



CITY OF
TSHWANE
IGNITING EXCELLENCE

CITY OF TSHWANE

BUILT ENVIRONMENT PERFORMANCE PLAN



Sub-Section A – Introduction

Draft
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LIST OF ACRONYMS

BEPP	Built Environment Performance Plan
CAPEX	Capital Expenditure
CaPS	Tshwane's Capital Planning and Prioritisation System
CBD	Central Business District
CIF	Capital Investment Framework
CITP	Comprehensive Integrated Transport Plan
COT	City of Tshwane
DIPS	Development Intervention Portfolios
DORA	Division of Revenue Act (2 of 2013)
FDI	Foreign Direct Investment
GCR	Global City Region
GGMP	Gauteng Growth Management Perspective
GPG	Gauteng Provincial Government
GSDF	Gauteng Spatial Development Framework
ICDG	Integrated City Development Grant
IDP	Integrated Development Plan
IRPTN	Integrated Rapid Public Transport Network
LSDF	Local Spatial Development Framework
MCA	Multi-Criteria Analysis
MFMA	Municipal Financial and Management Act (56 of 2003)
MSA	Municipal Systems Act (32 of 2000)
MSDF	Metropolitan Spatial Development Framework
MTEF	Medium Term Expenditure Framework
MTREF	Medium Term Revenue and Expenditure Framework
NSDP	National Spatial Development Perspective
OPEX	Operational Expenditure
RSDF	Regional Spatial Development Framework
SAF	Strategic Area Framework
SDBIP	Service Delivery and Budget Implementation Plan
SIP	Strategic Infrastructure Project
SOCA	State of the City Address
SPLUMA	Spatial Planning and Land Use Management Act (13 of 2013)
TOD	Transit Oriented Development



TRT Tshwane Rapid Transit System
UDF Urban Development Framework
USDG Urban Settlements Development Grant

A Introduction

A.1 Statutory Status of the BEPP

This document serves as the Draft 2018/2019 Built Environment Performance Plan (BEPP) and is thus in process of being adopted by the City of Tshwane. The Draft 2018/2019 BEPP will be presented for comments after which a final draft will be compiled in preparation for the Mayoral Committee for approval, where after it will be submitted to the Municipal Council for adoption.

A.2 List of Reference Documents

The following reference documents were consulted during the development of this document:

- National
 - National Spatial Development Perspective (NSDP, 2009)
 - National Integrated Urban Development Framework (NIUDF, 2016)
 - Spatial Planning and Land Use Management Act (SPLUMA 2013)
- Provincial
 - Gauteng Spatial Development Framework (GSDF) (2011)
 - Gauteng Spatial Development Framework (GSDF) (2015)
 - Gauteng Provincial Government Multi-Pillar Programme of Radical Transformation
- Municipal
 - Built Environment Performance Plans Guidance Note 2018/19 MTREF
 - Tshwane Integrated Development Plan (IDP) 2017/21 (Draft, 2018/19)
 - Tshwane Service Delivery Budget Implementation Plan (SDBIP)
 - Metropolitan Spatial Development Framework (SDF, 2012)
 - Planning Policy for Tshwane Rapid Transit (TRT)
 - Integrated Rapid Public Transport Network (IRPTN)
 - Land Use – Transport Integration Plan
 - City of Tshwane (CoT) Spatial Atlas (Demographics)
 - CSIR Urban Sim Results (CSIR, 2017)
 - City of Tshwane Capital Expenditure Framework
 - Sustainable Human Settlements Plan, 2014

A.3 The Role of the BEPP in relation to other Statutory Plans, Municipal Planning Methodology and Internal processes

Spatial planning and land use management is primarily a municipal function in terms of SPLUMA and the precedent-setting ruling of the Constitutional Court (2010). The BEPP Guidelines do not take over the municipal function of spatial planning and land use management. They seek to work collaboratively with metropolitan municipalities to share good practice, within the context of efforts by the national government to introduce a more enabling policy and regulatory environment to achieve more compact cities. The planning alignment and reform advocated by the BEPP Guidelines (and its inherent approach, tools and instruments) are part of package of reforms complemented by national regulatory, fiscal, monitoring and reporting reforms.

