

DRAFT eTHEKWINI BUILT ENVIRONMENT PERFORMANCE PLAN

2019-20



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1 PLANNING ALIGNMENT FOR SPATIAL TRANSFORMATION

1.1 REASONS FOR THE BUILT ENVIRONMENT PERFORMANCE PLAN

The Built Environment Performance Plan (BEPP)¹:

- Focuses on the Built Environment in terms of spatial transformation;
- Aims to directly link planning and implementation; and
- Enables the release by National Sector Departments of major Built Environment Grants based on the formulation of a clear plan that shows how the metro is going to achieve spatial transformation of marginalised areas and promote economic growth.

1.1.1 BEPP IN RELATION TO OTHER STATUTORY PLANS

Especially in the current constrained fiscal context, metropolitan cities or metro's are nationally important in maintaining economic activity and stimulating new economic growth. On the social side, the Metro's are also nationally important because they are sites of major concentrations of social need. Increasing urbanisation will make metros even more important in the coming years. Spatial & economic transformation are national priorities and metros need to assume a strong role in both these areas.

To guide economic, social and environmental development, metro's use several high-order instruments, as well as numerous project-level instruments. The IDP and the SDF² cover high-order thematic, institutional, and spatial planning. The Budgets and SDBIP deal with financing the IDP and SDF, and they set targets and monitor performance. The linkages between these four

instruments tend to be weak. As a consequence, the outcomes and impacts that are sought at national or city level are often not fully achieved.

The BEPP is an attempt to address some, but not all, of those weak linkages, by collating the built environment aspects of the IDP, SDF, SDBIP, and Capital and Operating Budgets into a single line of sight. The BEPP has a long-term planning horizon to 2030, with intermediate milestones in 2020 and 2025.

1.1.2 APPROACH

The BEPP approach is to align, integrate and prioritise the spatial investment programs of the key sectors of the economy, transport and housing³. The BEPP is intended to be a reference point for municipal, provincial and national spheres and all key stakeholders to make informed decisions and investments in the built environment and for these role players to align their plans and budgets in support of positive metropolitan outcomes. This is the inter-governmental collaboration that is being sought through the BEPP.

1.1.3 SPATIAL MISMATCH OF POPULATION CONCENTRATIONS & EMPLOYMENT

eThekwini has a spatial mis-match between areas of employment and areas of residence. This mis-match is exaggerated for the marginalised poor sectors of society who live furthest away from the developed areas which contain the bulk of employment and social services & opportunities. The map below reflects this spatial reality. The racial bias of the spatial mis-match is elaborated on the maps below⁴ and shows that no significant spatial transformation has occurred in eThekwini as the legacy of apartheid spatial planning is still visible.

¹ Guidance Note for the Built Environment Performance Plan (BEPP) 2016-17 – 2018-19

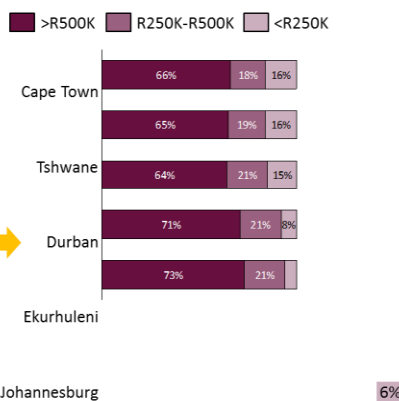
² As set out by Municipal Systems Act and SPLUMA

³ Guidance Note for the Built Environment Performance Plans for 2014-15. National Treasury. Nov 2013 UPDATE

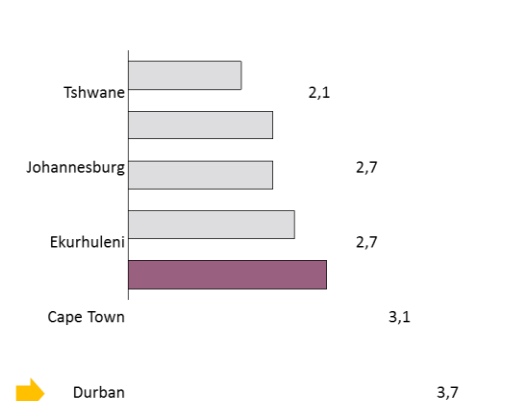
⁴ Source: Schensul, D., Heller, P., "Legacies, change, and transformation in the post-apartheid city: towards an urban sociological cartography" 2010 in Dalberg 100 Resilient Cities, 2016.

Durban also has the most expensive housing market relative to income (Dalberg, 2015) which makes the spatial form even more resistant to change than in other metros⁶.

Distribution of property pricing for sold properties (2011-2012)¹



Affordability ratio for select housing markets (2011-2012)¹



15% of houses sold were under R250k in Durban, the target for affordable housing

Durban has the most expensive housing market relative to incomes; it takes 3.7 times the average income to afford the average house

The high cost of housing near job centres and the high costs of transportation leads to the growth of informal settlements.

In the 2016 analysis by Dalberg, A **spatial development plan that supports social cohesion and economic inclusion** by enabling access to decent housing, good jobs, basic services, and access to public space, would support a more resilient city. (Source: Durban's Preliminary Resilience Assessment (2016)).

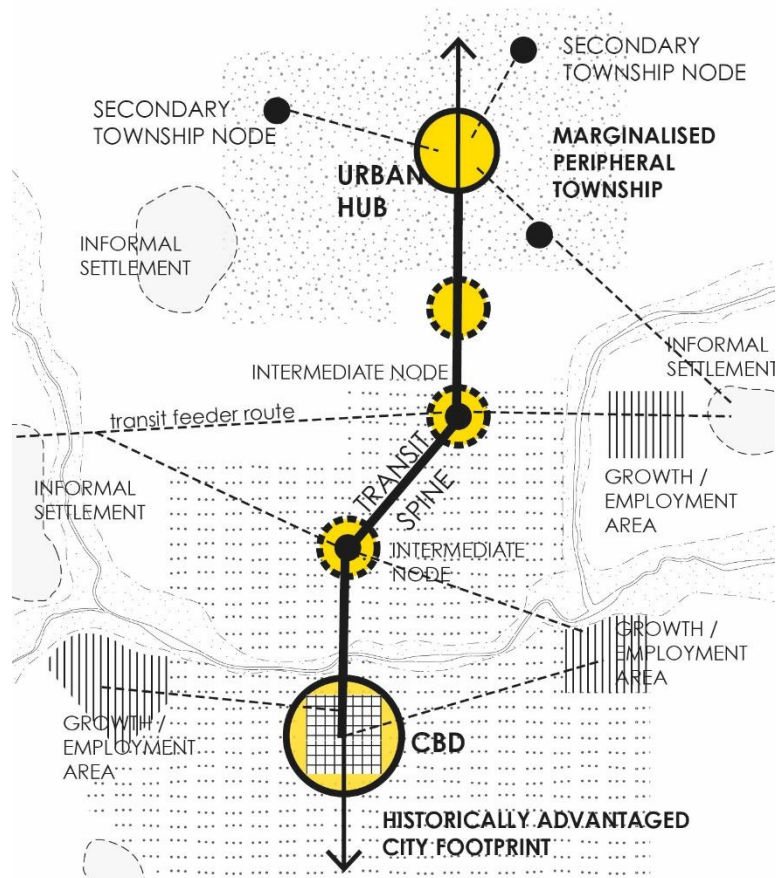
1.1.4 PUBLIC TRANSPORT CORRIDORS ARE THE LEVERS FOR CHANGE

The geographic shape of eThekweni has numerous negative impacts on especially the poor segments of our society including the peripheral location

of both informal settlements and townships which results in long and expensive travel for the residents which erodes household budgets and increases time spent away from home and families. The reliance on public transport (rail and taxis) is significant and these services are often unreliable and unsafe. Access to social facilities is not easy and convenient. Many additional ills exist but the question remains how one can change this situation in an environment where the resources do not equal the need. In such a situation one needs to focus on levers that will bring about long-term change. The public transport corridors are the levers for change. The provision of a reliable public transport service is in its first phases with the GO! Durban project.

What is required now is to focus our attention and resources around these corridors in order to effect spatial transformation. As a municipality, we must promote higher density housing for mixed income groups alongside transport spines in order to bring poorer residents closer to the benefits of the urban area without creating ghettos. We must provide opportunities for employment close to these transport corridors in the form of mixed land uses in order to reduce commuting time and cost. We must build social facilities close to these corridors to allow easy access to schools, clinics and hospitals, parks, community halls, libraries, government service points and the like. We must improve transport connections between marginalised areas, urban hubs and Central Business Districts (CBDs) and other growth/employment areas in order to efficiently link people and jobs and other urban opportunities. This is the theory of change embodied within the BEPP and is represented below in diagrammatic form.

⁶ Affordability ratio is a measure of how much of the average income is required to afford the average house Source: "Understanding housing markets in South Africa", Centre for Affordable Housing Finance in Africa, 2014



1.1.5 INSTITUTIONALISING THE BEPP IN THE MUNICIPAL PLANNING SYSTEM

The IDP is the highest-level policy document in the municipality and is structured into 8 Plans covering all areas of service delivery. The BEPP is an integral part of the IDP and the two documents are completely aligned in so far as the promotion of spatial transformation and economic growth & transformation are concerned.

The BEPP follows the strategic direction set in the SDF and there is a high level of accord between the spatial priorities of the SDF and the BEPP. These priorities were presented in an integrated form during the Capital Budget internal engagements at the end of 2018- see map below.

Both plans give prominence to promoting economic growth, higher residential densities and mixed land uses along the first phase of the public transport routes – this gives effect to a transit-oriented development approach:

- The Prime Investment Corridor incorporates all of the SDF Priority Urban Investment Areas (circled in red on the Integration map below);
 - Aerotropolis/Cornubia;
 - Inner City Regeneration;
 - SIP2 / Cato Ridge / Keystone/ Hammarsdale;
 - South Illovo;
 - Port and Back of Port;
 - Land Uses to support IPTN/ Densification (C2 and C3 corridors);
 - Inner City;
 - Bridge City;
 - Umlazi;
 - Pinetown; and
 - Mpumalanga.
- Many of the Catalytic Projects within the BEPP display an excellent alignment with the SDF Priority Urban Investment Areas (see Section D);
- Marginalised Areas are identified in the SDF and are geographically dispersed across the metropolitan area covering urban and rural locales. The BEPP prioritises a sub-set of these areas focusing on the marginalised areas closest to the IPTN in order to effect spatial transformation as rapidly as possible. The Marginalised Area responses from municipal line departments tends to be dominated by the Human Settlement Programme with other municipal departments providing a supporting, rather than guiding role. The current prioritisation model within the Human Settlement Department prioritises its programmes according to the same logic as the BEPP. However, given historical project commitments, it will take some time to unwind the legacy of peripheral human settlement programmes; and

- Priority Rural Investment Areas⁷ are not discussed in this BEPP since the BEPP is aiming to achieve spatial transformation in the densely settled urban area in close proximity to transit corridors. Rural areas will no doubt receive budget despite not having a focus in the BEPP. The principle of developing integrated programmes for implementation must apply to all municipal programmes across all geographic spaces. The fact that some areas do not get prominence in the BEPP, does not mean that they will not receive budget or will necessarily experience dis-integrated delivery.

The approach in the BEPP has been to describe the content of integrated municipal responses within the public transport-focused integration zone or Prime Investment Corridor and to suggest development yields, resourcing requirements, and likely timing i.e. to interpret the bulk of SDF Priorities into Strategies and high-level Program Descriptions for implementation by all municipal departments. In this sense, the BEPP is assisting the SDF by taking a large slice of the SDF priorities and elevating them to a corporate level within the municipality for budget allocation and implementation by all municipal departments. In this respect the BEPP is strengthening the SDF by assisting with the emergence of the Capital Expenditure Framework as envisaged in SPLUMA (*SPLUMA, 2013 s 21(n)*).

⁷ The SDF records the following Rural Node priorities:
Mpumalanga/KwaXimba/Inchanga/Mzinyathi/Umbumbulu/Umnini

1.1.6 SDF SPATIAL THEMES AND PRIORITIES

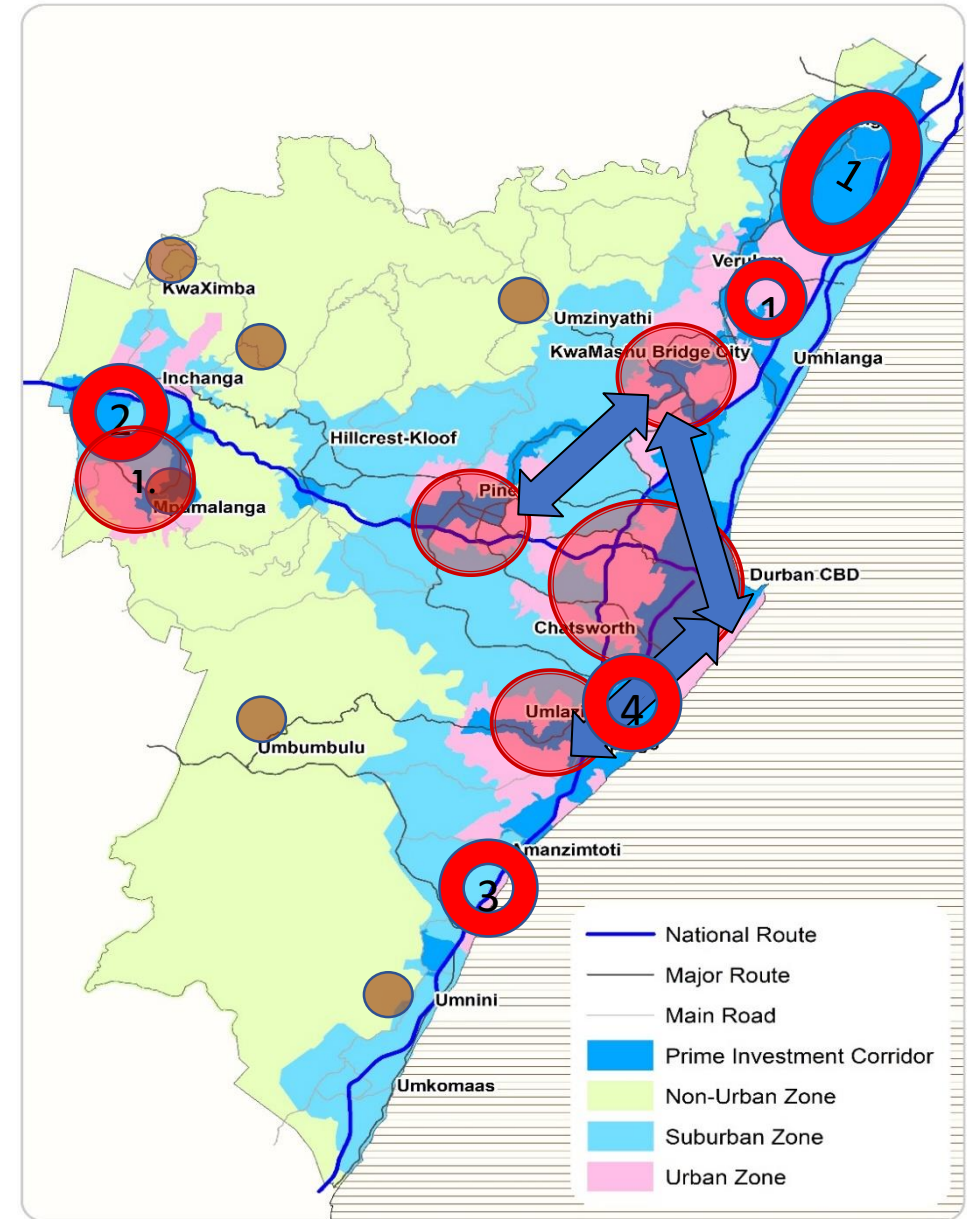
The SDF interprets the IDP into several Spatial Themes, which then, through a Planning Prioritisation Exercise, have been translated into the current Spatial Priorities which can be seen (on the map opposite) overlaid on the Integration Zone or Prime Investment Corridor. Priority Investment Areas of the SDF align with the focus on the Prime Investment Corridor in the BEPP. The alignment map opposite has been used to reflect a single spatial narrative in the Capital Budget meetings held with top management officials from all municipal departments held between September and December 2018.

Priority Investment Areas (Greenfields) includes:

1. Aerotropolis / Cornubia;
2. SIP2 / Cato Ridge / Keystone/ Hammarsdale;
3. Illovo South; and
4. Port and Back of Port.

Priority Investment Areas (Rural) includes:

1. Mpumalanga;
2. KwaXimba;
3. Inchanga;
4. Mzinyathi;
5. Umbumbulu; and
6. Umnini.



1.1.7 PROCESS FOR ALIGNING THE BEPP, IDP, SDF, AND BUDGET

1.1.7.1 Strategy Led Budgeting Process⁸

The Spatial Planning & Land use Management Act (SPLUMA) requires that the SDF has a Capital Expenditure Framework (CEF) to show how the municipal budget is implementing SDF priorities. The BEPP fulfils the role of linking the SDF to the municipal budget.

eThekweni has historically not practiced spatial budgeting in the sense that the budget process is not designed in a way that allows spatial priorities to explicitly direct the budget allocations of municipal departments or the project mix. Despite this, there is enough exchange of information within normal municipal business to allow for a reasonable alignment of budgets with spatial priorities expressed in the SDF and BEPP. The fact that the SDF and Package of Plans creates the land use envelope for development approvals is a major factor promoting some degree of alignment of the municipal budget and development priorities as expressed within the SDF. The alignment of grant funding conditions in support of the BEPP contributes to BEPP/Budget alignment. Experience has however shown that the municipal departments work strongly within their own functional silos and there is a weakness in the management of necessary integration across silos. The result is that some departments may prioritise their budgets according to SDF and/or BEPP spatial priorities, but other departments may spend their budgets in altogether different geographic locations. This often leads to the provision of a partial package of services by geographic location. Also, even if departments are aligned in terms of geographic priorities, the other weakness is temporal misalignment of budgets where departments allocate budget amounts to achieve implementation according to a timeframe that is different to other departments. This leads to inefficiencies and once again, to partial service delivery to the public.

The Office of the Chief Strategy Officer has designed and started to implement an IDP/SDF/BEPP/Budget/Performance & Programme Management road map which will explicitly bring spatial targeting into the

⁸ Dealt with in more detail in Section F

budgeting methodology. The intention is that the projects and budgets of municipal departments become aligned in geographic space and begin to be packaged in the form of programmes that are temporally aligned and that deliver integrated human settlements and public spaces as well as infrastructure & precinct management that support economic growth.

The focus in the last 6 months has been on improving programme management but a new spatial filter has been introduced. All the projects in the MTREF have been through quality assurance assessments to determine if they are justified and if they are properly packaged for implementation. A spatial filter has been introduced into this process to ensure that there is an evaluation of where projects are located geographically and to give higher scores to projects that both occur within and support transit corridors. This is a big step forward from a spatial planning perspective since for line departments the pathway to the budget will for the first time include a spatial evaluation.

A spatial budgeting tool that will have similar functionality to systems currently in use in metros like Johannesburg and Ekurhuleni, is currently under discussion internally to ensure that such a tool will integrate with existing municipal information systems. Improvements in the accuracy of spatial co-ordinate information in the capital budget, as required by MSCOA, is assisting with elevating the spatial considerations in the Capital Budget process.

1.2 ENABLING THE DRAW-DOWN OF MAJOR BUILT ENVIRONMENT GRANTS

The BEPP is a requirement of the Division of Revenue Act (DoRA) for the drawdown of six Built Environment Grants, namely:

- USDG – Urban Settlements Development Grant;
- HSDG – Human Settlements Development Grant;
- PTNG – Public Transport Network Grant;
- NDPG – Neighbourhood Development Partnership Grant;

- INEP– Integrated National Electrification Grant; and
- ICDG – Integrated City Development Grant.

