones. • Communities are supported to organise themselves to reach the milestones through the provision of accredited facilitators (selected by communities and paid by the City). • The City has a dedicated Informal Settlement Upgrade Unit responsible for the administrative incorporation of all settlements, the development of high level plans for each settlement, the provision/ payment of facilitators, undertaking relocations and coordinating with line departments to install/ manage services as required. • Service installation is undertaken by the relevant line departments. • Substantial relocation of households (40%) will be required as part of the upgrading process.
PROGRAMME 2: ENCOURAGING AND SUPPORTING BACKYARD DWELLINGS	
Target households	Households living in backyard dwellings, as well as households in the R0-R3 200 and R3 201-R6 400 income categories in new family formation and in overcrowded conditions.
Status in relation to Housing Code	Partial
Number of households in category	299 610
Number of households assisted through programme	261 184 (87%)
Households in income category below R3 200 assisted	84% (households unable to be assisted in Programme 2 are assisted in site and service with wet core and 40m² slab).
Key assumptions	• 100% of households in backyard rental. • 70% of households in the R0-R3200 income category and 50% in the R3 201-R6 400 income category receive upgraded servicing capacity, a simple regulatory framework and a financial incentive to the site owner to upgrade, as well as some technical support.

Estimated programme cost	• Total cost: R16.04bn • City's contribution : R 11.12bn • Households' contribution : R0.0bn • Private sector contribution: R4.93bn
Programme dependencies	• Specific areas are targeted where there are a large number of existing backyard dwellings, where the site sizes could accommodate backyard rental, and where the engineering services are adequate for the projected density. • Site owners in the areas are encouraged to formalise their backyard shacks or build new units through the provision of planning support (plans, approvals etc.), and an incentive of R30 000 once a formal unit is built and the backyard shack is demolished. • Provision of additional service connections to the backyard unit • The incentive is only paid if there are no informal structures on the property. • Households are allowed to develop more than one unit, but the incentive is only provided for one. • Regulations are developed that set out standards in respect of the number of dwellings allowed per stand per area, as well as the specification for dwellings. The incentive is only paid if the dwelling meets the specifications. • Within the specified areas owners are given a three year period to comply with the regulations and if they do not comply the City reserves the right to take action. • The City establishes dedicated capacity to inspect units and regulate compliance to the regulations. • Service providers (private sector or non-governmental) could be contracted to provide support to households.
PROGRAMME 3: ENCOURAGING AND SUPPORTING HOUSEHOLD DENSIFICATION	
Target households	Households in the R3 201-R6 400 and R6 401-R13 000 income categories in new family formation and in overcrowded conditions.
Status in relation to Housing Code	Partial
Number of households in category	50 183
Number of households assisted through programme	26 470 (53%)
Households in income category below R3 200 assisted	NA; households unable to be assisted in the Programme 3 are assisted via access to backyard dwellings (3 640) and the creditworthiness assistance programme (20 073).
Key assumptions	• 20% of households in the R3 201-R6 400 income category in second formal house for rental (with investment incentive). • 10% of households In the R6 401-R13 000 income category in second formal house for rental (with investment incentive). • 10% of households in a sub-divided house for ownership.
Estimated programme cost	• Total cost: R7.16bn • City's contribution : R1.78bn • Households' contribution: R4.30bn • Private sector contribution: R1.08bn
Programme dependencies	• Specific areas are targeted where the engineering services are adequate for the projected density and the location is appropriate. • Site owners in the areas are actively encouraged to develop rental units on their own properties or sub-divide and sell a portion of their properties through: – A communication/education programme that outlines the benefits and processes to be followed. – Planning support including access to plans, easy approval process and waiving of development contributions. – An investment incentive of R30 000 in respect of compliant rental accommodation provided or a sub-divided stand that is sold and developed with a compliant unit. • Regulations are developed that set out standards in respect of the number of dwellings allowed per stand per area, as well as the specification for dwellings. The incentive is only paid if the dwelling meets the specifications. • Service providers (private sector or non-governmental) could be contracted to support site owners.
PROGRAMME 4A: NEW AREAS FOR HOUSING DEVELOPMENT (SUPPORTED SERVICED SITES)	
Target households	100% of households living in hostels and 30% of households in the R0-R3 200 income category in new family formation and in overcrowded conditions.
Status in relation to Housing Code	Partial
Number of households in category	90 229
Number of households assisted	100%

through programme	
Households in income category below R3 200 assisted	100%
Key assumptions	• Serviced site with wet core and 40m² slab. • Density of 100 units/ha.
Estimated programme cost	• Total cost: R27.3bn • City's contribution: R 12.21bn • Households contribution: R15.08bn • Private sector contribution: R 0.0bn
Programme dependencies	• The City undertakes site and service projects on well-located green-field land whereby beneficiaries receive a serviced site, a wet core and slab. • This could be part of a super block or mega project development. • Sites are provided free of charge to eligible households (incomes below R3 500 that meet subsidy eligibility criteria) in terms of defined allocation procedures. • Households with incomes of above R3 500 would also be able to access serviced sites but on a cost recoverable for sale basis. • Households are encouraged and supported to build their own top structure through access to building plans, technical support and material suppliers.
PROGRAMME 4B: NEW AREAS FOR HOUSING DEVELOPMENT (HOUSING DEVELOPER DELIVERY SUPPORT PROGRAMME)	
Target households	Households in the R6 401-R13 000 income category in new family formation and in overcrowded conditions.
Status in relation to Housing Code	Partial
Number of households in category	44 318
Number of households assisted through programme	24 819 (56%)
Households in income category below R3 200 assisted	NA; households not assisted in Programme 4b are assisted through access to sub-divided formal house (1 773) for ownership and the creditworthiness assistance programme (17 726).
Key assumptions	• 60% of households receive a developer delivered formal house for ownership (GAP housing). • Density of 70 units/ha.
Estimated programme cost	• Total cost: R13.93bn • City's contribution: R1.93bn • Other state funding (FLISP and SHRA): R1.93bn • Households contribution : R10.08bn • Private sector contribution: R 0.0bn
Programme dependencies	• The City should prioritise development of super blocks for third party development. • The City partners with private developers to undertake specific projects that will provide appropriate products for the affordable market. • The City actively supports the developer to implement the project including : – Ensuring bulk infrastructure is in place. – Facilitating speedy planning approvals. – Expediting the issuing of clearance certificates on sale transactions. – Providing for preferential development contributions. – Providing access to affordable serviced land.
PROGRAMME 5: SUPPORTING HIGHER DENSITY DEVELOPMENT IN TRANSPORT CORRIDORS AND PRIORITY NODES	
Target households	Households in the R3 201-R6 400 and R6 401-R13 000 income categories in new family formation and in overcrowded conditions.
Status in relation to Housing Code	Partial
Number of households in category	23 626
Number of households assisted through programme	13 279 (56.2%)
Households in income category below R3 200 assisted	NA; households not assisted in the Programme 5 are assisted through access to sub-divided stands for ownership (897) and the credit worthiness assistance programme (9 450)
Key assumptions	• 10% of households in the R3 201-R6 400 income category receive subsidised social rental (SHRA) at a density of 125 units/ha and 20% receive formal small landlord residential rental (boarding house) with an incentive. • 20% of households in the R6 401-R13 000 income category receive privately developed residential rental apartments at an assumed density of 80 units/ha.
Estimated programme cost	• Total cost: R5.55bn • City's contribution: R 0.97bn

	• Other state (FLISP and SHRA): R0.84 • Households' contribution : R 0.0bn • Private sector contribution: R3.73bn
Programme dependencies	• Private sector investment in rental accommodation in the development corridors and priority nodes encouraged through: – Revisions to zoning and planning requirements offering higher yields tied to key delivery outcomes in terms of housing mix, etc. – Improving the process of providing planning permission. – Reduction of the development contributions. – Investigation undertaken to offering a rates incentive. • Specific investment made into a limited number of social housing projects in key areas (a mix of portfolio or project approach can be adopted).
PROGRAMME 6: ENABLING LOW INCOME HOUSEHOLDS TO PARTICIPATE MORE EFFECTIVELY IN THE HOUSING MARKET	
Target households	Enable all households with incomes of below R13 000 to participate more effectively in the housing market. Accordingly the programme aims to address key constraints that inhibit participation in the market, including: • The backlog in the provision of title deeds to owners of subsidy houses. • Enabling lower value secondary housing transactions through reducing costs and time frames. • Encouraging employers to addressing the credit worthiness challenges in respect of home ownership amongst lower income households. • Encouraging increased access to appropriate financial products.
Status in relation to Housing Code	New
Number of households in category	-
Number of households assisted through programme	-
Households in income category below R3 200 assisted	-
Key assumptions	-
Estimated programme cost	-
Programme dependencies	• A task team with financial, credit and housing expertise should be set up to develop the programme. • The investigation should focus on methods to address provision of title deeds of subsidy houses, enabling the secondary housing transaction process, credit worthiness challenges faced by households, and how to improve access to appropriate financial products. • This could include alternative strategies such as: – Title deed programme for subsidy houses. – Home ownership linked savings and debt rehabilitation programmes. – Partnerships with mortgage lenders. – Partnerships with employers and pension funds operating in Cape Town.
PROGRAMME 7: COMMUNICATION PROMOTING THE NEW APPROACH AND ADJUSTING STAKEHOLDER EXPECTATIONS	
Target households	-
Status in relation to Housing Code	New
Number of households in category	-
Number of households assisted through programme	-
Households in income category below R3 200 assisted	-
Key assumptions	-
Estimated programme cost	-
Programme dependencies	• Specialist political and communications/marketing expertise should be assembled together with the housing specialists/champions to develop an overall strategy. • This team would need to undertake consultations with key stakeholders and interest groups to understand the expectations and interest driving current positions and expectations. This will need to take into consideration political risk both substantively and in terms of process. • The strategy should be formulated around a clear set of key issues/messages and also with key interest groups/audiences in mind. • The strategy should also align to implementation time frames and outcomes.

Table 19: Proposed human settlement development programmes
Source: CoCT

Adressing the logistical constraints

To review of the IHSF found that two key logistical constraints must be addressed as part of the implementation of the strategy: the waiting list and the existing public rental stock.

With respect to the waiting list a review should be undertaken in light of the new long term housing strategy and revisions and a reformulation developed. Once this is clarified a change management process should be developed to phase over to the new allocations policy. In the interim the current waiting list should continue to apply.

