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CITIES SUPPORT PROGRAMME

# Report on the Consolidated Annual Evaluation of the BEPPs for the 2016/17 MTREF

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## Acronyms

|     |  |        |   |
|-----|--|--------|---|
| BCM | Buffalo City Metropolitan Municipality       | CSP    | Cities Support Programme  |
| COJ | City of Johannesburg                         | CSIP   | City Support Implementation Plan                                  |
| CPT | City of Cape Town                            |        |   |
| EKU | Ekurhuleni                                   | NT-NDP | National Treasury Neighbourhood Development Partnership Programme |
| ETK | eThekweni                                    | BEVC   | Built Environment Value Chain                                     |
| MAN | Mangaung                                     | UNS    | Urban Network Strategy  |
| NMB | Nelson Mandela Bay Metropolitan Municipality | IPP    | Intergovernmental Project Pipeline                                |

## Executive Summary

This report evaluates the Built Environment Performance Plans (BEPPs) prepared by metropolitan municipalities for the 2016/17 MTREF. It focusses on progress with the establishment and measurement of built environment outcome indicators, the alignment of plans, the preparation of catalytic investment programmes and projects within the Urban Network Strategy. The evaluation also reviews progress with the establishment of an integrated planning process, both within municipalities and inter-governmentally. A further objective of BEPP evaluation is to inform a more responsive and nuanced approach to providing support and incentives to municipalities.

In general the evaluation of the BEPPs indicates:

- a) **Challenges in trying to take the leap from the old focus on outputs to now beginning to focus on outcomes.** Progress has been noted with the design of the outcome indicators that is backed by a framework, principles and criteria for outcome indicators, and inclusion in the Council-approved BEPP for the 2016/17 MTREF. However there was difficulty in the population of baseline data for most of the outcome indicators.
- b) **Progress in adopting a spatial planning approach and identifying the Integration Zones at the city scale.** However more effort was required in planning at the sub-regional, local and precinct scales.
- c) **A general difficulty in clearly identifying a pipeline of catalytic projects within Integration Zones;** added to which projects still generally reflect a sector focus rather than being integrated, mixed and intensified land uses projects in integration zones. There is also a general lack of evidence of project preparation and packaging, multidisciplinary project management, and dedicated portfolio management to plan, manage and oversee the implementation of catalytic projects.
- d) **Weaknesses in identifying support needs in relation to programme preparation and implementation requirements outlined in the BEPPs.** In municipalities where gaps in the BEPPs are unrelated to support provided only limited progress with planning and implementation is evidence, while those that have carefully structured their support requests have made clear progress in the quality and detail of their plans. Municipal capacity and institutional stability are also factors that have to be considered in this context.

The review of the 2016/17 BEPPs occurred during February and March 2016, aligned to the process to review municipal budgets. The assessment of alignment between the BEPPs, IDPs and Budgets was combined with the Budget and Benchmarking process during April and May 2016, once again an attempt to align more closely planning and budgeting processes and frameworks. This was supported by the partnership between National Treasury and the national and provincial Departments of Cooperative Governance that proved beneficial for all parties, especially the cities. It raised the understanding and importance of planning frameworks informing budget priorities within resource constraints, and ensuring that planning translates into improved service delivery and spatial transformation that positively impact the lives of urban citizens. Simply performing in terms of outputs and not achieving planned outcomes and impacts is not good enough especially in the context of fiscal consolidation and the need for faster more inclusive growth

Substantively, these discussions focussed on the alignment of transport and human settlements plans, and specifically the significant risks to financial sustainability that arise from the operational costs associated with public investment (capital subsidies and grants). A key finding of this evaluation is that, while public transport and government subsidised housing are critical elements of the government programme, more effort needs to be invested in planning and operating these services so that it does not negatively impact the long term financial sustainability of municipalities. This requires careful analysis of both financial and non-financial performance, which in turn raises the importance of credible reporting, and the link between planning, budgeting, reporting and monitoring frameworks in terms of city performance.

Finally, a set of evaluations were performed on the final BEPPs. Cities were required to do a self-assessment of their BEPP as well as a peer review of the BEPP of at least one other city; each city coordinator from the CSP team evaluated the BEPP and peer reviewed that of another city; the Neighbourhood Partnership Development Programme did detailed evaluations of spatial planning approaches and other activities in the Built Environment Value Chain (BEVC); key sector departments (including Transport and Human Settlements) did evaluations of the BEPPs; and there were specialist evaluations such as from the DBSA.

This evaluation report is the final stage in the BEPP cycle for 2016/17. The issuing of the Guidelines for the BEPP 2017/18 MTREF on 25 August 2016 will signify the start of the new cycle for the 2017/18 MTREF. Much of the content in these Guidelines is informed by the evaluation contained in this report.

## 1. Introduction

The Annual Cycle for the Built Environment Performance Plans (BEPPs) and related process has 5 distinct phases and associated timeframes<sup>1</sup> (as outlined below):

- (i) Phase 1: Planning of BEPPs – July to November
- (ii) Phase 2: Review of Draft BEPPs – November to April
- (iii) Phase 3: Finalisation and Council Approval of BEPPs – April to May
- (iv) Phase 4: Implementation of BEPPs – July to June
- (v) Phase 5: Monitoring and Performance of BEPPs – July to June

The Guidelines for the BEPPs 2016/17 MTREF was used by all metropolitan municipalities to provide strategic direction in the formulation of their BEPPs. The Guidelines for the BEPPs 2016/17 MTREF were issued on 20 October 2015 after the Annual Evaluation Workshop on 13 August 2015. This was followed up by a workshop on the Draft Guidelines on 18 September 2015. Draft BEPPs for the 2016/17 MTREF were received by National Treasury on 3 November 2015 and final Council-approved BEPPs were received by 31 May 2016. The Draft BEPPs were used as part of the Mid-Year Budget and BEPP Reviews during Jan-March 2016 whilst the final Council-approved BEPPs were used for the Annual Evaluation of BEPPs. All the BEPPs are easily accessible on the National Treasury web site.<sup>2</sup> This has led into the development of the next set of BEPP Guidelines for the 2017/18 MTREF.

This Report focuses on the Evaluation of the BEPPs 2016/17 MTREF which is part of **Phase 5: Monitoring and Performance of BEPPs**, bringing closure to the BEPP cycle for 2016/17. The issuing of the Guidelines for the BEPP 2017/18 MTREF signifies the start of the new cycle for the 2017/18 MTREF.

## 2. The purpose and objectives of BEPPs

The purpose of the BEPP is to improve the performance of metropolitan built environments by promoting a more compact, integrated and transit oriented urban form. There is growing consensus that fundamental urban spatial restructuring is critical to faster and more inclusive growth. Our cities are uniquely unproductive, unequal and unsustainable, and the costs are being paid for by poor people, government and the environment. The urban spatial form has become a structural constraint to growth, not just in the property market but also impacting on the cost of doing business in labour and product markets. A more compact, integrated and transit oriented urban form is required to build more productive, inclusive and sustainable cities. This is clearly outlined in the National development Plan (NDP) and the IUDF. They both advocate for urban spatial restructuring adding to the growing policy attention and market incentives for a new urban form.

The recent economic and fiscal context required a response that included bold, new approaches to planning, programme preparation and financing, as well as implementation. The imperative for far deeper and more productive partnerships with investors, developers and households has become even more important now under current economic and fiscal realities. This is particularly so because urban spaces are a co-product of the interventions of government, firms and households. The BEPP is a response to the challenge of urban spatial restructuring, a sharpening of existing planning tools to achieve the built environment outcomes of more productive, sustainable, inclusive and well governed cities and contribute to the impact of reducing poverty and inequality and enabling faster more inclusive urban economic growth.

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<sup>1</sup> Annual BEPP Cycle for 2016/17 in Folder 2:

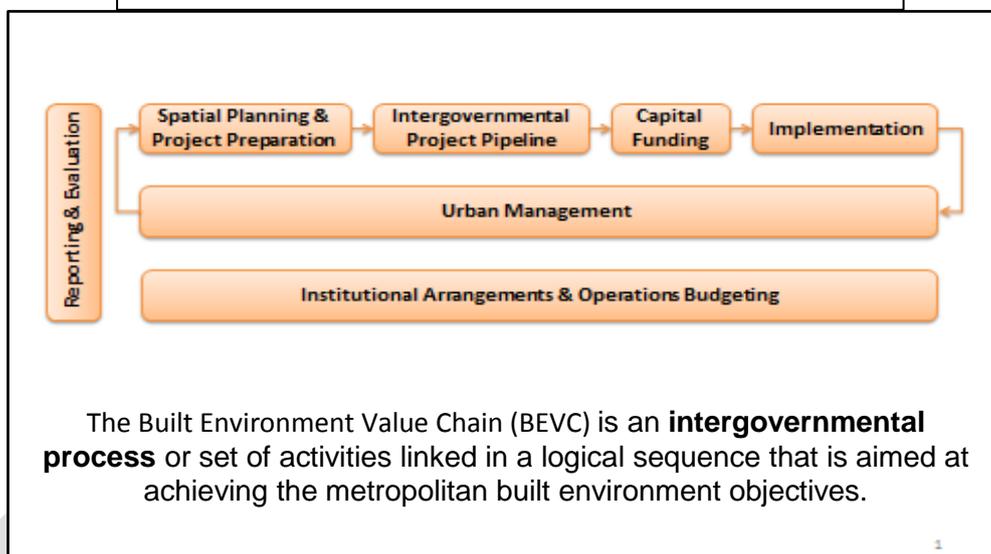
[Support Documents for Consolidated Evaluation of BEPPs 2016/17](#)

<sup>2</sup> BEPPs on the National Treasury web site: [All Draft and Council Approved BEPPs](#)

The spatial planning method adopted by the BEPP is based on integrated, transit oriented development as articulated in the Urban Network Strategy (UNS). Three key concepts are critical to this approach, which are encapsulated in the Built Environment Value Chain (BEVC), (i) Outcomes-led planning; (ii) Prioritisation and Preparation; and (iii) Progression. The BEPP planning process is “outcome-led”, responding to agreed indicators of and targets for improved built environment performance. Built environment performance will be assessed through **reporting and evaluation** of urban transformation outcome and impact indicators. These indicators are subject to on-going refinement, as part of broader reforms to the reporting system being introduced by the National Treasury.

The BEPP is the plan and process that is informed by the **Built Environment Value Chain (BEVC)** as depicted in Diagram 2 below. The BEVC is an intergovernmental process or set of activities aimed at achieving the built environment objectives in cities. The BEVC activities are linked together in a logical sequence, and form part of a cyclical process rather than a linear process.

**Diagram 1: Built Environment Value Chain (BEVC)**



These BEPP guidelines and previous iterations<sup>3</sup> have consistently required effort from cities to adopt a results-based approach, to work in terms of a specific intervention logic (BEVC), to be guided by a specific planning method and that requires a behavioural change at the institutional level. Committing to how we measure results is intrinsic to the planning approach.

The product of the planning approach is the identification and planning of Integration Zones that include an **intergovernmental project pipeline** (catalytic metro, provincial, national and SOC urban development projects) within the following targeted spaces:

- Integration Zones
- Marginalised areas (Informal settlements, townships and inner city areas)
- Growth nodes (commercial and industrial nodes)

These three focus areas of spatial planning are not meant to be exclusionary, but to provide a hierarchy of space where investment on the spaces contributes to spatial transformation.

<sup>3</sup> Last 3 Guidelines for BEPPs in Folder 4: [Support Documents for Consolidated Evaluation of BEPPs 2016/17](#)

This planning approach should clearly influence the allocation of **capital funding**, and result in service delivery **implementation**, which in turn requires **urban management** to protect and sustain public and private investment. The successful implementation of BEPPs relies on effective **institutional arrangements and budgeting for on-going operational expenditures**. Sustained implementation and urban management should result in service delivery and spatial transformation that positively contributes to inclusive economic growth and the reduction of poverty and inequality over the long term.

The **prioritisation of Integration Zones, informal settlements, marginalised areas and areas for growth** relative to other areas within the metro, and the resultant intergovernmental project pipeline will collectively support the achievement of targets associated with building more productive, inclusive and sustainable cities if the projects are a direct result of planning and clearly relate to the intervention logic. As mentioned above, the prioritisation of particular areas mentioned above does not translate into an exclusion of allocation of resources to other areas, although a substantial portion of resources should be allocated to the three categories of targeted spaces and this allocation should increase each year.

Selected projects in the pipeline, i.e. non-standard, complex projects in terms of planning, design, funding, external financing, and operations need to follow a **rigorous project preparation approach** to ensure that the projects are designed from the outset with feasible and documented concepts, viable project funding structures, effective implementation and operational modalities, and for projects in the pipeline to collectively contribute to outcomes and thus impacts.

The evaluation of the 2015/16 BEPP cycle identified issues of uneven quality and procedural rigour between cities. It recommended that a progression model be introduced to monitor the maturity and on-going development of individual metros. The **Progression Model/Evaluation Framework** enables a city to progress in terms of its capacities and capabilities, and encourages clear accountability for the on-going strengthening of the BEPP process and outputs over time. It will also inform a more nuanced and responsive approach to providing support and incentives.

The introduction of the BEPPs and the experience thus far indicate that a level of reform is required in respect of the planning approach (process and plans) as well as implementation arrangements that deliver and manage infrastructure investment in the built environment. There is clear indication that planning reforms may require concomitant changes in policy and regulations, not only in development and spatial planning, but also in fiscal and financial frameworks as well as Monitoring and Reporting frameworks.

The focus of the BEPPs 2016/17 MTREF was to see a distinct move from planning to implementation activities and results. In other words a focus on planning that leads to catalytic projects, outcome targets that can measure the contribution to spatial transformation and the support required by cities to achieve the intended outcomes. This took into account the efforts during 2014/15 and 2015/16 to focus on planning and spatial targeting, and the need then to move further along the BEVC to project identification, preparation, funding and implementation. The movement along the activities of the BEVC is important to show the link between the activities, and that the activities should result in tangible changes to the built environment that can be seen and felt by people.

### **3. Alignment of planning and budgeting frameworks**

The assessment of alignment of planning and budgeting frameworks was attempted in terms of process, time frames, intent, content and results.

### **3.1. Mid-Year Budget and BEPP Reviews (MYBBR)**

The objective of the Mid-Year Budget Review is to provide legislated oversight on expenditure half way into the financial year and therefore be able to provide input into the Budget Adjustment. The objective of the BEPP Review is to provide oversight and input into the forward planning for the built environment (for the next MTREF) through an intergovernmental process that includes all spheres of government including State Owned Enterprises, and to improve the link between planning, budgeting and reporting frameworks.

Seven of the eight metropolitan municipalities submitted their Draft BEPPs for the 2016/17 MTREF to National Treasury on 3 November 2015. (Buffalo City did not submit a Draft BEPP until February 2016). All IGR stakeholders were invited to comment on the Draft BEPPs before the close of business for the festive season at the end of 2015. No comments were received except internally from the Neighbourhood Development Programme, but DHS provided a useful framework within which to measure performance during the individual sessions with each metropolitan municipality.

The Mid-Year Budget and BEPP Reviews began on 25 January 2016 and proceeded into early March with all 8 metropolitan municipalities completing these engagements. The highlights of the 8 engagements were (1) the sessions on the country's economic outlook, (2) the Fiscal Sustainability of Public Transport/BRT; and (3) an assessment of city performance in respect of expenditure in terms of the national Department of Human Settlements (DHS) Medium Term Strategic Framework (MTSF) targets, particularly in respect of informal settlement upgrading.

The session on the country's economic outlook followed through on the message of the Budget speech in February 2016 which was that more was expected in terms of delivery and outcomes with less financial resources.

Emerging from the sections regarding public transport, it was evident that there are a number of challenges:

- The reality of the operation of the public transport systems, specifically the BRTs was one of higher than predicted operational costs, as well as lower revenues. There are various reasons for this, but key among these is that modelling predictions for the systems were based on unrealistic forecasts, anchored on non-South African city socio-economic and spatial realities.
- South African spatial realities of inefficient, sprawling and un-densified spaces means that the public transport demand profiles generated are not always suited to the BRT mode of public transport provision. This highlighted the critical need more than ever to integrate spatial reform with public transport provisions to promote densification, mixed use and shorter trip distances.
- Linked to this is the need for cities to be more innovative in implementing their public transport systems, especially regarding incorporating the taxi industry. As it stands, we are yet to take full advantage of the potential of the industry to provide a public transport service.
- One key intention of the sessions was to highlight the need for cities to commit own resource funding to these systems, given the reality of deficits. It can be said that cities finally understand that a large proportion of the long term operational costs of the systems will be borne by the city tax payer, and not funded through the grants.
- A major challenge facing cities going forward is creating realistic and credible multi-year business plans for the systems. The budget figures provided were often not realistic nor based on long term understanding of the financial realities of operating the systems.
- System availability for a number of the complex high end technology systems deployed is poor, despite cities having spent substantial amounts of money on them. This particularly with regard to information technology based systems including schedulers and automated fare collectors.