These grants make up a significant percentage of the Capital Budget, especially the HSDG and the USDG. The PTNG contributes significantly to both the Capital and Operating Budgets. The intention of the municipality is to integrate and direct as much of the grant expenditure into the Prime Investment Corridor (PIC) recognising firstly that this will take a number of years to achieve and secondly that, in particular the USDG, is applied over large geographic areas (due to the grant framework requirements which emphasises service delivery to marginalised areas) and hence this grant expenditure is likely to reflect high levels of misalignment with the Prime Investment Corridor (PIC). However as much as possible of USDG funding will be allocated to Marginalised Areas abutting and in close proximity to, the PIC.

Products of the BEPP include the identification of a pipeline of catalytic urban development programmes & projects within or close to the Prime Investment Corridor, as well as expressing development programs for marginalised areas which collectively will support the achievement of targets associated with building more productive, liveable, inclusive and sustainable cities.

The Built Environment Value Chain is based on the logic of having a direct link between planning, budgeting, implementation, urban management, reporting and evaluation and eThekwini is showing substantial progress in this regard.

1.2.1 *EVOLVING FOCUS OF THE BEPP*

The BEPP's focus has expanded with each successive year:

- 2014-15 - Identification and planning of Urban Networks and Integration Zones;
- 2015-16 - Identification and planning of Catalytic Projects;
- 2016-17 - Identification of Marginalised Areas & responses thereto and further detailing of the Catalytic Projects;

- 2017-18 - Review of Integration Zones to reflect spatial targeting approach:
 - Overcoming weaknesses as identified within the BEPP evaluation reports;
 - Refinement of Integration Zone and review of the UNS;
 - Reflecting detailed planning & implementation of projects within the Prime Investment Corridor;
 - Identifying employment & economic growth areas;
 - Consolidating spatial planning, project preparation and prioritisation via transit-oriented development plans and programmes in prioritised integration zones; and
 - Establishing an actionable intergovernmental project pipeline via portfolio management and project preparation tools;
- 2018-19 - Continuing with the focus areas identified in 2017-18 and introducing strategies for other targeted areas; and
- 2019-20 – Introducing a Strategy Led budget process & transversal management and at the same time giving primary focus to the implementation of the CLDP.

1.3 BEPP PREPARATION PROCESS

The BEPP preparation process follows the annual inter-governmental integrated development planning and budget cycle and culminates with Council approval. Accountability for preparing the 2019/20 BEPP rests with the City Support Programme Collaboration Forum and its secretariat. The Forum represents a collective of key municipal departments, and is chaired by the Chief Strategy Officer, and enjoys the support of the National Treasury CSP Coordinator for eThekwini. A plethora of inter-governmental engagements also occur between municipal line departments and national and provincial sector departments to discuss and align planning, budgeting and implementation across the various spheres of government and this is an ongoing process every year.

1.3.1 MILESTONES FOR THE PREPARATION OF THE 2019/20 BEPP

MILESTONE	DATE
Meeting of City Support Programme Collaboration Forum with National Treasury, to receive feedback on BEPP evaluation	December 2018
Engagements with key municipal departments to brief them on BEPP guideline and supplementary guideline and requirements	December 2018 to March 2019
Submission of 1st Draft BEPP to the National Treasury & place document on municipal website	29 March 2019
Receive comments on Draft BEPP	April & May 2019
BEPP Review & refinement to address comments from sector depts. & other IGR stakeholders & amendments to SDF, IDP and Budget	April & May 2019
Budget Benchmarking at National Treasury	22 May 2019
Presentation of Final Draft BEPP to EXCO	May 2019
Approval of BEPP, IDP, SDF and Budget at Full Council	31 May 2019
Submission of the Approved BEPP to NT	31 May 2019
Share Final BEPP 2019/20 with IGR stakeholders & place on municipal website	31 May 2019
Incorporation of BEPP Indicators into SDBIP	1 July 2019

1.3.2 CONSOLIDATED PROCESS MAP AND TIMELINES FOR PREPARATION OF THE BEPP, IDP AND SDF REVIEWS, AND THE MTEF

MILESTONE	DATE
IDP Process Plan Draft to Council	Sept 2018
Approval of Process Plan (SDF and IDP together with Budget)	Oct 2018
BEPP Drafting begins	Oct – Nov 2018
Preparation of Draft IDP and SDF	Oct 2018 – Jan 2019

Draft SDF sent to Council for Noting and Recommendation for Public Participation (60 days)	Feb 2019 – April 2019
First Draft IDP to Council for Noting and Submission to MEC COGTA	March 2019
First Draft BEPP to National Treasury stakeholders & place document on municipal website	29 March 2019
Public Participation of Budget, SDF and IDP – Comment period	April 2019
Regional and Ward Workshops on Budget, IDP and SDF	April 2019
BEPP, SDF, IDP assessment by sector Department	April 2019
BEPP Review to address comments from sector depts. & other IGR stakeholders	April 2019
Budget Benchmarking at National Treasury	22 May 2019
Incorporation of public participation comments	May 2019
Preparation of Final draft IDP, SDF and Budget	May 2019
Review of the Draft BEPP based on amendments to SDF, IDP and Budget & other inputs/comments received	May 2019
Presentation of BEPP, IDP, SDF and Budget to Council Sub-Committee and then EXCO	May 2019
Approval of BEPP, IDP, SDF and Budget at Full Council	31 May 2019
Final BEPP- submission to National Treasury	31 May 2019
Share Final BEPP 2017/18 with IGR stakeholders & place on municipal website	3-4 June 2019
Incorporation of BEPP Indicators into SDBIP	1 July 2019
Approval of BEPP indicators as per the SDBIP approval process by the Mayor	May 2019

1.3.3 KEY AREAS OF SPATIAL ALIGNMENT OF THE BEPP, IDP, SDF AND BUDGET

SPATIAL ELEMENT	BEPP	IDP	SDF	CAPEX	OPEX
Prime Investment Corridor	X	X	X	X	X
UNS – Primary Elements	X	X		X	X
UNS – Secondary Elements	X	X		X	X
Marginalised Areas	X	X	X	X	X
HS Mega Projects	X	X	X	X	X
Own Catalytic Projects	X	X	X	X	X
IGR Catalytic Projects	X	X (SIP)	X		
Urban Management	X	X	X		
Climate Responsiveness	X	X	X		

1.3.4 SYNCHRONISATION OF THE BEPP APPROACH AND RESULTS INTO THE IDP, SDF AND BUDGET

Alignment between the IDP, SDF and BEPP is confirmed. The same material content can be found within each of these documents for transport corridors, marginalised areas and catalytic projects. The UNS requires review in that the eThekweni Integration Zone follows the phased roll-out of the public transport network and as a result, is more extensive than the historical UNS which has been focused on township revitalisation. The process of spatial budget alignment has been initiated and the emergence of a strategy led budget process will gain momentum from here on and will have a major impact on the outer year of the MTEF (given that the two inner years are fully committed historically). In this sense the BEPP process is driving the linkage between spatial plans and the municipal budget and is assisting with the collaborative development of a Capital Expenditure Framework in alignment with the SDF which is a SPLUMA requirement.

1.3.5 ADOPTION OF THE BEPP BY THE MUNICIPALITY

The Draft BEPP 2019-20 is due to be presented to the Executive Committee in May 2019 and to full Council on 31 May 2019 and will run in parallel with the adoption process for the IDP 2019-20 and the SDF 2019-20. Extracts from the minutes of these proceedings will be availed once they have been published.

1.4 CLIMATE RESPONSIVENESS & RESILIENCE

The City climate change risk and vulnerability assessment from the early 2000s has recently been updated through the City's engagement with the C40 Deadline 2020 project, whereby Durban is busy producing a Climate Action Plan that will align the City's climate response ambitions with the aim of limiting global average temperature change to below 1.5 °C. The vulnerability assessment focussed on four key areas: heat, drought, pluvial flood and coastal flood:

- For Heat, very high levels of risk are projected for decreases in water quality (worsened by malfunctioning municipal infrastructure like wastewater treatment works) and power outages and higher energy consumption. High risk is associated with heat stress and increasing vector- and water-borne diseases. Medium risks are associated with changes in species' migratory patterns and loss of ecosystems and biodiversity;
- For Drought, very high levels of risk are projected for threats to tourism industry and events, decreases in water quality and power outages and higher energy consumption. High risk is projected for vector- and water-borne diseases;
- For Pluvial Flood, there is a very high risk of damage to public and private property and decreases in water quality. There is a high risk of increased upstream erosion and downstream siltation and overflowing sewerage systems; and
- For Coastal Flooding, associated with sea level rise, there is a very high risk of threats to tourism and events and impacts on shipping/sloshing in the harbour. There is a high risk of displacement of people

and loss of life, loss of primary dunes and threatened dune infrastructure and a medium risk of loss of ecosystems and biodiversity.

Climate Change is mainstreamed into eThekweni Municipality's Integrated Development Plan in Plan One, Develop and Sustain Our Spatial, Natural and Built Environment, within the Climate Response Planning Strategic Focus Area, in Programme 1.4: Develop and Implement a Municipal Climate Protection Programme, which includes both adaptation and mitigation foci. Transversal implementation of climate change within the City is through implementation of the Durban Climate Change Strategy, which integrates mitigation and adaptation in a single response mechanism. Governance structures associated with implementation of the DCCS advance transversal management through a coordinating body that drives implementation, namely the DCCS Technical Task Team. The TTT comprises senior administrative leadership (Heads of Units) in the City across a range of line functions responsible for implementing the DCCS. The TTT meets monthly to coordinate and drive implementation of the DCCS. The TTT is supported by a sub-committee of senior managers and deputy heads responsible for implementing projects within the DCCS. The Chair of the TTT reports to eThekweni Mayor, who chairs the Municipal Climate Change Committee, who provide oversight of implementation of the City's climate change response.

PART B

2 SPATIAL PRIORITISATION

2.1 SPATIAL PRIORITISATION METHOD

2.1.1 PRIORITISATION APPROACH

In eThekweni, the technical prioritisation of projects currently takes place at the level of individual municipal departments. This is where the non-integration of programmes has its roots since until recently there has been no common narrative about how the municipality is going to develop spatially or temporally and hence no common reference point against which to evaluate priorities and make project choices. As a municipality, we need a common framework for prioritisation as well as models/tools for evaluation and formal administrative structures where prioritisation can take place. The prioritisation models range from the macro or strategy level to the micro or project evaluation level and a number of these models are already available and/or in use. The prioritisation structures have been initiated in the form of Cluster Investment Committees (CICs) which evaluate the budgets at Cluster level.

The Integrity & Accountability (IntACT) project has been completed and an Improvement Plan compiled with a large number of recommendations that need to be implemented to enhance the integrity of the development application & infrastructure approval processes which are central to the issues of project prioritisation and resource allocation.

2.1.2 EXISTING PRIORITISATION MODELS

2.1.2.1 *The use of models to assist in prioritisation*

eThekweni has a hierarchy of models that it uses. Models need to be applied at different levels depending on their nature. Some models are focused on the strategy or programme level while others have more of a project level application.

2.1.2.2 *The MSFM (Municipal Services Finance Model)*

The MSFM (Municipal Services Finance Model) is a strategy level budgeting tool which allows for the formulation of development scenarios and to understand their impact on the capital and operating budgets of the municipality. The MSFM has four main pillars, namely Social, Economic, Asset Management and Administrative Spend and one is able to prioritise between these as well as between major municipal programmes such as housing, basic services, economic growth etc. The MSFM is a non-spatial model so the spatial aspect needs to be developed separately.

2.1.2.3 *The Housing Spatial Prioritisation Model (HSPM)*

The HSPM is a well-developed and reasonably mature model, first developed in 2012. The model ranks projects relative to each other and has been used mainly to assess the Informal Settlement Upgrading and Greenfield Housing Programs. This model is detailed further in the Marginalised Areas section of this BEPP.

2.1.2.4 *The Economic Spatial Prioritisation Model (ESPM)*

This model is currently under development. Its origins are the Durban Investment Dashboard (DID), which tracks major private sector interest in property developments for economic uses. Some of the performance aspects that the DID already tracks are Rates Returns, Permanent Jobs, and Temporary Jobs, and Investment Value, and these indicators are likely to be the departure point for establishing economic prioritisation criteria.

2.1.2.5 *The Corporate Spatial Prioritisation Model (CSPM)*

This model is in the development stage. Its logic is that the nature, impact, location, and size of a project are what count most, and timing and technical factors should be taken into consideration after that. The CSPM is applicable to Core Infrastructure, Social Infrastructure and Economic Infrastructure. It deals with Core Infrastructure differently, in that the location of Core Infrastructure is very often different to the locations where its impacts are felt.

2.1.2.6 Fiscal Impact Tool

This is a project level tool to assist in comparing the cost of undertaking a project in a range of different geographic locations and was developed by National Treasury in conjunction with the metros. This kind of tool could complement a non-spatial tool like the MSFM. The City of Cape Town has refined this model and eThekweni has started engagements with officials from the Cape metro with a view to understanding the improvements made and the applicability to eThekweni.

2.1.2.7 Rapid Integrated Project Options Assessment Tool (RIPOA)

This is a project level tool that assists one early in the project investigation/viability stage to deal with the project options that the EIA legislation requires. It is a useful tool to populate prior to committing to a course of action as it allows one to consider the options that would be closed down if one committed to a project without such a consideration. In this sense key risks are identified early which leads to better project selection as well as a reduction in potential time lost due to hold-ups in project approvals later in the process.

2.1.2.8 Spatial Budgeting Tool

eThekweni intends operationalising a spatial budgeting tool to assist with guiding the municipal capital and operating budgets spatially to achieve a range of development objectives. The municipality has started the evaluation of potential tools to determine compatibility with existing municipal information systems. An IDP/SDF/BEPP/Budget/Performance Management roadmap has been compiled to understand the key steps in these municipal processes and also to identify the opportunities in the budget cycle for introducing the spatial evaluation of candidate projects being submitted for capital budget funding.

2.1.3 CLIMATE RESPONSIVENESS & RESILIENCE

The City is addressing CR&R in spatial planning and spatial targeting through the development of the Climate Resilience Implementation Spatial Plan (CRISP) for the eThekweni Spatial Development Framework (SDF). CRISP identifies key climate risks and vulnerabilities from the DCCS and CAP and provides a spatial representation of implementation. The CRISP will be drawn, along with a range of other climate change-focussed plans and strategies, into an integrated DCCS implementation plan by 2021. Currently the City is busy with procurement for a service provider to coordinate the development of the integrated DCS implementation plan.

The CRISP set out to achieve climate sensitive spatial planning within an itemised implementation plan by reviewing the SDF and producing an analysis report following interviews and interactive workshops. The CRISP identified spatial responses to themes of the DCCS and recommended changes to the SDF and lower order plans by theme. The project was completed in April 2017 and incorporated into the SDF 2017/18.

A practical example of climate change spatial planning was the recently completed isiPhingo Urban Design Climate Workshop, which analysed the isiPhingo Regeneration Project (a City priority) through the lens of climate projections (heat and flooding) in 2050, and comparing against a business as usual approach. The UDCW considered efficiency of urban systems, urban form and function, building materials and green infrastructure in developing a set of recommendations for the isiPhingo Regeneration project following a stakeholder engagement process. Currently, the report is being finalised and thereafter plans will be agreed on how to take forward the recommendations from the workshop.

Further detail can be found on the following weblinks:

<https://ethekweni.maps.arcgis.com/apps/MapSeries/index.html?appid=4c59620219d343a1aec468b87aa0ffc5>

http://www.durban.gov.za/City_Services/development_planning_management/environmental_planning_climate_protection/Pages/Durban-Climate-Change-Strategy.aspx

2.2 THE INTEGRATION ZONE (IZ)

A key shift in the 2017/18 BEPP was the recognition that to achieve the outcomes of spatially transforming the apartheid legacy and growing the economy, we need to focus attention on a narrower geographic extent than the ones expressed in previous eThekweni BEPPs. eThekweni has never before consciously practiced spatial targeting and municipal department budgets have tended to both reflect a lack of inter-departmental integration and to be dispersed across geographic space. The consequence has often been dis-integrated service delivery and a lack of meaningful spatial transformation. To attempt to achieve success over a large geographic area simply increases the chances of making minimal impact. A Prime Investment Corridor (PIC) was identified which aligns with the roll-out of the public transport network and which has a number of segments or arms. This PIC can be seen as the dark pink shaded area on the map opposite.

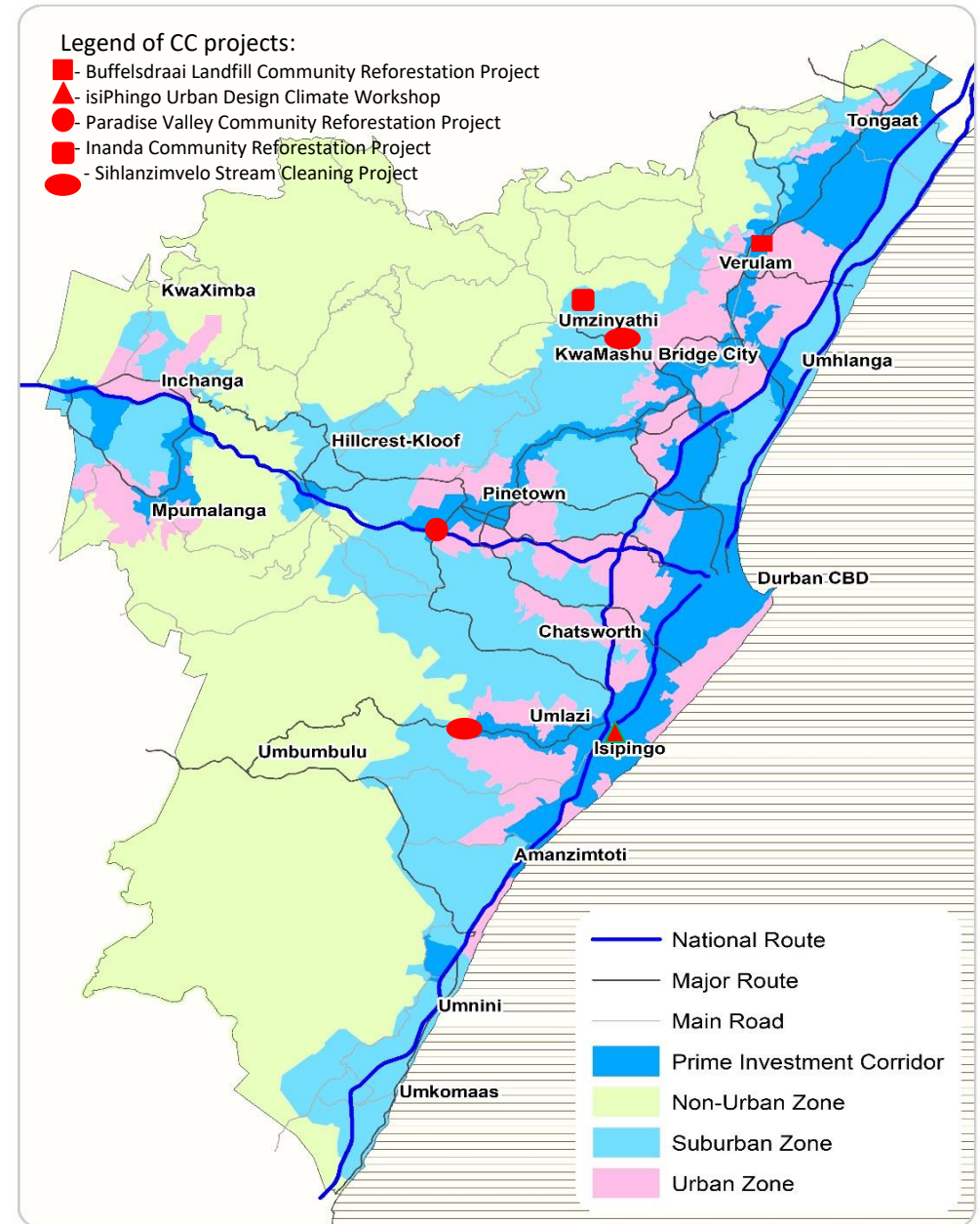
2.2.1 THE PRIME INVESTMENT CORRIDOR INTEGRATION ZONE

2.2.1.1 Composition

The Prime Investment Corridor (PIC) requires a narrow spatial target in order to:

- support the IPTN through increasing usage by commuters (as a result of greater numbers of people and activity due to residential densification and economic intensification of the corridor) and thereby reducing the operating subsidy;
- create conditions most conducive to economic growth through allowing greater depth of investment in infrastructure & quick access of employees to work; and
- enhance infrastructure efficiencies; create vibrant high density mixed-used environments that can accommodate a large proportion of the city's residents.