With respect to the existing public rental stock efforts should continue to significantly reduce the amount of stock as follows:

- A review should be undertaken of all properties making up the public rental stock portfolio. Each property should be designated in terms of the ease with which it can be privatised in terms of specific options including for example:
  - Properties that can be sold to the private sector.
  - Properties that can be sold to Social Housing Institutions.
  - Properties where the property can be put under management of a small landlord who can overtime take over ownership.
  - Properties which cannot be privatised.
- Over an agreed period pilot projects should be undertaken within each category to test the approach. This should aim to reduce the stock by 1 000 units per annum.
- After a five year period a review should be undertaken and a strategy developed to privatise as much of the stock as possible over the following ten years.
- Households living in this stock should be able to apply for new housing opportunities.

Cost

Seven programmes are proposed to be undertaken by the City of Cape Town over the next 20 years to address the housing circumstances of the some 650 000 households that need support. These programmes will deliver a housing opportunity to all of these households. These programmes are estimated to cost R101 billion over the twenty year period i.e. R 5 billion per annum (see table below). Of this amount R44 billion or R2.2bn per annum will be directly attributable to the City, R45bn will be contributed by households, and R10bn by the private sector. This is within the R50-R60bn that it is estimated the City will have available. The proposed strategy requires 3 576ha of land and will use all of the public land that the City currently owns and will require additional land to be obtained. This is achievable given the extent of land available and if the NIBMY factor is addressed.

Current housing delivery

Expanding the project pipeline

Work has commenced to expand the current project pipeline. This involves the clustering of land parcels identified by the City's land working group into projects and the identification of the programme they were best suited to. The sites were then given a time ranking on the basis of the number of years it would take to prepare the project for implementation i.e. secure the land rights, land use planning and environmental authorisations, access utility

services and get the project tender ready. They were then grouped into two broad categories, namely, projects that could be tender ready in less than 5 years, and projects that would be tender ready in > 5 years. Within the latter category some sites were given a longer term classification because it was difficult to predict when they could be developed. A total of 103 potential new projects constitute the potential project pipeline. Table 17 provides a provisional summary of the housing opportunities which are available at different stages in the project pipeline (including 53 committed/ under construction projects and the 103 potential projects).

Project pipeline	Units @ 40/ha
Committed (under construction): 19 projects	20 282
Planned (being prepared for implementation) 34 projects	10 582
Potential projects < 5 years	52 020
Potential projects > 5 years	78 676
TOTAL	241 560

Table 20: Committed/under construction projects and the potential projects

Informal settlement upgrading

Improving the living environments of residents of Cape Town's informal settlements is a key focus area for the City. This also aligns with the national strategy of creating sustainable human settlements and improving the quality of household life.

Interventions are required to respond to in-situ locations of informal settlement and the relocation of settlements that are unsuitable for permanent upgrading. In addition, providing solutions that prevent the establishment of new informal settlements and the further densification of existing ones is key to the management approach advocated of the City: this remains a monumental challenge[8].

The latest update of the informal settlements database indicates that there are 378 informal settlements in Cape Town. Most have been surveyed and numbered for the purpose of prioritising service delivery and upgrade initiatives.

The City is progressively working towards the consolidation and transformation of these informal settlements into integrated human settlements with secure tenure supported by social and economic amenities that ensure self-sufficiency.

Specific targets are to:

- Meet the basic services needs of 80% and flood mitigation to 60% of informal settlements during its term of office.
- Meet the basic service needs and flood mitigation requirements of 90% of households in informal settlements with shared services at a 1:4 ratio by 2020.
- Provide full services to 80% of households living in informal settlements on a 1:1 basis by 2030.

[8] The City's Anti-land Invasion Unit mandate is to protect vacant, unoccupied land from illegal land invasion on an on-going basis via the formal legal processes available to the City. Protecting land identified for future housing from "queue jumping" or premature occupation is fundamental to the proactive management of urbanisation. The Anti-Land Invasion Unit also assists in preventing the re-invasion of hazardous land (e.g. land prone to flooding) where people have been moved to more appropriate locations.

The achievement of these targets will effectively serve to mainstream informal settlement households into economically and socially active citizens of the city. Success will be dependent on effective partnerships, the creation of human capital within settlements, and the empowerment of all affected stakeholders to participate in their own future development.

The specific programmes that will be used to deliver on these targets include:

- Upgrading of Informal Settlements Programme (UISP).
- Emergency Housing Programme (TRAs and IDAs as products)[9].
- Re-blocking (to improve levels of service, provide access ways for service / emergency vehicles and limit fire risks).
- Basic Services Programme (in collaboration with the Utilities Directorate).
- Electrification programme (in collaboration with the Utilities Directorate).

Going forward, this incremental informal settlements upgrade plan will include the following key steps:

- Providing solutions that prevent the establishment of new informal settlements and the further densification of existing ones.
- Providing recently established informal settlements with all necessary services.
- Re-block informal settlements, where appropriate and feasible, so that space can be made to improve levels of service, prevent quick spreading of fires, and access ways can be developed to allow service vehicles to attend to service needs
- Enhancing the safety and security of residents.

Work has commenced to determine the number of housing opportunities that could be unlocked through the in-situ upgrading of informal settlements located on land suitable for urban development. A portion of the households living in these settlements will need to be relocated to facilitate the upgrading. Table 21 lists these in-situ upgrading projects.

No	Project name	Potential no. of opportunities	Informal settlements targeted	No. of household that could be accommodated after in-situ upgrading
1	Bloekombos	2 000	Wallacedene TRA, 4 in 1, and pockets	595
2	Blueberry Hills	2 400	Mfuleni Pockets (qualifiers)	0
3	Darwin Road	4 000	Klip Heuwel, Fisantekraal	0
4	Deep freeze	440	Enkanini	5 712
5	Delft Symphony Corridor	2 400	Freedom Farm, Malawi Camp, Blikkiesdorp.	0
6	Driftsands	2 500	Los Angelas, Green Park,	0
7	Forest Village	5 268	Barcelona, Kanana, Gxagxa	0

[9] Temporary Relocation Areas (TRAs) are parcels of land that have been developed for families who find themselves in need of emergency housing. A combination of urbanisation, population growth and increased impacts has meant that demand for this type of accommodation is increasing and, consequently, the City has embarked on various initiatives to establish temporary housing opportunities timeously.

Realistically TRAs often do not provide temporary accommodation. Need for shelter is so great that TRAs become permanent places of residence. In response, the City has conceptualised a process to provide Incremental Development Areas (IDAs), entailing permanent settlement and the incremental, phased provision of services. Development processes underlying IDAs will ensure faster delivery of settlement opportunity than those associated with conventional township establishment. A founding document explaining the principles embodied in IDAs has been drafted and endorsed by the Provincial Government. Eight possible IDAs have been identified in collaboration with the City's spatial planners .

8	Pelican Park Phase 2	2 000	The Heights (6 settlements)	862
9	Penhill	8 452	Kosovo	2 005
10	Philippi Wedge	1 312	Sweet Homes, Phola Park	2 117
11	Sir Lowry's Pass	940	Rasta Camp	302
12	Swartklip Denel	6 000	Victoria Mxenge, At, Bt, Bm section, TR, section, Monwabisi, etc	11 196
13	Vlakteplaas	2 892	Somerset West, Gordons Bay, Strand settlements	0
14	Wolwerivier	6 800	Du Noon settlements	0
	Total	47 404	Total	22 789

Table 21: Potential informal settlement upgrading projects that could move into the planning stage immediately

The spatial distribution of all potential projects (including those related to the expanded project pipeline) is indicated on figure 14.

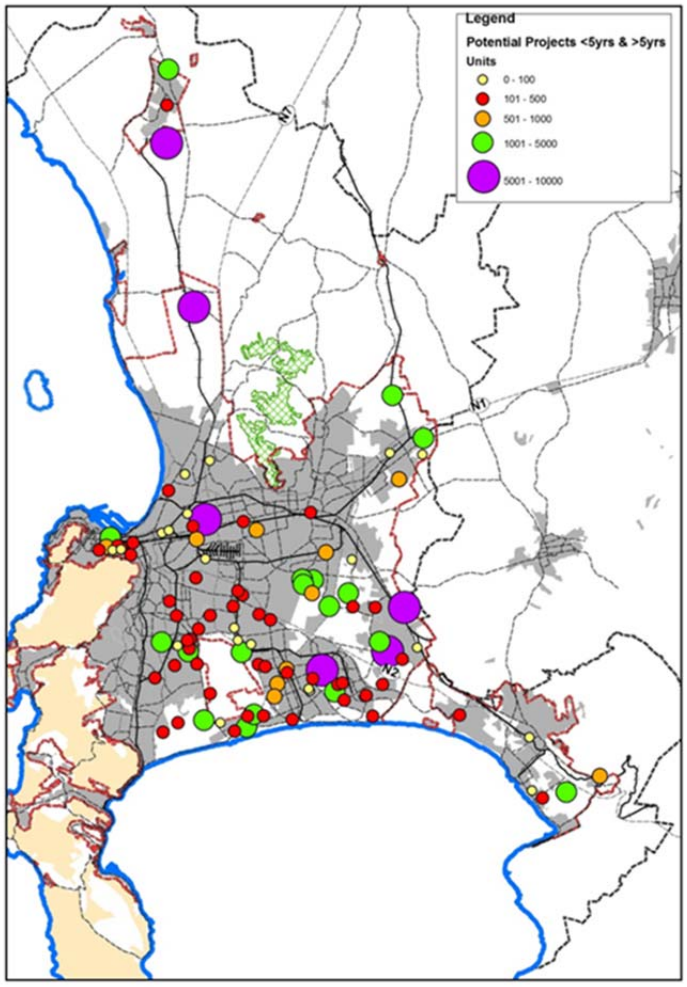


Figure 14: spatial distribution of potential projects

Service provision for backyarders

The City has identified three pilot projects – each exhibiting different dwelling typologies – for implementing and assessing service provision to backyarders. The projects are located in:

- Factreton: 250 mostly “row” single storey dwellings.
- Langa: 900 mostly semi-detached single storey dwellings.
- Hanover Park: 3,600 double and three storey blocks of flats.

The City has implemented a package of service at Factreton, comprising:

- An increase in the bulk capacity for electricity to accommodate an average of three backyard structures per rental unit.
- Installation of a “ready-board” with a prepaid meter at each unit (with every household being measured and supplied separately, each is able to benefit from the initial 1-6kwh lowest cost before attracting high consumption charges).
- Installation of a communal standpipe with each household receiving a pre-programmed disk enabling the release of 200lt per day.
- Installation of a communal toilet comprising a prefabricated concrete structure with water borne flush sewerage system (an additional 200lt per day per household is programmed into the water meter for the flushing of toilets).
- Supply of an additional black refuse bin per unit.