A number of cities have recognised the significant risk posed by the operational costs of the systems, and have embarked on cost containment and revenue enhancement measures. There has also been some progress in rethinking the planning of these systems, with greater emphasis on city wide network planning considering multiple modes, and not only BRT type services. However, this is still in its infancy and much needs to be done.

It was also evident that most metropolitan municipalities were unable to have a significant match between financial and non-financial performance information in relation to Human Settlements expenditure and targets – in some cases it was clear that MTSF targets would not be met due to the shortfall in provincial transfers that are made to the metropolitan municipalities (e.g. eThekweni).

The fiscal and financial implications of national policy and grants was apparent at the city level – capital allocations required careful planning, implementation and operations to ensure that the financial sustainability of cities were not compromised. Public transport and housing programmes have to generate sufficient revenue to prevent a drain on financial resources, and the planning of these programmes have to be cognisant of increasingly constrained financial and other resources. For example an increased focus on informal settlement upgrading, affordable and social housing programmes could yield a more positive impact on city revenues rather than a focus on BNG/RDP housing that seldom contributes to rates and services income. What would be most advantageous a stronger alignment of spatial planning with the major public investment in transport and housing.

The Consolidated Report on the 2016 Mid-Year Budget and BEPP Reviews, and the individual city reports are available on the National Treasury web site.<sup>4</sup>

### **3.2. IDP-BEPP-Budget Alignment and Benchmarking**

The objective of the Budget Benchmarking engagement is to provide the legislated oversight on the budget for the next MTREF prior to the metropolitan municipality approves the budget through analysis of the municipality's tabled budget and a benchmarking of all the budgets of the non-delegated municipalities.

During April and May 2016 all 8 metropolitan municipalities had their Budget Benchmarking Engagements. This year, National Treasury joined forces with COGTA to align the processes for Benchmarking and the assessment of alignment between the IDP, SDF, BEPP and Budget. The objective of introducing an additional aspect to the IDPs was to assess the extent to which planning (IDPs and BEPPs) and budgeting frameworks informed each other. COGTA proceeded with their regular IDP Assessments (as per the legislation and mandate) conducted by the provincial departments of GOGTA. In addition, the national COGTA ran a new and separate process for the metropolitan municipalities at a national level in partnership with National Treasury to look at the alignment of the BEPP, IDP, SDF and Budget. The joint process was run as a 2 day engagement with assessment of alignment between the IDP, SDF, BEPP and Budget on the first day and the Budget Benchmarking process on the second day. This required 16 working days from all the stakeholders just in terms of attendance, and more time to prepare for the engagements as well as post-engagement activities such as report writing, debriefings, etc.

The 8 engagements raised the issue of the importance of the level to which planning frameworks informed the budgeting process – some metropolitan municipalities such as the City of Johannesburg, the City of Cape Town, Ekurhuleni and eThekweni showed closer alignment between their SDF, BEPP, IDP and Budget in comparison to other metropolitan municipalities. All metropolitan municipalities were keenly aware of the importance of planning frameworks informing their budgets so that the budget should support the plan within resource constraints rather than becoming the plan - the budget should be a numerical expression of the plan that translates into improved service delivery and spatial transformation that positively impact the lives of urban citizens. Simply performing in terms of outputs and not achieving planned outcomes and impacts is not good enough especially in the context of fiscal consolidation and the need for faster more inclusive growth. Metropolitan

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<sup>4</sup> Consolidated and Individual city reports on the MYBBR 2016 are in Folder 5:  
[Support Documents for Consolidated Evaluation of BEPPs 2016/17](#)

municipalities clearly understand their role in the provision of economic infrastructure to enable faster more inclusive growth, and the role of spatial transformation in contributing to improved socio-economic development in their cities.

#### 4. Evaluation of the BEPP for the 2016/17 MTREF

The objective of evaluating the BEPPs is to assess the progressive development and improvement of the BEPPs in terms of the performance of the built environment against outcome targets. As mentioned in Section 2, the introduction of a Progression Model/Evaluation Framework enables a city to progress in terms of its capacities and capabilities, and encourages clear accountability for the ongoing strengthening of the BEPP process and outputs over time. It will also inform a more nuanced and responsive approach to providing support and incentives.

This section provides a general evaluation of the BEPPs for the 2016/17 MTREF, followed by a more detailed evaluation of the strategic priorities. There are eight city reports that inform this section, and these individual city reports are available on the website and provide detailed information per city. As mentioned in Section 1 and 2 the focus of the BEPPs 2016/17 MTREF was to see a distinct move from planning to implementation activities and results. In other words a focus on planning that leads to catalytic projects, outcome targets that can measure the contribution to spatial transformation and the support required by cities to achieve the intended outcomes. The movement along the activities of the BEVC is important to show the link between the activities, and that the activities should result in tangible changes to the built environment that can be seen and felt by people. Hence the strategic priorities that were the focus of the evaluation are:

- a) the **outcome targets** that have been set to monitor progress with the spatial transformation outcomes;
- b) the **catalytic project pipelines** that are the results of spatial targeting; and
- c) the **assessment of gaps** in the BEPPs in relation to the support provided to cities from the Cities Support Programme.

##### 4.1 General

The Guidelines for the BEPPS 2016/17 MTREF included a BEPP Progression Model. This provides an evaluation framework that accounts for the varying capacities and capabilities of the eight metros, progress in terms of the quality of the content of the BEPP, and the rigour of the BEPP process itself. It is based on a developmental view of the public sector, appreciating that excellent performance is not arrived at overnight, particularly in big organizations such as our metropolitan municipalities. It provides for incremental steps of improvement, and most importantly, it provides a rational basis for differentiated responses, whether these are support or incentives.

All stakeholders were invited to use this Progression Model for the evaluation, even though the framework is still in development and is new to users. It was not, however, universally adopted, with some stakeholders using their own frameworks, and many stakeholders not undertaking any formal evaluation. Sector evaluations generally focus on sector outputs (functional performance against MTSF targets) rather than outcomes (contributions from various sectors), and more specifically built environment outcomes. A focus on outcomes does not negate the importance of sector outputs.

The Progression Model was used by the CSP Team to conduct their assessments of each of the 8 BEPPs. This included a peer review of another metropolitan municipality. The CSP also commissioned an independent evaluation<sup>5</sup> that used the framework outlined in Annexure A. Each metropolitan municipality was required to do their self-assessment (most of them are yet to submit this self-assessment to National Treasury) and a peer assessment of another metropolitan municipality. This approach promotes greater ownership of the assessment while at the same time contributing to

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<sup>5</sup> Independent Evaluation and other Evaluations of the BEPPs in Folder 6

peer learning. Metropolitan municipalities are free to assess as many BEPPs as they wish since all the BEPPs over the past 3 years are available on the National Treasury's website.

Sector stakeholder assessments were conducted by the relevant sector departments for Transport and Human Settlements and a specialist assessment was done by the DBSA on the aspect of the financial closure of BEPPs.

The public transport stakeholder assessment emphasized the need for a key, much more critical role to be played by public transport planning in BEPPs, through public transport's own planning tool, the Comprehensive Integrated Transport Plan (CITP). However, it is important to note that very few cities have a credible long term financially backed CITPs. As assessment of the BEPPs also highlighted that the next round of BEPPs should re-emphasize the need for better alignment between public transport networks and areas of prioritisation and spatial targeting. Furthermore, there is a greater need to interrogate modal integration, as it is key to creating sustainable public transport systems that are attractive to the user; and there should be greater alignment between housing and public transport deployment. As a key intergovernmental planning process, the BEPP should be used to catalyse this alignment.

The CSP provided an assessment of the overall BEPP with specific reference to urban development catalytic projects as well as the built environment outcome indicators. The DHS had planned to provide a presentation on issues related to Human Settlements while the DBSA intended to provide a presentation on the financing of urban development catalytic projects – both were planned to be presented at the Annual Evaluation Workshop on 20-21 June 2016 but the Annual Evaluation Workshop had to be cancelled half way into the second day due to warnings of protest action in the Pretoria CBD. All the presentations and material used at the workshop is available.<sup>6</sup>

The main objectives of the DBSA evaluation were to (i) identify missing financial information (information that would attract funders and private investors to invest in the Catalytic Project pipeline); and (ii) recommend information that should be reflected in the 2017/18 BEPPs to reach project financial closure. The evaluation highlighted a number of deficiencies and inconsistencies in the various financial models and strategies of the BEPPs. These included limited consideration of alternative funding options and a significant dependence on grant funding. It was proposed that metros consider the "bankability" of catalytic projects, which is what lenders and investors would be comfortable to provide funds. Funding has to be underpinned by (i) sound financial and market information which means that the project is able to generate enough cash flows to service the financing and still be profitable, and (ii) sound technical and institutional arrangements which give it longevity and sustainability.

The DBSA recommended that cities provide the funding source for each registered catalytic project as per the format in Annexure B including the following:-

- Funding sources identified (grants, own revenue, borrowing) and status of financial closure in this respect
- Indication of whether a project pre-feasibility/ feasibility studies has been conducted
- Indication of project funding over the MTREF
- Identification of alternative funding sources, and status of financial closure in this respect
- Highlighting of projects for which funding has not been acquired/ secured, that is "unbanked" projects, and the next steps in respect of "unbanked" projects.

#### **4.2 Strategic BEPP Priorities for the 2016/17 MTREF**

The 3 strategic priorities for the BEPPs for the 2016/17 MTREF:-

- Outcome Targets

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<sup>6</sup> Presentations and Reports used at Workshop Annual Evaluation of BEPPs 2016/17 MTREF in Folder 7: [Support Documents for Consolidated Evaluation of BEPPs 2016/17](#)

- Catalytic Projects as a result of spatial planning and targeting
- Assessment of gaps in the BEPP relative to support provided by the CSP

The evaluation of these strategic priorities is discussed in detail in the sub-sections below. The evaluation framework used to do the assessment attempted to be evidence-based and objective as far as possible – evaluating the BEPP against the requirements set out in the Guidelines using standards, evidence and criteria for the content while at the same time making provision for a qualitative assessment taking into account the particular local circumstance that each municipality is faced with. The evaluation framework outlined below provided for 4 categories of performance coupled with the qualitative assessment:-

**Diagram 2: Evaluation Framework for the BEPPs for the 2016/17 MTREF**

|                  |                 |                 | copper   | silver                                   | gold  | platinum                           |  |  |                        |
|------------------|-----------------|-----------------|--|--|---|------------------------------------|--|--|------------------------|
|                  |                 |                 | Non Fulfillment                                      | Partial Fulfillment                      | Fulfilled   | Exemplary                          |  |  |                        |
|                  |                 |                 | Little or no evidence of fulfillment of expectations | Tangible evidence of partial fulfillment | Tangible & complete evidence of fulfillment of expectations | BEPP exceeds the standard expected |  |  | Qualitative Assessment |
| <b>Component</b> | <b>Standard</b> | <b>Evidence</b> | <b>Level 1</b>                                       | <b>Level 2</b>                           | <b>Level 3</b>  | <b>Level 4</b>                     |  |  |                        |

#### 4.2.1 Spatial Planning, Intergovernmental Project Pipeline and Catalytic Projects

##### Spatial Planning

The NT NDP assessment clarified that spatial planning covered 3 types of planning:-

- Spatial transformation (Urban network, Integration zones, precincts and project prioritisation)
- Economic nodes (identification, prioritisation of nodes, and project identification and prioritisation)
- Marginalised areas and informal settlements (identification, prioritisation of nodes, and project identification and prioritisation)

The existence of clearly identified integration zones, marginalised areas, informal settlements and economic nodes, however well or poorly planned, is evidence that all metros are committed to the process of spatial targeting. The planning should be refined and improved over time.

**Table 1: Summary of Evaluation of Spatial Planning**

| City       | Application of UNS | ID of Integration zones | Identification of marginalised areas, informal settlements and economic nodes |
|------------|--------------------|-------------------------|---|
| <b>BCM</b> | Fulfilled          | Exemplary               | Fulfilled   |
| <b>CPT</b> | Fulfilled          | Fulfilled               | Partial fulfilment  |
| <b>COJ</b> | Exemplary          | Exemplary               | Exemplary   |
| <b>TSH</b> | Exemplary          | Exemplary               | Exemplary   |
| <b>EKU</b> | Exemplary          | Exemplary               | Fulfilled   |
| <b>ETK</b> | Exemplary          | Exemplary               | Exemplary   |
| <b>MAN</b> | Fulfilled          | Fulfilled               | Fulfilled   |
| <b>NMB</b> | Fulfilled          | Exemplary               | Exemplary   |

Table 1 (above) and the maps of the spatial planning in each metropolitan municipality show the extent of application of the UNS, identification of Integration Zones, marginalised areas, informal settlements and economic nodes. All metropolitan municipalities have applied the UNS and identified their Integration Zones while fewer municipalities have identified the other spatially targeted areas. The best example of completion of the spatial planning and targeting activity is the COJ.

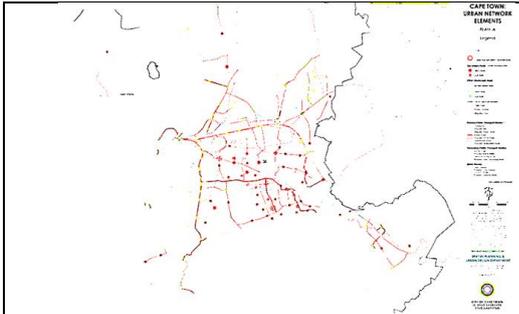


Diagram 3: City of Cape Town UNS 2016/17

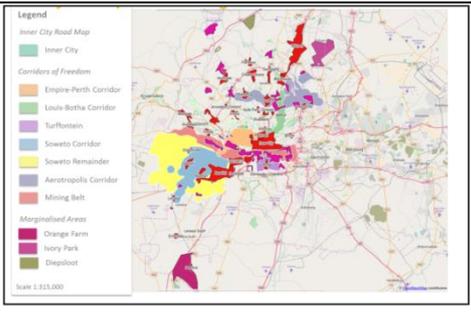


Diagram 4: City of Johannesburg UNS 2016/17



Diagram 5: Nelson Mandela Bay UNS 2016/17

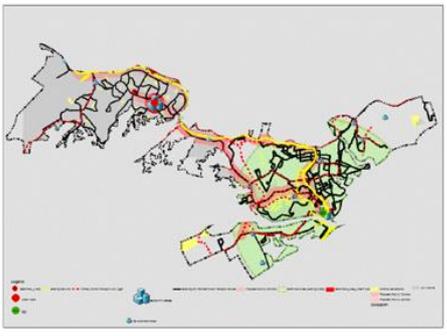


Diagram 6: Buffalo City UNS 2016/17

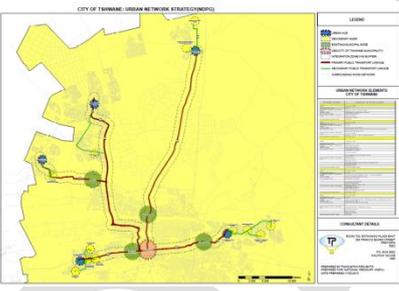


Diagram 7: Tshwane 2016/17

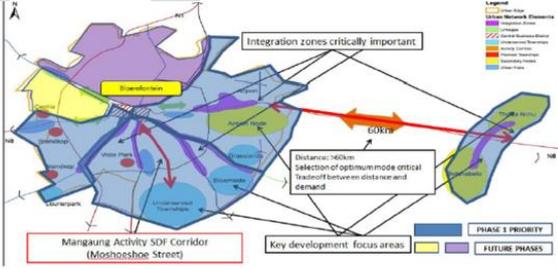


Diagram 8: Mangaung 2016/17 UNS

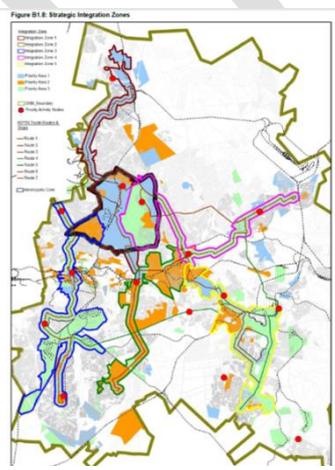


Diagram 9: Ekurhuleni UNS 2016/17

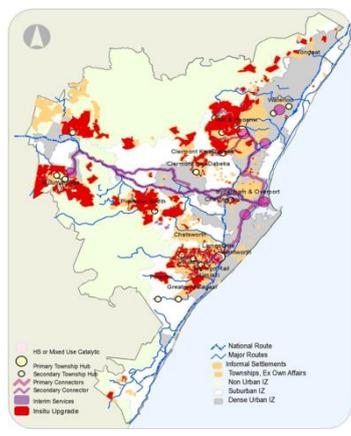


Diagram 10: eThekweni UNS 2016/17

The technical assessment of how metropolitan municipalities performed in terms of spatial planning (informed by the Urban Network Strategy - UNS) was not well received by the metropolitan municipalities or other stakeholders since it ranked how well metropolitan municipalities have done in terms of spatial planning using technical criteria (unknown to them) rather than the incremental progress made in identifying urban network elements, integration zones, etc. The dissatisfaction of the metropolitan municipalities with the evaluation led to some post-evaluation meetings with individual metropolitan municipalities where the metropolitan municipalities and the NT NDP clarified many issues and agreed on a way forward (BEPP Guidelines allow for refinement of planning on an annual basis given that this is a new process started only 3 years ago).