The role of the BEPP is to summarise and culminate the outcomes of a multitude of spatial planning documents within the municipality and that these plans ensure that the implementation on the ground is guided by a strategic, spatial, financial and social logic. The said documents are informed by national and provincial strategies and policies and those at city level, namely, IDP, MSDF, RSDF and other departmental strategies. Collectively these plans have a spatial imperative that the city uses to guide investment and development in order to realise short, medium and long-term goals.

The BEPP serves not only as performance evaluation mechanism, but also as a rationale towards capital investment planning that provides business intelligence, data validation, project synchronisation and prioritisation. This fundamental element of a municipality¹ – its planning and investment rationale - is guided, managed and finally implemented through means of a numerous processes guided by many more legislative frameworks, guidelines, toolkits, and circulars, each related to a specific component of the municipal planning and implementation process essentially described in the Integrated Development Plan.

The simultaneous management of the said processes together with processes relating to strategic analysis and planning, best scenario identification, phasing and implementation, as well as monitoring and readjusting; is an extremely complex process. To rationally and reasonably manage and facilitate such a process, the City has implemented the Tshwane Capital Planning System (CaPS), which is the planning and decision support tool which systemise all of the mentioned processes into one manageable and navigable system.

The role of the BEPP is therefore to report on the status quo of these processes within the City. In order to facilitate logical and rationally based reporting, the 2018/2019 BEPP submission will be structured according to the process flow of CaPS. This process flow can be explained at the hand of two somewhat identical processes – namely the typical planning process and the process suggested by the Built Environment Performance Plan Guidelines- which are the building blocks of the engine of the municipality namely CaPS.

¹ The element which enables any other element

A.4 Legislative Context and Alignment

A.4.1 BEPP Origin

The BEPP, as required under the legislation contained in the Division of Revenue Act (DORA) of 2016 was first introduced in the 2011/12 financial year as an eligibility requirement in respect of the Urban Settlements Development Grant (USDG). The BEPP since became a key eligibility requirement for the Integrated City Development Grant (ICDG), the Urban Settlements Development Grant (USDG), the Public Transport Infrastructure Grant (PTIS), the Neighbourhood Development Partnership Grant (NDPG), the Integrated National Electrification Grant (INEP), and the Human Settlements Development Grant (HSDG).

A.4.2 BEPP Context

The content of this Tshwane 2018 BEPP was built based on the guidance as provided by National Treasury as contained in the Guidance Note for the BEPP 2018/19-2020/21.

The guidelines provided by National Treasury inform that the BEPP is a response to the challenge of misalignment of planning and the weak linkage between monitoring, planning and budgeting frameworks. It sits within the municipal planning system and bridges the gap between planning intention and implementation programmes and corresponding resource allocation, within a clear outcome led approach consistent with higher order plans and their governing legislation in the system.

Under the strategic direction that will be provided by the City's new leadership, a refinement and revision of this work has commenced, allowing for a refreshed BEPP to be tabled for the 2018/19 financial cycle.

A.4.3 BEPP Alignment

The municipal process is cyclical process, where outputs of the one year's planning and budgeting cycle informs the following year's planning and budgeting cycle. Given this interaction between planning, budgeting, implementation and then back to planning again it is clear and obvious that the BEPP informs the IDP, MSDF and CIF but at the same time uses the IDP, MSDF and CIF outputs to report in terms of progress and performance in that financial year followed by a strategic direction for the next financial year.

The City has identified Strategic Spatial Targeting Areas in which Catalytic Urban Development Programmes are driven. These Priority Investment areas (referred to as BEPP Priority Areas) will be discussed in further detail in Section 2: Spatial Planning and Targeting.

In parallel importance to the City, the City recognises the Urban Network Structure (UNS) as discussed in the BEPP guidelines and has consequently identified Urban Structuring Elements such as Integration Zones, Urban Cores and Underserved Townships. Through different planning mechanisms such as densities, land use management strategies etc. the City enforce the strategic guidance provided via the IDP and MSDF.