The City will conduct a post-implementation assessment survey to enable learning from the initiative. Project implementation has commenced in Hanover Park. The placement of toilet structures is proving challenging owing to the high density and “wall-to-wall” coverage of structures in the area.

The City is currently engaging with the Langa community (with the assistance of the Ward Councillor) to establish a procedure for the authorisation of erecting backyard structures. This will allow a measure of control in order to manage density and prevent the placement of structures on servitudes and areas of high flood risk. The procedure will also automatically generate an application for the supply of services (at a tariff).

Spatial Planning has also rezoned portions of Langa to allow to additional development and usage of land.

In many cases these first two interventions are addressing formal and informal settlement locations that are premised on historical spatial distortions and marginalisation (from economic activity) – inferring increased distances of travel and costs of time and money to households in accessing economic and potentially social opportunities.

Population and household densities in areas are highest in the City and they represent the greatest pull on grant funding for land, social amenities and infrastructure provision. Much of the City’s current human settlement delivery efforts focus on the Philippi Central, Khayelitsha, Delft, DuNoon/TableView, and Helderberg areas.

Densities in these settlements often exceed the minimum demanded by public transport which should be a positive factor in supporting the IPTN. However, where diverse land uses and economic activity are typically absent, this significantly relegates the efficiency of public transportation operations by placing an emphasis on one-way mass movement at peak commute times. In addition, the challenges of providing basic services on the basis of limited cost-recovery and a significant dependence on the indigence policy has significant impacts on the operational costs and viability of both the public transport and infrastructure systems

A diversification of economic activity and land uses and an increased emphasis on area design (per-intervention) and management (post intervention) to mitigate these impacts are pre-requisites for the longer-term sustainability of such systems.

Rental Accommodation options

Additional human settlement interventions are required to secure alternative tenure options and opportunities for lower-income groups in relation to the emerging economic and public transport networks and infrastructure.

Typically, these would require a differentiated approach to residential densities and typologies. The challenge in this instance is to identify and secure a critical mass of land and project ready initiatives with the requisite institutional support quantum of yield, mix of land uses and quality of urban design.

A number of strategic sites to support this approach overlap with these corridors, including Athlone Power Station, Conradie Hospital, Wingfield, and Stikland). The potential development yield from these sites is considerable, and because of their extent, there could be opportunity for cross-subsidisation of income groups. The IZs also contain considerable opportunity for the conversion of “brown” buildings to residential units.

TOD approaches to human settlement interventions can support the bi-directional flow of commuter trips, reduce external trips generated beyond the transport zones, and enhance the design and functioning of public spaces. Each of these represents a prospective, positive outcome of a transversal approach to human settlement and public transportation integration.

Although these alternative tenure approaches and typologies should not be limited to only the public transportation corridors and should be considered in relation to the economic nodal points within the city.

In terms of Restructuring Zones, the City has designated the following as the preferred spatial location for Social Rental Housing Subsidy in accordance with the National housing policy.

	SAPTIAL AREAS (AS PER GAZETTE)	KEY SOCIAL / ECONOMIC NODE	RAIL	ROAD / IRT
1	CBD and Surrounds (incl. Salt River, Woodstock and Observatory)	CBD	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road
2	Southern near Claremont, Kenilworth, Rondebosch	CBD, Kenilworth	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road M3 and M5
3	Southern Central (Westlake-Steenberg)	Westlake,Blue Route, Capricorn	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road M3 and M5
4	Northern near Milnerton	CBD	Southern Metro Line to CBD and southwards to Simonstown	Main Road Taxi Road M3 and M5
5	Northern Central (Belville, Bothasig, Goodwood and surrounds)	Belville, Epping	Metro Line	N1 and Voortrekker Road
6	South Eastern (Somerset West, Strand, Gordons Bay)	Somerset West	Somerset West-Belville Metro line	Somerset West Main Road, T2 and

				Broadway
7	Southern (Strandfontein, Mitchells Plain, Mandalay and surrounds)	Mitchells Plain Town Centre	Mitchells Plain Metro Line	AZ Berman, Spine Road, and Morgenster
8	Eastern (Brackenfell, Dubrnaville, Kraaifontein, Kuils River)	Kraaifontein	Belville-Cape Town Metro Line	Old Paarl Road, Van Riebeeck Street, Carl Cronje Drive, Brighton Road
9	Cape Flats (Athlone and surrounds, Pinelands-Ottery)	Ahtlone, Gatesville, Pinelands	Cape Flats Metro line	Jan Smuts, Klipfonetin, Landsdowne
10	Far South (Fish Hoek, Simonstown)	Fish Hoek	Simonstown Metro Line	Main Road
11	Northern (Parklands and surrounds)	Montague Gardens, Killarney Industrial and Century City	IRT on R27	R27 Road

Table 22: Restructuring Zones

"At-Scale" Interventions

The City continues to assess the planning of larger developments (in the range of 10 000 to 20 000 opportunities) to accommodate lower income groups in dignified environments in close proximity to existing and emerging urban opportunities

Apart from strategic sites that overlap with IZs, the Jacobsdal Farms, Swartklip site, Strandfontein/Vanguard area, and Heartland offer the potential for large projects within the existing city (each offering in the vicinity of or more than 10 000 opportunities).

Larger initiatives should be used to develop the incremental housing typology to include basic components for erecting a shelter (e.g. slabs) as well as fully operational public facilities and amenities. These projects should include an incremental development area component (where ownership is not necessarily assured). Arguably, these projects should receive the best urban design attention the City can give and be supported by dedicated institutional arrangements and funding. Important is that these projects offer the opportunity to assist more people within affordability parameters.

In 2012, the City undertook a detailed study of growth options for two development corridors (the western and north-eastern development corridors). The study considered a potential yield of opportunities and provided an in-depth understanding of "infrastructure triggers" that could support development. Together, the two corridors have the potential to provide some 430 000 housing opportunities.

Importantly, the work preceded the finalisation of the IPTN which has significant implications for the City's future capital and operational investment. With a view to more comprehensively consider growth and development potential and constraints throughout the whole City, a revised Medium Term Infrastructure Investment Framework (MTIIF) is currently being commissioned. The remit of the project is to replicate the methodology of the initial Growth Options project city-wide (see section C.7.).

Land acquisition

As indicated in section B.5. there is insufficient public land to accommodate current housing need and meet future demand. Consequently, there is a need to:

- Embark on an appropriately funded long-term land acquisition programme to accommodate land needs in outer years (150ha per year) while continuing with smaller acquisitions relating to existing areas of crises and informal area upgrades.
- Proactive pursuit of public private partnerships to provide housing on private land (whether for sale or rental).

In terms of the major problem zones or urban renewal focus areas, the table below shows linked land solutions. As indicated in section B.5. there is insufficient public land to accommodate current housing need and meet future demand. Consequently, there is a need to:

PROBLEMS ZONES	PERIOD	LAND SOLUTIONS
Philippi Central	10years	Bluedowns
Khayelitsha	10years	Bluedowns, Macassar
Delft	10years	Bluedowns
DuNoon/TableView	10years	Erf 1117, Wolverivier
Helderberg	10years	Macassar, Sir Lowries, Vlakteplaas

Table 23: Urban renewal problem zones and linked land solutions

The table below shows the proposed high-level land purchasing "agenda" in terms of ownership, number of areas to be purchased , key sites, and purpose.

INSTITUTION	NUMBER OF AREAS	KEY SITES	PURPOSE
Prasa Cres	3	Sweethome, Lotus Park, Kapteinsklip Station, TR Section Khayelitsha.	Informal areas programme
WCG (Human Settlements)	20	ACSA land, Blueberry Hill, Forest Village, Penhill/ Jacobsdal Farms, Rotterdam/ Nooiensfontein, Kanonkop Atlantis, Erf 694 Philippi.	New opportunities
WCG (Public Works)	38	Florida Primary, Eldene Primary, Leonsdale schools, Royal Maitland Ext. 4, Woodstock hospital, Driftsands (x2), Erf 563 Silversands, Bloekombas, Conradie hospital.	New opportunities
HDA	4	Swartklip (Denel), Erf 1117 (Public Works), Wingfield (SANDF).	New opportunities
Private sector	tbd	Heartland, Joostenberg North, West Coast.	New opportunities

Table 24: Land purchasing agenda

C.8. MEDIUM-TERM INFRASTRUCTURE INVESTMENT FRAMEWORK

In line with national and provincial policy, infrastructure-led growth is a key strategic priority of the City. Three of the six strategic levers in the City's EGS focus directly on infrastructure provision and management: maintaining and upgrade basic service infrastructure to ensure sustainability, expanding public transport and consolidating the transport integration process, and maximising opportunities to enhance infrastructure financing.

Infrastructure, valued at more than R21 237 million, is the City's key fixed asset. In the budget, infrastructure looms large. The allocation to Utility Services and TCT in 2014/15 represents just over R4 524 million or 74.4% of the total capital budget of R6 081 million. Bulk purchases – of electricity and water from suppliers – to the value of over R7 050 million forms a large component of the City's total operating expenditure of R27 789 million in 2014/15. Of the City's total staff costs of R8 918 million in 2014/15 some 38% is apportioned

to Utility Services and TCT. These services make up 44% of the City's 27 588 (as at April 2013).

It follows that drives by the City to improve its business, to improve the level and sustainability of service provision, and to improve livelihood opportunities to citizens and the prospect for success for enterprises and social services large and small, the manner in which it plans, implements, and manages infrastructure is critical.

The City has commenced work to prepare a Medium-term Infrastructure and Investment Framework (MTIIF) and associated business case for the City of Cape Town. The MTIIF aims to enable evidence based, considered resource allocation and decision-making in relation to city infrastructure planning, implementation, and management.

The desired outcome of the MTIIF would be aligned infrastructure planning, implementation and management: both in relation to citizen need, the City's strategy (whether sectoral, cross sectoral or spatial), and the City's resource prerogatives (environmental, human, and financial).

Specific objectives of the task are to establish a clear understanding of:

- Current infrastructure capacity, risks, and plans.
- Future infrastructure needs to support growth and a more sustainable city.
- The desired spatial focus, interdependencies, and sequencing of infrastructure investment of different kinds required based on modelled city growth (in turn, informed by sectoral, cross sectoral and spatial policy).
- The cost of desired infrastructure investment, including the relationship between associated capital investment, maintenance, and operating costs.

In spatial reach, the MTIIF will consider current and future infrastructure city-wide. It should assess, update, and incorporate similar infrastructure planning work completed for the north-western and north-eastern corridors.