### **Intergovernmental Project Pipeline**

Spatial planning and targeting activity should result in the identification of various projects that make up the Intergovernmental Project Pipeline (IPP). The IPP matrix was not consistently populated across the cities. In some instances the table was not included in the BEPP, with just a list of projects provided. Due to the absence of the requested information it has therefore proved difficult to understand the various intergovernmental linkages with regards to the project pipeline. Although mention was made of state owned entities (e.g. PRASA) in other sections in the BEPP, cities seemed to have problems reflecting the linkages and interdependencies in the IPP matrix. Table 2 provides a summary assessment of the eight metropolitan municipalities.

**Table 2: Summary Evaluation of vertical and horizontal Intergovernmental Alignment**

| <b>City</b> | <b>Horizontal alignment</b> | <b>Intergovernmental Alignment</b> | <b>Institutional coherence</b> |
|-------------|-----------------------------|------------------------------------|--------------------------------|
| <b>BCM</b>  | Fulfilled                   | Non fulfilment                     | Partial fulfilment             |
| <b>CPT</b>  | Fulfilled                   | Exemplary                          | Fulfilled                      |
| <b>COJ</b>  | Fulfilled                   | Non fulfilment                     | Exemplary                      |
| <b>TSH</b>  | Fulfilled                   | Partial fulfilment                 | Partial fulfilment             |
| <b>EKU</b>  | Fulfilled                   | Exemplary                          | Fulfilled                      |
| <b>ETK</b>  | Fulfilled                   | Partial fulfilment                 | Fulfilled                      |
| <b>MAN</b>  | Fulfilled                   | Fulfilled                          | Partial fulfilment             |
| <b>NMBM</b> | Fulfilled                   | Non fulfilment                     | Partial fulfilment             |

The success of populating the IPP Matrix depends on the relationship between the metropolitan municipality and the other spheres of government and entities. It goes beyond simple disclosure to both parties being able to spatially reference their planned investments to the spatial plans and strategies of the municipality. This requires collaborative planning with each party respecting the mandate of the other and the fact that spatial planning and land use management is primarily a municipal function.

The best example of the IPP matrix was Ekurhuleni since it showed investment in projects from various spheres or state owned entities demonstrating the advantage of focusing public investment in spatially targeted areas as shown in Table 3. The City of Cape Town is a good example of collaborative planning, but this aspect did not appear clearly in the BEPP.

Horizontal integration within the metropolitan municipality and institutional coherence is as important as the alignment of public investment across the spheres and entities to achieve integrated development. Table 2 also provides a summary of the intergovernmental and horizontal alignment as well as institutional coherence.

**Table 3: Extract of Intergovernmental Project Pipeline (IPP) Matrix (Source: pg.51 of the Ekurhuleni BEPP 2016/17 MTREF)**

| No. | Project Description                                     | Total of 3 Year MTREF Capital Budget for 2016/17 - 2018/19 |                        |                         |                        |                        |                         |
|-----|---|--|------------------------|-------------------------|------------------------|------------------------|-------------------------|
|     |   | Municipal  | Provincial             | National                | PRASA                  | ACSA                   | Transnet                |
| 1   | Aerotropolis  | R 395 000 000  |                        |                         |                        |                        |                         |
| 2   | IRPTN   | R 2 670 877 000  |                        |                         |                        |                        |                         |
| 3   | Urban Regeneration: Kempton Park / Tembisa              | R 518 718 000  |                        |                         |                        |                        |                         |
| 4   | Revitalisation of Township Economies                    | R 3 000 000  |                        |                         |                        |                        |                         |
| 5   | Northern Catalytic Housing Projects Cluster             | R 166 031 079  | R 525 986 000          |                         |                        |                        |                         |
| 6   | Housing and related Infrastructure                      |  | R 206 539 000          |                         |                        |                        |                         |
| 7   | Hospitals, Clinics and Health Infrastructure            |  | R 170 458 000          |                         |                        |                        |                         |
| 8   | Schools and Educational Infrastructure                  |  | R 140 000 000          |                         |                        |                        |                         |
| 9   | PRASA New Rolling Stock                                 |  |                        |                         | R 4 100 000 000        |                        |                         |
| 10  | Station Upgrades  |  |                        |                         | R 690 334 000          |                        |                         |
| 11  | O.R. Tambo - Extension of Western and Midfield terminal |  |                        |                         |                        | R 3 500 000 000        |                         |
| 12  | Tambo Springs Inland Freight Port                       |  |                        | R 52 400 000 000        |                        |                        | R 52 400 000 000        |
|     | <b>Total Value</b>                                      | <b>R 3 753 626 079</b>                                     | <b>R 1 042 983 000</b> | <b>R 52 400 000 000</b> | <b>R 4 790 334 000</b> | <b>R 3 500 000 000</b> | <b>R 52 400 000 000</b> |

### **Urban Development Catalytic Projects**

Metros identified a range of projects in their BEPPs 2016/17 MTREF as reflected in Annexure B. A preliminary summary assessment of the project list indicates range of projects:-

- Infrastructure projects – Consolidated Asset Management Plans (Engineering)
- Public Transport Projects (connecting spaces in Integration Zones with Economic nodes and Marginalised Areas including Informal Settlements)
- Human Settlements Projects
- Mayoral/MEC/Ministerial projects
- Catalytic Projects – projects that will directly contribute to spatial restructuring and transformation. These were projects that directly arise from UNS (IZ identification and prioritisation, and precinct planning)

The wide range of projects indicated that clarity was required on the different templates in the Guidelines during the Annual Evaluation Workshop on 21 June 2016:-

- The objective of the **Integration Zone Matrix** was the prioritization of integration zones and planning of integration zones (Strategy, Projects, Funding, and Urban Management).
- The objective of the **Intergovernmental Project pipeline** table was the alignment and co-ordination of Intergovernmental planning, budgeting and implementation (alignment of provincial and municipal infrastructure in the first instance). The projects in this table were to be listed by Integration Zones with projects outside of the Integration Zones being categorised as city-wide projects. The projects highest on the list were to be the most catalytic projects.
- The objective of the template for the **Catalytic Urban Development Project Pipeline** was: -
  - ❖ Projects are the result of spatial planning process, and should be able to be justified in terms of the Intervention Logic (UNS and BEVC) with a direct link to the Budget process, anchoring other projects (metro and provincial, SOC, etc.).
  - ❖ Should have had rigorous project preparation – concept feasibility, project viability, funding mix, sequencing, etc.
  - ❖ The delivery of the project should contribute to intermediate outcomes, and ultimately outcomes and impact.

Annexure B reflects the 229 projects that Metros collectively identified. Table 4 is an analysis of select urban development catalytic projects in each metro in terms of project preparation, investment strategy and implementation.

**Table 4: Analysis of Urban Development Catalytic Projects**

| City | Investment strategy | Total no. of projects | Name of Catalytic projects                          | Project Preparation                            | Project phase   | Project costs                               |
|------|---------------------|-----------------------|---|--|---|---|
| BCM  | Non fulfilment      | 3                     | Sleeper Site  | Earlier stages                                 | Concept   | None  |
|      |                     |                       | Duncan Village Mega Project                         | Fulfilled                                      | Implementation  | In the DHS list                             |
|      |                     |                       | Mdantsane Urban Hub                                 | Precinct Planned                               | Implementation  | NDP to insert                               |
| CPT  | Non fulfilment      | 27                    | Conradie Hospital Precinct                          | Fulfilled                                      |   |   |
|      |                     |                       | Athlone Power Station Redevelopment                 | Fulfilled                                      |   |   |
|      |                     |                       | Khayelitsha Industrial Park                         |  |   |   |
|      |                     |                       | District 6 Social Housing Project                   |  |   |   |
|      |                     |                       | Business expansion of Khayelitsha Business District |  |   |   |
| COJ  | Partial fulfilment  | 4                     | Jabulani Hub and Cultural Precinct                  |  |   |   |
|      |                     |                       | Louis Botha Corridor                                |  |   |   |
|      |                     |                       | City Deep Hub                                       |  |   |   |
| TSH  | Non fulfilment      | 42                    | African Gateway                                     | Early stages                                   | Concept designs   | (R1,5bn MTEF allocated)                     |
|      |                     |                       | Caledonian Corridor                                 | Early stages                                   | Concept designs   | TBD   |
|      |                     |                       | Tshwane House                                       | Fulfilled                                      | implementation  | R13,6mil MTEF allocated to finalise project |
|      |                     |                       | Theatre Time Square                                 | -  | -   | R33,3mil (MTEF allocated)                   |
|      |                     |                       | East Capital  | Early stages                                   | Concepts designed   | R1bn (MTEF allocated)                       |
|      |                     |                       | A Re Yeng   | Fulfilled                                      | Implementation  | R927m (in the MTEF budget)                  |
|      |                     |                       | Symbio City   | -  | -   | R65mil MTEF allocated                       |
|      |                     |                       | Government Boulevard                                | Early stages                                   | Concept designs   | R99mil MTEF allocated)                      |
|      |                     |                       | West Capital  | Partial fulfilment                             | implementation  | R242mil MTEF allocated                      |
| EKU  | Fulfilled           | 11                    | Aerotropolis  |  |   |   |
|      |                     |                       | Kempton Park  |  |   |   |
|      |                     |                       | Leralla precinct                                    |  |   |   |
|      |                     |                       | Tembisa precincts                                   |  |   |   |
|      |                     |                       | IRPTN   |  |   |   |
| ETK  | Partial fulfilment  | 13                    | Greater Cornubia                                    | Early stages for North and fulfilled for South | Funding and institutional arrangements determination stage for north and implementation stage for south | R38bn total of which (R14bn is public)      |

| City         | Investment strategy | Total no. of projects | Name of Catalytic projects | Project Preparation | Project phase                | Project costs                                      |
|--------------|---------------------|-----------------------|----------------------------|---------------------|------------------------------|--|
|              |                     |                       | C3 Corridor                | Fulfilled           | Implementation               | R1,3bn MTEF allocated                              |
|              |                     |                       | Back of Port               | Early stages        | Concept definition stage     | TBD  |
|              |                     |                       | Centrum Site               | Early stages        | Geotech for basement parking | R25bn total of which (6bn is public) MTEF=(R92,5m) |
|              |                     |                       | Warwick Junction           | Early stages        |                              | MTEF (136m)  |
|              |                     |                       | Waterfront Development     | Fulfilled           | Implementation               | R15,5bn – MTEF (R537m)                             |
|              |                     |                       | Keystone Industrial        | Fulfilled           | Implementation               | R4,4bn (R350m - public) – MTEF = R328m             |
|              |                     |                       | Kind Edward Node           | Early stages        | Market testing               | 325mil   |
| <b>MAN</b>   | Partial fulfilment  | 10                    | Airport Node               |                     |                              |  |
|              |                     |                       | Waihoek                    |                     |                              |  |
|              |                     |                       | Hillside View              |                     |                              |  |
|              |                     |                       | Cecilia Park               |                     |                              |  |
|              |                     |                       | Brandkop                   |                     |                              |  |
|              |                     |                       | Vista Park3                |                     |                              |  |
|              |                     |                       | Bosthabelo Node            |                     |                              |  |
|              |                     |                       | Thaba Nchu Node            |                     |                              |  |
|              |                     |                       | Vista Park2                |                     |                              |  |
| <b>NMB</b>   | Non fulfilment      | 119                   | Ibhayi / Njoli Precinct    |                     |                              |  |
|              |                     |                       | Zanemvula                  |                     |                              |  |
|              |                     |                       | Baakens Valley             |                     |                              |  |
| <b>Total</b> |                     | <b>229</b>            |                            |                     |                              |  |

The variance in the number of projects identified across the municipalities could be attributed to the differences in applying the definition and method of identification of catalytic projects e.g. reflecting all infrastructure projects that are located in the integration zones of the city rather than the non-standard projects that are priority projects to catalyse spatial transformation at the local scale. A general observation on the information provided was that there are the inconsistencies in the level of detail provided:

- Although a template (Annexure B) was provided in the 2016/17 BEPP Guidelines for reflecting information on catalytic projects some of the cities used their own templates. This has resulted in inconsistencies and gaps in the information provided when comparing across the 8 cities.
- Cities generally are able to relate their selected projects to a precinct, network element and an integration zone.
- The information provided on the description of the projects varied significantly ranging from reflecting the type of project to information on the phases of the project, location of the project etc. This reflects that further guidance on the level of information required should be provided.
- The information provided on the location of the projects also varied with some cities including the property descriptions e.g. Erf numbers and others providing the name of the area e.g. Athlone or the distance from the CBD, or even the ward number etc. It will be best if cities provided the name of the project and GPS co-ordinates as the location. GPS coordinates are in any event required in terms of the budgeting regulations for all capital projects.
- Information on the type of project (as per guidelines) was not provided for many of the projects across all the cities.
- Across the cities the yields (as per guideline) for most of the projects were not reflected.

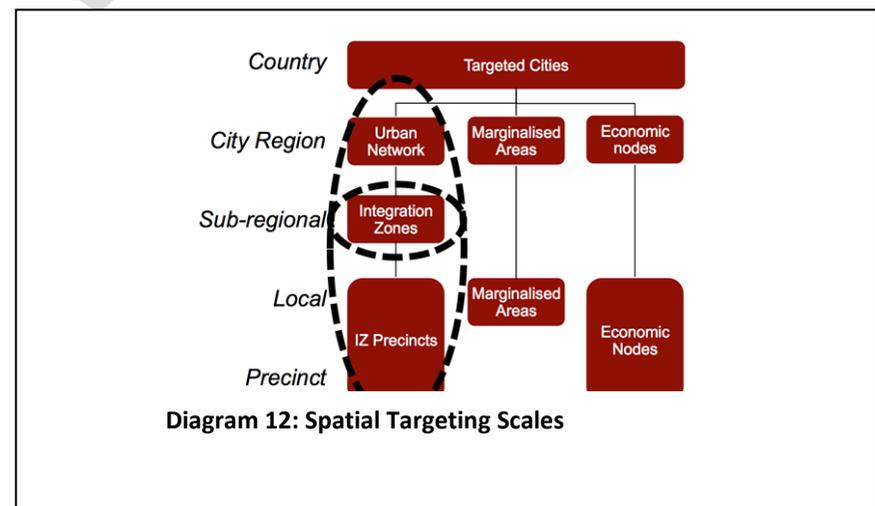
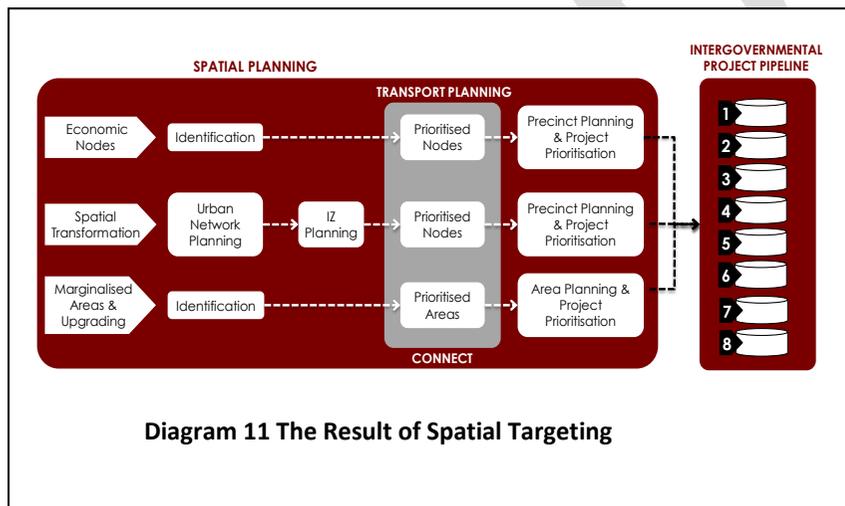
- g) Information on the intended project impact, where this was completed, provided highly levels of information and did not utilise the information as per the guideline.
- h) The section on project demand was not populated by many of the cities and where it was completed, it related to the expectation of communities. The inability to populate this field reflects that the projects needs and objectives are not clear and evident for many of the catalytic projects that have been identified. Cities are not paying adequate attention to the pre-project and inception stages of the project cycle.
- i) The current phase in the project cycle was not reflected for many of the projects. Although the guidelines referred to the phases of the project cycle as reflected to in the Cities Project Preparation Framework this was not utilised. In practice cities may be using different terminology and may not be able to align it appropriately with the project cycle in the PPF.
- j) Cities have not reflected the estimated project costs for many of the projects. This could be due to the fact that some of the projects may still be in pre project or conception phases. Where information has been provided cities have generally not reflected project costs for the MTEF. This therefore makes it impossible from the information currently provided to determine the total value of the projects that have been submitted by the cities.
- k) The fields for the funding requested and funding required have also not been adequately populated. For many of the projects the funding sources reflect the conditional grants e.g. USDG, HSDG and ICDG. This indicates that cities still anticipate that the funding for the catalytic projects will come from government. Own funding and loans have also been identified as sources of funding.