The PIC aims at more intensive uses, and greater density of jobs, trips, residents, and investment than anywhere else in the metro.



The PIC includes:

- The South Durban Basin / Back of Port;
- The Port, Durban CBD and Inner-City Neighbourhoods;
- The Pinetown CBD;
- Cornubia and DTP;
- C3, C1 & 2; C9 and
- The other public transport corridors connecting these areas- that will be in future phases of the IPTN roll-out.

The PIC also includes some standalone pockets that are connected to the core of the PIC by limited access routes. The pockets include:

- Mpumalanga, Cato Ridge, and Shongweni, all in the West; and
- Lovu in the South.

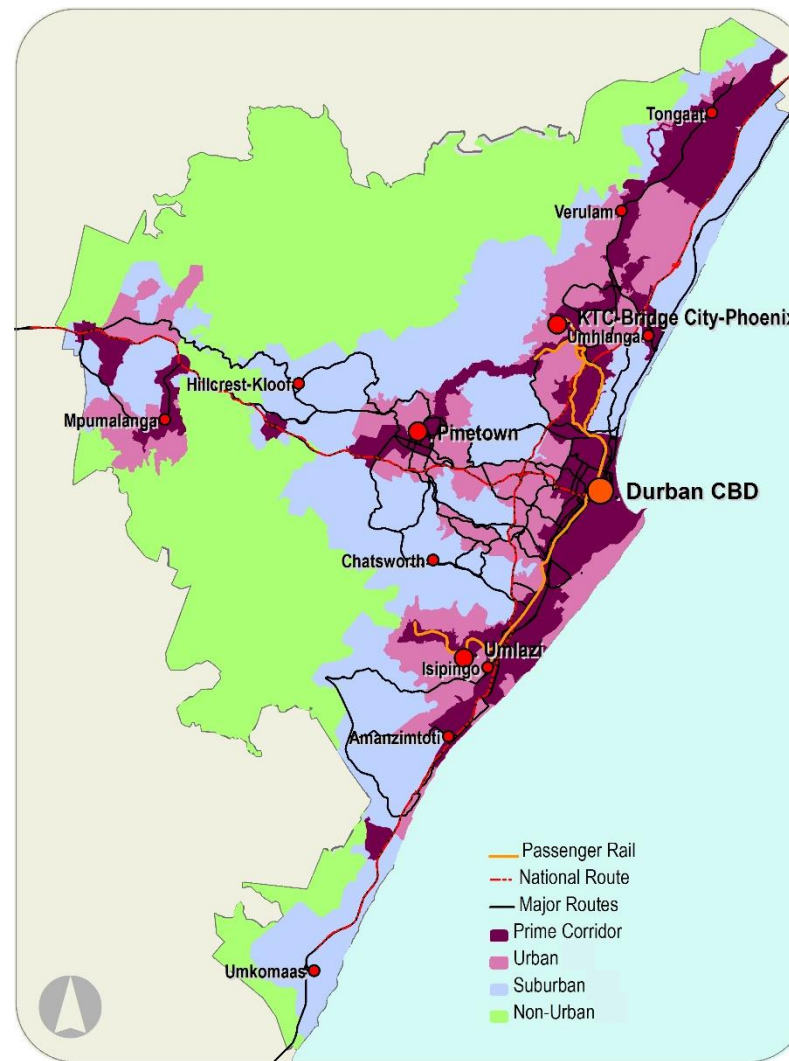
The PIC includes already developed (brownfields) areas where maintenance, infill, intensification and redevelopment will be promoted, as well as green fields opportunities for intensive new investment.

The spatial extents of the PIC are up to 400 m either side of Major Movement Routes:

- Expands to include all significant existing economic uses;
- Expands to include an 800 m radius at rail stations;
- Expands to include Informal Settlements; and
- Expands to include POS.

The PIC is 28,672 Ha in extent, approximately 12% of the metropole's extent. The PIC has Arms to the north, south and west.

The Durban CBD/Umlazi/Isipingo Arm extends south from Durban CBD through Isipingo Node and onwards to Umlazi station incorporating the C2 rail corridor and also includes an island further south near Illovo.



The Pinetown/Cornubia/Umhlanga Arm comprises the industrial areas of Pinetown & New Germany and surrounding suburbs including Clermont/KwaDabeka along the C3 public transport corridor and traverses

Cornubia terminating at Umhlanga, also thereby incorporating the C9 public transport route.

The Durban CBD/Bridge City, C2 Arm runs north from the Durban CBD to Bridge City including the Aerotropolis.

The PIC in the west comprises a number of 'beads on a string' including Shongweni, Keystone/Mpumalanga, Hammarsdale/Cato Ridge/Harrison Flats. There are substantial greenfields opportunities for development in response to the N3 freight corridor from the Port. However, given the long distance between Mpumalanga and the Port it makes sense in the short to medium term to focus development at nodes along the N3 rather than to disperse development along the entire length of the N3 with concomitant infrastructure inefficiencies.

2.2.2 PRIME INVESTMENT CORRIDOR INTEGRATION ZONE: COMPOSITION, FEATURES, AND BROAD DEVELOPMENT STRATEGY

INTENTION	PRIME INVESTMENT CORRIDOR
LOCATION	<ul style="list-style-type: none"> Up to 400m either side of the metropolitan, provincial, and national movement system. 800m radius around PT stations includes all the significant urban centres (CBD and UNS Nodes) & economic zones with high concentrations of infrastructure, jobs, and economic activities. existing high-intensity uses contains numerous opportunities for intense brownfields or green fields urban development, including a number of the Catalytic Projects
INVESTMENT STRATEGY	<ul style="list-style-type: none"> Universal access to basic services Fully upgrade informal settlements in a way that retains high net densities Maintenance of infrastructure Universal access to social facilities PT & movement system improvements Commission GO! Durban system and facilitate rail improvements by PRASA Improve regional routes

	<ul style="list-style-type: none"> Investment in Core Infrastructure – WTW, WWTW, Freeway Interchanges, IPTN Trunks & Freight Routes, SIP, Port, Airport, Maximise density of investment PPP's where appropriate
LAND USES & FEATURES	<ul style="list-style-type: none"> Economic High-density Residential Mixed Use Higher Order Social Facilities High densities of investment, people, jobs Coarse and fine-grain economic uses District Community Services clustered with Sub-Metropolitan services
PROPERTY DEVELOPMENT FEATURES	<ul style="list-style-type: none"> High FAR Extensively Developed No Vacant or Underdeveloped Properties Property Improvements, Extensions, and Redevelopments
CONTRIBUTIONS TO ECONOMIC HEALTH	<ul style="list-style-type: none"> Improved Rates Revenues High Sales of Water and Electricity Improved City GDP Job Retention & Creation in Manufacturing, Logistics, Retail, Services, Finance Higher levels of LED (support to informal economy) Promote Catalytic Projects & Mega Human Settlement Projects

During the course of 2019/20 the development strategy will be unpacked in more detail for each of the arms of the Integration Zone in conjunction with all the key built environment departments. At present there are numerous programmes and projects being undertaken within the Integration Zone and these will be unpacked in the relevant sections that follow with the focus being on the Catalytic land Development Programme.

In the second half of 2018, eThekweni received assistance from the City Support Programme (as part of the Capacity Support Implementation Plan)

2.3 INSTITUTIONAL ARRANGEMENTS: TRANSVERSAL MANAGEMENT

in the form of a 3 day 'boot camp' on Matrix Management. This was well attended by municipal top management and a good understanding and appreciation was achieved of the need for the introduction of transversal programmes that cut across municipal functional silos. It is early days in this process. These programmes need to be resourced and bedded down in municipal operations in order to start the process of change management around working across Clusters towards common goals and targets which are monitored in the performance management system.

One of the key transversal focus areas from a spatial perspective is to identify and resource multi-disciplinary and cross-department teams of officials that are deployed to the key transit corridors to improve service delivery and work to achieve the outcome of high-density mixed use and mixed income neighbourhoods.

2.3.1 INSTITUTIONAL ARRANGEMENTS: CLIMATE RESILIENCE

A transversal approach is also being adopted here in that a range of officials across municipal functions have been identified as champions. The following officials with climate change expertise in infrastructure investment planning have been identified:

- **Dr Krish Kumar** who chairs the C40 Sustainable Infrastructure Finance network and is Deputy City Manager of Finance in the City;
- **Mr Logan Moodley** from the eThekweni Transport Authority, who leads the City's engagement with the Sustainable Solid Waste C40 network, of which Durban is the global lead;
- **Mr Sibusiso Ntshalintshali** represents Durban on the C40 Clean Energy Network and **Dr Magash Naidoo** on the C40 Green Growth network.
- **Mr Geoff Tooley** from the Coastal Storm Water & Catchment Management department leads the City's engagement with the C40 Cities Finance Facility which is developing a business case for the city-wide management of its water courses as green infrastructure; and

- **Mr Musa Mbhele**, recently appointed as Chief Operations Officer, leads the DCCS TTT where infrastructure investment planning is considered within the framework of implementing the DCCS.

3 STRATEGIC OVERVIEW OF DEVELOPMENT RESPONSES

3.1 PUBLIC TRANSPORT CORRIDOR PLANNING & PROGRESS

Metropolitan Connectivity is a Core Infrastructure Program needed to create the movement preconditions for successful residential densification, economic development, and reversal and mitigation of apartheid spatial planning.

The BEPP, the IDP and SDF all identify the Integrated Public Transport Network (IPTN) as a key spatial response to overcome spatial disintegration. The eThekweni Urban Network Strategy (UNS) is currently under review as the intention is that it will follow the phased roll-out of the public transport network. **In this respect, the IPTN is the structuring element of the eThekweni Integration Zone or Prime Investment Corridor.**

These are supporting the transformation of the spatially fragmented apartheid city to one that is more spatially efficient and inclusive, and have been identified as **transformation corridors**. The implementation of the GO!Durban Integrated Public Transport Network (IPTN) is one of the major investment programmes that would have a positive impact on transforming the city. It would become more accessible to all communities via efficient public transport and well-located spaces for new human settlements in activity corridors/nodes on the urban network. This is a critical intervention to reduce the cost of living, the cost of doing business, reducing the cost of services and land, increasing access to opportunities and unlocking investment in marginalised areas to boost economic growth and job creation. It is also imperative that opportunities are created along the trunks and feeder network and a range of mobility options are provided in order to mitigate against displacement and gentrification.

eThekweni intends to have a “world-class transport system with a public transport focus, providing high levels of mobility and accessibility for the movement of people and goods in a safe, sustainable and affordable manner. The strategy focuses on reducing overall demand for road space whilst maximizing the effective utilization and efficient operation of road infrastructure for purposes of private and public transport use. It also places an emphasis on strategies which support and encourage the use of public transport.”

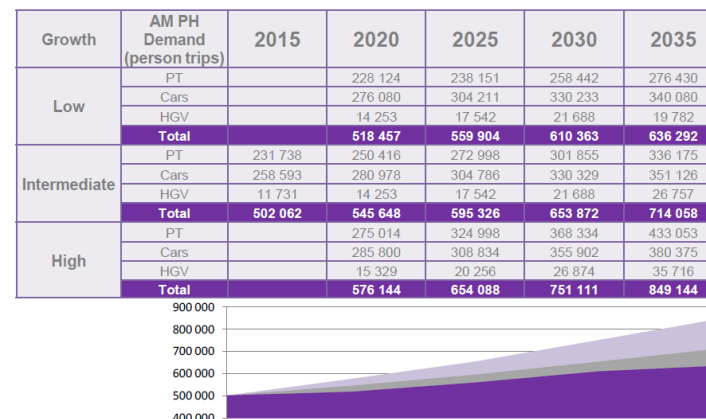
The IPTN consists of a North-South rail backbone from Bridge City to Isipingo and a number of bus rapid transport (BRT) routes. There will be 18 transfer station ranks from rail to road. Currently, 50% of the population are within 800m (10-15 min walk) of a scheduled public transport service. With the full implementation of the IPTN, this is forecast to rise to 85% of total population.

3.1.1 PROJECTED TRANSPORTATION DEMAND

Based on a range of growth scenarios, the projected demand by mode over the next 20 years is illustrated in the table below. Overall growth in peak hour trips from 2020-2035 is estimated at 23% for the low growth scenario, from a base line of 518 000 in year 2020, to 47% for the high growth scenario, from a base line of 576 000.

During the same period from 2020 to 2035, modal split to public transport for the low growth scenario remains more or less unchanged, at 42-43% by public transport and 53- 54% by car, with the remaining few percent for heavy goods vehicles (HGV). For the high growth scenario however, the public transport share increases from 47% to 51%, whilst use of private motor vehicles decreases by approximately 5% from 50% to less than 45%.

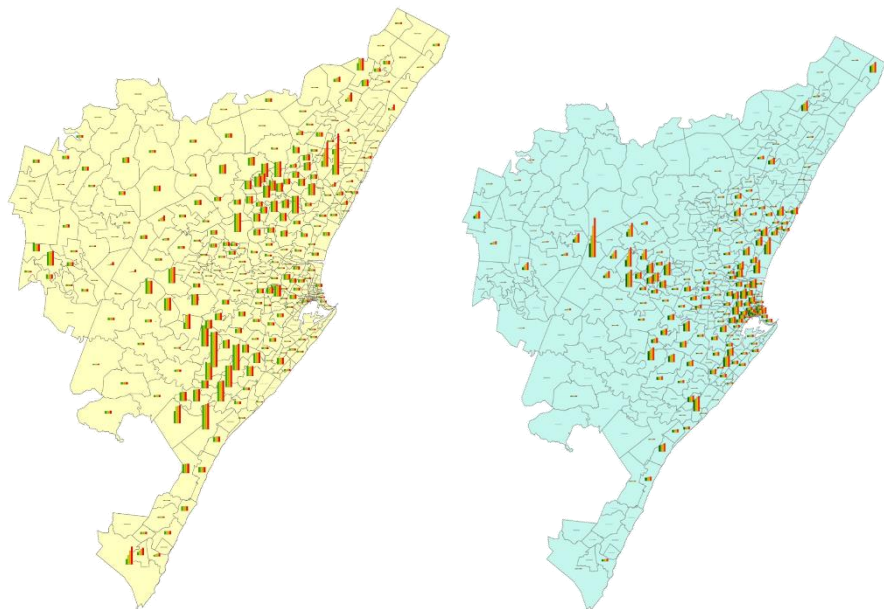
3.1.1.1 AM Peak Hour Person Trip Demand by Mode (High, Medium, Low Growth Scenarios)



3.1.1.2 Public Transport Demand Projections

The IPTN strategy aims to use the advantages of the existing transport links with a strong emphasis on interchange to facilitate a wide range of journey opportunities. In addition to the major nodes of the CBD and Warwick Junction/Berea Road station, other centres have a major hub role including Bridge City and Pinetown, particularly for journeys to work as indicated below. Some corridors have been extended into the CBD to avoid the need for transfer. The IPTN comprises of trunk, feeder and complimentary routes.

The existing activity patterns that need to be addressed are illustrated in the figures below. The regions of highest residential settlement densities are the Ntuzuma, Inanda, KwaMashu and Phoenix areas located in the northern region of the municipal area and the Umlazi and Chatsworth residential areas to the south. Higher settlement densities are also found along the N3 western corridor. The bulk of employment opportunities are however contained within the national road corridors including the Durban CBD, Pinetown, the South Durban Basin, and the Northern Employment Cluster. In this regard, the IPTN needed to not only respond to the activity patterns in the short term but be able to bring about a change in these patterns in the long term to rectify the existing imbalances created by historic development. In this regard, the intensification of economic and residential development within the integration zone that surrounds the IPTN is intended to bring about the critically important spatial transformation.



Population Growth

Employment Growth

3.1.1.3 Trunk Corridor Demand Estimates

Demand for the trunk and feeder network was estimated based on the forecast years for 2015 and 2025 as shown below. Demand was calculated for each corridor based on proportioning demand from traffic zones to trunk network stops. For trips which involve travel within more than one corridor, interchange stops were identified, and boarding's/alighting's were allocated to those stops as appropriate. Details of the demand estimates for each corridor by time period and direction are provided in summarised in terms of annual demand and passenger kilometres travelled, for the modelled year of 2015, as reflected below.

3.1.1.4 Annual Demand and Passenger Kilometres for Trunk Services 2015 (millions per annum)

CORRIDOR		DEMAND 2015	DEMAND 2025	DEMAND GROWTH
C1	Bridge City to Warwick/CBD	31.13	34.26	10.1%
C2	Bridge City / KwaMashu to Umlazi/Pelgrim	103.46	112.27	8.5%
C3	Bridge City to Pinetown	20.56	24.15	17.5%
C4	Bridge City to Merebank and Rossburgh	11.57	13.46	16.3%
C5	Chatsworth to Merebank to Warwick/CBD	26.27	29.94	14.0%
C6	Mpumalanga and Pinetown to Warwick	16.86	21.49	27.5%
C7	Hilcrest and Pinetown to Chatsworth	25.96	30.50	17.5%
C8	Tongaat and Umhlanga to Durban	11.76	14.82	26.0%
C9	Bridge City to Umhlanga	12.94	15.71	21.4%
Total		260.50	296.61	13.9%

3.1.1.5 Corridor Passenger Demand

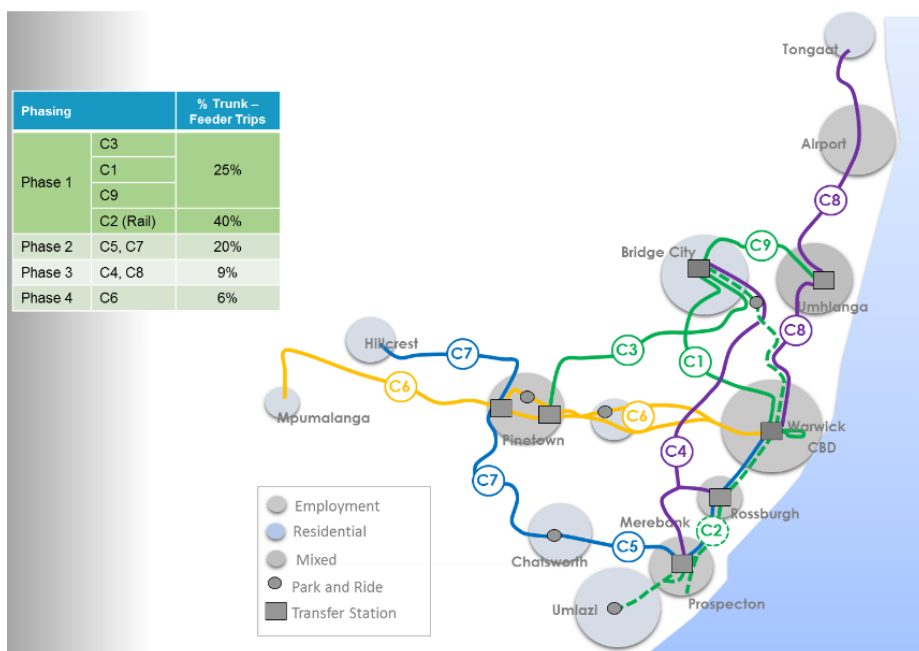
The C2 rail corridor carries the largest volumes of passengers. It is assumed that the majority (75%) of demand that could use C2 in common sections with C1 and C5 will choose to use the rail service. The overall average length of trip on an individual trunk service is approximately 10 kilometres, equivalent to a journey time of around 15 minutes, although overall journey times (including interchange between trunk services) will be longer.