Development of the MTIIF will consider:

- Various City sectoral, cross sectoral and spatial strategies, framework and plans, including the CDS, EGS, IDP, ITP, CTSDF, "Growth Options" study, sector plans for different utility services, and so on.
- The outputs of various City data sets and models related to population, infrastructure performance, development activity (actual and expected), finance, and so on.
- Current and anticipated resource parameters of the City (both financial and human).
- The lead times and implementation prerequisites associated with different types of infrastructure.

C.9. SOCIAL FACILITY FORWARD PLANNING AND ASSET OPTIMIZING

The Mayor has initiative a long term initiative where the Strategic Policy Unit will be collaborating with all line departments to investigate and implement the optimization of Council assets such as social facilities, land, etc. This project will commence in 2015. As perspective to this project will be the recently completed Social Facility Forward Planning 2032 project. The CSIR assisted the City to assess the capacity and access situation

regarding various social facilities for 2011 and for the estimated spatial location of population in 2032. Facility backlog and potential demand considerations are equally important to the integrated and sustainable nature of the different residential areas than basic engineering services and public transport. Many areas continue to grow backlogs due to population increases where capital is more easily available for construction than long term operational budgets.

C.10. AREA BASED INITIATIVES OTHER THAN INTEGRATION ZONE STRATEGY AND INVESTMENT PLANS

Urban renewal

Since the National Government launched the Urban Renewal Programme (URP) in 2001, a number of initiatives commenced in the City to address urban poverty and underdevelopment in the two pilot areas of Khayelitsha and Mitchells Plain. The URP has received support from the Violence Prevention through Urban Upgrading initiative (VPUU), the community, KfW (the German development bank), numerous non-governmental organisations and the private sector. In recent years, the URP has incorporated NDPG funding. The programme has delivered numerous benefits, including work-live units, public facilities and spaces (including the Harare Library in partnership with the Carnegie Foundation) and the upgrade of other municipal services.

The CoCT has recently reviewed and expanded the URP to also incorporate other needy areas in the city. Currently, the Mayoral Urban Regeneration Programme (MURP) – modelled on earlier learning through the VPUU programme – focuses on:

- Harare and Kuyasa Transport Interchanges.
- Mitchells Plan Town Centre.
- Manenberg, Hanover Park, Lotus Park.
- Nyanga/Guguletu.
- Bishop Lavis, Valhalla Park, Bonteheuwel.
- Voortrekker road Corridor and Bellville Transport Interchange.
- Athlone CBD and Gatesville.
- Ocean View.
- Wesfleur Business Node (Atlantis).
- Macassar (a recently proposed additional node).

Most of the areas are situated within the Metro South-east Integration Zone and the Voortrekker Road Corridor Integration Zone. The primary aim of the programme is to introduce a sustainable system of public infrastructure and facilities operations and management in partnership with communities in a manner that will stabilise communities and provide a platform for effective further public and private investment. In each area, a specific package of interventions is negotiated with communities through a representative community structure and formulised in a “Community Action Plan”. CoCT coordination between services is enabled through Area Coordination Teams.

Other area based initiatives

Other than the MURP, the CoCT is engaged in a large number of area based initiatives related to development and management of the built environment. Some of these are summarised in the table below:

INTERVENTION	EXPLANATION
Growth management studies	An inter-disciplinary team has undertaken a detailed exploration of growth options (and the potential yield of opportunities) for the western and north-eastern development corridors, including in-depth understanding of "infrastructure triggers" enabling/inhibiting human settlement. Together, these two corridors could accommodate some 430 000 housing opportunities (more than half the anticipated 30-year need).
Planning for strategic sites	The City's on-going call for the acquisition of for key strategic land holdings across the city (e.g. Wingfield and Swartklip) as well as development pressure on other landholdings (e.g. parts of the Philippi Horticulture area and Heartland) has prompted the preparation (or active participation in the preparation) of detailed urban design frameworks and an understanding of the development yields of these landholdings. This work will enable rapid planning of strategic sites if acquired or when decisions are made to proceed with development.
Economic Areas Management Programme (ECAMP),	ECAMP beneficiates a wide range of raw City data (together with open source and proprietary data) into actionable information about changing area-specific business conditions by means of a purpose-built diagnostic model.
Informal settlement upgrade	*See section C.6. above.*
Backyarder service delivery	*See section C.6. above.*
Public space improvement	The City's Quality Public Spaces Programme is an effort to implement, through design, the principles of equity, integration and sustainable development in poor areas. In so doing, the City aims to improve accessibility, quality of life, and dignity for all. The idea behind the programme is that urban design can be a catalyst for positive change; a visible and tangible way of reconnecting communities and addressing issues of equality and social justice. The programme has grown to include the provision of a dignified community space as part of each informal settlement upgrade project. This sees a move away from the traditional approach in which the menu of services provided is limited to engineering services. Many projects include the recognition and celebration of places of cultural, historical, and social significance in communities. Since 1999, the programme has delivered some 100 projects.

Table 25: Examples of City area based initiatives

D. OUTPUTS AND OUTCOMES OF BUILT ENVIRONMENT INVESTMENT

The City's five key strategic focus areas – an opportunity, safe, caring, inclusive, and well run city – is aligned with high-level national outcomes and the objectives of the Urban Network Strategy.

The CoCT has developed systems, tools and procedures to monitor and evaluate achievement in relation to the strategic focus areas for many aspects of its work, both at corporate, service unit and individual performance level. This includes those related to the IDP, SDBIPs, Section 57 employees, and the views of resident communities (through annual Community Satisfaction Surveys).

There is recognition that existing indicators do not necessarily focus on the critical interdependencies between urban elements (e.g. the proximity of housing development to public transport) to measure built environment performance. The Cities Support Programme (CSP) is a coordinated platform for implementation support to cities which "proposes a systematic approach to create incentives for cities to address the issue of urban spatial form, and specifically to weaken existing incentives that perpetuate the inequality and inefficiency of the apartheid city, through coordinating funding programmes and linking these to national regulatory reforms in the built environment and specific capacity support measures to assist cities."

The CSP has an outcomes-based approach designed around four urban transformation goals; namely: Well-Governed City; Inclusive City; Productive City; and Sustainable City. The results framework of the CSP is the Built Environment Performance Indicators that "aim to effectively measure intermediate results and outcomes for the development of more productive, liveable, inclusive and sustainable cities".

In October 2013 National Treasury's CSP issued their Guideline for Framing Built Environment Performance Indicators for Metropolitan Municipalities. Contained in these Guidelines is a form for capturing each municipality's baseline and target performance data. The agreed baselines and performance targets for each of the generic indicators for Cape Town will form part of the CSP Participation Agreement (PA) between National Treasury and the City.

49 generic indicators have been identified of which, 14 are specific to the identified integration zones. The City has provided detailed comment and asked for clarity on the definition of almost all the indicators. After a recent visit by consultants to the National Treasury, the City will reconsider its responses, re-determine which SDBIP indicators can be used as replacements for some of the 35 of the 49 city-wide indicators, and re-negotiate with Treasury in relation to the phasing of the incorporation of new indicators with SDBIPs.

Appendix 1.1. and 1.2 contains the City's five year Corporate Scorecard (2012/13-2016/17) and draft BEPP Performance Indicators.

E. INSTITUTIONAL AND FINANCIAL ARRANGEMENTS

E.1. INSTITUTIONAL ARRANGEMENTS FOR INTEGRATED PLANNING

The City has a good track record of using its resources to good effect, and has governance mechanisms in place to facilitate transversal ways of working. The table below summarises key institutional arrangements which assist with integrated planning.

FOCUS	EXPLANATION
Intergovernmental senior leadership engagement	The City engages with the WCG and National Government in a structured and functional manner. At a political level, formal engagements between the Provincial Cabinet and the Mayco take place quarterly. At a technical and administrative level, sectoral as well as collective formal engagements take place between the Province's Heads of Department and EMT. These are aimed at ensuring maximum benefit for the City through better planning, coordination and accountability among all spheres of government.
Mayco "clusters"	During 2012, the operations of the Mayco were reviewed to include focused bi-weekly strategic sessions, organised around economic development and social work streams. This has provided inter alia for dedicated high level discussion and consideration of human settlement development and management issues (reporting through the social work stream)
Budget strategy	Over and above the Budget Steering Committee (BSC) – the Committee established to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the MFMA – a Budget Strategy Committee (BSM) and Budget Oversight Committee (BOC) were established for the 2014/15 budget process to ensure that the budget is aligned to the City's strategies.
Grant management	During 2014 the City established a Section 80 Grant Projects Review Committee (GPRC) to ensure closer alignment between agreed City political leadership strategy and the allocation of national and provincial grant funds.
Integrated Transport Authority	"Transport for Cape Town", an Integrated Transport Authority, was launched on 18 October 2012. Transport for Cape Town is a local government entity tasked to facilitate an integrated approach to public transport in the City, consistent with the National Land Transport Act. It must transform Cape Town's current fragmented transport system into an integrated, multi-modal system that puts commuters first – resulting in more efficient, affordable and safer public transport. Ultimately commuters will be able to cycle, use MyCiTi BRT, Golden Arrow buses, a train or mini bus taxi with a single ticket.
WCG/CoCT Political Steering Committee for Human Settlement Development	During July 2013, the WCG and the CoCT entered into an "Implementation Protocol" for the purpose of producing a first Draft Integrated Human Settlement Framework for the City, this framework to facilitate the expedited delivery of housing in the city over the short, medium and longer term (by the WCG, CoCT, and the private sector). A comprehensive set of recommendations was adopted by a Political Steering Committee chaired by the Premier and the Mayor during December 2013. The framework is to be further developed into a new HSP for Cape Town by June 2014.
EMT sub-committees	The EMT is organised into three sub-committees – urbanisation, infrastructure and growth management, and informal settlements – to enable a specific focus and integrated work on strategic issues.
BEPP preparation	During 2014, responsibility for the preparation of the BEPP has been allocated to the metropolitan planning function within the Spatial Planning and Urban Design Department (part of the Economic, Environmental, and Spatial Planning Directorate). In this way, BEPP preparation is established as an on-going core task, with dedicated in-house resources, and directly linked to long-term transversal city planning as opposed to vesting with a specific service function.
MTIIF preparation	An inter-departmental steering committee has been established to guide the preparation of the MTIIF. As with the BEPP, responsibility for the preparation of the MTIIF has been allocated to the metropolitan planning function within the Spatial Planning and Urban Design Department to ensure that MTIIF preparation is directly linked to long-term transversal city planning as opposed to vesting with a specific service function.
Programme/project conceptualisation and planning	It has become the norm in the CoCT to establish inter-departmental steering committees for programme/project conceptualisation.