One option is to address some of the issues above is to provide dropdown options for the cells in the template for the catalytic projects so that data that is submitted is standardised for comparison across all 8 cities. At the BEPP Evaluation meeting, it was agreed that Catalytic Urban Development Projects should be the tangible result of planning in terms of the Intervention Logic as defined by the Built Environment Value Chain and approach to Spatial Planning (See Table 5: Intervention rationale for identification of Catalytic Projects). Catalytic Urban Development Projects that could clearly demonstrate the Intervention rationale would become eligible for priority funding, and project delivery should be evaluated and measured against Output, Built Environment Outcome indicators and impact indicators.

The objectives of the DBSA evaluation of the BEPPs for the 2016/17 MTREF were to (i) identify missing financial information (information that would attract funders and private investors to invest in the Catalytic Project pipeline); and (ii) recommend information that should be reflected in the 2017/18 BEPPs to reach project financial closure. The evaluation highlighted the following deficiencies and inconsistencies in the various financial models and strategies of the BEPPs. These included limited consideration of alternative funding options and a significant dependence on grant funding. It is proposed that metros consider the “bankability” of catalytic projects, which is what lenders and investors would be comfortable to provide funds. Funding has to be underpinned by (i) sound financial and market information which means that the project is able to generate enough cash flows to service the financing and still be profitable, and (ii) sound technical and institutional arrangements which give it longevity and sustainability.

**Table 5: Intervention rational for identification of Catalytic Projects**

| Evaluation Questions   | BEVC             |    |          |         |                     |         |                |                  |
|--|------------------|----|----------|---------|---------------------|---------|----------------|------------------|
|  | Spatial Planning |    |          |         | IG Project Pipeline | Funding | Implementation | Urban Management |
|  | City-Wide        | IZ | Precinct | Project |                     |         |                |                  |
| 1. Is there evidence for a top priority project on an IG project pipeline?   |                  |    |          |         |                     |         |                |                  |
| 2. Is there evidence for the status of the project?  |                  |    |          |         |                     |         |                |                  |
| 3. Is the project funded or earmarked for funding?   |                  |    |          |         |                     |         |                |                  |
| 4. Is project packaging completed (if applicable), including land and procurement issues?  |                  |    |          |         |                     |         |                |                  |
| 5. Was the project identified and prioritised via a precinct plan? If not, what methodology was used to identify and prioritise the project? |                  |    |          |         |                     |         |                |                  |
| 6. Is the project the top priority in the precinct?  |                  |    |          |         |                     |         |                |                  |
| 7. Is there a precinct management plan for the precinct?   |                  |    |          |         |                     |         |                |                  |
| 8. Was the precinct identified via an integration zone plan?   |                  |    |          |         |                     |         |                |                  |
| 9. Is the precinct the top priority in the IZ?   |                  |    |          |         |                     |         |                |                  |
| 10. Does the precinct have highest funding of all precincts in the IZ?   |                  |    |          |         |                     |         |                |                  |
| 11. Is the IZ structured according to the urban network elements?  |                  |    |          |         |                     |         |                |                  |
| 12. Is the IZ the top priority in the Urban Network?   |                  |    |          |         |                     |         |                |                  |
| 13. Does the IZ have the highest funding of all IZs in the Urban Network?  |                  |    |          |         |                     |         |                |                  |
| 14. Is the Urban Network the basis for the city-wide spatial transformation planning?  |                  |    |          |         |                     |         |                |                  |



A general observation is that projects still generally reflect a sector focus rather than being integrated, mixed and intensified land uses projects in integration zones. There is also a general lack of evidence of project preparation and packaging that requires major infrastructure investment (and probably blended finance) and dedicated portfolio management or capacity such as a multidisciplinary team to plan and manage implementation of catalytic projects.

It was decided that the way forward would be to:-

- (a) Apply the rigour of the Intervention Logic to get to truly catalytic projects that will directly contribute to spatial transformation (transversal, sector blind, spatial);
- (b) Work with CSP and NDP from NT to do the above as soon as possible;
- (c) Refine the Catalytic Project list per metro; Register the projects and track the progress of projects (mechanism to be managed by National Treasury);
- (d) Request CSP Support for catalytic projects: WB- ULI Panel; Land Transaction, CPPF (DBSA), demand-led Technical Advise; GTAC

#### **4.2.2 Assessment of gaps in BEPPs**

In each of the metros, there was an overall assessment of whether the CSIPs are responsive to the issues raised in the BEPPs. The National Treasury will be having discussions with cities on the focus of CSIPs for the 2016/17 municipal financial year. This ensures that there is a close link between the support provided through the CSP and the progression of the BEPP in each city with its reform agenda. Two municipalities are used to illustrate this point.

In the Buffalo City Metropolitan Municipality's 2016/17 BEPP there was a lot of focus on the key catalytic projects that have been identified by the city, some of which are in pre project and inception phase. In implementing the CSIP of the city land development transaction support is being prioritised. In the last financial year work was undertaken on the Sleeper site project through the Urban Land Institute Panel and the recommendations will be taken forward. The City also identified the need to review the IPT/ IPTN which has also been identified in the CSIP. These projects will reinforce the spatial planning (through aligning the Transport Planning) and implementation (packaging of spatially targeted catalytic projects) of the BEPP.

In Mangaung, some but not all the CSIP identified projects are related to the BEPP support. The key ones currently include:

- Demand side studies for the city's catalytic housing projects, targeting the gap market. .
- Reform to the city's investment and business environment, through the Sub National Doing Business (SNDB) project. A key finding of this study is that the city scores poorly with regard to obtaining permissions dealing with land development. This is a critical areas of reform if the city's catalytic projects are to be a success.

The city is urged to take advantage of more BEPP related support to address the gaps in the BEPP.

Table 6 below provides a summary of the gaps in the BEPP relative to CSP Support via the CSIPs. This table reflects that whilst there are cities that have shown clear leadership in their articulation of the spatial targeting approaches and how this translates in space and in the budgets, but there are still areas that require improvement. City of Johannesburg being a leader in this area requires support for exploring alternative financing instruments to move their programmes forward.

**Table 6: Summary Assessment of Gaps in the BEPPs for the 2017/17 MTREF**

| Cities             | CSIPs gaps  | Spatial Transformation and targeting gaps  | Economic agenda   | Institutional coherence   |
|--------------------|---|--|---|---|
| CPT; COJ; ETK; ETK | <ul style="list-style-type: none"> <li>Requires moving beyond the planning space to clear programmes and project preparation.</li> <li>Requires work on a funding and financing strategy to take the projects forward.</li> </ul> | <ul style="list-style-type: none"> <li>Some metros in this group require to reflect further project detail for all the key precincts;</li> <li>Prioritisation of precincts with clear projects that emerge from each;</li> <li>Narrative to flow across all plans and sectors in the city</li> </ul> | <ul style="list-style-type: none"> <li>Indication of links between spatial priorities and economic impact of those programmes requires strengthening</li> </ul>   | <ul style="list-style-type: none"> <li>Requires support in transversal management to manage complex programmes with mixes of funding and financing instruments</li> </ul> |
| TSH; NMB           | <ul style="list-style-type: none"> <li>No direct link between the gaps in the BEPP and support requested in the CSIP</li> </ul>   | <ul style="list-style-type: none"> <li>All sector plans are articulated but weak synthesis of how this will catalyse change</li> </ul>   | <ul style="list-style-type: none"> <li>Programmes listed without any clarity as to priorities which the investments are focussing on</li> </ul>   | <ul style="list-style-type: none"> <li>Institutional capabilities to comprehend the intensions of BEPP still lacking</li> <li>Weak institutional coherence</li> </ul>     |
| BCM; MAN           | <ul style="list-style-type: none"> <li>No link between gaps and support required. No clarity of what the city is contending with beyond the socio-economic challenges.</li> </ul>   | <ul style="list-style-type: none"> <li>The BEPPs reflects an SDF without any spatial targeting</li> </ul>  | <ul style="list-style-type: none"> <li>The projects are listed without their clear role in improving economy.</li> <li>Projects are at concept stage for the past 2 BEPPs</li> <li>There is no economic strategy to drive the agenda</li> </ul> | <ul style="list-style-type: none"> <li>Institutional capabilities to comprehend the intensions of BEPP still lacking.</li> </ul>  |

Generally, those metros that are advanced in their articulation of their spatial and economic transformation agenda have strong institutions behind them. They articulated the spatial and economic agenda clearly and this has been cascaded into the budget process and the plans are all a mirror image of each other whilst the programmes also cascade through to the budget. Johannesburg leads in this group. There are metros where institutionally there is coherence around the intentions of the BEPPs and there were robust internal engagements during the compilation of the BEPP and a very strong IGR interface during the BEPP compilation. City of Cape Town and Ekurhuleni metro lead on this group. There are cities where the concept of spatial transformation has been grasped and the budget group has been brought on board through spatial budgeting. City of Tshwane leads on this. There are metros where there is evidence of specific key catalytic projects that have been singled out and detailed work done on these projects with detail numbers on expected yields and the scale of investments required. EThekweni, City of Cape Town, City of Johannesburg and Ekurhuleni lead on this. This group of cities would require specific support in managing transversal functions in order to

progress with their specific catalytic projects intentions. As can be observed, the larger metros are showing signs of leadership and maturity in varying degrees in a progressive manner. This is expected, hence the progression model.

Whilst eThekweni has a good sense of catalytic projects being pursued, the city still requires strengthening both the spatial budgeting and bringing catalytic projects to financial closure through project preparation. Ekurhuleni indicates the need to strengthen capacity to deliver their capital programme. This means that this will be an important area to focus on if the intentions of the BEPP are to be realised. Prioritisation of investments and presentation of pipeline of catalytic projects is still a gap in Tshwane. This resulted in the BEPP reflecting the entire capital budget without any specific areas where the budget will prioritise for spatial and economic transformation.

The medium sized metros were mostly affected by institutional challenges and whilst efforts went into producing the BEPPs, the BEPPs still require to be seen in the context of the IDPs and with general commitment and buy in at a higher level in the institution. In many instances the BEPP was just a compliance tool for grants. High level institutional and political buy-in of the BEPP is required in these metros. It is also in these spaces where the ward based budgeting is prevalent, and this undermines any opportunities for spatial targeting. Buffalo City and Nelson Mandela Bay metros are the cases in point. In NMBM work on catalytic projects is underway; they have been re-assessed and identified. DBSA PPF has been used to assess viability of two CBD projects. A fiscal impact assessment for two development scenarios is underway.

In the Buffalo City Metropolitan Municipality's 2016/17 BEPP there was a lot of focus on the key catalytic projects that have been identified by the city, some of which are in pre-planning and inception phases. In implementing the CSIP of the city, land development transaction support is being prioritised. In the last financial year work was undertaken on the Sleeper site project through the Urban Land Institute Panel and the recommendations will be taken forward. The City also identified the need to review the IPT/ IPTN which has also been identified in the CSIP. These projects will reinforce the spatial planning (through aligning the Transport Planning) and implementation (packaging of spatially targeted catalytic projects) of the BEPP.

#### **4.2.3 Built Environment Outcome Indicators and Targets**

The BEPP planning process is "outcome-led". This means that it is directed by the outcomes that cities should be contributing to. At a generic level, these can be categorised into four outcome areas – well governed cities, inclusive cities, productive cities and sustainable cities. In each of these four areas, a number of general results statements have been identified and associated with these a number of indicators defined as outlined in Table 7.

The BEPP Guidelines required metropolitan municipalities to include an agreed list of Built Environment Outcome indicators in their Council-approved BEPPs. Six of the eight metros did this successfully with two metros that did not submit the list of outcome indicators (COJ and Mangaung).

#### **Background and process**

The development of outcomes and impact indicators project began sometime in 2012. By March 2014, the process had reached the development of what was referred to as the "Annexure G" indicators which was a template developed to populate indicators and their baselines. Each of the metros had begun a process of populating their own baselines on the indicators that had achieved some agreement through a highly consultative process.

**Table 7: Integrated Outcome Areas, Results Statements and Indicators**

| <b>Integrated Outcome Area</b>          | <b>Result Statement</b>   | <b>Number of indicators</b> |
|---|---|-----------------------------|
| <b>Well-governed city</b>               | Capability to plan & manage urban spatial transformation  | 4                           |
|   | Citizen involvement & a partnership-based approach to the financing, packaging & delivery of catalytic projects in spatially targeted areas | 4                           |
|   | Vision and leadership to initiate and drive spatial restructuring   | 2                           |
|   | Capability to plan & manage urban spatial transformation  | 2                           |
|   | Citizen involvement & a partnership-based approach to the financing, packaging & delivery of catalytic projects in spatially targeted areas | 1                           |
| <b>Sub-total</b>                        |   | <b>13</b>                   |
| <b>Inclusive city</b>                   | Affordable and efficient public transport services  | 4                           |
|   | Integrated public transport system that is used by the majority of city inhabitants   | 3                           |
|   | New housing options with social diversity   | 1                           |
|   | Social facilities and services (located in integration zones?)  | 7                           |
|   | Affordable and efficient public transport services  | 1                           |
|   | New housing options with social diversity   | 5                           |
| <b>Sub-total</b>                        |   | <b>21</b>                   |
| <b>Productive cities</b>                | Decoupling of non-renewable energy inputs from economic growth  | 3                           |
|   | Growing city economies  | 1                           |
|   | Increased city productivity   | 3                           |
| <b>Sub-total</b>                        |   | <b>7</b>                    |
| <b>Compact City</b>                     | Established integration zones   | 4                           |
| <b>Sub-total</b>                        |   | <b>4</b>                    |
| <b>Environmentally sustainable city</b> | Improved water resources management   | 2                           |
|   | Increased use of renewable energy   | 3                           |
|   | Recycling   | 2                           |
|   | Resource efficiency   | 2                           |
| <b>Sub-total</b>                        |   | <b>9</b>                    |
| <b>Grand Total</b>                      |   | <b>54</b>                   |

At a stakeholders' workshop held on 30 March 2015, the need for a document which highlighted the overall framework, principles and criteria for built environment indicators was identified. This was seen as critical to avoid constant discussion and "circulatory" debates on the merits and demerits of different indicators from the different cities. In essence, this involved identifying a consistent set of parameters or "rules of the game" to arrive at a set of agreed upon indicators across the results chain from inputs to impact. This process took place between March and September 2015. This helped to clarify that the BEPP indicators relate to the integrated outcome space, as illustrated in Diagram 2.