C2 provides the core north-south rail route which will provide considerable capacity once upgrading has been achieved. This is complemented by C1 between the CBD and Bridge City and by C5 between Merebank and the CBD, the latter meeting demand from the Chatsworth area. C8 was realigned to serve the airport rather than replicating the rail route in that

demand to and from the airport is expected to be an area of growth in future years.

It is important that the network provides high quality services and connections throughout. Rail is used along C2, which is the established corridor while other corridors are based on a bus rapid transit (BRT) solution. BRT services are supported by feeder services from the outlying areas to interchange points on the trunk corridors and a number of complementary services are planned. Between them, trunk, feeder and complementary services will address considerable demand and supersede the current fragmented and unreliable public transport arrangements.

3.2 DEVELOPMENT OF THE IPTN



The eThekweni IPTN Trunk Route Network

3.2.1 IPTN TRUNK ROUTE STRUCTURE AND DESCRIPTION

The network as shown above comprises the following trunk corridors:

- **Corridor C1: Bridge City to CBD via KwaMashu** - C1 provides capacity between two major centres of employment and other activity. This high frequency BRT service provides connections into the CBD to widen access to employment. C1 forms part of the Phase 1 network in view of its strategic importance;
- **Corridor C2: Bridge City and KwaMashu via Berea Road to Umlazi and Isipingo** - The main rail route will be upgraded by PRASA to enable a more intensive, reliable and higher capacity service to be operated. Infrastructure improvements will allow headways of up to three minutes to be operated with new trains being capable of carrying 2,000 people. The extension to Bridge City creates new journey opportunities, especially for employees. The corridor extends from Bridge City/KwaMashu in the north through the CBD (Warwick Junction) to Umlazi/Isipingo in the south;
- **Corridor C3: Bridge City to Pinetown** - C3 provides new connections between two major centres in a corridor that is not easily traversed at present. This public transport corridor represents a major restructuring intervention linking the northern and western area of the municipality through direct access and creating immediate linkages between areas of affluence and economic growth, and areas of poverty and marginalisation. As such it is a critical piece of the municipal urban network strategy. Interchange opportunities will be important both in the Pinetown area (with C6 and C7 or east-west movements) and at Bridge City (C1, C2, C4 and C9). C3 forms part of the Phase 1 network;
- **Corridor C4: Bridge City to Mobeni and Rossburgh** - C4 offers new services from Bridge City via the N2 avoiding the need to transfer at Warwick Interchange with the route splitting to serve both Rossburgh and Mobeni;
- **Corridor C5: Chatsworth to CBD** - C5 provides additional capacity to the south of Warwick Junction and provides direct services from the CBD and Warwick to Chatsworth town centre. This will be a high frequency BRT service although there is an option to provide light rail

services using former heavy rail alignments and platforms and on-street sections to access Chatsworth town centre. This would serve the area more effectively than the current heavy rail alignment;

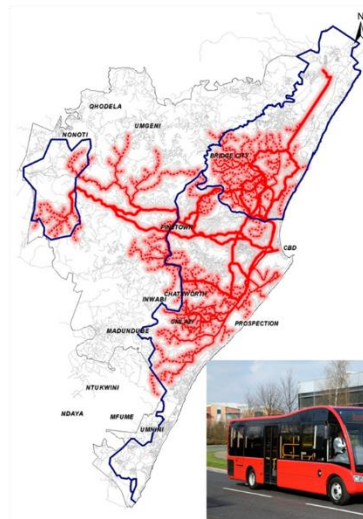
- **Corridor C6: Hammarsdale and Pinetown to Warwick** - C6 provides east-west services linking Pinetown to Warwick Interchange with possible variants to serve more than one route within the corridor. Some services will be extended to Hammarsdale in the west as an improved means of accessing Mpumalanga and the rural area with appropriate feeder services;
- **Corridor C7: Hillcrest to Chatsworth** - C7 was originally conceived as part of C5 but separating this part of the network reduces the operating distance and links Hillcrest with Pinetown (connecting with C6 to Warwick) and Chatsworth town centre;
- **Corridor C8: Tongaat and Airport to Umhlanga and Warwick** - Rail services are available to Tongaat but an alternative route would be provided by C8. This would divert to serve the airport and Umhlanga town centre and provide direct access into Durban. This corridor is expected to experience considerable growth as development takes place and also presents a strong public transport presence for airport users and workers; and
- **Corridor C9: Bridge City to Umhlanga** - C9 is the shortest corridor and links the growth areas of Umhlanga and Bridge City. C9 forms part of the Phase 1 network in that it links key employment and expanding development areas.

The rail network is managed by PRASA, and the road-based public transport network is managed by eThekweni. The IPTN network and modal strategies are described below:

3.2.2 MODAL STRATEGY: TRUNK ROUTES (BRT)

Bus Rapid Transit – a high profile rapid transit mode that combines operational and physical elements to provide a system with the speed, image and permanence of light rail with the cost and flexibility of bus. Features Include dedicated busways, bus priority measures and limited stop services where appropriate.

Feeder Services to Trunk Network



Complementary Services



3.2.3 FEEDER AND COMPLEMENTARY SERVICES

FEEDER ROUTES

A limited number of people will be able or have the time to walk to stops and stations on the trunk routes - those with their origins or destinations within less than 800 metres of the trunk route. If usage potential of the trunks is to be achieved, it will be essential to provide a system of feeder routes to increase their catchment areas. Sets of feeder routes have been designed to meet the trunk corridors at proposed modal interchanges.

COMPLEMENTARY ROUTES

There are many other trip movements which need to be catered for and which are not aligned with the trunk corridor system. These were planned to be served by a network of complementary routes which comprise an appropriate selection of existing routes.

MODAL STRATEGY: FEEDER AND COMPLEMENTARY ROUTES

These have been planned to give adequate coverage, their spacing being related to population density and the aim to have peak hour passenger demand in a range to suit the capacity of standard buses or minibuses running at convenient headways. As far as possible, surfaced roads and existing PT routes were followed to maximize practicality and minimize changes to passengers' travel habits.

The configuration of the network has been informed by:

- Demand (Activity) Patterns;
- Population Density;
- Existing Road Network Configuration;
- Realising more efficient transfer facilities that make more economical use of space; and
- Accessibility needs.

3.3 PHASING CRITERIA

The selection of Phases of the IPTN was undertaken considering inter-alia:

- Demand and ridership potential;

- The spatial development plan and other planned projects;
- Physical constraint to infrastructure implementation;
- Investment Intensity;
- Job creation;
- Operational and subsidy cost implications;
- Opportunity for densification / regeneration and creation of transit orientated (TOD); development;
- Opportunity to reorganise operators; and
- Deliverability.

3.3.1 PHASING

The first Phase of the IPTN is particularly prioritised for the short and medium term and is central to the Prime Investment Corridor as can be seen on the map below. Phase 1 consists of:

- The North-South Passenger Rail Corridor (which is projected to carry about 40% of the city's commuters) – referred to as the C2 Corridor with implementation being the responsibility of PRASA;
- The road link between Kwamashu/Bridge City and Pinetown along the MR 577, which is projected to carry approximately 14% of the city commuters- referred to as the C3 Corridor; and
- The road link between Bridge City and Umhlanga- referred to as the C9 Corridor.



PHASE 1 IN RELATION TO THE PRIME INVESTMENT CORRIDOR

Phasing		% Trunk feeder trips	Planned Operational Year
Phase 1	ICDS	25%	2020
	C3		2018
	C9		2020
	C1		2022
	C2 (Rail)	40%	2018

Phase 2	C5, C7	20%	2025
Phase 3	C4, C8	9%	2028
Phase 4	C6	6%	2030

The combined implementation of C3, C9, C2 and C1 as Phase 1 of the IPTN, will accommodate approximately 65 percent of the mature municipal trunk-feeder public transport travel demand.

The full funding required for all three BRT corridors in Phase 1 may not be available from National Treasury. A staggered implementation of these three corridors within Phase 1 is therefore necessary. Using the same criteria for the initial phasing selection, as well as the consideration of the grant funding received and deliverability, the following phased implementation is being pursued: firstly C3; secondly C9; and thirdly C1. The above sequencing may be adjusted to suit any change in circumstances at the time of implementation and more specifically changes in funding availability.

Key Milestones are as follows:

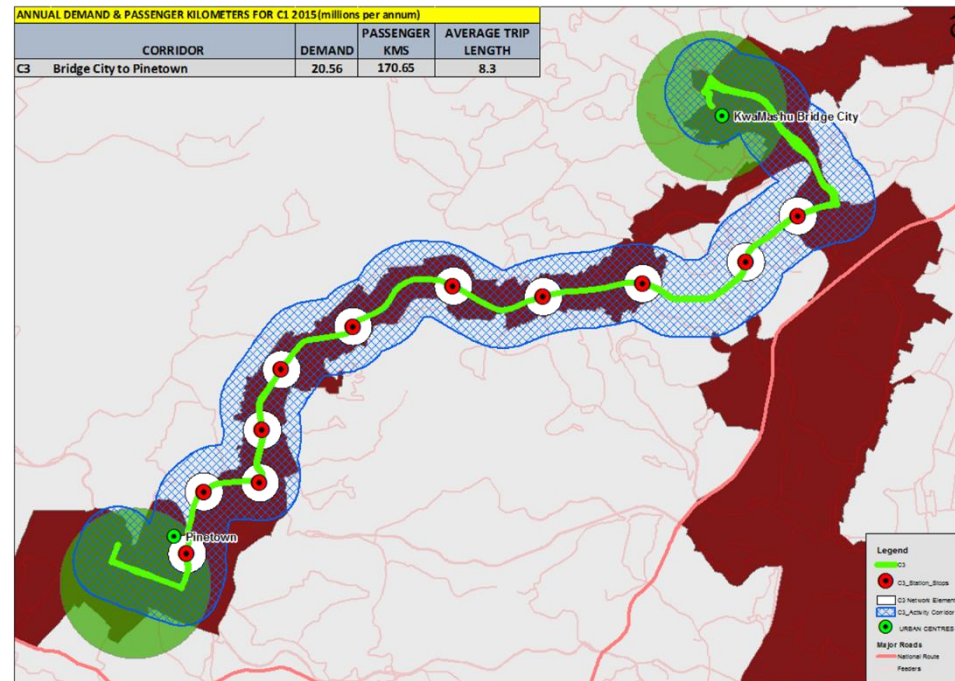
Phasing	% Trunk feeder trips	Planned Operational Year		
Phase 1	C3	2018	<ul style="list-style-type: none"> Infrastructure rollout 97% complete Operational readiness 80% complete 	
	C9		2020	<ul style="list-style-type: none"> Infrastructure rollout - commenced
	C1	2022	<ul style="list-style-type: none"> Infrastructure rollout - commenced 	
	C2 (Rail)	40%	2018	<ul style="list-style-type: none"> Feeder concept - Complete
Phase 2	C5, C7	20%	2025	<ul style="list-style-type: none"> Concept - complete
Phase 3	C4, C8	9%	2028	<ul style="list-style-type: none"> C4: concept – Complete C8: concept review for early implementation underway
Phase 4	C6	6%	2030	<ul style="list-style-type: none"> Concept - complete

3.4 URBAN NETWORK STRATEGY ELEMENTS (PHASE 1) – SPATIAL PLANNING AND TARGETING

The UNS provides a systematic approach to leverage private sector investments in strategic locations via a co-ordinated set of spatially-targeted interventions. These include: public infrastructure investment, urban management in targeted precincts and the application of financial, non-financial and regulatory instruments (such as development incentives, tax rebates for developers and investors and the ease of doing business in cities). This targeted intention is aimed at creating a network of strategically-located centres of economic and social activity (mixed-use hubs) accessible to all communities via efficient and sustainable public transport. A key focus is on well-located green and brown fields and transformation of urban centres, declined Central Business Districts (CBDs) and township economic centres, which allows for precincts of mixed use and mixed income social housing, that enable the transformation required for cities.

3.4.1 C3 CORRIDOR (BRIDGE CITY TO PINETOWN)

C3 provides new connections between two major centres: Bridge City (Urban Hub- marginalised residential area of INK) and Pinetown (economic node) in a corridor that is not easily traversed at present, as the current public transport trip patterns are via the Durban CBD to Pinetown. This route will provide a direct link thus saving travel time and costs. This provides significant improvements in metropolitan level mobility and is a key component of the strategy of spatial transformation. The route is a mix of greenfield and brownfield opportunities and is seen below in relation to the eThekwi Integration Zone shaded in red.

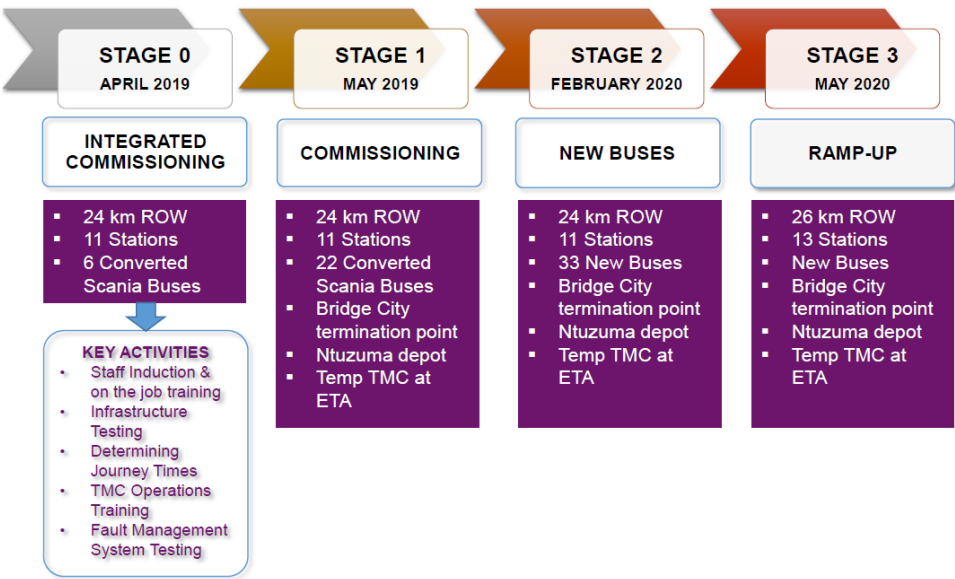
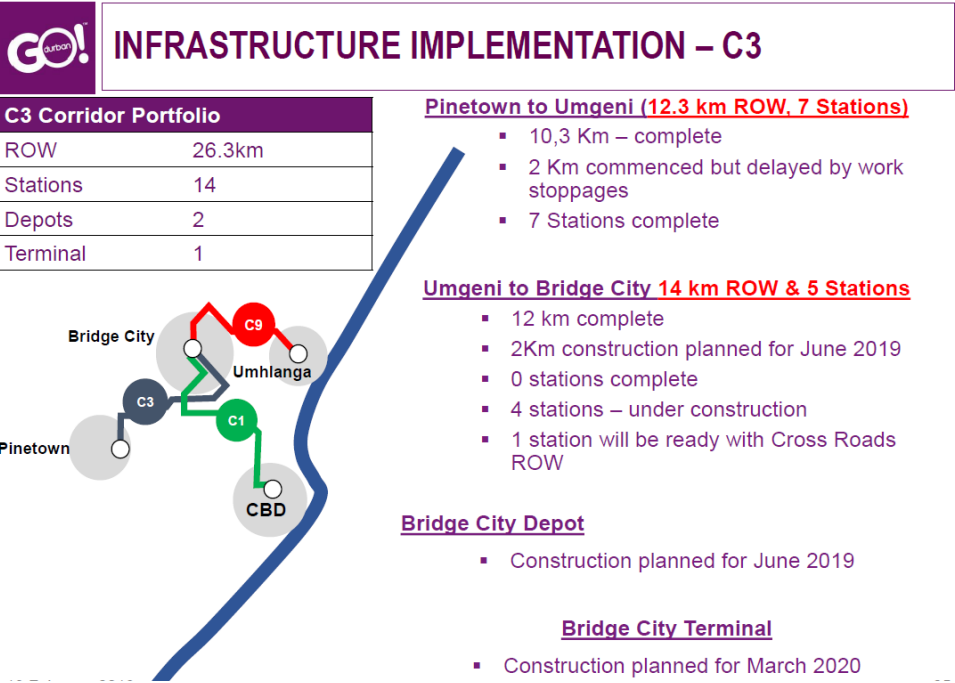


3.4.2 C3 URBAN NETWORK STRATEGY ELEMENTS

3.4.2.1 Current Programme Status

Key milestones are as follows:

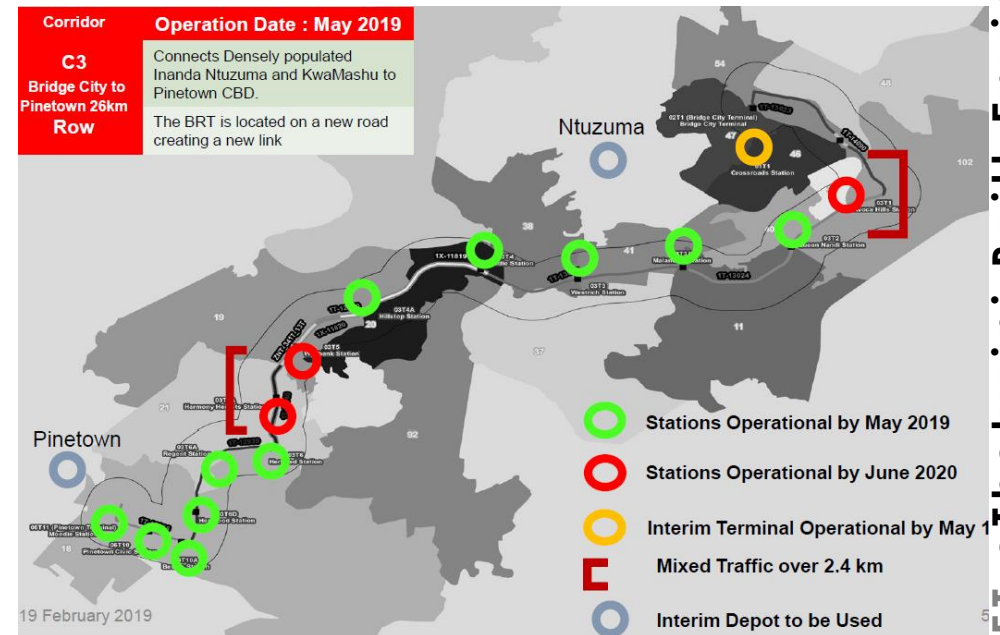
- C3 corridor nearing completion; and
- Work stoppages had a huge impact on the schedule but has resumed, however, remains a key challenge in progressing the project as per the plan.