Table 26: Institutional arrangements for integrated planning

E.2. INSTITUTIONAL ARRANGEMENTS FOR CAPITAL PROGRAMME MANAGEMENT

During 2014 the City established a Section 80 Grant Projects Review Committee (GPRC) to ensure closer alignment between agreed City political leadership strategy and the allocation of national and provincial grant funds. Previous arrangements, to be incorporated with the work of the new committee, are described below.

USDG/HSDG institutional arrangements

As the USDG policy framework did not make reference to any prescribed assessment or approval process for programmes and projects to receive funding, the City of Cape Town has established – since the inception of the fund – its own processes to ensure due diligence and risk mitigation. This process, which is audit compliant and has been agreed to by Council in December 2011, makes provision for:

- The submission of projects by functional service areas in terms of agreed, known criteria for possible USDG funding.
- A Project Review Committee (PRC) which will assess applications and make recommendations for approval by the delegated authority.
- Allocation of delegated authority to a designated official.

In determining the process for assessment of projects the City has taken its lead from the process as prescribed in the National Housing Code and implemented for projects approved under the HSDG. As a large number of USDG projects were previously managed under the HSDG – for example projects under the Upgrading of Informal Settlements Programme (UISP) and the Integrated Residential Development Programme (IRDP) – the City believed it prudent and efficient to build on the basis of the established process and guidelines. The process is similar to the process implemented by the WCG Department of Human Settlements for the assessment of projects under the HSDG, but tailored to the City's functional structure and functionality.

The criteria for project selection, already applied in selecting current projects for USDG funding from the City Budget, are *inter alia*:

- The extent to which the project demonstrates measurable support for National, WCG, and City strategic objectives and outcomes.
- The location of the project in relation to previously disadvantaged areas and/or the extent to which such areas will benefit from the project.
- The clear identification of beneficiary communities and the expected positive impacts on beneficiary communities.
- The extent to which the project will support other programmes and/or projects of the City and its service delivery partners.
- The extent to which the project supports the EPWP.
- The extent to which the project is intended to enhance a previous project, extends a previous project, or completes an incomplete project.
- The extent to which the project is supported by other funding allocations, or supports such allocation to provide for richer, more integrated human settlement outcomes or accelerated delivery.

- The extent to which future operational resources for the project has been secured (including human and financial resources).
- The extent to which prerequisite land planning and associated statutory processes are in place.
- The extent to which detail project milestone and cash-flow planning, and processes for procuring resources are completed and/or highlighted.

BRT institutional arrangements

The MyCiti BRT system is implemented in terms of a regularly updated business plan approved by Council. The central implementation, coordination and management of the BRT system takes place through the MyCiTi Project Office within the City administration, reporting to the Executive Director: Transport, Roads and Stormwater, and consisting of two departments, namely IRT Implementation and IRT Operations.

Six main functions are envisaged regarding MyCiTi operations:

- The MyCiTi Operations Management Unit, which is responsible for managing MyCiTi operations. This function presently falls within the department IRT Operations.
- Vehicle operations, provided by contracted vehicle operators, also referred to as vehicle operating companies.
- Automated fare collection.
- Control centre.
- Station management.
- An advertising contractor, responsible for advertising on MyCiTi infrastructure and for maintenance of bus stops.

Monthly project progress and status reports are produced on all aspects of the MyCity roll-out.

Project management capacity

The City has embarked on a strategy to enhance the organisation's project management competency through the development of a Project Management Policy aimed at more effective planning and defined workflow processes during the implementation of infrastructure projects. The policy has been adopted and approved by the EMT and the City Manager.

The strategy includes the skilling and development of existing project managers in order to entrench project management principles in the organisation. The City has a fully operational project management tool that is 100% compliant with the financial indicators and milestones. The other indicators are continuously being developed, and include sector-specific indicators.

As part of the strategy, work is currently focused on a project assessment system, which will include:

- The approach and methodology for identification of various programmes and projects.
- The prioritisation of the programmes and projects by senior management.

- Soliciting political support for programmes and projects.
- Informing and soliciting support from private and public partners for programmes and projects.
- The alignment of the total capital budget to support the prioritised programmes and projects.
- The skewing of the resource requirements to support the successful implementation of programmes and projects.
- Creating sustainable maintenance plans for programmes and projects.

Some core City services have concluded multi-year contracts with external professional resource teams to enhance project management capacity and expedite service delivery.

As reported in previous BEPP submissions, the City's project management and governance capacity to ensure service delivery and effective utilisation of USDG and HSDG allocations is supplemented via a small proportion (<1.5%) of the annual USDG allocation for project management/governance purposes.

Grant GIS support

The Human Settlements Directorate is in the process of introducing an integrated online/intranet Geo Information System (GIS) workspace that will provide the department and persons engaged in projects with real-time information of the work that in progress and completed. The first phase of the project – envisaged to run over three years – was to establish the status quo and background information available. It entailed:

- Establishing current spatial data capture and management requirements, software utilised and manual system/operational details involved in the existing operating environment and associated processes.
- Determining the required/envisaged operating environment in which the imports/capture and data usage will take place, as well as engaging the operators of the envisaged viewer/tool that will link the organisational and operational systems in CoCT.
- Reviewing some existing sample data that would have to be imported in the process (including but not limited to file formats, file sizes, types of data).
- Determining options for implementation.

At this stage a GIS viewer is preferred as efficiently integrates the datasets (capture, update and mapping) within a geodatabase. The linked system will not change the origin data format, data structures, method of capture/ working and ways in which data is used significantly. The system could be linked with the CoCT Integrated Spatial Information System (ISIS) if necessary and a web portal could be created to serve information to the public. On the creation of a notification viewer such a component would allow users to zoom into a specific area using online GIS mapping (i.e. not requiring ArcMap software on their PC or skills to utilise it) and view the service delivery related complaints and maintenance requests from the public.

Current project activities include:

- Interaction with the City's programmer to confirm the functionality and front end of the design.

- Managing the development, and test the draft functionality of the system bi-weekly, and test with the stakeholder team monthly.
- Undertaking a final testing with the stakeholder team, including importing of selected data.
- Implementation of the system.

This above phase is envisaged to take place during 2014. Hereafter, additional historical data capture can be done, depending on the data management situation and GIS requirements at that stage. The system could easily accommodate all grant funded projects.

Budget mapping

The purpose of spatially depicting the City's capital expenditure is to identify areas of alignment across the departments as well as to provide the basis on which future planning of projects across the line departments can be undertaken in a transversal manner. Traditionally mapping processes has proven to be problematic as it focuses on ward level, where at most 50% of the capital budget is reflected.

The City is currently exploring how to integrate its SAP system (utilised to capture the capital budget) and GIS system in order to automate spatial reflection of the whole capital budget. This will involve integrating a geographical referencing mechanism as part of project planning and budgeting.

E.3. SUPPLY CHAIN MANAGEMENT AND PROCUREMENT

The City maintains a dedicated Supply Change Management (SCM) Department, responsible for managing the supply and acquisition of goods and services to the City or on behalf of the City. This includes construction works and consultant services, the disposal of goods no longer needed, and the selection of contractors to assist in the provision of municipal services.

The work of the Department is directed by a SCM Policy, approved by Council in December 2011. The policy outlines the City's SCM goals and objectives, as well as general provisions and applications of SCM, a code of ethical standards, and preferential procurement measures. Quarterly and annual SCH reports are submitted to Mayco. During the period 1 July to 31 December 2013, the City advertised more than 170 formal tenders and 175 tenders were closed. This indicates a decline of about 30% in the number of tenders invited compared to the preceding financial years (resulting from the consolidation of similar tenders into a single tender and multi-year contracts). The average weeks from tender closure to award were 10.2 weeks. During the 2012/13 and 2013/14 financial years, some 1 393 tender submissions were received, and 51 appeals. Only one appeal was successful.

E.4. PARTNERSHIPS

The CoCT maintains numerous partnerships in support of developing and managing the built environment. The table below lists some existing partnerships which will be significant in further work related to the urban network.

PARTNERSHIP	FOCUS
WCG	In partnership with the WCG, delivery of personal primary health care services (including preventative and promotional services, HIV/ Aids/ sexually transmitted infection and TB control, and substance abuse).
Development Partnerships	Support to dedicated developmental organisations active in the Integration Zones, including Wesgro, The Cape Town Central City Partnership, and the Greater Tygerberg Partnership (an initiative with major corporations and institutions to drive the regeneration of the Voortrekker Road Corridor and environs).
City Improvement Districts	Support for City Improvement Districts responsible for enhanced day-to-day urban management of business areas.
Social housing	The City maintains partnership agreements with five companies to provide social housing: the Social Housing Company, the Cape Town Community Housing Company, Communicare, Madulammoho, and Indiza.
South African alliance of community organizations and support NGOs affiliated to Shack/Slum Dwellers International (SDI)	Enabling a people-centered upgrade approach on more than 50 informal upgrade projects.
Safety and security through partnerships with communities, the private sector, other departments and spheres of government	Support for extending the Neighbourhood Watch support programme to more areas, ensuring the presence of law enforcement agencies at public transport interchanges in partnership with transport authorities and the SAPS, continuation of School Resource Officer programme, and extending public disaster risk and fire awareness programmes in all areas.

Table 27: Partnerships

E.5. VALUE OF PROGRAMMES AND PROJECTS BY SECTOR

The City's capital budget increases from R5 606m in 2013/14 (January 2014 adjustments budget) to R6 081m in 2014/15 (an increase of 8.5%). Capital transfers from National Government, the WCG and other transfers and grants amount to R2 813m (46.3%) in 2014/15 and increases slightly to R2 899m and R2 842 for 2015/16 and 2016/17 respectively. Borrowings amounts to R2 346m, R2 511m and R 2 386m over the MTREF and has been provided for in terms of affordability levels as determined during MTREF modelling. Internally generated funds have been provided for over the MTREF amounting to R848m, R699m and R623m for each of the respective financial years.

Expenditure emphasis is still on those votes responsible for infrastructure development e.g. Utility Services and Transport for Cape Town. This allocation in 2014/15 represents just over R4 524m or 74.4% of the total budgetary allocation. Utility Services – including the services responsible for the provision of electricity, solid waste, water and sanitation – receives the largest allocation of R2 872m in 2014/15, 47.2% of the budget. The second highest allocation amounting to R1 652m or 27.2% is made to TCT, followed by Human Settlements at R688m, Corporate Services at R359m and Community Services at R241m. In the outer years the majority of the allocations were also made to infrastructure development: R4 907m (79.1%) in 2015/16 and R4 666m (78.4%) in 2016/17.