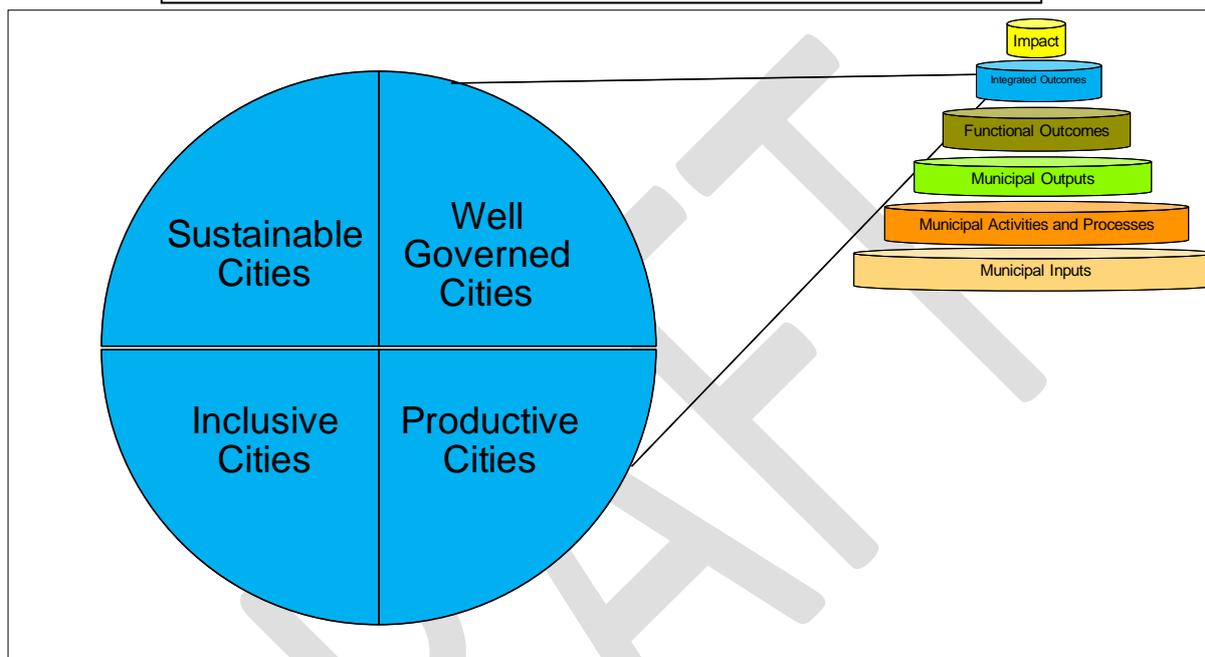
Other planning and reporting processes, such as the SDBIPs deal with levels of the results chain below these functional indicators. What is important is that there is a link between them – referred to as "the line of sight".

At a follow on stakeholder workshop held in October 2015, the draft set of outcome indicators was assessed against the principles and criteria identified. A number of key resolutions were taken at this workshop:

- Specifications for these indicators to be developed.

- These indicators would form part of the BEPP submission and measure the “outcomes-led” approach.
- The indicators would be reviewed annually as part of the BEPP review process and that further individual metro consultations would be undertaken should this be required.
- Metros would not need to source data for indicators. Where data exists from national sources, such indicators would be populated nationally by the CSP and made available to the cities.

**Diagram 13: BEPP indicators relate to the integrated outcome**



**Table 8: Frequency of Reporting**

| Annual | Every two years | Every three years | Every five years | Total |
|--------|-----------------|-------------------|------------------|-------|
| 39     | 2               | 12                | 1                | 54    |

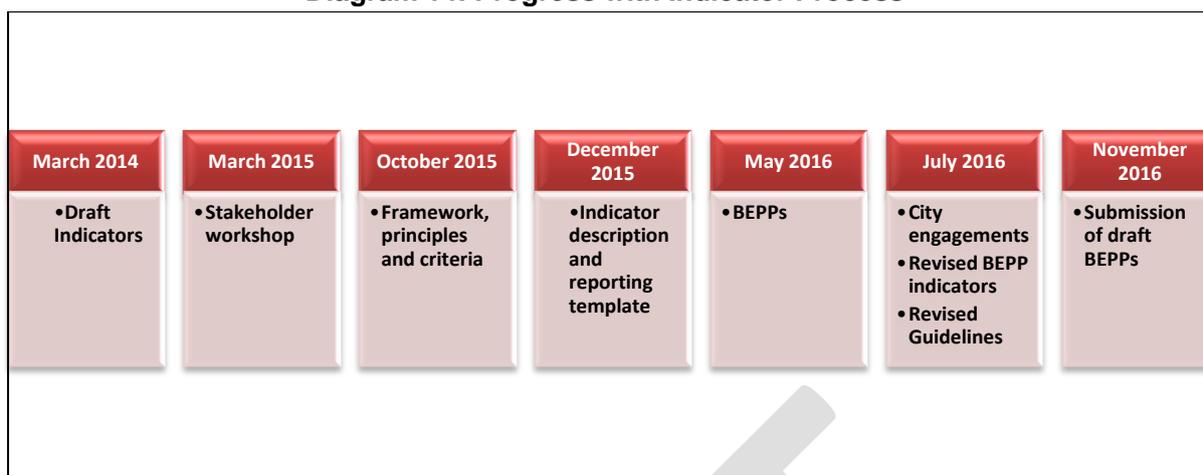
Specifications were developed and circulated to the cities, together with a reporting format. The copy of the current set of built environment outcome indicators appears as Annexure D and understanding how these indicators link within the overall built environment framework is covered in the Framework, Principles and Criteria document.<sup>7</sup>

The total of 54 indicators was developed. Of the 54, 30 required cities to provide information whereas the remaining 24 came from national sources. The frequency of reporting is reflected in the Table 7 below.

Forty two of the indicators refer to the city as a whole with twelve being specifically relevant to integration zones. Cities then attempted to define baselines and targets for these indicators as part of their BEPP submissions. The process described above is summarised in the diagram below.

<sup>7</sup> The Framework document for the Indicators is in Folder 8: [Support Documents for Consolidated Evaluation of BEPPs 2016/17](#)

**Diagram 14: Progress with Indicator Process**



**Summary of city progress**

Six of the eight metros submitted indicators (in the reporting format prescribed).

**Table 9: Summary of City Progress with Indicators**

|            |  |
|------------|--|
| <b>EKU</b> | <ul style="list-style-type: none"> <li>• EMM has not managed to fill in many of the BEPP indicators, only 11 of the 54 indicators were completed for the 2013/14 year.</li> <li>• EMM has completed 3 indicators of the 30 which they are expected to populate (or in some cases part-populate). There were no baselines generated for any of these indicators.</li> <li>• EMM has identified the internal teams which would be responsible for reporting on the indicators, and whether the data elements could possibly be measured based on existing systems and processes. There are, however, many blanks in this part of the form.</li> </ul>  |
| <b>CPT</b> | <ul style="list-style-type: none"> <li>• CCT submitted extensive comments and engaged robustly with the set of indicators. The summarised comment table is shown below:</li> <li>• Sec 71 type which NT will obtain, unless requested from City. (8)</li> <li>• Generally require clarity on definitions and/ or City may be able to calculate baseline based on own interpretation and specification (11)</li> <li>• City has significant data, formulae or definition queries or lack of data (11)</li> <li>• City has calculated baseline but doubt the relevance of this data considering the high baseline and purpose of targets (11).</li> <li>• City calculated baseline and findings are relatively close to requirements of NT or per own specifications of data available. (8)</li> <li>• City working on getting more clarity internally. (5)</li> <li>• Of the indicators that the City is able to report on without query, they have done so, and assumptions have been made on a number of the other indicators that have been reported on.</li> <li>• Of the 30 indicators that Cities are expected to populate or part-populate, CCT has populated 15. Of these, 11 have concerns around the high baselines and therefore raise questions of appropriateness</li> </ul> |
| <b>ETK</b> | <ul style="list-style-type: none"> <li>• ETK has not come to an agreement on any baselines dates or data for any of the indicators until clarity was provided on the structure form of a number of indicators.</li> <li>• City requested a meeting and in that meeting provided inputs on each of the indicators and indicated that as soon as finality was reached – baselines and targets will be set.</li> <li>• The city also proposed the inclusion of environmental indicators into the set.</li> <li>• Almost all of the indicators are able to be reported on in Q1 2016/17 or Q4 2016/17.</li> <li>• Of the 30 indicators that Cities are expected to populate or part-populate, ETH has populated none of them.</li> </ul>   |
| <b>NMB</b> | <ul style="list-style-type: none"> <li>• NMB has set baselines and targets for 13 of the 54 indicators. Of the 30 indicators that Cities are expected to report on, only 1 baseline was reported on and 1 performance</li> </ul>   |

|            |   |
|------------|---|
|            | target was stated.  |
| <b>TSH</b> | <ul style="list-style-type: none"> <li>Base years were proposed on 29 of the 54 indicators. Of the 30 indicators that the Cities were expected to present data on, TSH proposed baselines years for 14 of these. A large portion of these were between 2018 and 2021 as this appears to be the time that a large urban simulation model will come online.</li> </ul>  |
| <b>BCM</b> | <ul style="list-style-type: none"> <li>BUF has engaged extensively with the BEPP indicators. They have proposed baseline data for 28 indicators as well as targets for these. Unfortunately, where data has not been put forward, or a N/A has been used, reasons for this has not been given.</li> <li>Of the 30 indicators that the Cities were expected to present data on, BCM has data for 15 of these.</li> </ul> |

### **Overall comments**

From the current state of the indicator templates submitted with the BEPPs which have been submitted to National Treasury, it is evident that there is a significant amount of indecision and confusion surrounding some of the indicators. These are best summarised as follows:

- It appears that the majority of the cities are unable to state baselines and base year data;
- There is a need for some Cities to institute new systems and processes to be able to extract some of the data. This is particularly relevant for the geo-locating of building plans and land use applications, as well as the measurement of other spatially located indicators such as those which refer to integration zones. The General Household Survey is also not statistically relevant at integration zone level.
- There are concerns raised about the proximity measure to the community facilities. Travel time has been raised as an alternate measure, and the intergovernmental role of National Government with regards to Thusong centres.
- There is consensus required between the cities and National Treasury about the categorisation of solid waste categories and land use categories

Some of the reporting (particularly the financial and budgeting reporting) can be populated in September 2016 after the end of the municipal financial year

Some indicators have not been fully thought through. This relates particularly to indicators measuring:

- Solar Water Subsidies, as these have stopped
- The amount of electricity bought from renewable sources, as municipalities are not allowed to purchase electricity directly from an IPP

### **Indicator specific comments**

Comments are provided for indicators where there is significant contestation which requires re-working. These are presented below.

During June and July 2016, a number of engagements were held with cities (Cape Town, Tshwane and eThekweni) to receive further comments on the indicators as part of the review process. This raised a number of additional comments on the indicators and highlighted the importance of linking this process to that of the IDPs, the need for further thought on indicators for the environmentally sustainable city outcome area and the need to integrate further with the indicators identified as part of the international processes for the Sustainable Development Goals and the ISO 37120 indicators.

The comments received from the cities, from CSP component leads and from the processes outlined above form the basis of the section on outcome indicators in the revised BEPP guidelines for 2017/18.

## 5. Overall Evaluation Findings and Guideline Recommendations

In summary the focus for the Built Environment Performance Plans (BEPPs) for the 2017/18 MTREF should be to strengthen the overall application of the Built Environment Value Chain (BEVC) through:-

- a. Clarifying development objectives, strategies and targets relative to agreed productivity, inclusion and sustainability *outcomes*
- b. Consolidating *spatial planning and project preparation* through aligning transit-oriented development plans and programmes in prioritised integration zones
- c. Establishing an actionable *intergovernmental project pipeline* and catalytic projects through adopting portfolio management and project preparation tools
- d. Clarifying long term financing policies and strategies for sustainable *capital financing*

As can be seen from the issues raised during the Evaluation, these focus areas are not new. They are designed to refine and consolidate planning alignment, and accelerate the preparation and implementation of associated programmes and projects. The full BEVC should be specified for the Guidelines for the BEPPs for the 2018/19 MTREF

Specific findings and recommendations are as follows:

### 5.1 Alignment of planning and budgeting frameworks and processes

- a) A strong and direct link between planning and budgeting frameworks, using the mechanism of project prioritisation, is critical to ensuring that projects that are funded and implemented are aligned to the plans of the city. All the metropolitan municipalities recognised the COJ as the leader in this respect, with good progress being made by Ekurhuleni and Tshwane.

**Recommendation:** The CSP will develop a Practice Note on linking planning and budgeting frameworks using the mechanism of project prioritisation.

- b) The timing of the budget and planning processes should be aligned to ensure that planning frameworks inform the budget process and that there is a virtuous cycle where monitoring and performance (both financial and non-financial) inform planning and budgeting. The focus of discussions on public transport and human settlements during the MYBBR in 2016 and the inclusion of the IDP-BEPP-Budget Alignment with the Benchmarking made this possible.

**Recommendation:** continue linking (i) the Mid-Year Budget Review to the BEPP Review; (ii) IDP-BEPP-Budget Alignment to Benchmarking,

### 5.2 Spatial planning

- a) There is a significant benefit in testing catalytic project selection and design using the Intervention rationale, in order to see if these projects that are directly linked to the planning logic and the potential for these projects to contribute to the intended outcomes (see section 3.2.2, above).

**Recommendation:** Fine tune the intervention rationale and test it against specific projects to then use it if it brings the desired outcomes.

- b) Informal settlement upgrading needs specific attention and prioritisation. While the last 3 BEPP Guidelines requested information on the spatial location of informal settlements and marginalised areas in relation to the Integration Zones, there was need to go beyond spatial location and develop city strategies to prioritise informal settlement upgrading. This will contribute to acknowledging the right of poorer people to be part of urban economies and spaces, and thus contribute to making our cities more inclusive. The strategy for informal settlement upgrading for

inclusion on the BEPP Guidelines for 2017/18 was presented and agreed at the CBF on 31 March 2016.

**Recommendations:** (i) Informal settlement upgrading will become a strategic focus of the Guidelines for the BEPPs for the 2017/18 MTREF; (ii) the CSP will make available a tool for the Modelling of an Integrated Human Settlements Strategy that is based on the totality of residential land use requirements in the city rather than only focusing on government assisted residential programmes.

- c) Further guidance on the development of strategies and plans for integration zones and precincts is required. .

**Recommendation:** Toolkits/Guidelines on the Strategy and Planning of Integration Zones as well as Precinct Management should be included in the Guidelines for the BEPPs for the 2017/18 MTREF

- d) There was agreement that reliable, affordable and safe public transport can make an important contribution to catalysing spatial restructuring. The need for BEPPs to better align public transport networks to areas of prioritisation and spatial targeting was highlighted. The need for greater modal integration and as well, greater alignment between housing and public transport deployment was also highlighted as key to creating sustainable public transport systems and transforming city spaces. The integration of Housing and Public Transport needs to be strengthened at city level, regional, local and precinct scales. As a key intergovernmental planning tool and process, the BEPP was seen as pivotal to catalysing this alignment within the transport sector, and between the functions for transport, land use management and housing.

From a public transport perspective, the purpose of BEPPs, as a planning alignment instrument of key sectors, rather than an instrument for individual grant compliance, needs to be clarified. Clearer definitions of key concepts such as TOD should be provided in the Guidelines. Sector stakeholders also emphasized the need for a key, much more critical role to be played by public transport planning in BEPPs, through the Comprehensive Integrated Transport Plan (CITP) at different spatial scales. CITPs if correctly done allow for city level integration of infrastructure build and service intensity for different modes including those related to provincial bus services and PRASA. While CITPs played a role at the city scale, TOD could be effectively used to catalyse spatial restructuring at a precinct scale. However, it is important to note that very few cities have a credible long term financially backed CITPs. This should be a key area of focus for CSP support going forward.

**Recommendations:** (i) Cities should develop credible CITPs, and (ii) these CITPs should be key informants to spatial transformation strategies in the BEPP, particularly those dealing with TOD.

- e) The BEPPs have generally been very weak on question of the current and expected future location of employment opportunities within the metros. This omission is important because a key objective of spatial transformation is to reduce the travel distances, times, and costs between where people live and where they work, are educated, and access recreational, entertainment and cultural activities, and health, retail and other amenities and services. Furthermore, it is a key role of city governments to provide infrastructure which enables inclusive economic growth; and inclusivity has a great deal to do with location.

The limitations of easily available data have undoubtedly contributed to the weaknesses of the BEPPs on the question of where work opportunities are currently located, and where they are envisioned in future. CSP is currently initiating programmes with SARS and STAT-SA to address such weaknesses directly. Metro governments will also need to directly address these issues in

future BEPPs, since otherwise the proposed integration zones run the risk of being mere transport corridors.

**Recommendation:** Include requirements for economic development in the BEPPs for the 2017/18 MTREF.

### 5.3 Capital Financing

- a) The DBSA Evaluation on the financial closure of the BEPPs highlighted a number of deficiencies and inconsistencies in the various financial models and strategies of the BEPPs. These included limited consideration of alternative funding options and a significant dependence on grant funding. It was proposed that metros consider the “bankability” of catalytic projects, which is what lenders and investors would be comfortable to provide funds. Funding has to be underpinned by (i) sound financial and market information which means that the project is able to generate enough cash flows to service the financing and still be profitable, and (ii) sound technical and institutional arrangements which give it longevity and sustainability.