3.4.3 C3 OPERATIONAL READINESS

The C3 corridor is scheduled to start its operations on May 1st, 2019 with a staged approach as indicated below:

3.4.3.1 C3 Infrastructure Operational Readiness



3.4.3.2 C3 Programme Challenges

CHALLENGES	(POSSIBLE) IMPACT	MITIGATION
1. Delay around the Procurement of the 74 buses for C3 Corridor	<ul style="list-style-type: none"> Delay to official go live date 	<ul style="list-style-type: none"> At BSC due for advert 24 February 2019
2. Disruption of Infrastructure Contracts	<ul style="list-style-type: none"> Grant Expenditure Operational Readiness (C3) Programme Rollout Standing time cost 	<ul style="list-style-type: none"> Extended program of engagement with communities and business entities in wards where contracts are being undertaken to sort out access to opportunities before start of construction Roll out of Incubation programs Identification of community development programs
3. Delays from Protracted SCM processes	<ul style="list-style-type: none"> Grant Expenditure Operational Readiness (C3) Programme Rollout 	<ul style="list-style-type: none"> Restructuring of the SCM system Initiation of procurement process 6 to 12months
4. Service provider performance	<ul style="list-style-type: none"> Value for money Quality Legal challenges 	<ul style="list-style-type: none"> ETA realignment to bolster internal capacity
5. Negotiations	<ul style="list-style-type: none"> Delay in start of negotiations and operations 	<ul style="list-style-type: none"> Workshops held and resolutions in progress.

enhance the manner in which the study area functions within the region;

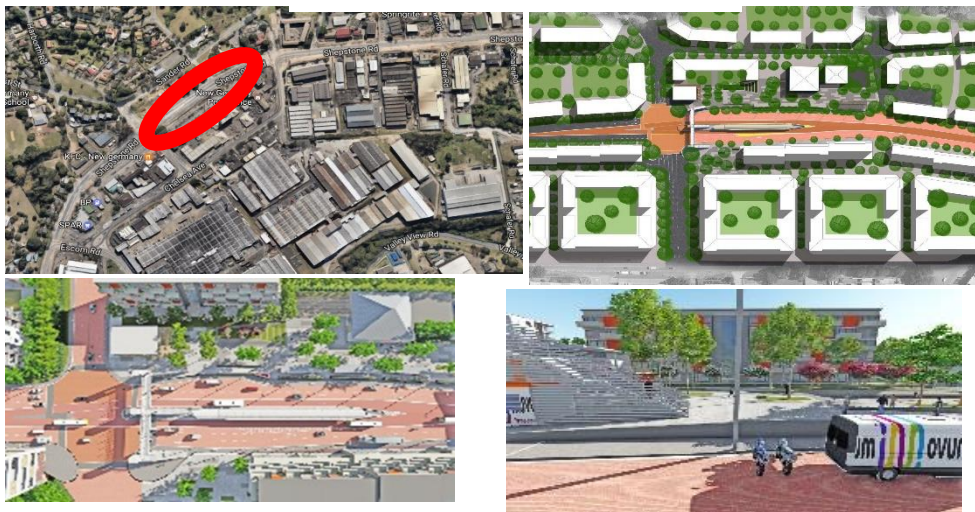
- stimulate economic activity in the adjacent townships, namely Clermont, KwaDabeka, and the cluster of townships within the INK Area; and
- promote and support transit-oriented-development by:
 - promoting infill and densification within acceptable environmental limits;
 - encouraging development/re-development in established and emerging nodes in the form land use and local economic development initiatives;
 - directing of employment opportunities, mixed land use and high-density residential development into the integration zone;
 - developing and strengthening transit-orientated development along the primary and secondary transport links;
 - provide Land Use Management, operational and precinct management tools;
 - identifying key interventions at a local level that facilitates non-motorised transport (NMT) and universal accessibility;
 - translating the spatial development intentions of the plan into detailed physical planning directives; and
 - produce a plan that builds investor confidence and promotes public and private investment.

3.4.4 C3: INTEGRATED CORRIDOR DEVELOPMENT

The study has been completed with the overall objective to:

- establish a comprehensive design approach for the entire corridor to promote efficiency and functionality, and better define a unique and distinctive sense of place;
- based on a combination of the community's vision, the city's goals, national development priorities and best management practices in transit-oriented development (TOD);
- seeks to unlock the development potential of the corridor in relation to surrounding areas that identifies a series of catalytic investments within study area to allow all public interventions to be focused in an identified spatial context in order to leverage private investment responses;
- identify the future role of the C3 Corridor as a primary transport link that integrates Pinetown CBD and Bridge City as a urban hub and in this respect unlocks the potential within all the network elements to

TOD concept at Regent station



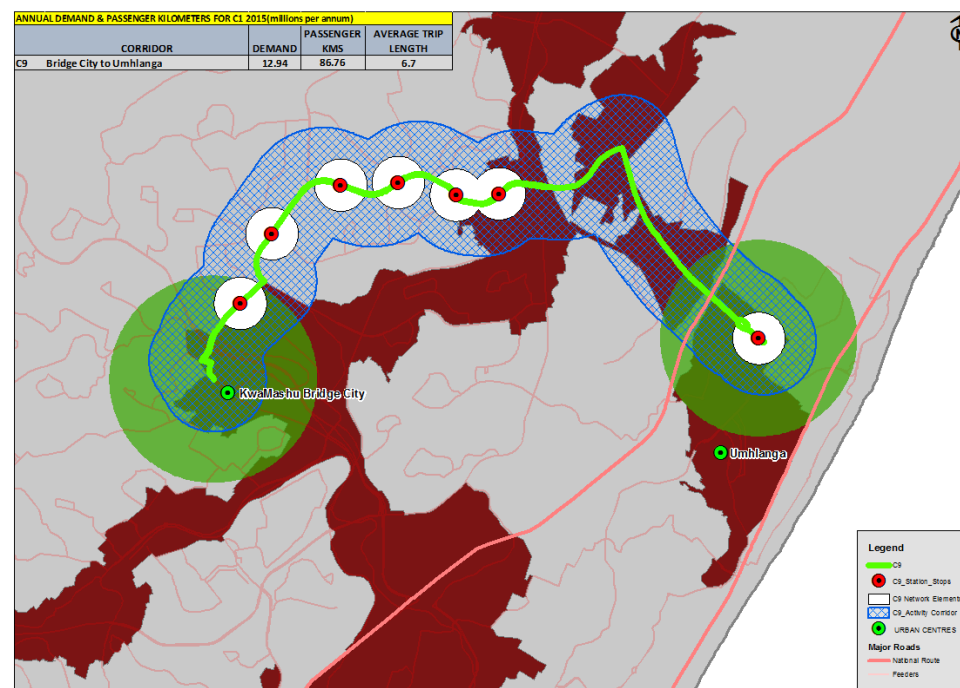
Regent Street Pilot Station




3.4.5 C9: BRIDGE CITY TO UMHLANGA TOWN CENTRE)

The C9 is the shortest corridor and links the growth areas of Umhlanga and Bridge City via the Cornubia mixed-use development. The route is seen below in relation to the eThekweni Integration Zone shaded in red. This corridor forms part of the Phase 1 public transport network in that it links new areas of residential and employment growth in the northern part of the municipality with the western part of the municipality through its linkage with C3. This transport corridor is a key component of the strategy for spatial transformation as it links areas of affluence with areas of marginalisation.

Construction of Cornubia Boulevard and the C9/M41 interchange has been completed and operational.

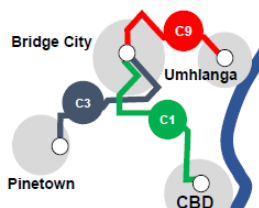


3.4.5.1 C9: Current Programme Status



INFRASTRUCTURE IMPLEMENTATION – C9

C9 Corridor Portfolio	
ROW	12km
Stations	9
Depots	1
Terminal	1



Bridge City
Umhlanga
Pinetown
CBD

Bridge City to Phoenix : (9km ROW & 6 stations)

- Phoenix industrial (2km) - Start date Jan 19
- Phoenix Hwy (7.26km) – Start date March

Cornubia to Gateway: (5.5km ROW & 6 stations)

- Planned start date – March and June 2019

Gateway to Umhlanga Town Centre: (3km , 2 stations)

- At concept stage

Interchanges

- M41 interchange – Procurement delays (18mnths)
- R102 interchange – TBC (KZNDOT)

Cornubia Depot

- Planned for Jan 2021

Gateway & Cornubia terminal

- Planned for January Jan 2021

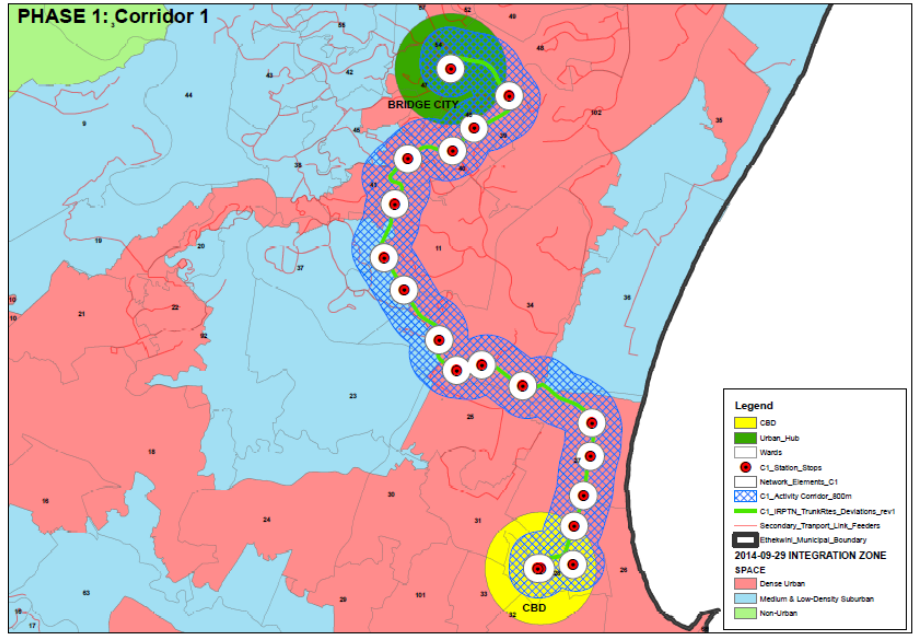
19 February 2019




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3.4.6 C1: (BRIDGE CITY TO DURBAN CBD)

C1 provides connections between two major centres: Bridge City (Urban Hub) and Durban CBD (economic zone) This provides significant improvements in metropolitan level mobility and is a key component of the strategy of spatial transformation. The route is seen below in relation to the eThekweni Integration Zone shaded in pink.

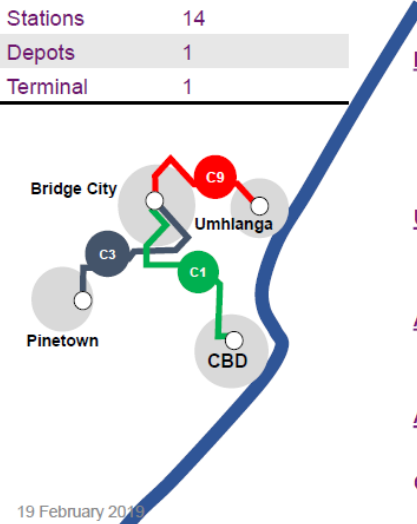


3.4.6.1 Current Programme Status:



INFRASTRUCTURE IMPLEMENTATION – C1

C1 Corridor Portfolio	
ROW	26.84km
Stations	14
Depots	1
Terminal	1



19 February 2019

Bridge City to Inanda Road

- Dedicated lanes (10 km) and 5 stations
- Lane shared with C3 - complete

Inanda Road to Alpine Road:

- Dedicated lanes (8.8 km) & 6 Stations
- 4.8km - Construction Commenced
- 2.32km - Procurement delays

Umgeni River Crossing Bridge

- At concept stage

Alpine/Felix Dlamini Road to CBD

- Dedicated lanes (3.1km) & Stations (2 total)
- Concept Phase

Alice Street Depot

- Planned for Sept 2020

CBD Terminal

- Planned for Jan 2023

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3.4.6.2 Major Programme Risks and Issues

- Work Stoppages: Community participation and engagement with the Taxi Industry have been undertaken as a mitigation measure; and
- Delays with the Supply Chain Management Process: City leadership appraised of the risks. Mitigation strategies are being implemented.

3.4.7 INNER CITY DISTRIBUTION SYSTEM (ICDS) AND CBD OUTER RING SERVICE

3.4.7.1 Current Programme Status:

- Professional team procured;
- Preparation of conceptual layouts for infrastructure and detailed modelling for the Warwick Node including the ICDS services; and
- Aligned to Inner CBD regeneration and densification strategy.



Warwick Node (Berea Station Development)

3.4.8 IPTN FUNDING AND ITS STRATEGIC IMPLICATIONS

The budget allocation for the IPTN is reflected in the table below:

MTEF – 2018/19 to 2020/21 Budget Projection

	2018/19	2019/20	2020/21
PTNG: Allocation	857,251,000	906,683,000	
Budget Application	1,013,732,681	1,060,922,660	1,106,925,056

eThekwini's contribution when required for Capex roll-out is up to R 300m per annum.

It has been noted that the full funding required for all three corridors in Phase 1 may not be available from National Treasury. A staggered implementation of these three corridors within Phase 1 is therefore necessary within the current funding envelope.

However, public transport is a critical spatial restructuring element and there are very long lead times to get supportive land use in place. It is therefore critical to accelerate implementation of public transport capital infrastructure to allow the intensified land use to develop as fast as possible in order to increase ridership levels which will allow operating subsidies to decline sooner rather than later. eThekwini believes it can accelerate spend from the current R100-150mill/month in the short term to R200mill/month in the medium term. Hence the capacity to upscale exists. However, this would require approval to gear up a portion of the grant & in addition we would need certainty of grant flow over at least 10 years.

On the critical issue of the operating model, there are proposals under discussion which look to maximize the involvement of existing operators to thereby minimize the risk of moving seamlessly to the ultimate operating model.

3.4.8.1 Key Issues:

- Mid-year under-spending of approximately R 40m;
- C3 expenditure is tailing off and C9 and C1 expenditure delayed; and
- Future commitments and pipeline vs. current under-spending.

3.4.9 INDUSTRY TRANSITION SUMMARY

3.4.9.1 Current Programme Status:

Through the MOAs established between the City and the respective public transport industries (minibus, Taxi and Bus), the following agreement to the execution of the sub- project between the City and the Public Transport Parties was reached, viz.

- "Sub- project" means the regularisation of the inclusion or exclusion of Operators from the Project limited to their compensation and exiting as Operators and/or the inclusion of such Operators as stakeholders in the corporate entity/entities that will be sub-contracted to deliver public transport services in terms of IPTN and/or any resolution.

As a result of the above agreement, the following was established:

- The Affected Associations and Operators will be those whose routes will be directly and partially in the specific corridor and associated feeder services that will be the subject of implementation.
- Five (5) representatives from each of the directly Affected Associations and two (2) representatives from each of the partially Affected Associations are elected to represent their Associations in the case of minibus taxi industry.
- Three (3) representatives from each of the directly Affected Bus Operators and two (2) representatives from each of the partially Affected Bus Operators are elected to represent their Operators.

3.4.10 C2 CORRIDOR (PRASA INTERVENTION)

The IPTN has been designed without a bias towards a particular mode and has been about developing a truly integrated system that embraces a range of modes, optimally selected to satisfy the various travel demands within each of the corridors. In this respect, the municipality has worked closely with the Passenger Rail Agency of South Africa (PRASA) to align planning and budgets to ensure rapid delivery and benefit of the IPTN to the maximum number of users while exploiting the use of existing assets.



The C2 rail corridor, which is the backbone of the North-South corridor, is the proposed rail trunk route in the system with remaining rail lines serving as complementary services in the overall IPTN. C2 is estimated to carry approximately 40 percent of the annual trunk public transport travel demand at full system maturity and supported by a proposed attractive feeder system.

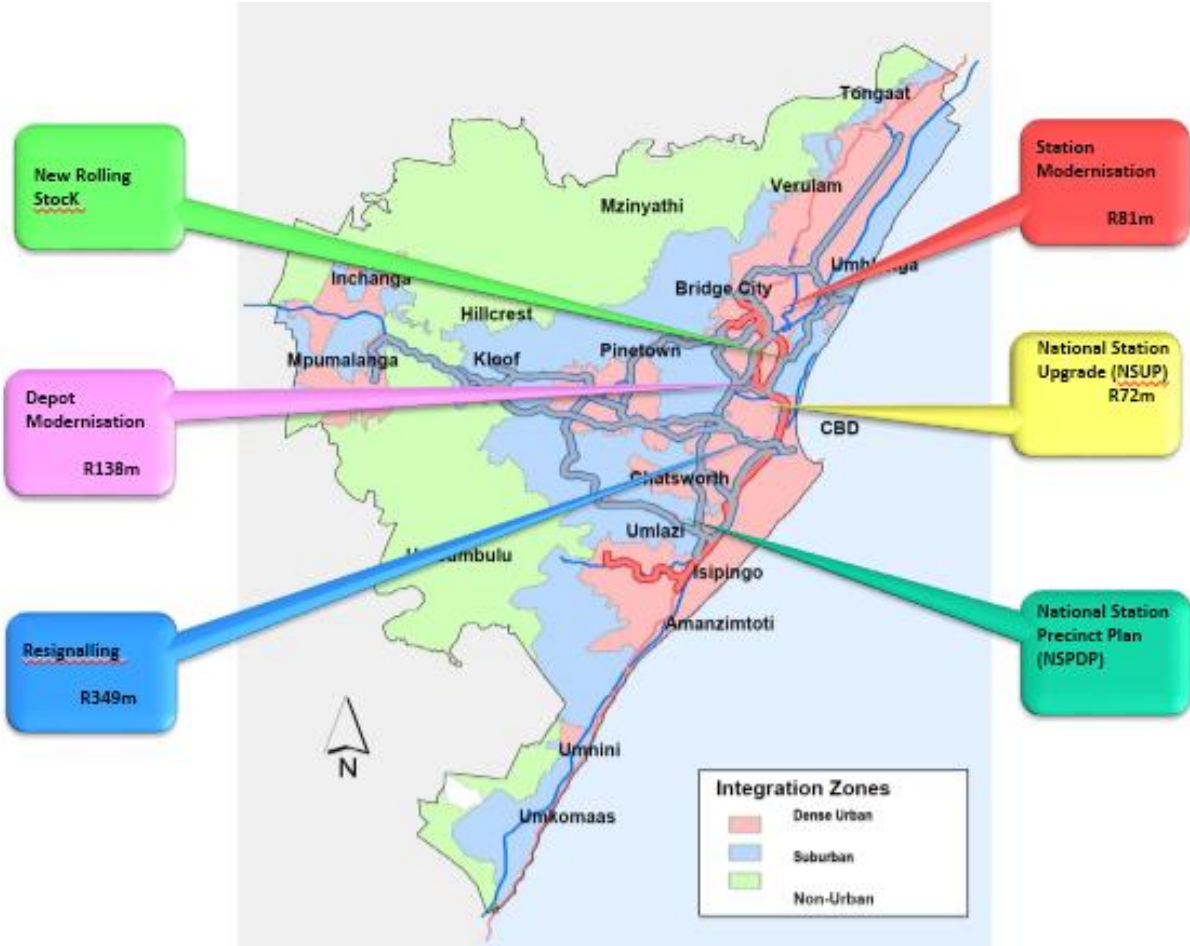
Consequently, PRASA has committed to concentrate its investment in this important corridor by prioritising the implementation of their rail modernisation strategy along C2 as part of Phase 1 of the IPTN. It is anticipated that C2 will be fully functional in terms of the strategy by 2018. Similar to the philosophy of the IPTN, the PRASA Rail Modernisation Strategy has the user and the user needs at the centre of the system. Apart from significant upgrades to infrastructure and the purchase of new rolling stock, the following are some important features being planned for implementation:

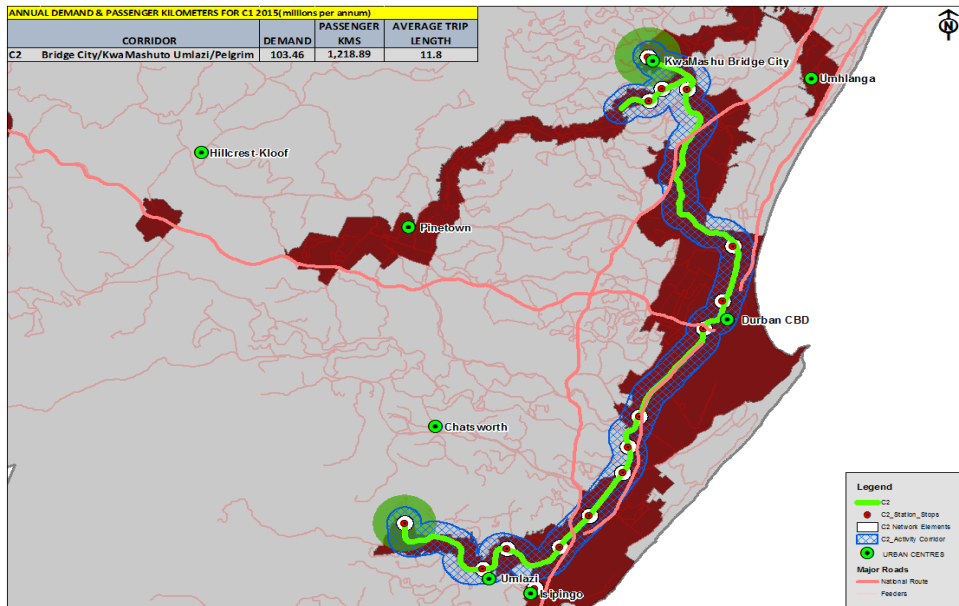
- The upgrade and improvement of stations and station precincts in accordance with international best practice and the principles of universal accessibility and Transit Orientated Development (TOD);
- Exploring common branding and marketing with the municipal-managed, road-based IPTN services;
- Integrated ticketing system design and implementation (Smart Card, EMV Global Standard)
- Safety and Security Systems;
- Headways of 3 minutes;
- New trains being capable of carrying 2000 people;
- Capacities ultimately up to 60,000 - 80,000 persons per hour;
- Express services;
- Rationalisation of stations to work in an integrated manner with the proposed BRT systems; and
- Traveller information systems.

