



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

# CAPACITY SUPPORT IMPLEMENTATION PLAN

**EThekweni Municipality**



# The Capacity Support Implementation Plan (CSIP)

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## BACKGROUND

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The CSP is a government initiative specifically for cities to accelerate the process of urban transformation, starting with metropolitan municipalities, to improve the performance and functionality of South Africa's major cities, following the imperative for transforming human settlements expressed in the National Development Plan. The CSP seeks to do this by influencing where and how public funds are invested and regulatory instruments used in the built environment in order to promote well governed, productive, inclusive and sustainable cities. It covers a range of support mechanisms to metropolitan municipalities through:

- a) a greater focus on performance incentives in the system of intergovernmental grants that rewards integrated development;
- b) different forms of implementation support to cities, including specialised technical assistance and peer group learning;
- c) national policy and regulatory reviews that empower the metros to perform their functions more effectively, and
- d) specialised instruments to assist cities to respond to the challenges of climate change and efficient resource use.

A new grant for metropolitan municipalities has been introduced in the 2013/14 national budget. The Integrated City Development Grant (ICDG) is to support the development of more inclusive, liveable, productive and sustainable urban built environments in metropolitan municipalities. The grant provides a financial incentive for metropolitan municipalities to integrate and focus their use of available infrastructure investment and regulatory instruments to achieve a more compact urban spatial form. Using the spatial plans within the metro as a land use base, the Built Environment Performance Plan (BEPP) is focused on spatial priorities and assisting in getting all departments to agree to roll-out plans for the implementation of the intentions of the IDP, SDF, SDPs- this has been missing for a long time leading to, *inter alia*, social facilities not being built in time to support the implementation of Local Area Plans, engineering infrastructure lacking and unco-ordinated in certain areas, housing projects without support infrastructure, etc. The inter-departmental co-ordination within the ICDG Forum will facilitate this joint agreement on priorities and alignment of budgets to get the implementation of the intentions embedded within the IDP, SDF etc. All the key departments sit on the ICDG Forum and will be party to all discussions including the CSP projects' terms of reference. This is a crucial aspect to ensure that the processes and products around the IDP, BEPP, Spatial Plans and the recent Spatial Planning and Land Use Management Act (SPLUMA) are aligned.

The metros are mainly responsible for planning and managing the built environment on the basis of their superior knowledge of local needs and dynamics, and their extensive powers, legitimacy and accountability for this role. These powers are being supplemented by the gradual transfer of additional responsibilities in housing, transport and spatial planning from provincial and national government. The metros have significant revenue-raising capabilities and borrowing powers that could and should contribute to additional investment in infrastructure. National government supports and rewards them for promoting urban integration through the ICDG.

Public pressure makes the need for urban transformation greater than ever. The CSP therefore adopts a 'results-focused' approach to improve the alignment and focus of public interventions towards urban integration with clearly measurable results. The first phase of the CSP involves results-focused planning associated with the Urban Networks Strategy and Integration Zones (in the 2014/15 BEPP), performance indicators, determining capacity needs and developing CSIPs. It also involves the introduction of a performance-based ICDG in 2013/14. The ICDG will provide incentives for the metros to support integrated planning and development through densification, infill, promotion of mixed-use schemes, aligning jobs and housing, and supporting transit-oriented development. The grants will be paid out retrospectively against the achievement of targets related to identified outcomes, for example in relation to catalytic projects within integration zones that have the potential to crowd in household and private investment, and are funded primarily (but not solely) through public investment in infrastructure.

### THE PURPOSE OF THE CSIP

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The purpose of the CSIP is to address the gaps in technical capacity in the metros and related obstacles to achieving urban transformation with appropriate interventions that will make a difference to conditions on the ground. These are drawn from a list of existing and potential support measures aligned to the CSP framework. They cover a wide range of activities or instruments that can be associated with specific outputs and intended impacts. The planned interventions focus on high-level functions that need to be approved by Municipal Mayoral Committees (MMC's) and Metro Executive Leadership. These functions are wide-ranging but not comprehensive since they do not address gaps in municipal capacity for functions that fall outside the scope of the CSP, such as the need for changes in national legislation or fiscal policy.