A.5 Approach and Planning Method

A.5.1 Contextualisation

The simultaneous and ongoing process of strategic analysis and planning, best scenario identification, phasing and implementation, as well as monitoring and readjusting is an extremely complex process, if not a wicked problem. Given the need for the ability to have a view on all the aforementioned processes, and the ability to adjust them as the realities of the changes, the City has decided to use the Capital Planning and Prioritisation Platform (CaPS), which is the planning and decision support tool ensuring that capital projects within the city are evaluated according to amongst others quantitative, qualitative and spatial transformation criteria as part of the formulation of the annual developmental (capital) budget.

To understand the City's approach and planning methodology the, CaPS platform will be described at the hand of the following two processes (which are identical in nature):

- Classing Planning Process; and
- 2018/2019 BEPP Guidelines Process.

A.5.1.1 Classic Planning Process

The classic planning process² typically used to draft, develop and maintain a spatial planning framework can be expressed as per the figure below:

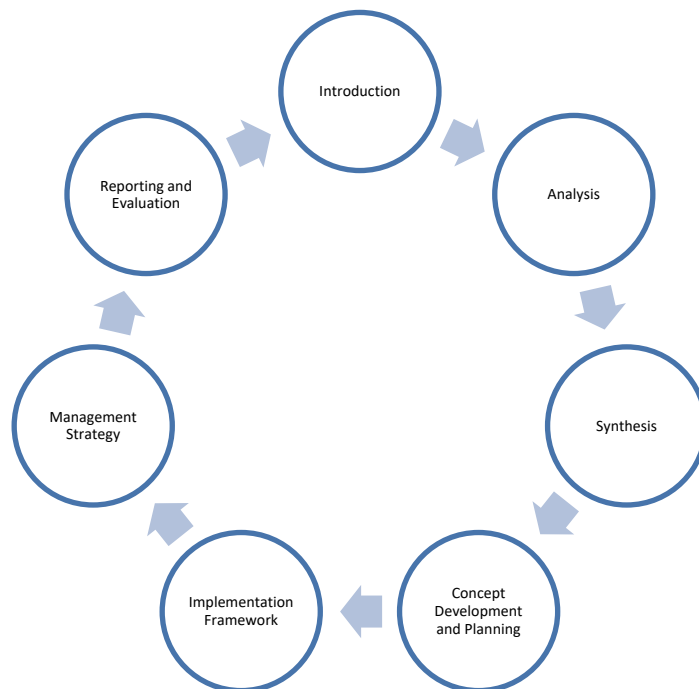


Figure A-1:Classic Planning Process

² Specific reference to Spatial Strategic Planning

The planning process typically start with an introduction to a problem which frames the rest of the strategy. Without the introductory problem statement, the rest of the document serves no purpose. The introductory statement sets up the framework in which an analysis will be done. The analysis phases then commence.

Analysis, in the strategic planning environment, usually aims to determine the status quo of the subject area. It is used to identify a supply and demand within the area and serves as a rationale for further intervention. Elements typically used to analyse in this regard relates to the physical characteristics, the socio-economic details, the institutional arrangements and frameworks governing the said area and the environmental realities of the subject area.

Once the analysis has been done, a synthesis process initiates and finalises – showing areas of most importance and least importance to the analyst. Given the complexity of a multi-attribute understanding in space and time, a synthesis serves as a summarised version of the analysis – showing only areas of importance to the strategic planner. The synthesis then feeds into concept development and planning.

Concept Development and Planning is done based on the available mechanisms. It is in this section that proposals are made, based on the analysis undertaken, in order to address the undesirable results of the analysis and thus solving the problem statement described in the introduction. Concept Development and Planning is conceptual in nature and is thus not necessarily linked to detailed implementation. In order to define the finer details regarding the realisation of the Concept Development and Planning process, an Implementation Framework is developed. The workings between the Concept Development and Planning and Implementation Framework is iterative – in order to work towards the most sustainable and efficient intervention. To ensure the desired successful intervention a management strategy is developed that will guide not only Concept Development and Planning but also the Implementation Framework and will finally frame the elements used to evaluate performance.

The strategic planning cycle is concluded once reporting and evaluation has been done. Reporting and evaluation typically test progress and achievement of a strategic plan and then leads to recommendations regarding the development of the next strategic planning cycle.