The Municipality and PRASA have forged a strong working relationship, by establishing a Rail Working Group and are both committed to the incremental roll out of the IPTN in a co-ordinated and cost-efficient manner that ultimately benefit the end user. The Municipality is preparing to manage the subsidies of all corridors within the IPTN including the C2 rail corridor.

3.4.10.1 C2 Corridor (Rail)

This corridor extends from Bridge City/KwaMashu via Warwick to Umlazi and Isipingo - The main rail route will be upgraded to enable a more intensive, reliable and higher capacity service to be operated. The extension to Bridge City creates new journey opportunities, especially for employees. The C2 corridor can be seen below in relation to the Integration Zone which is shaded in dark red.





PRASA is investing significantly in the C2 rail corridor as can be seen from the budget allocations to the various programmes on the map below (Updated figures to be received from PRASA in April 2018)

3.4.10.2 C2 Progress to date

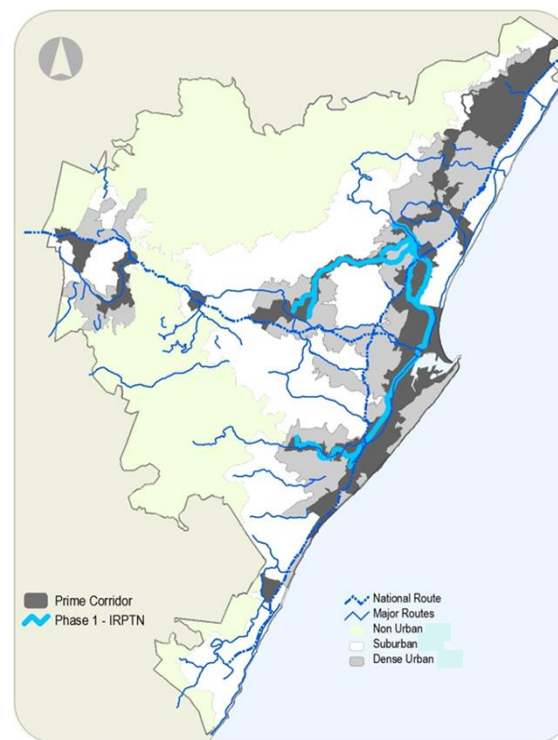
- Some station modernisation is already complete and can be seen in the pictures above;
- Delays have been experienced in the different programs and the 'go live' date of new services is likely to be pushed out;
- The Integration Planning Committee for eThekwini was approved in 2016 and has started operating;
- The business case for the devolution of the rail subsidy to eThekwini has been completed; and
- The business plan for C2 has been developed jointly between PRASA and eThekwini and is under discussion.

The success of the IPTN relies on the north-south rail network operating efficiently and the instability within PRASA nationally is a significant risk to implementation programmes and eThekwini will need to monitor this closely.

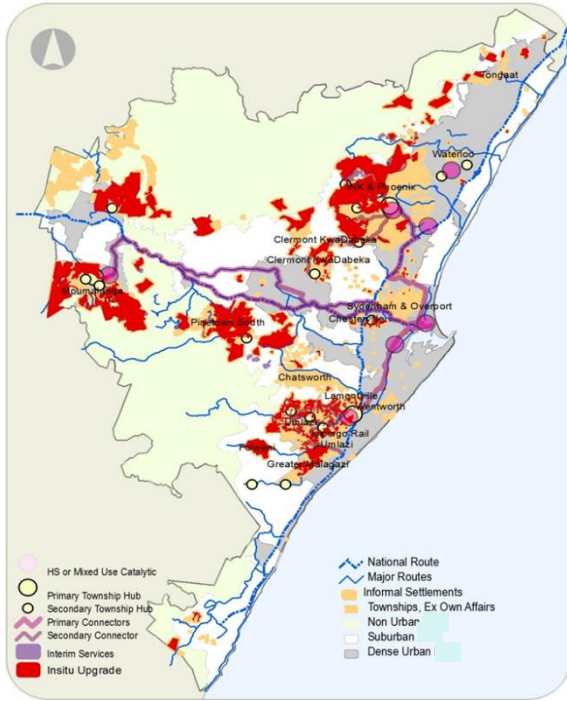
3.5 IPTN RESPONSE TO KEY SECTOR PROGRAMMES

The strategy-level alignment of the IPTN and the key sector programmes is reflected in the maps below. The detailed explanation of sector programmes in relation to public transport is reflected in the Catalytic land Development Sections of this document (Section C,D&E)

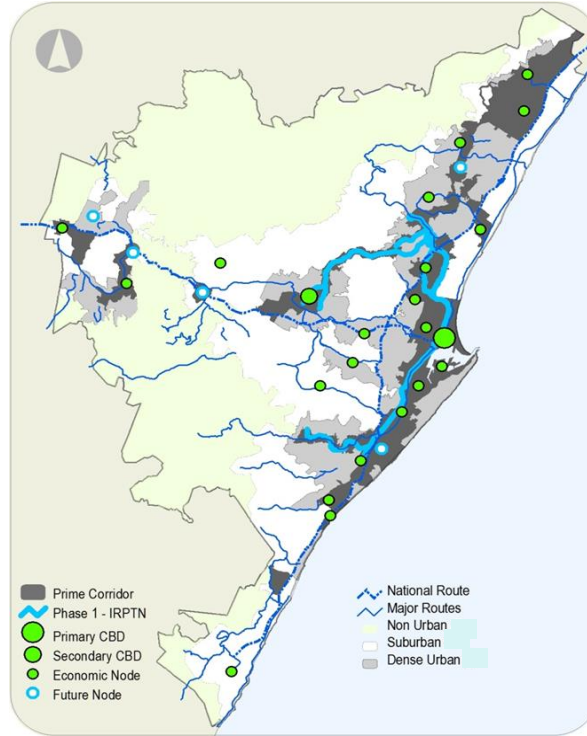
IPTN Phase 1 response to Prime Investment Corridor



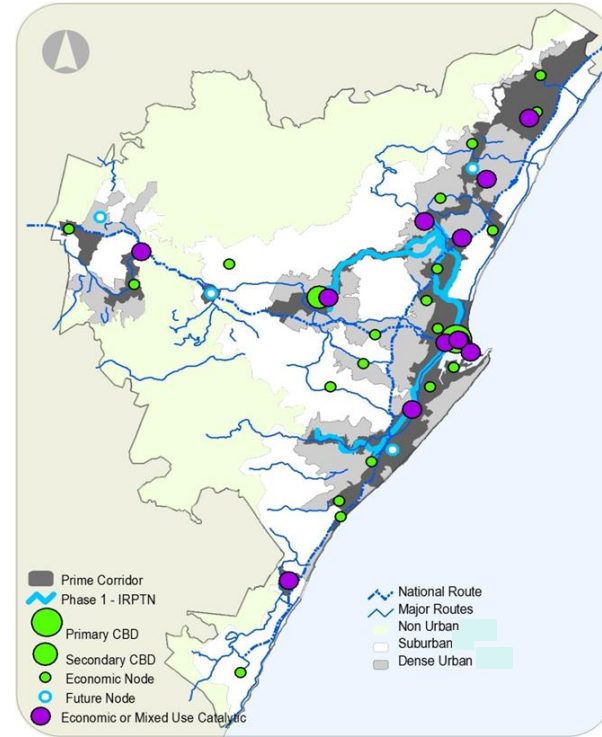
IPTN Phase 1 response to Marginalised Areas



IPTN Phase 1 response to Economic Nodes



IPTN Phase 1 response to Catalytic Projects



3.6 ETHEKWINI TRANSNET INTEGRATED FREIGHT TRANSPORT SYSTEMS PLAN

3.6.1 INTRODUCTION

The adoption of the Integrated Freight and Logistics Strategy (IFLS) led the eThekweni Transport Authority to embark on the establishment of a co-operative joint working arrangement with Transnet SOC Ltd. This joint working arrangement has aimed to achieve a variety of the implementable interventions identified in the IFLS that require both authorities to jointly plan, design and implement. This joint working arrangement with Transnet is titled as the 'eThekweni Transnet Integrated Freight Transport Systems Plan.'

More specifically the 'eThekweni Transnet integrated Freight Transport Systems Plan' aims for Transnet and the eThekweni Municipality to jointly develop an agreed integrated, sustainable transport system plan in the South Durban Basin (inclusive of all port areas) that supports the port developments, city growth and enhances the region and its residents. This Plan specifically has tremendous potential to enhance the economy of eThekweni and the broader region.

3.7 PROJECT OBJECTIVE

To jointly utilise internal resources to develop and agree on an optimal conceptual framework for: rail; road; port; land use; systems; supporting logistics facilities and regulatory functions. Utilising the 'Integrated Freight and Logistics Strategic Framework and Action Plan for eThekweni' as a basis and point of departure, as well as port container expansion plans and anticipated cargo volume growth. Containers will be the primary focus, but all other cargos will also be considered.

3.7.1 DEFINING THE PROJECT AREA

The project is geographically bound to the Port of Durban (specifically the Southern port precincts) and the surrounding suburbs, as well as their interactions with the broader transport network (and national corridors). Therefore, deliverables will be based in the South Durban Basin and areas directly affected by port geographically. The most Northern boundary of the study area includes Maydon Wharf and Glenwood (namely Che Guevara Road), the most Southern boundary includes Southgate / Umbogintwini (namely Moss Kolnick Drive), the Western Boundary is the N2 and the Eastern Boundary is the Indian Ocean.

3.7.2 DELIVERABLES AND MILESTONES

The project has been broken down into five tasks that include:

- A status quo assessment of work done to date;
- A port city land use rationalisation;
- A broad supply chain assessment;
- The development of a conceptual optimal freight system framework; and
- The development of a conceptual implementation plan.

3.7.3 KEY RECOMMENDATIONS

The infrastructure interventions for 2015-2035 can be seen on the map below. To implement these recommendations will require significant national contributions.

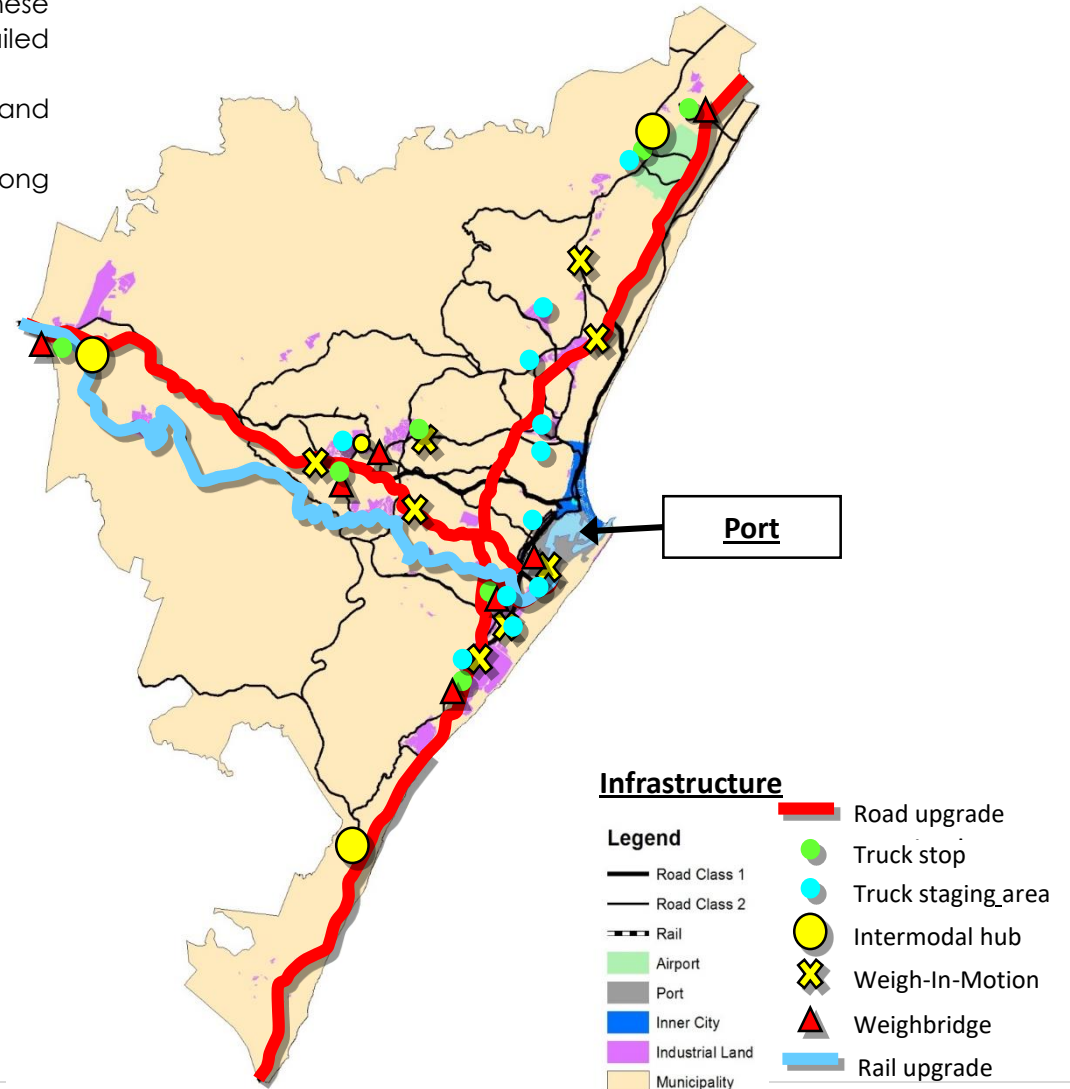
The interventions proposed include:

- To cater for existing volumes and enhance existing deteriorating infrastructure, the existing road network to the Port of Durban requires upgrades and, in some sections, massive rehabilitation, this includes: Bayhead Road; South Coast Road; Umbilo Road; Solomon Mahlangu Drive (M7); N2/M7 interchange; and the M7 between the N2 and N3;
- Road capacity needs to be increased to support Transnet's intention to expand the existing Container Terminals at Salisbury Island. This is ideally suited to developing a second access to the container

terminal from Bayhead/Langeberg Road that travels in a Southerly direction towards Mobeni (and the Clairwood Racecourse);

- The Container Terminals A-check be relocated to a more remote Truck Staging facility further up the existing and proposed road corridors. This facility needs to be large enough to cater for the future volumes of traffic at the port and release them in a more co-ordinated manor. This facility is key to supporting the ports intentions to move to truck booking system;
- Transnet SOC Ltd and the eThekweni Municipality jointly take these recommendations into detailed traffic modelling and detailed design;
- KZN DoT prioritise, enhance and re-engineer the M7 between N2 and N3; and
- SANRAL plan, design and enhance the M7/N2 interchange along with the key N3 Road Corridor.

Large funding shortages is a massive challenge needing to be addressed urgently for these interventions. Due to the national strategic nature of the Port and the proposed freight route together with the fact that eThekweni does not have the scale of budget required and also that it receives very little revenue benefit from Port operations yet must deal with the externalities, it is imperative that National Government intervene.



4 STRATEGIC OVERVIEW OF DEVELOPMENT RESPONSES: Marginalised Areas

4.1 MARGINALISED AREAS PLANNING & PROGRESS

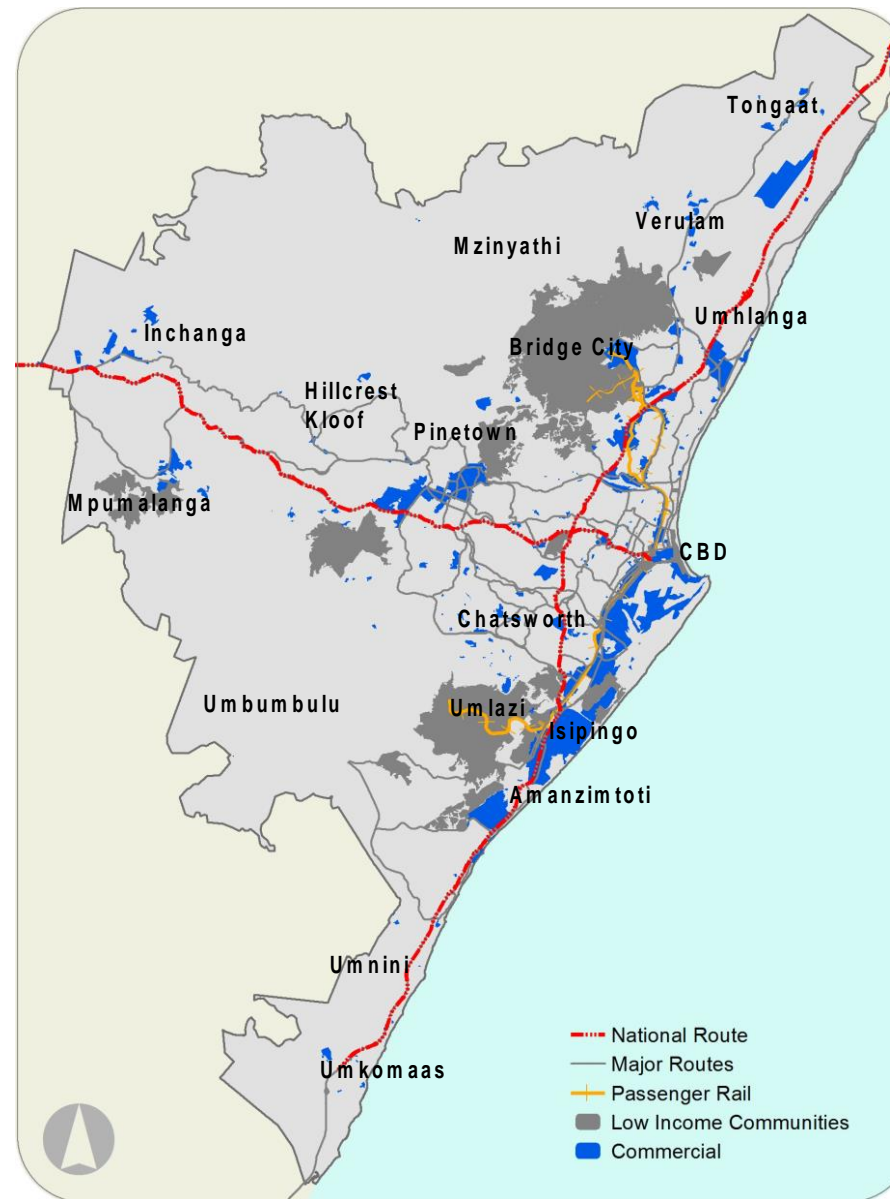
4.1.1 OVERVIEW OF PROBLEM

Marginalised areas are a key component of the BEPP and they are the priority areas of expenditure of the USDG funds. The Marginalised Areas comprise Townships, Ex-Own Affairs Areas and Traditional Areas, and affect over 400,000 households, about 45% of the total number of households in eThekweni.