This CSIP identifies a series of recommendations for action arising from the recent Capacity Needs Analysis (CNA) of the City of eThekweni undertaken with full participation of the City under the auspices of the National Treasury's City Support Programme (CSP). Following a systematic methodology, the CNA identified a range of capacity gaps and other obstacles that hinder the City's ability to pursue urban transformation. The CSIP spells out practical activities that the City can take to address these gaps in conjunction with various forms of technical support available from the CSP. It is a time-limited plan that ensures that government support is responsive to actual, strategic demand from the City – a big improvement on past practice. It will form the basis of an agreement between the National Treasury and the City of eThekweni. Each activity will be subject to detailed project plans being prepared immediately after



the CSIP as a whole has been agreed. The CSIP does not cover other activities that may also be necessary to achieve urban transformation, such as changes in legislation or fiscal reforms. With regards to the eThekweni Metropolitan Municipality, the CSIP focuses on 14 priorities that are critical to eThekweni's ability to achieving their urban transformation objectives within the next 18 to 24 months:

The following priority areas will form the basis of the CSIP:

1. Formulate the Corporate Spatial Investment Plan (i.e. shared vision and prioritisation of investment areas to support spatial transformation and an associated Implementation Plan). This will integrate the plans of key sectors through common demand parameters and lead to the development of supportive implementation plans. This will be aligned with the SDF and SPLUMA and IDP requirements to ensure integration.
2. Strengthening strategic leadership for urban transformation
3. A process for prioritising major development proposal/applications. (e.g. evaluation of development applications in terms of cost/benefit covering economic/social/environment/spatial integration etc) and cover ICDG and SPLUMA requirements
4. Positioning natural resources as a base upon which development decisions are taken.
5. Support in setting up monitoring/reporting systems to deal with ICDG KPI's (especially those that relate to data that we do not collect)
6. Anti-corruption measures
7. City specific technical support o policy and implementation of economic development strategies (assistance with implementing PPPs on bulk infrastructure)
8. Seamless Implementation and management of infrastructure and catalytic projects (IDMS)
9. GIS based system to link the municipal budget to the Corporate Spatial Investment Plan (GIS systems for the mapping of households and infrastructure backlogs) taking cognisance of work already undertaken re: mapping of MTEF.
10. Land use transport integration (Impacting on Productive City theme)
11. Develop a Renewable Energy Portfolio Standard (RPS)
12. Development of a Social Sector Master Plan
13. Partnerships for residential densification along key corridors in High Intensity Zones
14. Models for community upliftment via self- build of housing and the training of people in plumbing, carpentry etc.
15. Citizen Engagement (Impacting on the Well Governed City theme)

CSP Focus Area	Project / Activity	CSP Results Chain			Implementation Arrangements		Time Frame
		Products	Processes	Policy Output	Action steps	Responsibility	
<b>Well-Governed City (core city governance implementation support)</b>	1. Formulate the Corporate Spatial Investment Plan Phase1 i.e a phased implementation plan for the development of the metro area over the next 15 years in three phases of 5 years	(a) Best practice guides for urban transformation management (b) Think Tanks on striking balance between sectors (c) Analytical and diagnostic studies	ICDG Forum (cross-sectoral integration meetings) facilitation, peer learning with other metros	A Council Approved Corporate Spatial Investment Plan	Development of a work program, Terms of Reference for a Technical Advisory team Procurement of Service Provider to provide inputs on good practice	City Manager 's Office, Strategic Spatial Planning & IDP Office and Treasury and all implementation departments	18mnths
	2. Strengthening strategic leadership for urban transformation	(a) Executive Leadership Course (b) Series of information engagements with targeted content to targeted groups, © Mentoring & Coaching to leaders on the balance required across sectors and role of spatial transformation	(a) Participation in a week long course (b) Planned sessions visits to Council and senior management © Mentoring & Coaching sessions	(a) Course delivery (b) Presentations and minutes on agreed (c) Coaching program	(a) Timely confirmation of core leadership team for course participation on an annual basis (b) Well planned sessions deliberate and intentional on spatial transformation agenda © Define scope and participants of coaching program	Coordination: City Manager's Office, Community Participation (Mayor, Chairpersons of Council Committees, City Manager, DCM's and Heads); Office of the Speaker	(a) Annual course, (b) ongoing engagements, (c) 48 mnths
	3. Process for prioritization of major development applications	(a) System and process design of the evaluation protocol for development applications its cost benefit covering economic, social, environmental and spatial	Facilitation and Technical Assistance ICDG Forum/WG	An evaluation toolkit	Terms of Reference for a Technical Advisory team Procurement of Service Providers	City Manager's Office & all relevant departments	18-24 mnths