A.5.1.2 2018/2019 BEPP Guidelines Process

The 2018/2019 BEPP Guidelines require the structure of the BEPP to specifically speak to the following topics:

- A. Introduction
- B. Spatial Planning and Targeting
- C. Catalytic Urban Development Programme and preparation
- D. Catalytic Urban Development Programme resourcing
- E. Implementation
- F. Urban Management
- G. Reporting and Evaluation

Each topic is dependent on the previous and insinuate a clear and logical planning and implementation framework and process whereas the problem statement is first depicted in the introduction, followed by an analysis process (spatial planning and targeting) to identify priority

areas of investment (synthesis). Once the priority areas have been identified, the 2018/2019 BEPP move on to identify the concept development process, where intervention in catalytic urban development programmes are investigated – with a specific focus on project preparation. The concept development process is then intimately linked to the next which refers to the resourcing of the identified and prepared projects which naturally lead to the implementation of the identified projects within the priority areas. In order to manage the developed portfolio, a chapter in the 2018/2019 BEPP is dedicated to the management of the specific targeted areas in order to determine whether the capital expenditure is being managed and utilised optimally. This then feeds into the reporting and evaluation framework of the 2018/2019 BEPP which will form the basis of the next cycle.

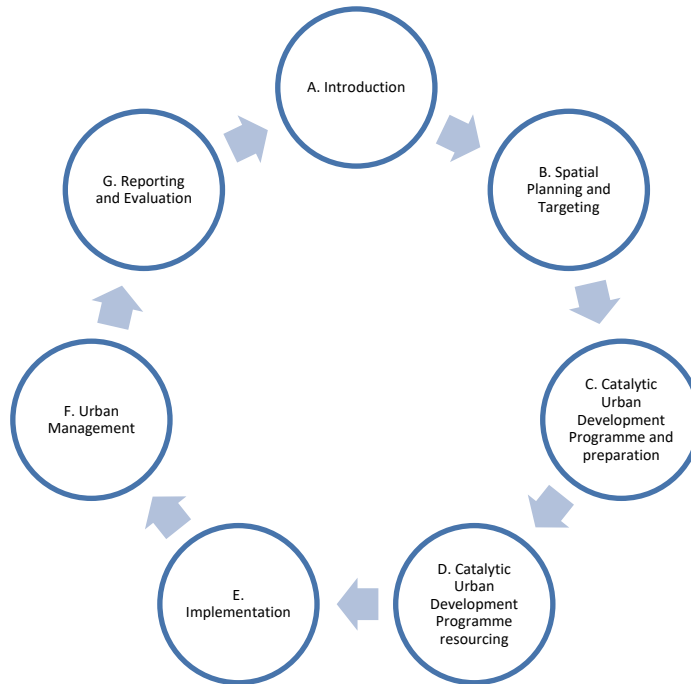


Figure A-2: 2018/2019 BEPP Guidelines Process

There is thus a direct correlation between the Classic Planning Process and the 2018/2019 BEPP Guidelines, as shown in the table below:

Table A-1: Classic Planning Process versus the 2018/2018 BEPP Guidelines

Classic Planning Process	2018/2019 BEPP Guidelines
A. Introduction	A. Introduction
B. Analysis & C. Synthesis	B. Spatial Planning and Targeting
D. Concept Development and Planning	C. Catalytic Urban Development Programme and preparation
	D. Catalytic Urban Development Programme resourcing
E. Implementation Framework	E. Implementation
F. Management Strategy	F. Urban Management
G. Reporting and Evaluation	G. Reporting and Evaluation

A.5.1.3 City of Tshwane Strategic Planning and Implementation Framework Process

The City's Capital Planning and Prioritisation Process correlates accurately with the Classic Planning Process as described previously as well as the 2018/2019 BEPP Guidelines. The figure below depicts the City's Planning and Prioritisation Process – otherwise referred to as the CaPS process.