4.1.1.1 *Disjuncture Between Low Income Residential Areas and Areas of Employment*

As in most SA cities, jobs are not where the people live, and vacant land for housing is not where the jobs are.

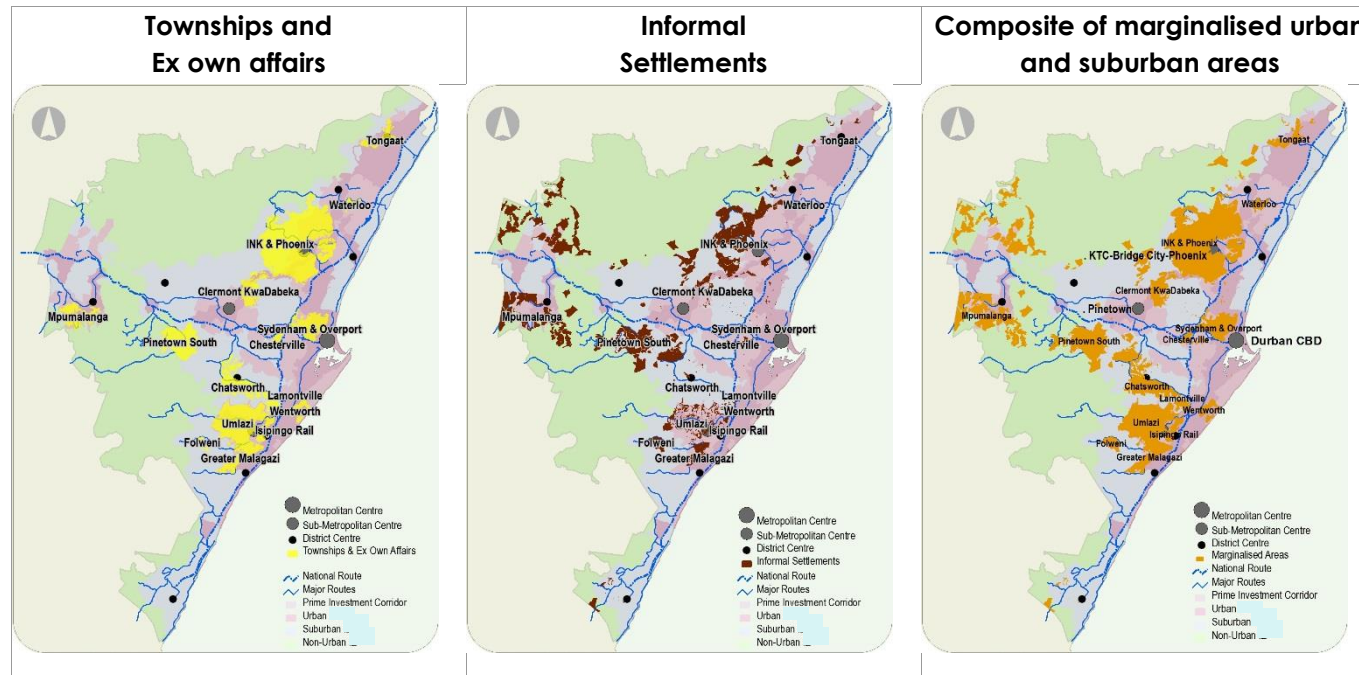
Most jobs in the manufacturing, warehousing and transport industry are located in the centre, south and west of the municipality but a large number of workers live in the north. The economic and residential growth axis is now towards the North. This has been a trend for the last decade and the momentum is increasing with the development of the Greater DTP and Greater Cornubia.



4.1.1.2 Urban and Suburban Marginalised Areas

eThekweni has a backlog of approximately 237,000 families in informal structures, mainly in and around existing Townships and Ex-Own Affairs Areas, which themselves suffer from poor connectivity, low levels of economic development, variable levels of access to basic social facilities, and generally poor urban quality. Based on an average delivery of 3500 serviced dwellings per annum, it will take generations to fully upgrade all the informal settlements. There is also the imperative to spatially transform metropolitan areas through substantial improvements to the access of the poor to economic and social opportunities. The maps below show the geographic location of townships, ex-Own Affairs and informal settlements

To respond to both the fact that the formal housing programme is taking too long to respond to the housing need as well as the urgent need for improved access to urban opportunities, eThekweni will prioritise those human settlement projects that are well located and where intervention could make a significant contribution to spatial transformation. In parallel, the Municipality will provide incremental services to the tens of thousands of families living in informal structures in the less well-located and usually suburban locations. This kind of strategy is beginning to emerge at national level as well.



4.1.1.3 Strategic Responses to Marginalised Areas

The Municipality has several responses to Marginalised Areas. These include:

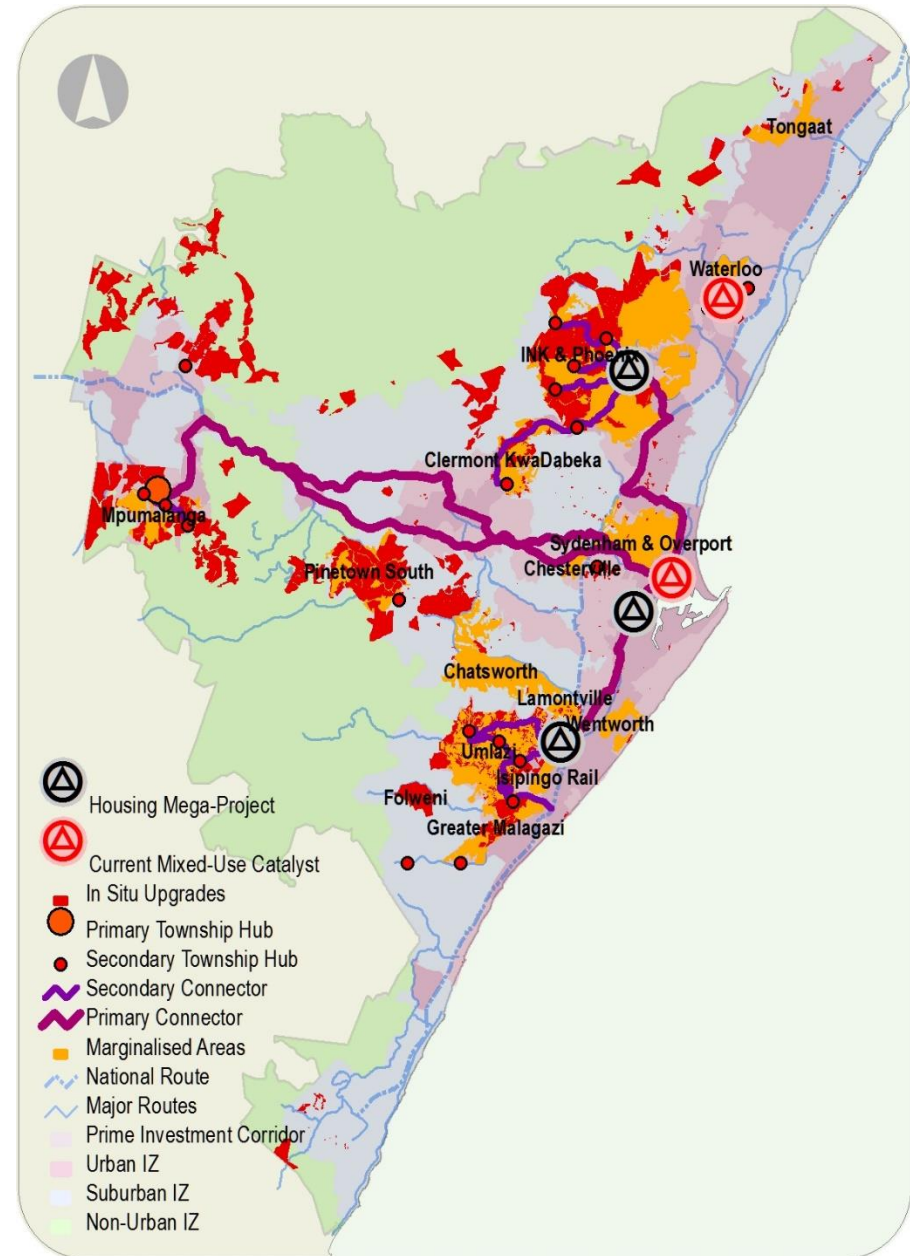
- Connecting and upgrading townships through the public transport roll-out and the Urban Network Strategy (Hubs & Connectors);
- Social Facility provision via a hierarchy of social facility nodes;
- Developing large scale and mixed land use housing projects through the Housing Catalytic Projects programme;
- Provision of a suite of basic services via the Incremental Services to Informal Settlements programme;
- Provision of serviced sites and top structures via the Housing Upgrading Program; and
- Facilitating the provision of institutional and social housing in transit corridors.

These programmes can be seen spatially on the map below and more detail is provided for each programme.

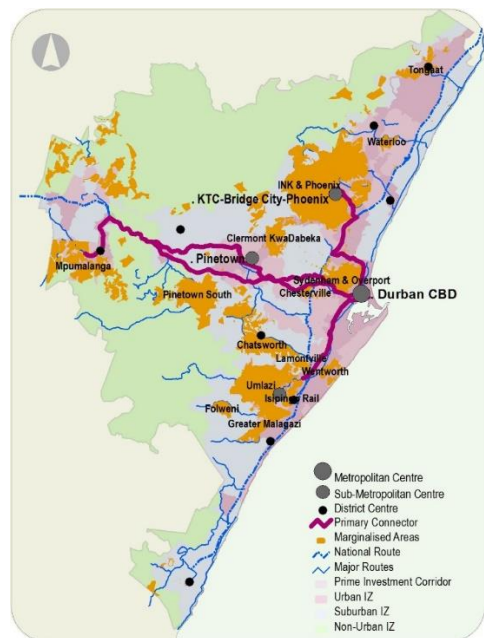
4.1.1.4 Connecting Townships via the Urban Network Strategy

The Municipality recognises Mpumalanga Town Centre, Umlazi V Node, and Bridge City as Primary Township Hubs, which will benefit from investments focused on connecting them more strongly to the CBD and Pinetown through road and rail improvements, and through improvements to public transport interchanges in the hubs. Via the Township Renewal Program, investments have been made consistently over the past five to ten years into the Primary Township Hubs, in higher order social facilities, economic facilities, and urban realm improvements. These investments will continue. There are Secondary Township Hubs that are connected to the Primary Township Hubs. Here the strategy is to improve the road connections between the Primary and Secondary Hubs, and to make further investments into local economic, public transport, and social facilities.

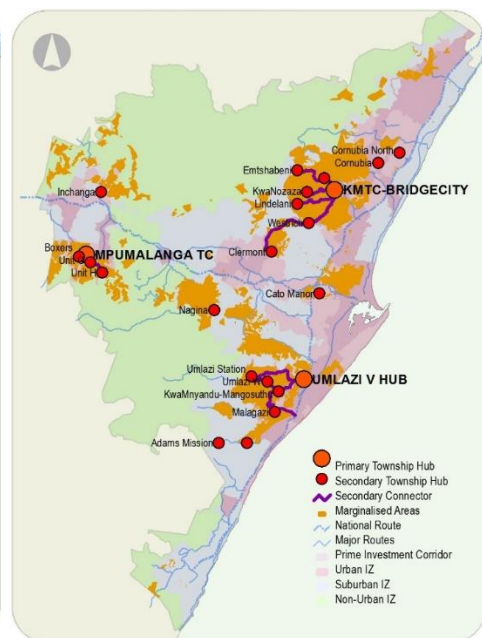
COMPOSITE RESPONSE TO MARGINALISED AREAS



CONNECTING TOWNSHIPS TO CBDs



HUBS AND SECONDARY CONNECTORS



The purpose of setting a long-term horizon is to create increased certainty around capital budgeting for and procurements by the Municipality, and also for other spheres that have a human settlement function (most notably education and health).

Strategy Emphases and Benefits

Strategy	Spatial and Social Transformation Benefits
Incremental Services to Informal Settlements and freedom from fear of eviction for the poor	<ul style="list-style-type: none"> Provision of core and social infrastructure Eradication of core infrastructure backlogs Informal tenure Inclusion of the poor
Densification in Urban and Suburban Integration Zones	<ul style="list-style-type: none"> Greater choice of where to live Improved thresholds for economic development and public transport
Increased focus on Rental	<ul style="list-style-type: none"> More efficient use of core infrastructure and social infrastructure and a livelier property market
Increased focus on main streaming subsidised housing into the Property Market	<ul style="list-style-type: none"> Inclusion of the poor Inclusion of Lower-Middle income groups Stimulation of the Gap market segment Livelier property market
Mix of medium-term big bangs and long-term steady programs	Encourages investment into the built environment by entities big and small, and by households

4.1.1.5 Social Facility Nodes

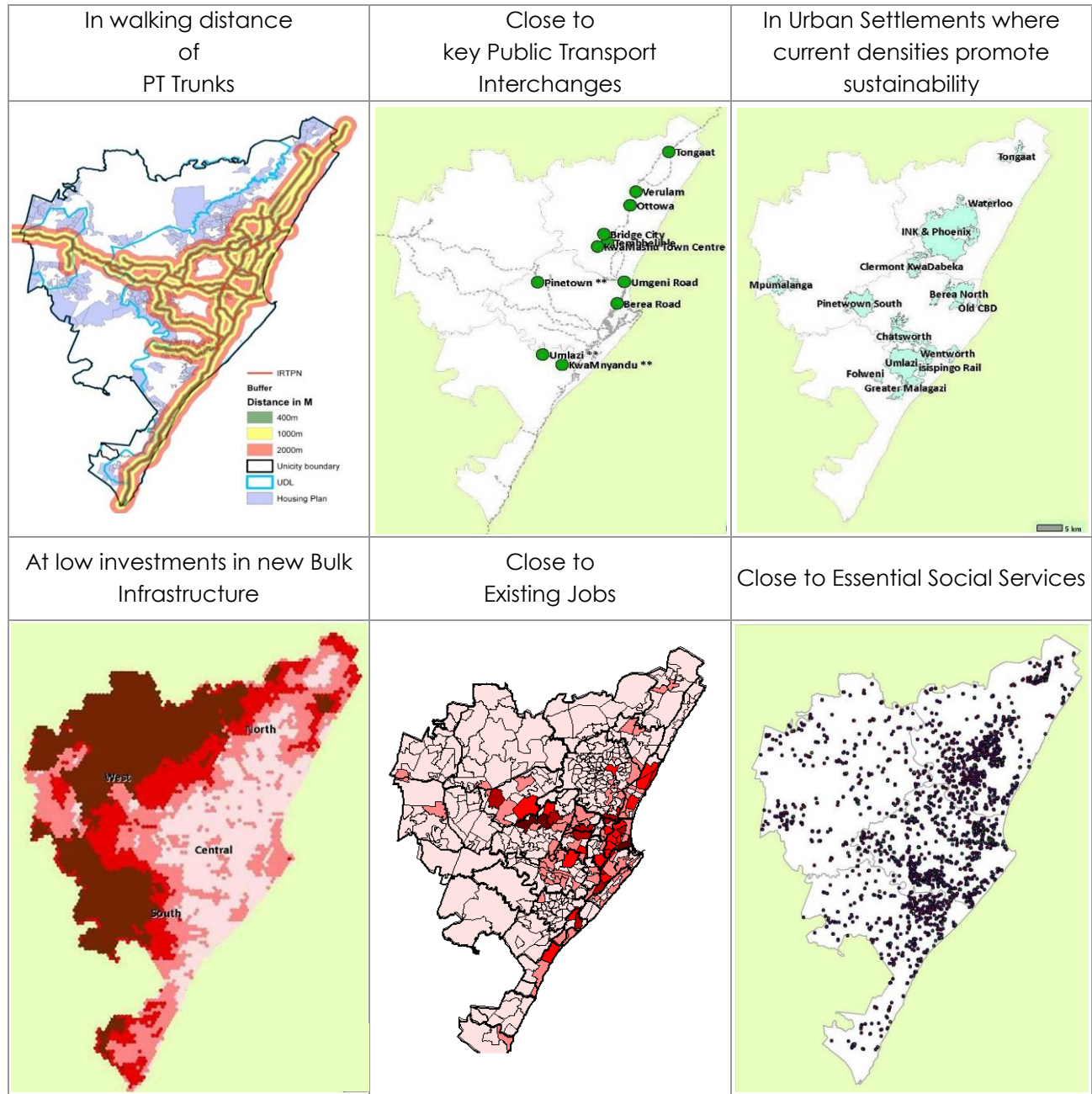
This is outlined in more detail in the social facilities section which is in Part C of this document. However, in so far as neighbourhood level facilities such as parks, schools etc. it is crucial that these facilities are incorporated into the layouts of housing projects and that budgets are programmed in the MTEF to align with the construction of houses. This requires collaboration and integration within the municipality and with provincial departments.

4.1.1.6 eThekwini Housing Sector Plan (EHSP)

The Housing Sector Plan which is pitched at a strategy level, was approved by Council in June 2017. Currently the Plan is limited at this stage to fully and partly subsidised residential infrastructure. This edition of the EHSP covers the five-year IDP period 2016-17 to 2020-21. It however frames the five-year period within a time horizon for the following four MTEF's, from 2016-17 to 2028-29. A multiple MTEF period has been specifically selected because the housing program and project cycle, in eThekwini's experience, is typically long-term.

4.1.1.7 Housing Spatial Prioritisation Model for Upgrades and Greenfields

eThekwini has steadily been developing its GIS-based Housing Spatial Prioritisation Modelling since 2011, when it first considered an explicit set of spatial criteria for choosing which candidate projects to develop further, and to inform the planning and typology brief for selected candidates. The significant criteria used are illustrated below. MOA with Shack Dwellers Association was signed in May 2018.