As indicated in Table SA6, the strategic objectives prioritised for capital expenditure are:

- Providing and maintaining economic and social infrastructure to ensure infrastructure-led growth and development.
- Ensuring mobility through the implementation of an effective public transport system.
- Assessing the possible sale or transfer of rental stock to identified beneficiaries, using established criteria.
- Ensuring increased access to innovative human settlements for those who need it.

Appendix 3 (Tables A5 and SA6) provides detailed budgeted capital expenditure by vote, standard classification and funding source as well as a reconciliation between the IDP strategic objectives and budgeted capital expenditure.

E.6. VALUE OF PROGRAMMES AND PROJECTS BY INTEGRATION ZONE

As part of the USDG Grant GIS support project, the City is developing instruments to reflect and analyse historic, current and planned investment in different programmes and projects by integration zone and network element. This work will be completed during the 2014/15 business year.

Nevertheless, given the extent of the capital budget allocated to enhance public transport infrastructure – and the overlap between public transport investment and integration zones – it is clear that the City is already investing aggressively in identified integration zones.

E.7. VALUE OF CATALYTIC PROGRAMMES AND PROJECTS PER NETWORK ELEMENT

The City is currently considering how best to identify catalytic projects for inclusion in the BEPP as per the recently circulated guidelines and consideration of Urban Development Catalytic Projects within the Integration Zones and Urban Hubs and those initiatives that can be considered as catalytic Human Settlements projects for consideration in the National Human Settlements Master Spatial Plan.

Important to note within the context of a BEPP review and in framing such a discussion is the length of time associated with preparation of many of these initiatives and the lead times prior to the implementation and – critical to a grant funding perspective – the timing of capital expenditure. The illustration of this emerging thinking considers not only on the criteria and nature of the intervention[10], but also the phases and timeframes associated with projects (Concept / Feasibility / Packaging / Land Release / Development). It will also need to consider and reflect the lead sphere of government / department. Accordingly, Catalytic projects could include:

- Trunk 11 and 12 BRT routes.
- Redevelopment of the Athlone Power Station.
- Development of the Denel site.
- Rationalisation of the CTIA and Philippi Precinct (Philippi being the urban hub in terms of the NDPG and major interchange).
- The informal settlements/ backyarder programme.
- The Mayoral Urban Renewal Programme (MURP).
- The Blue Downs Rail link.

Diagram 15 illustrates this thinking, with an emphasis on identifying projects which meets multiple criteria as defined by National Treasury.

[10] Could be based on identifiable cross sectoral / intergovernmental / Public Private Partnership turnkey project; urban infrastructure and utility services (e.g. infrastructure interventions that play a catalytic and supportive role to the strategy in IZs – e.g. bulk utility upgrades, broadband etc.); transport infrastructure, public transport and services; community services; Urban management, institutional arrangements and regulatory reform.

	Catalytic Nature									Dependencies		Bulk by Market and Sector						
	Integrated Income	Mixed Land Use	Land Use Intensity	Transit	IZ	Leverage Potential	Spatial Impact		Overall Ranking	Stakeholders	Infrastructure	Private Sector				Social	Subsidy	Total Bulk
							Ranking	Description				Retail	Commercial	Industrial	Residential	Residential	Residential	
Project X																		
Project Y																		
Project Z																		

Integrated Income Refers to income bands accommodated	Low: Monofunctional
	Medium: More than one income group but not all income groups
	High: Large range of income groups
Mixed Land Use	Low: Monofunctional land use
	Medium: more than 2 land use type
	High: More than 2 land use types
Land Use Intensity Floor area ratio	Low: < 0.49
	Medium: 0.5 - 1.49
	High: >1.5
Transit Distance to planned transit stop (note scale of development)	Low: >1.5km
	Medium: 800m - 1.49km
	High: 0m - 800m
Integration Zone	MSE/ VRC/NA
Leverage Potential	Low: none
	Medium: Either leverage private sector investment or unlock household investment
	High: Leverage private sector investment and unlock household investment
Spatial Impact	Low: impacts on site only
	Medium: Impacts on surrounding local area
	High: City wide impact

	Bulk by Market and Sector							Project Pipeline					
	Private Sector				Social	Subsidy	Total Bulk						
	Retail	Commercial	Industrial	Residential	Residential	Residential		Prefeasibility 3-6 Months	Concept 1-3 Months	Feasibility 3-6 Months	Packaging 6-36 Months	Land Release 12-24 Months	Development 12-+240 Months
Project X								30%	10%				
Project Y								100%	100%	100%	40%		
Project Z								60%	50%	30%			

Diagram 15: An approach to identifying catalytic projects

E.8. NON-INFRASTRUCTURE RELATED INTERVENTIONS IN INTEGRATION ZONES

The table below summarises – in general terms – key non-infrastructure interventions by the City in the Integration Zones. Specific interventions (and envisaged outcomes) will be developed during the preparation of detailed Integration Zone Strategy and Investment Plans (IZSIPs) for each of the integration zones during 2014/15.

INTERVENTION	EXPLANATION
Development Partnerships	Support to dedicated developmental organisations active in the Integration Zones, including Wesgro, The Cape Town Central City Partnership, and the Greater Tygerberg Partnership (an initiative with major corporations and institutions to drive the regeneration of the Voortrekker Road Corridor and environs).
City Improvement Districts	Support for City Improvement Districts responsible for enhanced day-to-day urban management of business areas.
Ward allocations	A R700 000 annual allocation to each ward for programmes, projects and initiatives identified by local councillors/communities (part of the allocation could be used for non-infrastructure projects).
Land use and building development management	• Management of district offices to ensure accessible, context specific land use and building development management. • Together with the GWC, made significant progress to integrate and contract EIA/ HIA/ land use processes and approvals. • Expansion of Restructuring Zones to include the Voortrekker Road Corridor.
Tourism	Research, assistance, marketing and promotion of tourism assets and opportunities.
Community services	• Management of parks to a uniform set of maintenance standards. • Management of citywide, regional and community libraries with properly constituted Friends of the Library organisations to minimum open-hour standards. • Management of community centres, indoor and outdoor sports facilities to uniform maintenance standards and provides, promotes, and facilitates recreational programmes. • Various initiatives addressing the needs of the youth, street people and the disabled. • Initiatives to promote gender and women empowerment. • Initiatives to promote arts and culture.
Health	In partnership with the GWC, delivery of personal primary health care services (including preventative and promotional services, HIV/ Aids/ sexually transmitted infection and TB control, and substance abuse).
Social development services	Preventative social developmental programmes aimed at strengthening social cohesion by creating awareness and resilience within vulnerable communities (including gang and substance abuse awareness, youth development, street people, and early childhood development).
Informal trading	Management of trading infrastructure and premises (used by approximately 3 000 emerging entrepreneurs), including , an online e-permitting system (rolled out to roughly 95% of informal traders).
Safety and security	• Provision of law enforcement and security, traffic management, disaster management, and fire and rescue services. • Support to and extension of the neighbourhood watch system. • CCTV roll-out. • Provision of disaster risk awareness programmes.
Knowledge management	Ongoing development, maintenance and sharing of strategic development information (supported by GIS).

Table 28: Non-infrastructure interventions

E.9. APPLICATION OF GRANT RESOURCES BY PROGRAMME AND PROJECT

As indicated above, capital transfers from National Government, the WCG and other transfers and grants amount to 46.3% of the 2014/15 capital budget and increases slightly in 2015/16 and 2016/17 respectively. Together, the USDG and PTIG comprise almost 90% of grant resources allocated to the City.

Appendix 2 provides a summary of all national and provincial grants allocated to the CoCT.

Appendix 3 (TSA19) provides a detailed breakdown of planned expenditure on transfers and grant programmes.

Integrated City Development Grant

The ICDG provides a financial incentive for the CoCT to integrate and focus its use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form.

Following identification of its Integration Zones, and aligned to the "strategic planning window" of the ICDG, the City received funding to support planning for investment in the Integration Zones half way through 2013/2014. This sum of R10.36m has been committed to the following activities currently underway:

- Preparation of a Development Strategy and Investment Plan for the Metro South East Integration Zone (R3.3m).
- Preparation of an integrated Transport and Land Use Plan for the Bellville CBD area (R2m).
- Preparation of an update to city-wide social facilities forward planning by the CSIR (R1,59m).
- Transport-oriented development strategy related work, led by TCT (R3.47m).

INTEGRATED CITIES DEVELOPMENT GRANT: 2014/15 CAPITAL ALLOCATIONS			
Project	Requested allocation	Project status	Project owner
VOORTREKKER ROAD CORRIDOR INTEGRATION ZONE			
Plattekloof – N1 Reinforcement (Tygerdal)	20 000 000.00	On the budget	Electricity
Symphony Way (Erica Drive – UWC Entrance)	3 500 000.00	Annual tender	TCT
Tienie Meyer Bypass EB & WB	7 700 000.00	In progress	TCT
Viking Way EB (Jan van Riebeeck – Valhalla)	3 500 000.00	Annual tender	TCT
Halt Road NB and SB	3 500 000.00	Annual tender	TCT
Jack Muller to Elizabeth Park	4 100 000.00	Period tenders, new tender (specifications prepared), RFQ	City Parks
Sub-total	42 300 000.00		
METRO SOUTH-EAST INTEGRATION ZONE			
The City of Cape Town's Proactive Land Use Application for the Langa Quarter	2 269 747.70	Development contribution	TCT
	419 337.55		Utilities
Violence Prevention Surveilance Technology For MURP nodes (Hanover Park/Gatesville and Manenberg/Athlone)	6 000 000.00	New tender and RFQ	Safety and Security
CAP Projects – public environment upgrades in MURP areas	1 581 914.00	RFQs and annual tender	MURP
NY110 Smart Park, Gugulethu	4 600 000.75	On site	City Parks
Sub-total	14 871 000.00		
TOTAL	57 171 000.00		
TOTAL AVAILABLE	57 171 000.00		

Table 29: 2014/15 ICDG allocations
Source: CoCT

While the pre-specified performance targets on which the capital component allocation of this grant is based are still under discussion between the City and National Treasury's CSP, the City has been allocated a sum of R57.171m in 2014/2015 for "any capital spending by a municipality on catalytic investments and initiatives within an identified Integration Zone as authorized through its annual budget".