The CaPS process enables the City to:

- Capture all Capital Expenditure demand together with all departments on one platform;
- Evaluate projects at the hand of various criteria – either quantitative or qualitative – again with inputs from all departments;
- Interact with other Public realm entities in a collaborative manner – through means of the IGR platform;
- Evaluate the Social and Economic impact of Capital Expenditure – based on standardised economic and social indicators;
- Relate Capex with various levels of governments' Strategic Outcomes – as per the various policy documents together with the IDP office;
- Prioritise projects based on a sophisticated prioritisation model – through means of a multi-criteria attribute model;
- Run a budget analysis in order to test various Capex scenarios - based on standardised indicators;
- Facilitate a budget fit process together with Finance in order to determine the best MTREF Capex budget for the City – annually; and
- Evaluate and report on a myriad of elements related to the Capital project book at any point in time such as CIDMS phasing, project scheduling, MSCOA.

It is because of this importance of CaPS, that the BEPP will be presented in terms of the different components of CaPS – which is essentially built to take into consideration and comply with various legislative requirements.

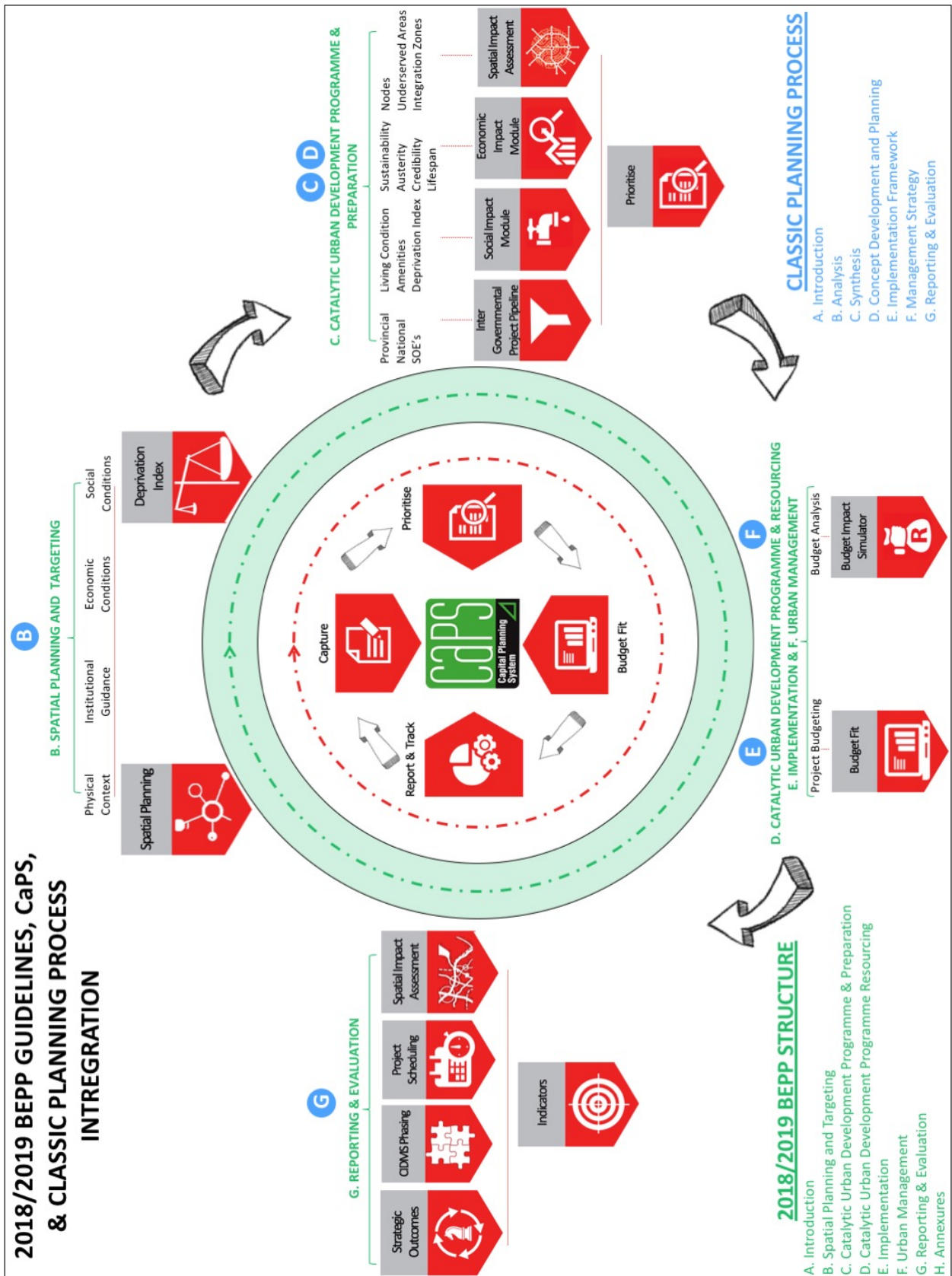


Figure A-3: Relationship of Spatial Planning Documents, enables and the municipal CaPS process