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	4. Investigate the position that natural resource base must be the foundation upon which development decisions are taken	(a) Unpacking the National Strategy on Sustainable Development’ (NSSD1) (b) Review the structural changes required to effect the principles of NSSD1 (c) Identify the risks associated with not incorporating environmental concerns as a base line consideration in strategic planning	Facilitation and Technical Assistance, peer review discussions,	Policy Position Paper on incorporation of environmental issues into decision making processes & risks associated with not doing so. Toolkit, policy guides	Terms of Reference for Experts Facilitators Convene a group of experts to facilitate process of mechanism of incorporating environmental issues into decision making processes and assessing risk of ignoring these issues.	Environmental Protection & Climate Change Department and all other relevant departments	24mnths
	5. Support in setting up monitoring/ reporting systems to deal with ICDG KPI’s	(a) Review data gaps in annexure G, data collection mechanisms and responsibility; and, Advise on process to fill the gaps (b) Determine if additional KPIs are necessary and align with national KPI rationalization process	Specialist technical support Facilitation ICDG Forum/WG	Regular reporting in agreed format,	Convening the ICDG Indicators core group	City Manager’s Office, and all other relevant departments in particular those with GIS systems	12-18 mnths
	6. Anti-corruption measures	(a) Conduct research to investigate current communication around dissemination of information about anti-corruption measures and good news stories (b) establish program for roll-out of anti-corruption communication	(a) Research (b) Anti-corruption measures and communication program implementation	(a) Policy note and communication material (b) Implementation plan	(a) Identify expert service provider; (b) Preparation of a roll-out plan	City Manager’s Office, Finance & Treasury, SCM	12-18 mnths

<b>Productive City (integrated public transport and resource efficiency)</b>	7. City specific technical support on policy and implementation of economic development strategies	(a) Technical Assistance with implementing PPPs on bulk infrastructure projects (b) Transaction Advisory Services on Project Preparation Support (c) Project Preparation Support to unpack and implement the Corporate Spatial Investment Plan	Policy implementation reviews, technical inputs into current processes, ICDG Forum/WG	Pilot project implementation, guidelines, and manuals,	Terms of reference for the Technical Experts on transaction advisory services Terms of reference to access facility	City Manager's Office and EDU and any other relevant departments	Ongoing
	8. Seamless Implementation and management of infrastructure and catalytic projects (IDMS)	(a) Pilot implementation of draft IDMS on major infrastructure programmes	Participate in national IDMS forum Facilitation of agreement on key major infrastructure programme for pilot	Toolkits, manuals	Attendance at IDMS forums Facilitation of agreement on key major infrastructure programme for pilot	City Manager's Office and Engineering, and any other relevant departments	12-18 mths
	9. GIS based system to link the municipal budget to the Corporate Spatial Investment Plan	(a) Investigation into relevant GIS systems, their usability and usefulness into this alignment (b) GIS system for the mapping of households and infrastructure backlogs and development trends.	Procurement of the GIS system, (b) Setting up system and customize it to eThekweni Municipality ICDG Forum/WG	GIS System	(a) Investigation of various GIS systems Procurement (b) Pilot implementation and facilitation and training on system	City Manager's Office; Strategic Spatial Planning; Chief Information Officer and any other relevant departments	24mths
	10. Land use transport integration	(a) Determination and finalization of Land Use Schemes to determine land use options for private investors around transport corridors (IRPTN) (b) Technical inputs in assessing the	(a) Procuring the LUMS service providers (b) Technical expert inputs, peer learning, Facilitation,	(a) Zonings and built form controls for specified areas; (b) Guidelines, policy notes, toolkits	(a) Determine priority areas for zonings and built form controls, procurement of service provider (b) Set up	City Manager's Office, ETA ; Development Planning and any other relevant	12-18mths