**Recommendations:** Cities should provide the funding source for each registered catalytic project including the following:-

- Funding sources identified (grants, own revenue, borrowing) and status of financial closure in this respect
- Indication of whether a project pre-feasibility/ feasibility studies has been conducted
- Indication of project funding over the MTREF
- Identification of alternative funding sources, and status of financial closure in this respect
- Highlighting of projects for which funding has not been acquired/ secured, that is “unbanked” projects, and the next steps in respect of “unbanked” projects.

### 5.4 Implementation

- a) There is an urgent to see a distinct move from planning to implementation activities and results. This does not negate the need for on-going monitoring and reporting reform or planning and budgeting reform. However, the results of planning and budgeting need to show that outcomes can be achieved, that projects identified out of a planning approach can be implemented, contribute to more productive, sustainable, and inclusive and well governed cities and contribute to the impact of reducing poverty and inequality and enabling faster more inclusive urban economic growth.

**Recommendation:** BEPP guidelines should emphasize the need to accelerate the implementation of urban development catalytic projects, including work on strengthening institutional capabilities to deliver on these.

### 5.5 Evaluation

- a) There was insufficient clarity on how to use the BEPP evaluation framework (the Progression Model), and the criteria used for the 2016 evaluation needs refinement. The evaluation done by the NDP on the planning of the urban networks and its elements should be a key part of the overall BEPP Evaluation Framework, as should the Built Environment Indicators.

**Recommendation:** Review and amend the BEPP evaluation framework will thus be prioritised for inclusion in the Guidelines for the BEPPs for the 2017/18 MTREF.

### 5.6 Structure and Content

- a) There should be no drastic changes to structure and content requirements for the BEPPs going forward except for additional guidance and support where this is required. Key terminology such as TOD should have clear definitions. This will allow the metropolitan municipalities the time they need to refine and/or consolidate the content they already have and focus on strategic issues/areas of the BEPP that require major improvements.

**Recommendation:** no changes to structure and content except in so far as it provides additional guidance and support

## 5.7 Institutionalisation

- a) The forthcoming local government elections was cited as a reality that would take time away from the BEPP process since all municipalities would be involved in reviewing the performance of their 2011/12-2016/17 plans and formulating their plans for the next 5 year term (2017/18 – 2021/22). While the elections and new term of office for local government presented a challenge, it also presented an opportunity to take the good work of the BEPPs into the plans of the new term e.g. the results of the spatial targeting (Integration Zones, economic nodes, and marginalised areas and informal settlements could be adopted as the major structuring elements of the new MSDFs using SPLUMA to declare these as Special Development Zones.

**Recommendation:** The National Treasury intends to introduce an urban spatial perspective in the existing budgeting process starting in 2016 for the 2017/18 MTREF.

All of the above findings will be addressed in the Guidelines for the BEPPs for the 2017/18 MTREF which will be issued on 25 August 2016. An outline of structure and content of Guidelines for BEPP for the 2017/18 MTREF is attached.

**Cities Support Programme**  
**22 August 2016**

## Annexure A: BEPP Evaluation Framework for BEPPs for the 2016/17 MTREF

|                      |  | tin  | silver   | gold   | platinum  |                 |                        |                      |
|----------------------|--|--|--|--|---|-----------------|------------------------|----------------------|
|                      |  | Zero Fulfillment   | Partial  | Fulfilled  | Exemplary   |                 |                        |                      |
|                      |  | No evidence of fulfillment of standard   | Tangible evidence of partial fulfillment of standard   | Tangible & complete evidence of fulfillment of standard  | Exceeds standard  | Component Score | Qualitative Assessment | Support Requirements |
| BEPP Component       | 2016/17 - 2018/19 Standards  | Level 0  | Level 1  | Level 2  | Level 3   |                 |                        |                      |
|                      |  | Score = 0  | Score = 1  | Score = 2  | Score = 3   |                 |                        |                      |
| <b>Process</b>       |  |  |  |  |   |                 |                        |                      |
| BEPP preparation     | Internal to the metro: There is evidence that all necessary functional units in metro collaborated extensively on the BEPP: Finance, Spatial Planning, IDP, Economic Development, Public Transport, Human Settlements, Governance and Administration | No evidence of metro joint planning for the BEPP; could simply be a stated intention | Evidence of some level of cross-functional collaboration in the preparation of the BEPP      | Evidence of a substantial level of cross-functional planning integration in the BEPP preparation | L3 plus clear link amongst metro planning docs: BEPP, IDP, SDBIP, SDF, infrastructure investment plans  |                 |                        |                      |
|                      | Public sector inclusiveness: Relevant SOEs and national and provincial sector departments were meaningfully involved in the preparation of the BEPP  | No evidence of inclusive planning; could simply be a stated intention                | Partial participation of relevant SoEs and sector departments in the preparation of the BEPP | Broad SOE and sector/prov departments inputs are reflected in the BEPP                           | L3 plus metro plans and priorities determine the resource allocation of SOE and sector/prov departments |                 |                        |                      |
|                      | Process compliance: The deadlines for all BEPP requirements and submissions were met   | Deadlines for all submission of BEPP requirements not met                            | L1 plus extensions for submissions complied with   | All BEPP document requirements submitted on time   | L3 plus draft / final BEPP is used to influence Council Lekgotla & other municipal                      |                 |                        |                      |
| <b>Process Total</b> |  |  |  |  |   |                 |                        |                      |

|                        |   | tin   | silver  | gold  | platinum   |                 |                        |                      |
|------------------------|---|---|---|---|--|-----------------|------------------------|----------------------|
|                        |   | Zero Fulfillment                                    | Partial   | Fulfilled   | Exemplary  |                 |                        |                      |
|                        |   | No evidence of fulfillment of standard              | Tangible evidence of partial fulfillment of standard              | Tangible & complete evidence of fulfillment of standard                 | Exceeds standard   | Component Score | Qualitative Assessment | Support Requirements |
| BEPP Component         | 2016/17 - 2018/19 Standards   | Level 0   | Level 1   | Level 2   | Level 3  |                 |                        |                      |
|                        |   | Score = 0   | Score = 1   | Score = 2   | Score = 3  |                 |                        |                      |
| Content & Quality      |   |   |   |   |  |                 |                        |                      |
| Introduction           | BEPP in relation to other Statutory Plans: Standardised section on the role of the BEPP - a list of documents and references used in compiling the BEPP             | Section incomplete; document list not included      | Incomplete list of documents & references                         | Complete list of documents & references                                 | L2 plus Clear references to alignment of BEPP to the municipality's IDP, SDF, Infrastructure Plans & SDBIP |                 |                        |                      |
|                        | BEPP in relation to other Statutory Plans: A statement confirming the adoption of the BEPP by Council with a copy of the Council Resolution as an Annexure provided | Section incomplete; Council resolution not attached | Statement that Council adopted the BEPP but no Council Resolution | Statement that Council adopted the BEPP and Council Resolution attached | L2 plus indication that the BEPP is informing other strategic Council                                      |                 |                        |                      |
| <b>Section A Total</b> |   |   |   |   |  | <b>0.00</b>     |                        |                      |

|  | tin  | silver  | gold  | platinum   |                 |                        |                      |
|--|--|---|---|--|-----------------|------------------------|----------------------|
|  | Zero Fulfillment   | Partial   | Fulfilled   | Exemplary  |                 |                        |                      |
|  | No evidence of fulfillment of standard                           | Tangible evidence of partial fulfillment of standard  | Tangible & complete evidence of fulfillment of standard   | Exceeds standard   | Component Score | Qualitative Assessment | Support Requirements |
| 2016/17 - 2018/19 Standards  | Level 0  | Level 1   | Level 2   | Level 3  |                 |                        |                      |
|  | Score = 0  | Score = 1   | Score = 2   | Score = 3  |                 |                        |                      |
| Spatial targeting: urban network identification & prioritisation of Integration Zones (according to their ability to integrate marginalised areas with more developed city spaces) and refinement of targeted zones / precincts within   | No evidence of shift to a IZ approach in terms of the Guidelines | Prioritisation of identified IZs relative to other areas in the metro according                       | L1 plus IZ refinement in terms of targeted zones / precincts  | L2 plus clear alignment with the metro SDF and infrastructure                |                 |                        |                      |
| Spatial targeting: prioritisation of marginalised areas (i.e. informal settlements, townships and inner city areas) relative to other marginalised areas within the city and refinement of targeted zones / precincts within these areas   | No evidence of prioritisation of marginalised areas in the city  | Prioritisation of marginalised areas relative to other areas in the metro according to the Guidelines | L1 plus refinement of prioritised marginalised areas through identification of targeted zones / precincts | L2 plus clear alignment with the metro SDF and infrastructure plans          |                 |                        |                      |
| Spatial targeting: prioritisation of growth nodes (i.e. commercial & industrial) in relation to other growth nodes in the city and refinement of targeted zones / precincts within the nodes   | No evidence of prioritisation of growth nodes                    | Prioritisation of growth areas relative to other areas in the metro according to the Guidelines       | L1 plus refinement of prioritised growth areas through identification of targeted zones                   | L2 plus clear alignment with the metro SDF and infrastructure plans          |                 |                        |                      |
| Local Area Planning: Strategy for the Prioritised Integration Zone - to indicate land use location (i.e. residential, community, offices, retail, industrial, open space); land-use budget/mix/built form (e.g. in percentages/ no. of units); and public project identification   | No evidence of a Strategy for the Prioritised IZ/s               | Partial strategy in place   | Comprehensive strategy in place   | L2 plus clear regulatory, other non-investment and investment implementation |                 |                        |                      |
| Local Area Planning: Strategy for the Prioritised Marginalised Areas - to indicate land use location (i.e. residential, community, offices, retail, industrial, open space); land-use budget/mix/built form (e.g. in percentages/ no. of units); and public project identification | No evidence of a Strategy for the Prioritised marginalised areas | Partial strategy in place   | Comprehensive strategy in place   | L2 plus clear regulatory, other non-investment and investment implementation |                 |                        |                      |
| Local Area Planning: Strategy for the Prioritised Growth Areas - to indicate land use location (i.e. residential, community, offices, retail, industrial, open space); land-use budget/mix/built form (e.g. in percentages/ no. of units); and public project identification       | No evidence of a Strategy for the prioritised growth areas       | Partial strategy in place   | Comprehensive strategy in place   | L2 plus clear regulatory, other non-investment and investment                |                 |                        |                      |

|                |                             | No evidence of fulfillment of standard | Tangible evidence of partial fulfillment of standard | Tangible & complete evidence of fulfillment of standard | Exceeds standard | Component Score | Qualitative Assessment | Support Requirements |
|----------------|-----------------------------|--|--|---|------------------|-----------------|------------------------|----------------------|
| BEPP Component | 2016/17 - 2018/19 Standards | Level 0                                | Level 1  | Level 2   | Level 3          |                 |                        |                      |
|                |                             | Score = 0                              | Score = 1  | Score = 2   | Score = 3        |                 |                        |                      |

|   |   |   |  |   |          |  |  |  |
|---|---|---|--|---|----------|--|--|--|
| IZ Project Preparation: projects identified and prioritised according to their propensity to catalyse additional investment in the specific area/ zone/ precinct / node and project preparation underway                                    | No evidence of project prioritisation   | Project prioritisation undertaken   | L1 & project preparation underway  | L2 plus evidence of public and especially private sector investment   |          |  |  |  |
| Marginalised area Project Preparation: projects identified and prioritised according to their propensity to catalyse additional investment in the specific area/ zone/ precinct / node and project preparation underway                     | No evidence of project prioritisation   | Project prioritisation undertaken   | L1 & project preparation underway  | L2 plus evidence of mostly public sector and some private sector  |          |  |  |  |
| Growth Area Project Preparation: projects identified and prioritised according to their propensity to catalyse additional investment in the specific area/ zone/ precinct / node and project preparation underway                           | No evidence of project prioritisation   | Project prioritisation undertaken   | L1 & project preparation underway  | L2 plus evidence of mostly public sector and some private sector  |          |  |  |  |
| Institutional Arrangements: policy & regulatory instruments being put in place to enable the development vision in the land-use budgets, e.g. additional planning, policy, incentives, regulatory mechanisms, land release arrangements etc | No evidence of necessary policy & regulatory instruments being put in place           | Some evidence of the necessary policy and regulatory instruments being put in place     | Necessary policy and regulatory instruments in place                                     | L2 plus evidence of private and public sector investment in spatially targeted areas in response to these instruments |          |  |  |  |
| Institutional Arrangements: intra-metro alignment evident in terms of spatial targeting, local area planning and project preparation  | No evidence of cross-functional planning & budgeting at metro level                   | Evidence of some cross-functional planning & budgeting at                               | Evidence of broad cross-functional planning & budgeting at                               | L2 plus alignment amongst all metro strategic and   |          |  |  |  |
| Institutional Arrangements: inter-governmental and SOE planning alignment with the metro evident in terms of spatial targeting, local area planning and project preparation   | No evidence of inter-governmental & SOE planning & budgeting alignment at metro level | Some evidence of inter-governmental & SOE planning & budgeting alignment at metro level | Evidence of broad inter-governmental & SOE planning & budgeting alignment at metro level | L2 plus alignment across government sectors and spheres with the metros spatially                                     |          |  |  |  |
| <b>Section B Total</b>  |   |   |  |   | <b>0</b> |  |  |  |

|                                 |  | tin  | silver   | gold  | platinum   |                 |                        |                      |
|---------------------------------|--|--|--|---|--|-----------------|------------------------|----------------------|
|                                 |  | Zero Fulfillment   | Partial  | Fulfilled   | Exemplary  |                 |                        |                      |
|                                 |  | No evidence of fulfillment of standard   | Tangible evidence of partial fulfillment of standard                                       | Tangible & complete evidence of fulfillment of standard   | Exceeds standard   | Component Score | Qualitative Assessment | Support Requirements |
| BEPP Component                  | 2016/17 - 2018/19 Standards  | Level 0  | Level 1  | Level 2   | Level 3  |                 |                        |                      |
|                                 |  | Score = 0  | Score = 1  | Score = 2   | Score = 3  |                 |                        |                      |
| Process                         |  |  |  |   |  |                 |                        |                      |
| C<br>Intergovernmental pipeline | Intergovernmental pipeline: detailed IZ project planning undertaken and high-level project cost estimates for all prioritised projects                     | No detailed project planning and costing undertaken                                    | Some planning and costing undertaken   | Detailed project planning undertaken and high-level cost estimates in   | L2 plus evidence of actual project implementation  |                 |                        |                      |
|                                 | Intergovernmental pipeline: detailed marginalised area project planning undertaken and high-level project cost estimates for all prioritised projects      | No detailed project planning and costing undertaken                                    | Some planning and costing undertaken   | Detailed project planning undertaken and high-level cost estimates in   | L2 plus evidence of actual project implementation  |                 |                        |                      |
|                                 | Intergovernmental pipeline: detailed growth area project planning undertaken and high-level project cost estimates for all prioritised projects            | No detailed project planning and costing undertaken                                    | Some planning and costing undertaken   | Detailed project planning undertaken and high-level cost estimates in   | L2 plus evidence of actual project implementation  |                 |                        |                      |
|                                 | Inter-governmental project pipeline: completed inter-governmental project matrix supported by a technology platform to enable effective project management | No inter-governmental project matrix submitted   | Inter-governmental project matrix submitted but focus on compliance not project management | Inter-governmental project matrix submitted with evidence that it is being used actively for project management | L2 plus actual links to capital and operating budgets of metro, national and provincial sector depts, SOEs and the |                 |                        |                      |
|                                 | Institutional arrangements: Leadership to drive change and build coalitions, both internal and external, around their vision and programme                 | No evidence of required leadership to drive change and build coalitions                | Some evidence of required leadership to drive change and build coalitions                  | Demonstration of leadership and commitment to driving change and building                                       | L2 plus evidence of necessary partnerships and coalitions in place   |                 |                        |                      |
|                                 | Institutional arrangements: inter-governmental project planning and budgeting in place   | No evidence of the required inter-governmental systems in place                        | Some evidence of the required inter-governmental systems in place                          | Inter-governmental project planning & budgeting systems in place  | L2 plus evidence of collective public investment in targeted   |                 |                        |                      |
|                                 | Institutional arrangements: Risk mitigation strategies in place and being implemented  | No evidence of risk mitigation strategies in place                                     | Risk mitigation strategy in place  | L1 plus evidence of actual implementation of risk mitigation strategies   | L2 plus evidence of focus on fast-tracking of project implementation   |                 |                        |                      |
|                                 | Operating budget: Operating budget implications reflected and sources identified   | No or limited evidence of calculation of operating budget implications for prioritised | Evidence of commitment to addressing operational budgetary implications                    | Actual operating budget implications reflected with budget sources  | L2 plus evidence of long-term operational financing plan being   |                 |                        |                      |
|                                 |  |  |  |   | <b>Section C Total</b>   | 0               |                        |                      |