A.5.1.3.1 Introduction

The aim of the introduction is to set out the approach and process followed by the City. It also aims to describe the following:

- Statutory Status of the BEPP;
- The legislative framework that guides the rest of the process;
- Approach and Planning Methodology.

A.5.1.3.2 Spatial Planning and Targeting

A fundamental point of departure is to plan in recognition of, and with full visibility on, the spatial realities of the City. Not only are the spatial elements in terms of a multitude of planning approaches well mapped in terms of historical backlogs but forward looking spatial planning is also in an advanced stage of maturity. Evidence of this can be seen in the spatial transformation over time within the City's boundaries.

The focus on spatial alignment has been proven to significantly redirect and reshape the way in which the City is applying its capital expenditure to achieve a multitude of interwoven and interrelated goals and objectives. Most of these spatial realities focus on redressing the inequalities of the past in an integrated and sustainable way.

Various input factors are used to determine the spatial targeting areas. These input factors are the typical input factors that guides decision making within the Municipality and includes a myriad of quantitative and qualitative variables. The mentioned input variables range from strategic directions taken by the political powers that be – often expressed in a state of the city address or IDP, up to the technical strategic plans and deprivation indexes' depicting the real quantitative need for intervention in the City. Derived from the above mentioned is the integration zones – which are the spatially targeted areas in relation to the Urban Network Structure. The City's sophisticated prioritization model uses all of these input variables to differentiate projects based on certain attributes. The prioritization score is then used as an input variable for the Budget Fit process.

For further detail please refer to section B of the BEPP.

A.5.1.3.3 Catalytic Urban Development Programme and Preparation

The City defines Catalytic Urban Development projects as projects which are situated within the Integration Zones. Section B of the BEPP depicts the process of identifying the Integration Zones. This section dissects the City's Capital investment in terms of the Catalytic Urban Development showing the public-sector intervention with regards to the Integration Zones. This component of the process highlights the Inter-governmental project pipeline functionality and the possible benefits that can be derived from collaborative investment in space. For further detail please refer to section C of the BEPP.

A.5.1.3.4 Catalytic Urban Development Programme and Resourcing

Utilizing the outputs from the foregoing processes and tools which includes prioritization, budget fit and budget simulation the following elements are dealt with in terms of resourcing:

- A phased approach towards creation of a long-term financing strategy;
- A possible consolidated operational and capital resourcing plan; and
- The Spatial Budget Mix is presented.

For further detail please refer to section D of the BEPP.

A.5.1.3.5 Implementation

Once the “where we should do it?” and “what we should do?” and the “with what money should we do it?” questions are addressed in the previous sections, the CaPS process then facilitates budget and milestone planning per financial year, in terms of the guidance and requirements of the Standard for Infrastructure Procurement and Delivery Management (SIPDM). Project phasing is done in terms of the City Infrastructure Delivery and Management System (CIDMS). By utilizing these toolkits provided by National Treasury project phasing and implementation are facilitated.

For further detail please refer to section E of the BEPP.

A.5.1.3.6 Urban Management

Urban management deals with the “on the ground” workings within the precincts situated within the Integration Zones. The Urban Management section of the BEPP deal with precinct management planning, precinct management initiatives as well as the institutional arrangements in place.

For further detail please refer to section F of the BEPP.

A.5.1.3.7 Reporting and Evaluation

Reporting and evaluation is a crucial part in the CaPS process as it indicated whether the City’s initiatives as determined up to this point unlocks to desired and expected outcomes and targets. This section reports in terms of the Reporting and evaluation guidelines as set out in the 2018/2019 BEPP Guidelines.

For further detail please refer to section G of the BEPP.