		best operational model for integrated public transport facilities, (c) design operational model fit for Muvo,			engagements with PRASA & NDoT	departments	
<b>Sustainable City (climate resilience / resource efficiency)</b>	11. Develop a Renewable Energy Portfolio Standard (RPS)	(a) Technical inputs into designing a RPS including targets, timeframes, technology and resource selection, financing support, monitoring and non-compliance	Facilitation and Technical Assistance, peer review discussions,	Policy Position Paper and implementation plan	Develop terms of reference, procurement of technical specialists, development of RPS	Energy Office, Energy Steering Committee and any other relevant departments	24mnths
<b>Inclusive City</b>	12. Development of a Social Sector Master Plan	(a) Plan including inter alia social facility backlog eradication, evaluation of development applications to determine social facility needs, models for early childhood development in informal settlements; models for community safety (EPCD); etc.	Facilitation of Joint planning in developing a strategic plan for the social sector including municipal, provincial & national departments ICDG Forum/WG	Social Sector Master Plan with a range of detailed programmes,	Drafting of ToRs and Procurement of service provider, Convene a work group of all social sector departments	City Manager's Office, DCMs representing Social Sector departments	12-18mnths
	13. Partnerships for residential densification within integration zones	(a) Transaction Advisory services on assessment of costs, land packaging, land financing arrangements within the High Intensity Integration Zones (b) a review of zoning requirements that prevent / restrict densification objectives (c) transaction advisory services on negotiating partnerships with investors and private households on densification	Scoping and researching of typologies, parking and access requirements, road widths, and costs thereof. Consolidation of work already completed in this field. ICDG Forum/WG	Assessment report, Recommendation notes on Land based Finance packaging, packaged projects	Drafting ToRs for Technical Assistance and Advisory Services; Procurement of Service Providers	City Manager's Office, Real Estate; Development Planning, Human Settlements, and any other relevant departments	12-18 mnths



	14. Models for community upliftment via self-build of housing and the training of people in plumbing, carpentry etc.	(a) Piloting of informal settlements upgrading programme through community self-build programme including training of people in key skills for the upgrading programme	Research of good practice, engaging with FETs, establish a procurement models, Technical Assistance, facilitation, peer learning	Best practice guides, Plan of action for pilot informal settlements, agreements with material suppliers, FETs. Consolidate good practice models already undertaken.	ToRs for TA, procurement of service providers	City Manager's Office, eThekweni Human Settlements Department	Research 12mnths Implementation 36-48 months
	15. Citizen engagement	(a) Evaluate citizen engagement processes of cities and find best practices with a view to inform eThekweni's citizen engagement programme. ( b) implementation of Community based planning	(a) Peer Learning, facilitation, think tank sessions (b) Roll out of community based workshops	(a) Policy recommendation note on citizen engagement, practice guides (b) Updated ward plans	(a) Draft ToRs, Establish a work group to look at models for citizen engagements; (b) Manual for training of ward facilitators	City Manager's Office, Community Participation and Action Support, IDP Office, BTO; Development Planning & any other relevant department	Evaluate 12mnths Implement 24-36 mnths