|                        |   | tin   | silver  | gold   | platinum  |                 |                        |                      |
|------------------------|---|---|---|--|---|-----------------|------------------------|----------------------|
|                        |   | Zero Fulfillment  | Partial   | Fulfilled  | Exemplary   |                 |                        |                      |
|                        |   | No evidence of fulfillment of standard  | Tangible evidence of partial fulfillment of standard                        | Tangible & complete evidence of fulfillment of standard  | Exceeds standard  | Component Score | Qualitative Assessment | Support Requirements |
| BEPP Component         | 2016/17 - 2018/19 Standards   | Level 0   | Level 1   | Level 2  | Level 3   |                 |                        |                      |
|                        |   | Score = 0   | Score = 1   | Score = 2  | Score = 3   |                 |                        |                      |
| D Capital Funding      | Spatial Budget Mix: High-level and increasing capital budget allocation to the IZ/s from all metro funding sources                                    | No evidence of capital funding allocations to the IZ/s from multiple funding                                    | Some evidence of capital funding allocations to the IZ/s from               | High-level and increasing capital budget allocation to the IZ/s from all                               | L2 plus private and public sector investment alignment  |                 |                        |                      |
|                        | Spatial Budget Mix: High-level and increasing capital budget allocation to prioritised marginalised areas ito capital budget from all funding sources | No evidence of capital funding allocations to the marginalised areas from multiple funding sources              | Some evidence of capital funding allocations to the marginalised areas from | High-level and increasing capital budget allocation to the marginalised areas from all funding sources | L2 plus private and public sector investment alignment  |                 |                        |                      |
|                        | Spatial Budget Mix: High-level and increasing capital budget allocation to prioritised growth points ito capital budget from all funding sources      | No evidence of capital funding allocations to the growth areas from multiple funding sources                    | Some evidence of capital funding allocations to the growth areas from       | High-level and increasing capital budget allocation to the growth areas from all funding               | L2 plus private and public sector investment alignment  |                 |                        |                      |
|                        | Investment Strategy: investment strategy in place for intergovernmental pipeline  | No evidence or stated commitment to putting in place an investment strategy but limited evidence to this effect | Emerging investment strategy evident in the metro                           | Clear investment strategy for existing inter-governmental pipeline in place                            | L2 plus long-term financing strategy and plan providing a framework for project-level financing, including private sector borrowing & |                 |                        |                      |
| <b>Section D Total</b> |   |   |   |  |   | 0               |                        |                      |

|                                  |  | tin  | silver  | gold   | platinum   |               |                        |                      |
|----------------------------------|--|--|---|--|--|---------------|------------------------|----------------------|
|                                  |  | Zero Fulfillment   | Partial   | Fulfilled  | Exemplary  |               |                        |                      |
|                                  |  | No evidence of fulfillment of standard                                   | Tangible evidence of partial fulfillment of standard  | Tangible & complete evidence of fulfillment of standard                        | Exceeds standard   | Element Score | Qualitative Assessment | Support Requirements |
| BEPP Component                   | 2016/17 - 2018/19 Standards  | Level 0  | Level 1   | Level 2  | Level 3  |               |                        |                      |
|                                  |  | Score = 0  | Score = 1   | Score = 2  | Score = 3  |               |                        |                      |
| E Implementation                 | Land release strategy: approach to land release for top priority projects with land implications | No evidence of a land release strategy linked to top priority projects   | Clear strategy in place for land release for top priority projects; land release targets identified | Implementation of strategy for land release for top priority projects underway | L3 plus evidence of long-term alignment with the metro's LUMS with a spatially targeted approach |               |                        |                      |
|                                  | Procurement approach: procurement approach for top priority projects                             | No evidence of a specific procurement approach for top priority projects | Clear procurement strategy in place for top priority projects                                       | Implementation of procurement strategy for top priority projects underway      | L3 plus evidence of efficiencies generated in project implementation                             |               |                        |                      |
|                                  | Institutional arrangements: BEPP component city implementation structures in place               | No evidence of required implementation structures being put in place     | Some evidence of the necessary implementation structures being put in place                         | Necessary implementation structures in place                                   | L2 plus evidence of fast-tracked delivery of priority projects                                   |               |                        |                      |
|                                  | Institutional arrangements: BEPP component inter-governmental implementation structures in place | No evidence of required implementation structures being put in place     | Some evidence of the necessary implementation structures being put in place                         | Necessary implementation structures in place                                   | L2 plus evidence of fast-tracked delivery of priority projects                                   |               |                        |                      |
| <b>Component Section E Total</b> |  |  |   |  |  | <b>0</b>      |                        |                      |

|                            |  | tin   | silver  | gold   | platinum   |                 |                        |                      |
|----------------------------|--|---|---|--|--|-----------------|------------------------|----------------------|
|                            |  | Zero Fulfillment  | Partial   | Fulfilled  | Exemplary  |                 |                        |                      |
|                            |  | No evidence of fulfillment of standard  | Tangible evidence of partial fulfillment of standard                              | Tangible & complete evidence of fulfillment of standard              | Exceeds standard   | Component Score | Qualitative Assessment | Support Requirements |
| BEPP Component             | 2016/17 - 2018/19 Standards  | Level 0   | Level 1   | Level 2  | Level 3  |                 |                        |                      |
|                            |  | Score = 0   | Score = 1   | Score = 2  | Score = 3  |                 |                        |                      |
| <b>F. Urban Management</b> | Urban management: precinct management approach for IZ precincts & growth nodes                                       | No evidence of shift towards precinct management approach within the spatially  | Precinct management plans in place  | L1 plus precinct management plans being implemented                  | L2 plus precinct entities and partnerships set up  |                 |                        |                      |
|                            | Urban management: key land use management interventions  | No evidence of key land use interventions                                       | Proposed land use interventions proposed  | L1 plus land use interventions being implemented                     | L2 plus private and public sector investment   |                 |                        |                      |
|                            | Urban management: private sector investment approach, including alignment and restructuring proposals for incentives | No evidence of private sector investment approach                               | Private sector investment approach being developed                                | Implementation of private sector investment approach                 | L2 plus private sector investment leverage   |                 |                        |                      |
|                            | Transport management: transport operations and management approach to IZ routes                                      | No evidence of shift towards transport management approach within the spatially | Transport management plans in place for IZ routes                                 | L1 plus public transport development and management plans being      | L2 plus private sector investment leverage   |                 |                        |                      |
|                            | Institutional arrangements: precinct management entities in place and operational                                    | No evidence of precinct management arrangements or entities being established   | Evidence of steps being taken to set up precinct management arrangements/entities | Precinct management arrangements / entities in place and operational | L2 plus improved service delivery linked to the effective functioning of precinct management |                 |                        |                      |
| <b>Section F Total</b>     |  |   |   |  |  | 0               |                        |                      |

|  |   | tin  | silver  | gold  | platinum   |                 |                        |                      |
|--|---|--|---|---|--|-----------------|------------------------|----------------------|
|  |   | Zero Fulfillment   | Partial   | Fulfilled   | Exemplary  |                 |                        |                      |
|  |   | No evidence of fulfillment of standard   | Tangible evidence of partial fulfillment of standard                                    | Tangible & complete evidence of fulfillment of standard                                       | Exceeds standard   | Component Score | Qualitative Assessment | Support Requirements |
| BEPP Component                                   | 2016/17 - 2018/19 Standards   | Level 0  | Level 1   | Level 2   | Level 3  |                 |                        |                      |
|  |   | Score = 0  | Score = 1   | Score = 2   | Score = 3  |                 |                        |                      |
| G. Institutional Arrangements & Operating Budget | Coss-cutting Institutional arrangements:transversal city implementation structures in place                                 | No evidence of required transversal implementation structures being put in place | Some evidence of the necessary transversal implementation structures being put in place | Necessary transversal implementation structures in place                                      | L2 plus evidence of fast-tracked delivery of priority projects                         |                 |                        |                      |
|  | Coss-cutting Institutional arrangements:transversal inter-governmental implementation structures in place                   | No evidence of required transversal implementation structures being put in place | Some evidence of the necessary transversal implementation structures being put in place | Necessary transversal implementation structures in place                                      | L2 plus evidence of fast-tracked delivery of priority projects                         |                 |                        |                      |
|  | Consolidated operating budget: high-level description of the Operating Budget, with specific reference to the BEPP Sections | No evidence of a consolidated Operating Budget link to the BEPP                  | Evidence of partial operational budget links to the BEPP                                | Consolidated operating budget - high-level description of the budget with clear links to BEPP | L2 plus clear linkages between the Operating Budget, BEPP & other municipal planning & |                 |                        |                      |
| <b>Section G Total</b>                           |   |  |   |   |  | <b>0</b>        |                        |                      |

|                            |  | tin  | silver  | gold  | platinum  |                 |                        |                      |
|----------------------------|--|--|---|---|---|-----------------|------------------------|----------------------|
|                            |  | Zero Fulfillment   | Partial   | Fulfilled   | Exemplary   |                 |                        |                      |
|                            |  | No evidence of fulfillment of standard   | Tangible evidence of partial fulfillment of standard                      | Tangible & complete evidence of fulfillment of standard                     | Exceeds standard  | Component Score | Qualitative Assessment | Support Requirements |
| BEPP Component             | 2016/17 - 2018/19 Standards  | Level 0  | Level 1   | Level 2   | Level 3   |                 |                        |                      |
|                            |  | Score = 0  | Score = 1   | Score = 2   | Score = 3   |                 |                        |                      |
| H Reporting and Evaluation | Reporting & Evaluation: Consolidation of all the individual BEPP Sections into a Theory of Change  | No evidence of clear theory of change  | Emerging theory of change evident   | Consolidation of all the sections of the BEPP into a clear theory of change | L3 plus clear link between theory of change contained within the BEPP and other municipal strategic planning documents      |                 |                        |                      |
|                            | Built Environment Outcome Indicators: Alignment of the BEPP components with the outcome indicators | Failure to include required annexure with base-line data to the BEPP or template of indicators attached with no base-line or reasons for | Some / all indicators had either baseline data or reason for disagreement | L2 plus clear alignment of the BEPP components and the outcome indicators   | L3 plus evidence of alignment of other municipal strategic plans, e.g. IDP, SDF, infrastructure plans with the BEPP outcome |                 |                        |                      |
|                            | Reporting & Evaluation: Reporting on actuals from the previous BEPP                                | No reporting on actuals or base-line from previous BEPP  | Partial reporting on the actuals from the previous BEPP                   | Comprehensive reporting on actuals from the previous BEPP                   | L3 plus clear link between BEPP reporting on actuals and the metro's broader performance management                         |                 |                        |                      |
| <b>Section H Total</b>     |  |  |   |   |   | <b>0</b>        |                        |                      |

|  | tin   | silver   | gold  | platinum  |                 |                        |                      |
|--|---|--|---|---|-----------------|------------------------|----------------------|
|  | Zero Fulfillment  | Partial  | Fulfilled   | Exemplary   |                 |                        |                      |
|  | No evidence of fulfillment of standard  | Tangible evidence of partial fulfillment of standard                             | Tangible & complete evidence of fulfillment of standard   | Exceeds standard  | Component Score | Qualitative Assessment | Support Requirements |
| 2016/17 - 2018/19 Standards  | Level 0   | Level 1  | Level 2   | Level 3   |                 |                        |                      |
|  | Score = 0   | Score = 1  | Score = 2   | Score = 3   |                 |                        |                      |
| Comprehensive CSIP in place for the metro  | No evidence of a CSIP   | Elements of a CSIP in place  | Comprehensive CSIP in place   | implementation underway   |                 |                        |                      |
| There is close match between gaps in the BEPP and Support Projects that have been requested by the metro, or CSIP projects that are offered to the metro | There is little alignment between BEPP support needs and support requested or offered | The support needs identified in the BEPP fully match the city's support projects | L2 plus the City is able to indicate how the support is contributing to an improved BEPP instrument | L3 plus support needs are tangibly changing as BEPP and BEPP implementation is maturing |                 |                        |                      |
| <b>BEPP Support Total</b>  |   |  |   |   | 0               |                        |                      |

|  |                 |                           |                                  |              |                       |                |  | Component Scoring System               |  |   |                  |
|--|-----------------|---------------------------|----------------------------------|--------------|-----------------------|----------------|--|--|--|---|------------------|
|  |                 |                           |                                  |              |                       |                |  | tin                                    | silver   | gold  | platinum         |
|  |                 |                           |                                  |              |                       |                |  | Zero Fulfillment                       | Partial Fulfillment                                  | Fulfilled   | Exemplary        |
|  |                 |                           |                                  |              |                       |                |  | No evidence of fulfillment of standard | Tangible evidence of partial fulfillment of standard | Tangible & complete evidence of fulfillment of standard | Exceeds standard |
| BEPP Component   | Component Score | No. of Component Elements | Maximum Component Score Possible | Unweighted % | Component Weighting % | Weighted Score | Component Classification: tin / silver / gold / platinum | Level 0                                | Level 1  | Level 2   | Level 3          |
| Section A: Introduction                                | 0               | 2                         | 6                                | 0.0%         | 3                     | 0.0            | tin  | 0                                      | 1 - 2  | 3 - 4   | 5 - 6            |
| Section B: Spatial Planning and Project Prioritisation | 0               | 12                        | 36                               | 0.0%         | 25                    | 0.0            | tin  | 0 - 9                                  | 9 - 19   | 20 - 29   | 30 - 36          |
| Section C: Intergovernmental Project Pipeline          | 0               | 8                         | 24                               | 0.0%         | 30                    | 0.0            | tin  | 0 - 5                                  | 6 - 11   | 12 - 19   | 20 - 24          |
| Section D: Capital Funding                             | 0               | 4                         | 12                               | 0.0%         | 8                     | 0.0            | tin  | 0 - 1                                  | 2 - 4  | 5 - 8   | 9 - 12           |
| Section E: Implementation                              | 0               | 4                         | 12                               | 0.0%         | 10                    | 0.0            | tin  | 0 - 1                                  | 2 - 4  | 5 - 8   | 9 - 12           |
| Section F: Urban Management                            | 0               | 5                         | 15                               | 0.0%         | 12                    | 0.0            | tin  | 0 - 2                                  | 3 - 6  | 7 - 11  | 12 - 15          |
| Section G: Institutional Arrangements & Operating      | 0               | 3                         | 9                                | 0.0%         | 7                     | 0.0            | tin  | 0 - 2                                  | 2 - 4  | 5 - 6   | 7 - 9            |
| Evaluation   | 0               | 3                         | 9                                | 0.0%         | 5                     | 0.0            | tin  | 0 - 2                                  | 2 - 4  | 5 - 6   | 7 - 9            |
| <b>Total Score</b>                                     | <b>0.00</b>     | <b>41</b>                 | <b>123</b>                       | <b>0.0%</b>  | <b>100</b>            | <b>0.0</b>     | <b>tin</b>   | <b>0 - 19</b>                          | <b>20 - 39</b>                                       | <b>40 - 69</b>  | <b>70-100</b>    |

## **Annexure B: Consolidated List of Catalytic Projects 2016/17**

The list of catalytic projects extracted from the BEPPs 2016/17 MTREF may be found in Folder 1: Consolidated Report and the filename is Annexure B Catalytic Projects [Support Documents for Consolidated Evaluation of BEPPs 2016/17](#)