A.6 Institutional Consolidation

A.6.1 BEPP Steering Committee

The City of Tshwane has established a BEPP Steering Committee³. This established institutional vehicles’ function is amongst others:

- to facilitate the collaboration of the BEPP;
- to represent the City at inter-governmental discussions;
- to facilitate intra-governmental coordination and development;
- to provide technical guidance in terms of the strategic direction of the City;
- To serve as the City’s Strategic Planning mechanism; and
- The maintenance and continuance of process of BEPP.

The Tshwane BEPP is being driven by the Economic and Spatial Development Department since 2014. This also entails the capturing of capital projects for the municipal MTREF since

³ As per the memorandum on 14 December 2017

2014 via CaPS. This is being done in close collaboration with the City's finance Department (Budget Office) and Strategies and performance Management Department. The true power of the BEPP will be utilised through strong institutionalized processes to achieve BEPP that is credible and owned by all strategic departments. To achieve this goal, the BEPP Steering Committee (BEPPSCO) shall have representative from the following departments:

- Economic development and Spatial Planning;
- Group Financial Services;
- Human Settlements;
- Utility Services;
- Roads and Transport;
- Environmental and Agricultural Management;
- City Strategy and Organisational performance;
- Regional operations and coordination;
- Community and social development services; and
- Health.

A.6.2 IDP Process Plan

The following summarised process plan is used by the City of Tshwane to guide performance targets and certain deliverables in order to guide project planning and capital expenditure.

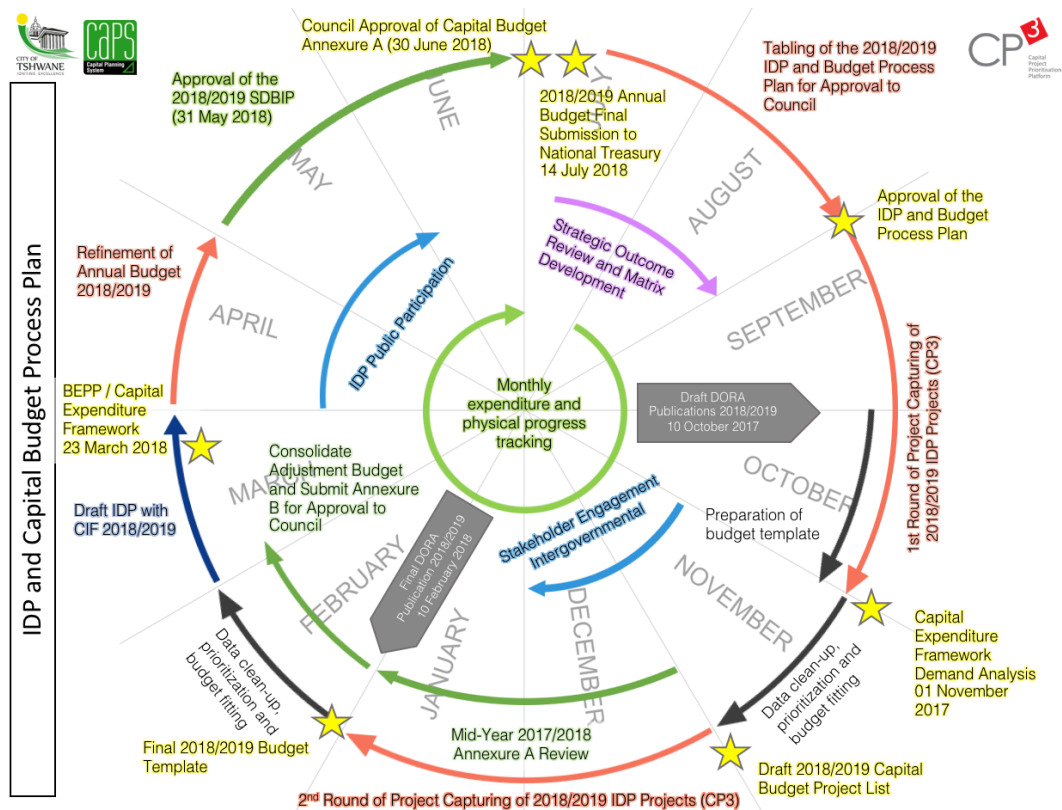


Figure A-4: IDP Process Plan