It has been proposed that this grant be allocate to TCT, Community Services and the Utilities Directorates respectively for investment into the renewal of social and economic infrastructure that can contribute towards building confidence for investors in the identified Integration Zones. The table below sets out the allocations in detail.

The bulk of the Strategy and Investment Plans for the Integration Zones will be completed in 2014/2015, which will allow for more informed, strategic and programmatic proposals to be made on the allocations of the ICDG in the budget for 2015/2016.

Urban Settlements Development Grant and Human Settlements Development Grant

The USDG grant is largely used for servicing sites and financing bulk, connector and social infrastructure which supports the projects managed by the Human Settlements Directorate. The HSDG grant is primarily used for the development of top structures and for national programmes such as the provision of community rental units, social housing and emergency housing. As can be seen from the table below, the proportion of funds allocated to bulk, connector and social infrastructure over the MTREF is substantial. The major recipients of funds earmarked for bulk, connector and social infrastructure are the electricity, roads and stormwater, and water services.

Project Type COMMITTED PROJECTS	2014/2015 National USDG R	2014/2015 Province HSDG R	2015/2016 National USDG R	2015/2016 Province HSDG R	2016/2017 National USDG R	2016/2017 Province HSDG R
Rental Units Upgrade (CRU)	32 476 736	150 866 518	0	46 500 000	0	40 000 000
New Rental Units / Hostels "CRU" Projects	24 500 000	124 183 603	36 220 000	73 650 000	20 000 000	115 000 000
Institutional / Social Housing Projects	0	79 253 709	0	74 982 582	0	0
Land Acquisition	34 000 000	0	40 000 000	0	40 000 000	0
BNG Projects	179 704 262	240 510 000	142 280 025	400 735 000	44 801 090	364 208 000
Incremental Development Areas	81 912 479	29 500 000	260 000 000	50 000 000	268 000 000	50 000 000
PHP / Consolidation Projects	0	170 000 000	0	175 000 000	0	175 000 000
Bulk, Connector, Community Infrastructure	892 143 298	0	858 381 975	0	922 873 794	0
Additional Provincial Projects	79 772 000	474 888 000	50 000 000	399 000 000	43 000 000	255 000 000
PGWC Allocation	2 614 250	33 663 333	0	0	0	0
OPEX	31 755 975	47 601 837	20 000 000	100 500 000	20 000 000	100 500 000
Total: USDG & HSDG - Committed	**1 358 879 000**	**1 350 467 000**	**1 406 882 000**	**1 320 367 582**	**1 358 674 884**	**1 099 708 000**
DORA Allocation	**1 358 879 000**	**1 350 467 000**	**1 406 882 000**	**1 442 814 000**	**1 481 448 000**	**1 605 936 000**
Over DORA / Under DORA	0	0	0	-122 446 418	-122 773 116	-506 228 000
Original Allocation:		783 000 000		859 000 000		981 000 000

Table 30: Proportional allocation of USDG/ HSDG funding over the MTREF period
Source: CoCT

Figure 17 below illustrates the shift in the proportion of the budget allocated to different housing types over the MTREF period. While BNG housing dominates over the short term, the intent is to scale down on its delivery in favour of the greater "width" to be achieved – serving more beneficiaries – with opportunities comprising basic serviced sites to be developed incrementally.

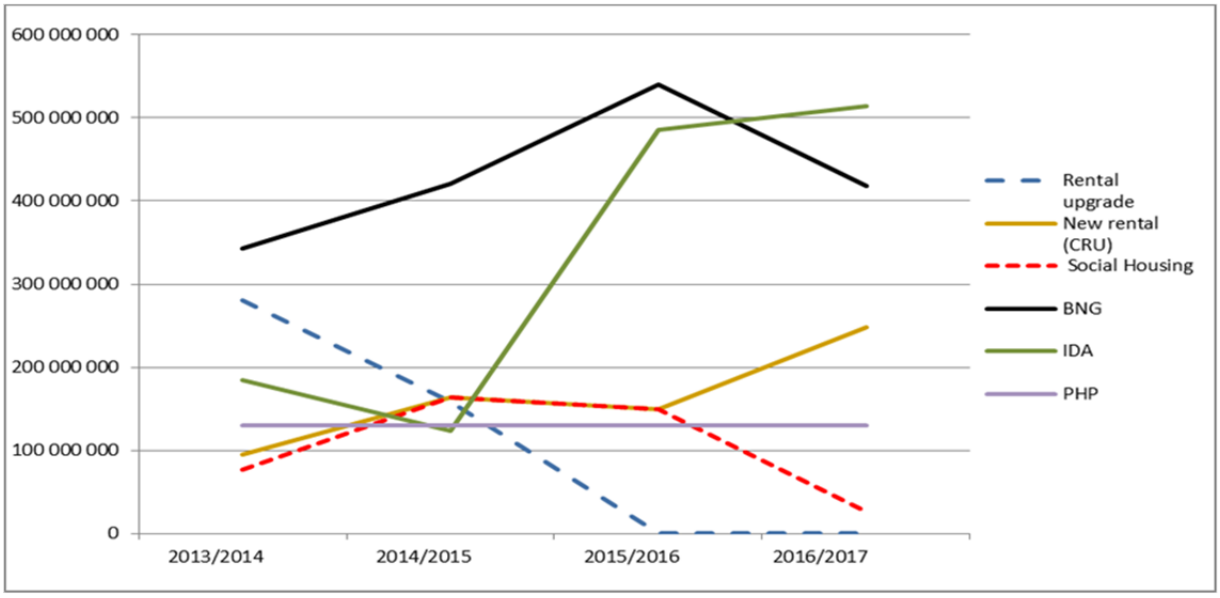


Figure 16: Changes in budget allocation for different housing types over time

Figure 18 illustrates the relationship between the committed and planned project pipelines and available USDG/HSDG funding. While there has been a shift towards the provision of serviced sites a large scale shift in this direction will not be possible in the short term as the USDG funds are largely committed. Thus, the only way the number of serviced sites per annum could be substantially increased is by reducing the quantum of the USDG budget allocated for bulk, connector and social infrastructure. The implications of this shift in funding allocation are under investigation.

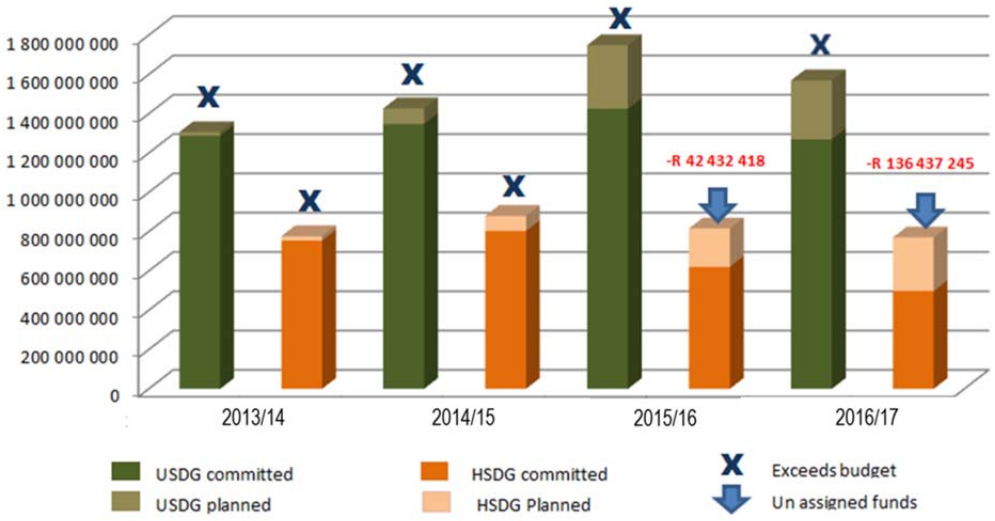


Figure 17: USDG/ HSDG budget allocations to committed/ planned projects and balance available for planned projects
Source: CoCT

Public Transport Infrastructure Grant

Table 23 illustrates the expected PTIG infrastructure expenditure for the next three years. The proposed expenditure indicate the shift in BRT roll-out to a second phase which will provide a more extensive service to the southeastern parts of the city, including Mitchells Plain and Khayelitsha. Also indicated is the integration of infrastructure and operational expenditure items, essential to ensure system efficiency and sustainability.

PHASE 1: Element	2006-2013	2013/14	2014/15	2015/16	2016/17	TOTAL
Roadway civil works	R1 550 420 610	R322 578 970	R35 654 706	R0	R0	R1 908 654 286
Depots	R219 171 790	R30 589 523	R0	R0	R0	R249 761 313
Stations & stops	R300 537 238	R114 952 513	R90 861 560	R30 800 000	R0	R537 151 310
Transport management centre	R60 000 000	R0	R0	R0	R0	R60 000 000
Land	R252 349 983	R0	R0	R0	R0	R252 349 983
NMT	R22 892 165	R0	R0	R0	R0	R22 892 165
Contingency	R0	R0	R0	R0	R0	R0
Escalation	R0	R0	R0	R0	R0	R0
Sundry	R28 716 063	R0	R0	R0	R0	R28 716 063
Control centre	R159 543 528	R29 492 473	R27 674 944	R11 455 735	R0	R228 166 681
Fare system	R241 194 211	R140 677 276	R25 378 644	R7 327 977	R0	R414 578 108
Vehicles	R650 916 230	R160 159 739	R189 043 577	R34 513 584	R0	R1 034 633 130
Industry Transition	R672 109 380	R80 000 000	R0	R0	R0	R752 109 380
Sub-Total	R4 157 851 198	R878 450 494	R368 613 431	R84 097 296	R0	R5 489 012 419
N2 Express: Element	2006-2013	2013/14	2014/15	2015/16	2016/17	TOTAL
Roadway civil works	R0	R0	R0	R0	R0	R0
Depots	R0	R750 000	R0	R0	R0	R750 000
Stations & stops	R0	R41 373 483	R19 618 800	R0	R0	R60 992 283
Transport management centre	R0	R0	R0	R0	R0	R0
Land	R0	R0	R0	R0	R0	R0
NMT	R0	R0	R0	R0	R0	R0
Contingency	R0	R0	R0	R0	R0	R0
Escalation	R0	R0	R0	R0	R0	R0
Sundry	R0	R0	R0	R0	R0	R0
Control centre	R0	R7 496 000	R1 874 000	R0	R0	R9 370 000
Fare system	R0	R8 400 000	R9 085 000	R0	R0	R17 485 000
Vehicles	R0	R90 969 735	R84 715 818	R8 379 000	R0	R184 064 554
Sub-Total	R0	R148 989 218	R115 293 618	R8 379 000	R0	R272 661 837
PHASE 2: Element	2006-2013	2013/14	2014/15	2015/16	2016/17	TOTAL
Roadway civil works	R0	R4 361 400	R44 792 600	R630 850 000	R494 933 600	R1 174 937 600
Depots	R0	R0	R3 200 000	R65 600 000	R27 200 000	R96 000 000
Stations & stops	R0	R1 539 000	R9 433 800	R189 970 200	R525 640 200	R726 583 200
Transport management centre	R0	R0	R0	R0	R0	R0
Land	R0	R0	R35 000 000	R0	R0	R35 000 000
NMT	R0	R0	R0	R0	R0	R0
Contingency	R0	R0	R0	R0	R0	R0
Escalation	R0	R0	R0	R0	R0	R0
Sundry	R0	R0	R0	R0	R0	R0
Control centre	R0	R0	R0	R6 000 000	R9 000 000	R15 000 000