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## Annexure C: Built Environment Outcome Indicators

| Category           | Indicator short name   | New code | Built environment function | Indicator source                         | Frequency of reporting | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|--------------------|--|----------|----------------------------|--|------------------------|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                    |  |          |                            |  |                        |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
| Well-governed city | Debt : Total Operating Revenue   | WG3      | Financial Management       | National Treasury - Section 71 reporting | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Non-grant capital as a percentage of total capital expenditure city-wide             | WG11     | Financial Management       | National Treasury - Section 71 reporting | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Capital expenditure budget implementation indicator                                  | WG12     | Financial Management       | National Treasury - Section 71 reporting | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Collection rate  | WG4      | Financial Management       | National Treasury - Section 71 reporting | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Net debtors days   | WG6      | Financial Management       | National Treasury - Section 71 reporting | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Repairs and Maintenance as a % of Property, Plant and Equipment, Investment Property | WG5      | Financial Management       | National Treasury - Section 71 reporting | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |

| Category           | Indicator short name  | New code | Built environment function    | Indicator source                                     | Frequency of reporting   | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|--------------------|---|----------|-------------------------------|--|--|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                    |   |          |                               |  |  |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
| Well-governed city | Own source revenue collected per high income household  | WG10     | Financial Management          | National Treasury - Section 71 reporting and StatsSA | Annual   |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Total value of irregular, fruitless and wasteful expenditure identified by Auditor General, as a percentage of operating budget                               | WG2      | Financial Management          | Office of the Auditor General                        | Annual   |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Audit Opinion by the Auditor General  | WG1      | Governance and Administration | Office of the Auditor General                        | Annual   |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Voter turnout as a percentage of registered voters for all elections in municipal area  | WG9      | Participation                 | Independent Electoral Commission                     | 5 yearly reporting based on national and local government election years |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | The budgeted amount of municipal capital expenditure for catalytic infrastructure projects contained in BEPP, as a percentage of the municipal capital budget | WG8      | Project Finance               | City / National Treasury Section 71                  | Annual   |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Value of catalytic infrastructure projects as listed in the BEPP at financial closure as a % of total MTREF capex budget value                                | WG7      | Project Finance               | City / National Treasury Section 71                  | Annual   |               |          |         |         |         |         |         |         |         |         |  |  |

| Category           | Indicator short name   | New code | Built environment function               | Indicator source                           | Frequency of reporting | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|--------------------|--|----------|--|--|------------------------|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                    |  |          |  |  |                        |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
| Well-governed city | Hectares approved for future development outside the 2015 urban edge as a percentage of Hectares allocated for future development as defined by the 2015 SDF | CC1      | Spatial Planning and Land Use Management | City land use approvals department         | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Number of land use applications processed in integration zones as a percentage of the total number of land use applications submitted city-wide.             | CC2      | Spatial Planning and Land Use Management | City land use applications department      | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Number of building plan applications processed in integration zones as a percentage of the total number of building plan applications city-wide              | CC3      | Spatial Planning and Land Use Management | City building plan applications department | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Area of vacant developable erven in integration zones as a percentage of area of vacant developable erven city wide.   | CC4      | Spatial Planning and Land Use Management | City spatial planning                      | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Well-governed city | Percentage change in the value of privately owned buildings completed in Integration Zones   | WG13     | Spatial Planning and Land Use Management | City                                       | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city     | Percentage of city-wide population within a 10 km of a local library   | IC15     | Community Facilities                     | City GIS and Stats SA                      | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city     | Percentage of city-wide population within a 5 km of a clinic   | IC16     | Community Facilities                     | City GIS and Stats SA                      | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city     | Percentage of city-wide population within a 5 km of a primary school   | IC17     | Community Facilities                     | City GIS and Stats SA                      | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |

| Category       | Indicator short name   | New code | Built environment function               | Indicator source                         | Frequency of reporting | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|----------------|--|----------|--|--|------------------------|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                |  |          |  |  |                        |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
| Inclusive city | Percentage of city-wide population within a 15 km of a Thusong service centre  | IC18     | Community Facilities                     | City GIS and Stats SA                    | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Percentage of city-wide population within a 5 km of an Early Child Development centre  | IC19     | Community Facilities                     | City GIS and Stats SA                    | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Percentage of city-wide population within a 5 km of a secondary school   | IC20     | Community Facilities                     | City GIS and Stats SA                    | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Percentage of city-wide population within a 30 km of district hospital.  | IC21     | Community Facilities                     | City GIS and Stats SA                    | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Informal dwellings in integration zones that have been upgraded, as a percentage of all informal dwellings in integration zones. | IC6      | Housing                                  | City and Department of Human Settlements | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Ratio of housing types in integration zones  | IC3      | Housing                                  | Stats SA GHS                             | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Ratio of housing tenure status in integration zones  | IC4      | Housing                                  | Stats SA GHS                             | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | New subsidised units developed in Brownfields developments as a percentage of all new subsidised units city-wide                 | IC1      | Housing                                  | City and Department of Human Settlements | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Gross residential unit density per hectare within integration zones  | IC2      | Spatial Planning and Land Use Management | City GIS                                 | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |

| Category       | Indicator short name   | New code | Built environment function               | Indicator source                         | Frequency of reporting | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|----------------|--|----------|--|--|------------------------|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                |  |          |  |  |                        |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
| Inclusive city | Ratio of land use types (residential, commercial, retail, industrial) in integration zones   | IC5      | Spatial Planning and Land Use Management | City land use planning                   | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Capital expenditure on integrated public transport networks as a percentage of the municipal capital expenditure   | IC9      | Transport                                | National Treasury - Section 71 reporting | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Number of all dwelling units within Integration Zones that are within 500 metres of access points to the integrated public transport system as a percentage of all dwelling units within Integration Zones | IC7      | Transport                                | City GIS                                 | Every three years      |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Percentage share of household income spent on transport costs for different household income quintiles city-wide   | IC8      | Transport                                | Stats SA GHS                             | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Average weekday peak hour commuting time of passengers via the public transport system city-wide   | IC10     | Transport                                | Stats SA GHS                             | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Percentage of commuters (city-wide) using private motorised transport  | IC12     | Transport                                | Stats SA GHS                             | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Percentage of all passenger trips that use the same ticketing system   | IC13     | Transport                                | City transport authority or department   | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city | Number of reported accidents involving cyclists and pedestrians city-wide per 100 000  | IC14     | Transport                                | Stats SA / SAPS                          | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |

| Category        | Indicator short name  | New code | Built environment function | Indicator source                                 | Frequency of reporting | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|-----------------|---|----------|----------------------------|--|------------------------|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                 |   |          |                            |  |                        |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
|                 | population  |          |                            |  |                        |               |          |         |         |         |         |         |         |         |         |  |  |
| Inclusive city  | Average weekday peak hour commuting time of passengers from home to work or educational institution   | IC11     | Transport                  | Stats SA GHS                                     | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Productive city | Productive GVA of the single metro as a percentage of national productive GVA   | PC1      | Economic Development       | City / Agency / Stats SA                         | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Productive city | Productive GVA for a single metro per economically active person as a % of the national productive GVA per economically active person.                              | PC2      | Economic Development       | Agency / Stats SA                                | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Productive city | Commercial and industrial rateable value for a single metro as a percentage of commercial and industrial rateable value of all metros.                              | PC3      | Economic Development       | Cities' valuation departments                    | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Productive city | Commercial and industrial rateable value within integration zone for a single metro as a % of overall commercial and industrial rateable value for that same metro. | PC4      | Economic Development       | City valuation department                        | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Productive city | Megawatt hours of electricity consumed as a percentage of GVA for single metro as a percentage of the corresponding ratio for all metros                            | PC5      | Economic Development       | Cities' electricity departments / Eskom / Agency | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |

| Category                         | Indicator short name  | New code | Built environment function | Indicator source  | Frequency of reporting | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|----------------------------------|---|----------|----------------------------|---|------------------------|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                                  |   |          |                            |   |                        |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
| Productive city                  | Megalitres of bulk water supplied as a percentage of GVA for single metro as a percentage of the corresponding ratio for all metros | PC6      | Economic Development       | Department of Water and Sanitation / City water department / Water Board / Agency | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Productive city                  | Tons of solid waste to landfill as a percentage of GVA for single metro as a percentage of the corresponding ratio for all metros   | PC7      | Economic Development       | City solid waste department/ Agency   | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Energy consumed by municipal buildings and municipal fleet  | SC1      | Electricity/energy         | City energy, city electricity or climate change department                        | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Annual amount of electricity bought from renewable sources as a percentage of all electricity bought                                | SC2      | Electricity/energy         | City electricity or climate change department                                     | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Number of Solar Water Heater subsidies paid out   | SC3      | Electricity/energy         | City energy department or project management office                               | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |

| Category                         | Indicator short name   | New code | Built environment function | Indicator source  | Frequency of reporting | Baseline year | Baseline | Targets |         |         |         |         |         |         |         |  |  |
|----------------------------------|--|----------|----------------------------|---|------------------------|---------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|--|--|
|                                  |  |          |                            |   |                        |               |          | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/20 |  |  |
| Environmentally sustainable city | Non-revenue electricity as a percentage of electricity purchased   | SC7      | Electricity/energy         | National Treasury - Section 71 reporting                        | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Tonnes of domestic waste sent to landfill per capita   | SC8      | Solid Waste                | City solid waste department                                     | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Tonnes of commercial and industrial waste sent to landfill per GLA of commercial and industrial property | SC9      | Solid Waste                | City solid waste department / city land use planning department | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Green drop score for municipality  | SC4      | Water & Sanitation         | Department of Water and Sanitation                              | Every two years        |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Blue drop score for the municipality   | SC5      | Water & Sanitation         | Department of Water and Sanitation                              | Every two years        |               |          |         |         |         |         |         |         |         |         |  |  |
| Environmentally sustainable city | Percentage of non-revenue water produced   | SC6      | Water & Sanitation         | Department of Water and Sanitation                              | Annual                 |               |          |         |         |         |         |         |         |         |         |  |  |

## Annexure D: Outline of Guidelines for BEPPs 2017/18 MTREF

| Sub-Section of BEPP                                   | Key Content Requirement   | Focus for 2017/18 MTREF  |
|---|---|--|
| <b>A. Introduction</b>                                |   |  |
| <b>BEPP in relation to other Statutory Plans</b>      | <p>Standardised section on Role of the BEPP,</p> <p>A list of the documents and references used in compiling the BEPP, and a statement confirming the adoption of the BEPP by Council with a copy of the Council Resolution in Annexure.</p>  | <p>Provide definition of TOD and clarify purpose of BEPP (less focus on BE grants and more on planning approach and TOD). Results-based f/w to bring together</p> <ul style="list-style-type: none"> <li>• Monitoring and Reporting F/W</li> <li>• Planning F/W</li> <li>• Budgeting FM</li> </ul>                               |
| <b>B. Spatial Planning and project prioritisation</b> |   |  |
| <b>B1 Spatial Targeting</b>                           | <p>Spatial Development Strategy</p> <ul style="list-style-type: none"> <li>• Urban Network identification and prioritisation of Integration Zones</li> <li>• Marginalised areas (Informal settlements, Townships and Inner City Areas) identification and prioritisation</li> <li>• Growth nodes (commercial and industrial) identification and prioritisation</li> </ul> | <div style="display: flex; align-items: center;"> <div style="font-size: 2em; margin-right: 10px;">}</div> <div> <p>Refinement and prioritisation</p> <p>Guidelines for Integration Zone Strategy</p> <p>Informal settlement upgrading strategy and indicators</p> </div> </div> <p>ED Component to have planning workshop/s</p> |

| Sub-Section of BEPP Institutional Arrangements and Operating Budget | Key Content Requirements (Strategic Operational)   | JT – Exec Leadership? Focus for 2017/18 MTREF  |
|---|--|--|
| <b>B2 Local Area planning</b>                                       | <ul style="list-style-type: none"> <li>Leadership, good governance and planning</li> <li>Integration Zone plans, precinct plans and local area plans; for the 3 spatial targeting categories (See B1):</li> </ul>  | <p>Prov Gov champions identified for alignment of pov infrastructure</p> <p>For Priority Integration Zone</p>  |
| <b>B3 Project Preparation</b>                                       | <ul style="list-style-type: none"> <li>Project preparation for key, non-standard, complex projects and for projects that require external financing</li> <li>Fiscal impact assessments/Capital Projects Assessment by National Treasury for selected projects</li> </ul> | <p>Apply rigour of Intervention Logic to test categorisation of projects on list</p> <p>Track registered projects</p>  |
| <b>B4 Institutional Arrangements and Operating Budget</b>           | <ul style="list-style-type: none"> <li>Planning alignment between BEPP, IDP and SDF</li> <li>As per B2, including the private real estate and finance sectors</li> </ul>   | <p>Declare Integration Zones, marginalised areas, informal settlements and Economic nodes as Special Development Zones using SPLUMA and incorporate into new SDF and IDP. Also catalytic projects. National Treasury and COGTA supported by DRDLR to target new Council Lekgotlas to ensure this happens</p> |
| <b>C1 Intergovernmental pipeline</b>                                | <ul style="list-style-type: none"> <li>Prioritised projects for each of the 3 spatial targeting categories (See B1)</li> <li>High level cost estimates for all projects</li> </ul>   | <p>Revise format to clearly differentiate projects across spheres by:-</p> <ul style="list-style-type: none"> <li>Integration Zones,</li> <li>Marginalised areas, informal settlements</li> <li>Economic nodes</li> </ul> <p>Budget process 2017/18 (urban spatial perspective) to support this table.</p>   |

public (e.g. SAPS)

Add SANRAL into SOC stakeholder list

- Risk mitigation strategies
- Operating budget implications
- City Support Implementation Plan

| Section of BEPP   | Key Content Requirement   | Focus for 2017/18 MTREF                                   |
|---|---|---|
| <b>D. Capital Funding</b>                                 |   |   |
| <b>D1 Spatial Budget Mix</b>                              | <ul style="list-style-type: none"><li>• High level allocation of capital budget to each of the 3 spatial targeting categories in terms of total capital budget from all funding sources (see B1)</li></ul>  | Provide table to clarify how this is done                 |
| <b>D2 Investment strategy</b>                             | <ul style="list-style-type: none"><li>• Investment strategy for intergovernmental project pipeline</li><li>• Leadership, good governance and planning (strategic &amp; operational)</li></ul>   | Add from DBSA Evaluation done for 2016/17 BEPP Evaluation |
| <b>D3 Institutional Arrangements and Operating Budget</b> | <ul style="list-style-type: none"><li>• Inter-sectoral municipal &amp; consultation with PG, SOE's &amp; National Departments responsible for asset creation for service delivery directly to the public (e.g. SAPS)</li><li>• Risk mitigation strategies</li><li>• Operating budget implications</li></ul> |   |

- City Support Implementation Plan

## E. Implementation

### E1 Land release strategy

- Approach to land release for top priority projects with land implications

### E2 Procurement approach

- Procurement approach for top priority projects
- Leadership, good governance and planning (strategic & operational)

### E3 Institutional Arrangements and Operating Budget

- Inter-sectoral municipal & consultation with PG, SOE's & National Departments responsible for asset creation for service delivery directly to the public (e.g. SAPS)
- Risk mitigation strategies
- Operating budget implications
- City Support Implementation Plan

| Section of BEPP   | Key Content Requirement  | Focus for 2017/18 MTRFF   |
|---|--|---|
| <b>G. Institutional Arrangements &amp; Operating Budget</b> |  |   |
| <b>F1 Urban Management</b>                                  | <ul style="list-style-type: none"> <li>Institutional arrangements that do not form part of a specific BEPP Section</li> <li>Precinct management approach for Integration Zone precincts and Growth Nodes.</li> <li>Highlighting the linkages between institutional arrangements for specific BEPP Sections and key land use management interventions and the implications thereof</li> </ul> | Guidelines for Precinct Management  |
| <b>G1 Cross Cutting Institutional Arrangements</b>          |  |   |
| <b>F1 Urban Management</b>                                  |  |   |
| <b>G2 Consolidated Operating Budget</b>                     | <ul style="list-style-type: none"> <li>Private sector investment approach, including high-level description of the Operating Budget with specific reference to the BEPP incentives</li> <li>Transport management approach to Integration Zone routes</li> </ul>  | <p>Definition of TOD;</p> <p>Public transport has a key role to play in spatial transformation using tools such as the Consolidated Integrated Transport Plans (CITPs). CITPs if correctly done allow for city level integration of infrastructure build and service intensity for different modes including those related to provincial bus services and PRASA. At a precinct level TOD can be a key driver of spatial transformation. Cities should therefore firstly, have credible CITPs, and secondly, these should be key informants to spatial transformation strategies in the BEPP, particularly those dealing with TOD.</p> |
| <b>F2 Transport management</b>                              |  |   |
| <b>F3 Institutional Arrangements and Operating Budget</b>   | <ul style="list-style-type: none"> <li>Precinct management entities</li> <li>Linkage between municipal service delivery and precinct management entities</li> </ul>  |   |

Sections

**H. Reporting & Evaluation**

- Consolidation of all the individual BEPP Sections into a Theory of Change
- Progression Model / Evaluation Framework with improved criteria for evaluation

**H1 Reporting and Evaluation**

- B E Indicators

BE Indicators with baselines

DRAFT