Fare system	R0	R0	R0	R116 705 680	R175 058 520	R291 764 200
Vehicles	R0	R0	R0	R0	R0	R0
Sub-Total	R0	R5 900 400	R92 426 400	R1 009 125 880	R1 231 832 320	R2 339 285 000
TOTAL	R4 157 851 198	R1 033 340 112	R576 333 449	R1 101 602 176	R1 231 832 320	R8 100 959 255

Table 31: MTREF and Projected Expenditure on PTIG

Neighbourhood Development Partnership Grant

In recent years, the NDPG has been used to further support the City's Urban Renewal Programme (URP). The Harare node in Khayelitsha is a good example of the way in which substantial investment can be achieved through the NDPG, and what a difference such investment can make to residents and communities. The node, which serves the residents of the Monwabisi Park informal settlement and the formal residents of Harare, has received support from the NDPG in partnership with the Urban Renewal Programme, the Violence Prevention through Urban Upgrading initiative, the community, KfW (the German development bank), numerous non-governmental organisations and the private sector. Thus far, this collaborative investment has delivered numerous benefits, including work-live units, the award-winning Harare Library (in partnership with the Carnegie Foundation) and the upgrade of other municipal services through sustainable structural and functional improvements. As a direct result, the attractiveness of the node has increased measurably, which bodes well for the prospect of future private-sector investment.

Integrated National Electrification Programme Grant

The Integrated National Electrification Programme Grant (INEPG) is aimed at the electrification of occupied residential dwellings situated in rural and urban areas in the furtherance of electrification in historically under-supplied areas with an emphasis on backlogs. The city's planned expenditure of the INEPG is as indicated below.

2013/14 Allocation	Unspent portion	Projects identified to the value of unspent amount to be executed in 2014/15
R25 147 878.14 (Jo Slovo project) (R24 500 000.00 allocation + R647 878.14 2010/11 surplus from Delft TRA 5 and 5.1 project)	R17 872 055.74	Joe Slovo Phase 3, Langa Hazendal Infill Housing project Belhar Pentech Infill Housing project *Substitute projects should any of the above projects not roll out as planned:* KTC Informal Infills Umshiniwam

Financial Year	Allocation	Project(s) on budget but no contractual commitments
2014/15	R5 000 000.00	Heideveld Infill Housing project
2015/16	R8 000 000.00	Heideveld Infill Housing project Hazendal Infill Housing project Valhalla Park Housing project Gugulethu Infill Housing project Manenberg Infill "The Downs" Housing project Joe Slovo Phase 3, Langa
2016/17	R10 000 000.00	Project to be confirmed

Table 32: Proposed INEPG expenditure

F. CONCLUSIONS

The City has developed a clear understanding of its built environment development and management challenges.

The increased accountability and responsibility associated with grant funding has forced the City to critically review the way in which it approaches spatial targeting of funding and resources, its built environment challenges, and the planning and delivery approaches it adopts to bring for service delivery to all communities within its area of jurisdiction. The BEPP process gives the City an annual process within which to reflect and build on the foundations of the corporate planning vision and strategy captured within the IDP, EDS and SDS and SDF.

Within the six month period since the approval of the 2014/15 BEPP document the BEPP review and associated sectoral processes have progressed and been enhanced to include:

- Allocation of responsibility for the preparation of the BEPP to the metropolitan planning function within the Spatial Planning and Urban Design Department (part of the Economic, Environmental, and Spatial Planning Directorate). In this way, BEPP preparation is established as an on-going core task, with dedicated in-house resources, and directly linked to long-term transversal city planning as opposed to vesting with a specific service function.
- Establishment of a BEPP Technical Committee represented by all sectors and include of the City Support Programme and Provincial Treasury.
- Establishment of a the Section 80 GPRC to ensure closer alignment between agreed City political leadership strategy and the allocation of national and provincial grant funds.
- Establishment of dedicated resource teams to prepare detailed strategic and investment plans for identified Integration Zones and catalytic projects within those zones.
- Commissioning of a Medium-term Infrastructure and Investment Framework (MTIIF) and associated business case for the CoCT, enabling evidence based, considered resource allocation and decision-making in relation to city infrastructure planning, implementation, and management, in support of TOD (this work will expand previous work undertaken for the north-western and north-eastern growth corridors to the city as a whole).
- Expansion and updating of a CSIR benchmarking study assessing access to community facility infrastructure across the city.
- Structured engagements between service departments and the City's Organisational Performance Management Department, and preparation of a work programme, with a view to integrate the National Treasury's Guideline for Framing Built Environment Performance Indicators for Metropolitan Municipalities with the City's Performance Management System.
- Further development of the City's land use model which allocate land demand to land supply, in support of TOD and in recognition of the various shortcomings of the existing practices for developing housing opportunity.
- An approved and extensive Integrated Public Transportation Network (IPTN) that seeks to extend and enhance the public transportation footprint and variety of choice throughout the City.

- Review of the City's IHSF (prepared during 2013) to test its effectiveness and efficiency, and develop strategic implications for a high level human settlement strategy for the CoCT to 2032, including a new "package" of programmes which could address anticipated needs, within expected financial parameters, and in support of TOD.

The USDG and PTIG in particular contribute directly to the City meeting its strategic objectives and shaping its future growth trajectory. Assuming that two foundations of future City growth – facilitated by way of public investment via grants - are based largely on the implementation of the respective IPTN and IHSF (once adopted) interventions via these grants there are some practical considerations to be deliberated and developed further in the BEPP review process and on-going refinement of the respective sectoral processes.

For example, land ownership in relation to informal settlement upgrading can preclude and extend timeframes for upgrading and formalisation programmes where the land is not owned by the City. Greenfield sites typically continue to afford greater project yields albeit at lower densities than brownfields sites (that would typically support multi-storey, higher-density and mix use environments). The approaches have significantly different outcomes in relation to form and efficiency of space and movement within the City. The relative emphasis placed on these modes – acknowledging that both are integral to a supply strategy – has a direct impact on the congruence or divergence from the IPTN objectives.

As long as housing programmes and subsidies are premised on the existing Housing Code the opportunity to explore different typologies and institutional approaches remains constrained. These include but are not limited to:

- CRU and Social Housing that would typically support infill sites and the range of densities and typologies envisaged in TOD have proven to be overly expensive to run and or complex in terms of institutional requirements.
- A grant specific to backyard improvement and enablement is not within the ambit of the present grant regime.
- An at-scale product and institutional rental model for the lowest income groups (R0-R1 500) is absent.

With these issues unresolved, the default development position of mass-delivery of subsidised, state funded sites, services and units on the (cheaper) peripheral sites to those most in need is likely to remain – even with the best and well-intended principles. In addition, the substantial commitment and investment in public transport and the sustainability of emerging transportation networks is threatened by a perpetual trajectory based on this historic approach.

Nevertheless, the recognition of existing (higher) residential densities and densification opportunities afforded by both the informal and formal sector, provide opportunities to focus allocation of resources and sequence the investments in transportations and housing. A further assessment of how these opportunities translate into tangible project areas and how these in turn relate to the IPTN is critical if they are to be realized. An initial assessment suggested less than 20% of greenfield land assessed could be considered TOD (3% of which was publically owned).

Other key issues that will determine the success of this cross-sectoral approach include:

- The acceptance of the informal mode of delivery via backyard and informal settlement upgrade politically, socially and by the affected communities.
- Addressing a NIMBYSM – i.e. not in my backyard – view of many communities to more affordable approaches to human settlement.
- Balancing transportation requirements in relation to passenger flow and trip generation with land uses (both mix and intensity) and the realities of property and land dynamics.
- Acknowledging that land more broadly is contested not only by the private sector but also within the City and between spheres of government and other state entities.
- Sequencing and entrenching the developmental approaches to other sectors and service delivery more broadly, not least in respect of social amenities, and economic and educational programmes to address the skills and economic conditions of a future City.

Other tangible and complex challenges exist and were reflected in a series of BEPP sectoral briefing sessions.

In summary, these include:

- The operational budget component of services spending. For example, social departments have a large backlog of projects but cannot proceed because of the absence of operational funding post project completion (as a result, fewer projects are planned, longer lead times result when funding is available, and there is a longer list of backlogs).
- The absence of the PTNOG in the BEPP currently identified as severe shortcoming in that PTIG reflects only a limited snapshot of investment and approach.
- Grant focus and conditions limits the opportunity to foster an integration element (e.g. USDG allows for funding of range of facilities and supporting infrastructure, requiring a clear and efficient pipeline that allows responding departments to “gear up”).
- Without these funds the City’s ability to respond to capital funds for supporting infrastructure is massively limited.
- Some grant are very one dimensional in approach – i.e. the “silo” mentality of PTIG – with limited opportunity to use funds for anything other than the public transport related investments.
- The dependency on Human Settlements: to “lead” and others to respond (e.g. Electricity, Social Development). The prioritised project list is therefore critical to allow for sufficient lead time and planning.
- Area and facility management is critical in terms of a sustainable approach bot poorly developed in the City.
- Some regulatory processes (e.g. EIAs/ planning permission, and Supply Chain Management) frustrate implementation.
- Efficiency and alignment issues between the spheres of government (specifically the WCG and CoCT) to ensure effective resource allocation and planning.

These challenges provide a review “lens” within which to shape the debate, seek political direction and direct content between the submission of the Draft BEPP in November 2014 and the final submission in May 2015, punctuated by the Inter-Governmental BEPP review session planned for the first quarter of the new calendar year.

Despite these challenges and opportunities, the City continues to improve on its readiness via this BEPP and other inter-governmental processes receive and manage National funding in pursuit of agreed national and provincial development and management objectives.

APPENDICES