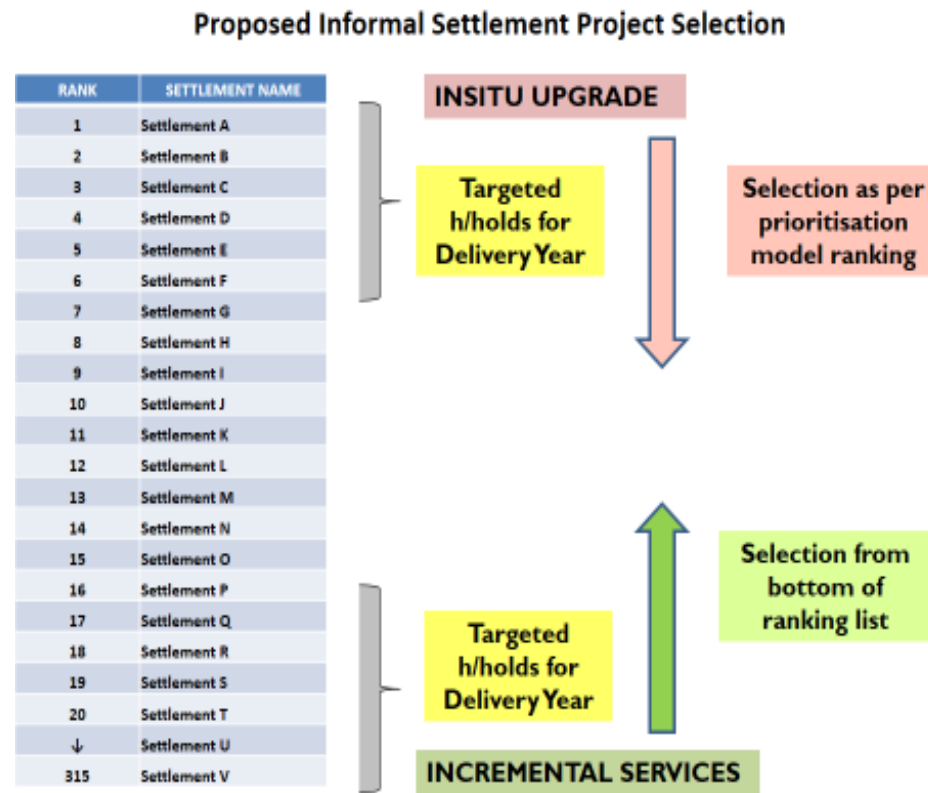
Accessibility to PT and least-cost Infrastructure featured as major HSPM criteria. The Model went on to disaggregate the major criteria into sub-criteria, and to use relative weightings. Noteworthy new sub-criteria were in proximity to the Feeder Routes of the IPTN, and the disaggregation of the Cost Surfaces Model in order to prioritise Sewer as a more strongly-weighted sub-criterion than Water, Stormwater and Electricity. In 2014, the Model was updated to factor in Proximity to Catalytic Projects, and to factor in Disaster Considerations of fire, flash-flood / washaways, and landslide risks. A set of unique Model Weightings was developed for Greenfields, and another set for Upgrades.

Utilising a scoring matrix with a bias towards the Cost Surfaces Model (limiting bulk infrastructure costs), a priority list of Greenfield and informal settlements earmarked for upgrade projects can be generated. Improved locations of housing and improved accessibility, especially of low-income housing, is a major goal of the Housing Spatial Plan. In addition, the Model allows the alignment of projects against the objectives of the Integrated City Development Grant (ICDG). In other words, projects would naturally score highly if located within the Prime Corridor and Urban Zones as well as some portions of the Suburban Zones. Not only would it be beneficial for the City to implement projects where infrastructure, social amenities and employment opportunities are already available and at lower costs, but also the City benefits from enhanced performance-based incentives from National Treasury via the ICDG. The Model therefore helps align projects to the city's spatial targeting strategies.

An example of applying the Model to informal settlement upgrading projects is the ability to determine appropriate interventions viz. full upgrading and incremental and/or basic services. The figure illustrates the intention of Model applied to Informal Settlement Upgrade Projects.

The rationale is for the housing delivery program to work its way from the top of the list viz. selecting those settlements that were least costly to implement from a bulk infrastructure perspective and those that were fairly well located. On the other hand, settlements that did not score so well on the matrix viz. those at the bottom of the list (where the affected households would have had to wait longer for a housing intervention) were identified for

the Basic Services program. The idea being that as both the housing delivery program and the Incremental Services program work their way from the top and bottom of the list respectively, they will eventually meet somewhere in the middle having covered all settlements with some form of intervention.



4.1.2 CATALYTIC LAND DEVELOPMENT OPPORTUNITIES

The areas where value is created in land, and where local government plays an influential role, can be summarised into five themes:

- Location and land use;
- Local governance;
- Market demand;
- Investor confidence; and
- Spatial targeting.

Land markets build on, exploit and manipulate this value based on supply and demand driven by local and macroeconomic forces and access to finance. They then capture this value, generating returns and further potential or competitive value in land or market value. These themes also have to be tempered against the current mandate of human settlement delivery with regard to subsidy provision for infrastructure and subsidies for top structure upgrades and provision at BNG level. This has been captured in Section 9 in this document that covers, inter alia, the National Department of Human Settlements approved 5 catalytic projects that links directly with the city's list of catalytic projects.

4.1.2.1 Prioritised Programs

The Municipality has numerous housing programs, however the programs that have been prioritised in this edition of the EHSP are:

- Housing Catalytic Projects;
- Incremental Services to Informal Settlements;
- Institutional and Social Housing;
- Affordable Housing;
- Upgrades and Greenfields;
- Retrofit of Engineering Services; and
- Township Establishment, Infrastructure Handover, and Title Deed Issuing for RDP projects.

How the Prioritised Programs help to achieve spatial and social transformation

Program	Spatial and Social Transformation Benefits
Housing Catalytic Projects	<ul style="list-style-type: none"> • Integrated and sustainable provision of housing opportunities • Provision of core infrastructure, residential infrastructure, economic infrastructure • Improved connectivity to the urban network
Incremental Services to informal settlements and freedom from fear of eviction for the poor	As for strategy of universal access to basic services

In Situ Upgrades and Greenfields	As for strategy of universal access to basic services plus creation of residential ownership stock
Township Establishment, Infrastructure Handover, and Title Deed Issuing for RDP projects	<ul style="list-style-type: none"> • Formal upgrade, handover, maintenance of municipal infrastructure • Cadastral subdivision • Formalisation of zoning and development rights
Retrofit of Engineering Services	<ul style="list-style-type: none"> • Formal tenure • Livelier property market
Medium and High-Density Housing – Low Income CRU, Hostel CRU, Social, Affordable, Gap	Creation of new rental and ownership residential stock More efficient use of core infrastructure & social infrastructure

The report will subsequently focus on the following prioritised programs in response to Marginalised Areas:

- Housing Catalytic Projects including Social and Affordable Housing which are key interventions amongst others in Catalytic Project areas;
- Incremental Services to Informal Settlements; and
- Upgrades of Informal Settlements.

4.1.3 HOUSING CATALYTIC PROJECTS

4.1.3.1 Program Features

Housing Catalytic Projects:

- Create complete human settlements;
- Cater for people in various income bands;
- Aim at increased densities;
- Are very well connected to public transport;
- Are large, each over 5,000 housing opportunities;
- Require major infrastructure investment;

- Require a mix of public funds;
- Aim to also leverage private investments including household investments;
- Require highly developed and multiple skills to conceptualise; and
- Have multiple stakeholders [].

The Human Settlements Unit champions five catalytic projects (shown on the adjacent map), namely:

- Greater Cornubia (comprising Cornubia Phases 1 and 2 and Cornubia North);
- KwaMashu-Bridge City Urban Hub;
- Inner City;
- Greater Amaoti Informal Settlement Cluster; and
- Umlazi Urban Regeneration;

4.1.3.2 Locational Criteria

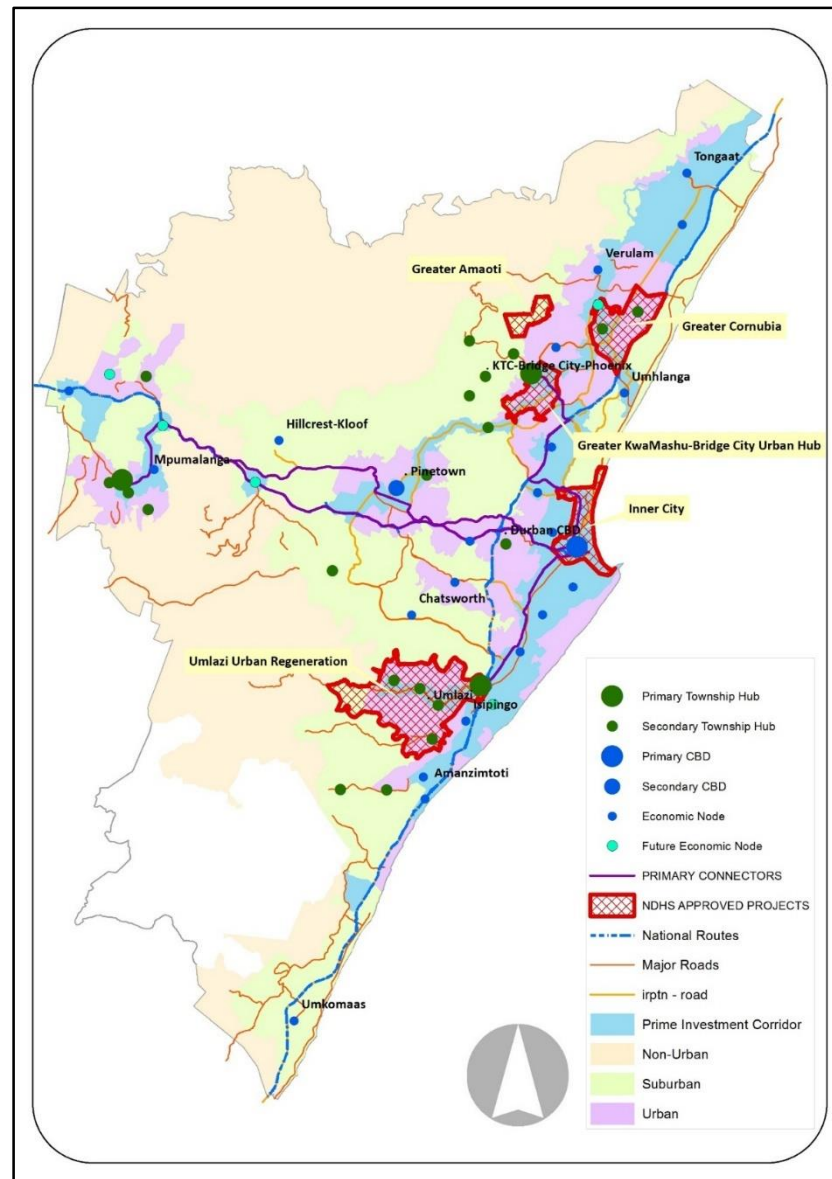
Housing Catalytic Projects are strategically located within or near to the Integration Zone or Prime Investment Corridor (PIC). All of projects are either in the PIC or immediately adjacent in the Urban areas, except for Amaoti, which is in the Suburban area, and which therefore will be slightly less intensively developed than the others.

4.1.3.3 Program Scale

The program intends to deliver about 105,000 housing opportunities. It is also intended to deliver numerous permanent jobs for maintenance of core infrastructure, operations of social facilities, staffing in local businesses etc.

4.1.3.4 Program Origin and Duration

Cornubia pre-dates the start of the program, and serves as a process template for the other Housing Catalytic Projects. The program began to be conceptualised just over two years ago, and elements of it appeared in the BEPP 2014-15. It was expressed as a deliberate program in the form of a submission to the National Department of Human Settlements (NDHS) in



2015. The program is likely to run for about two decades. The NDHS has subsequently approved the Inner City, Cornubia, Umlazi, KwaMashu Bridge City Hub and Greater Amaoti as Housing Catalytic Projects.

Catalytic Projects Resourcing

Project	Integration Zone	Housing Project Stages (as per phase)	2019/20 Budget Rm	2020/21 Budget Rm	2021/22 Budget Rm	Total MTEF Rm
Greater Cornubia	Prime Corridor and Urban	Implementation	166	185	63	414
Greater Amaoti	Suburban	Packaging and Implementation	23	17	28	68
Umlazi Urban Regeneration	Prime Corridor and Urban	Packaging and Implementation	172	201	186	559
Inner City	Prime Corridor	Feasibility	143	130	103	376
KwaMashu-Bridge City Urban Hub	Prime Corridor and Urban	Conceptual and Packaging	78	74	62	214
TOTAL			582	607	442	1631

The Table above represents the budgets of all Municipal departments within the Housing Catalytic Projects.

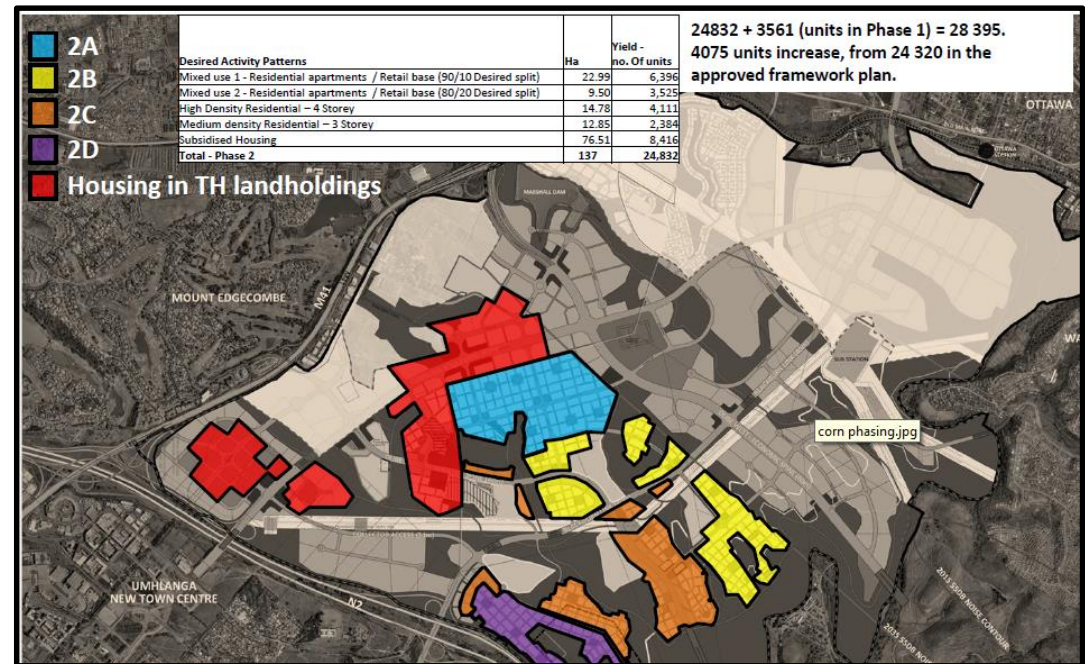
4.1.4 CORNUBIA

Phase 1 has been completed: 3561 units.

Some of the well documented challenges from the underlying poor geotechnical and steep topographical conditions resulted in additional costs for construction costs and the removal of excessive spoil material. There were also delays in the procurement processes.

In terms of post construction and the provision of beneficiaries the seemingly common issue of beneficiaries selling houses & renting out and moving back to informal settlements has, once again, reared its head. In addition, the development has seen illegal electricity connections, even after power is installed.

Cornubia Phase 2



4.1.5 BRIDGE CITY

	Name of Project	Ward	Estimated Yield	Status 1: Prefeasibility	Status 2: Feasibility	Status 3: Awarded to SHI	Status 4: Statutory	Status 5: SHRA
1.	Sites 33, 34, 35, 46 & 47 all of Rem of Portion 133 Bridge City	54	1000	√	√	√	Underway	Pending
2.	KwaMashu Town Centre Erf 592 – 639 KwaMashu P	54	520	√	√	√	Underway	Pending

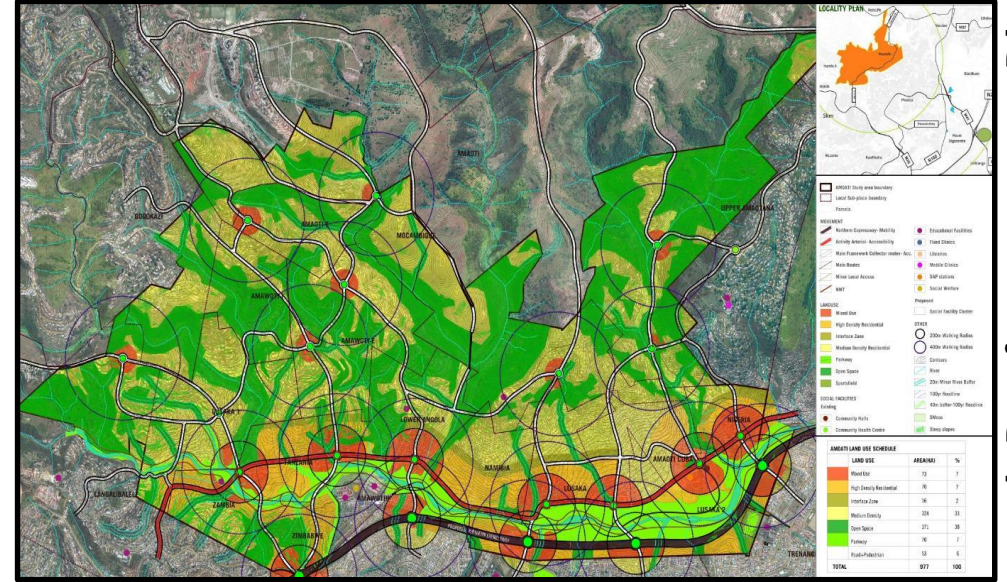
4.1.6 INNER CITY

	Name of Projects	Ward	Estimated Yield	Status 1: Prefeasibility	Status 2: Feasibility	Status 3: Awarded to SHI	Status 4: Statutory	Status 5: SHRA
1.	Table Tennis Building Erf 3405 / 3406 Durban	28	150	√	√	√	Amafa Underway	Pending
2.	44 Lancers Road Building Portion 2 of Erf 6154 Durban	28	300	√	√	√	Amafa Underway	Pending
3.	71 Play fair Road Erf 1140 Durban	26	177	√	√	√	Rezoning	Pending
4.	Morans Lane Portion 1 of Erf 6093 Durban	26	127	√	√	√	Rezoning	Pending
5.	Umngeni Road (various Council owned properties)	26	1500	√	√	√	RFP March 2019	

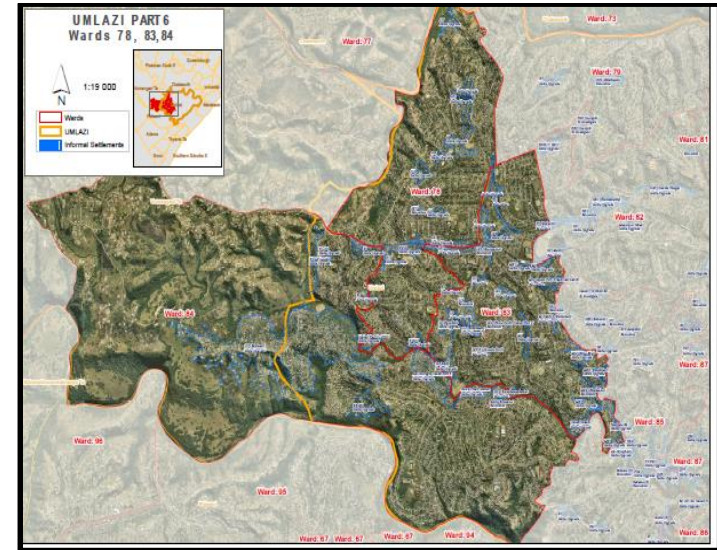
4.1.7 AMAOTI

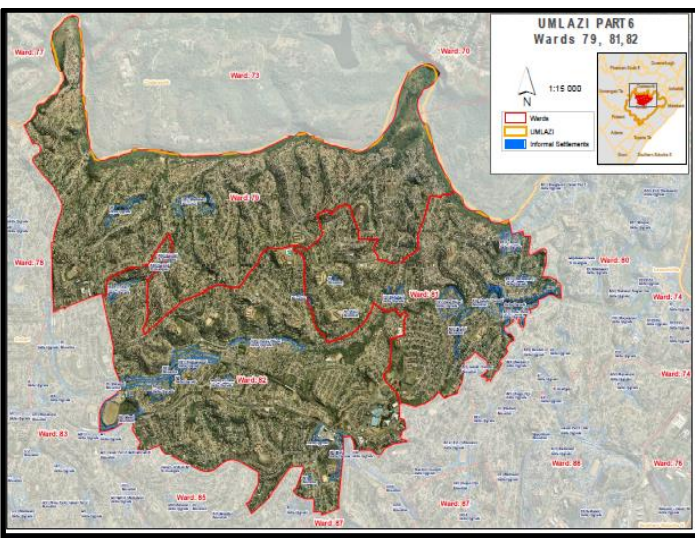
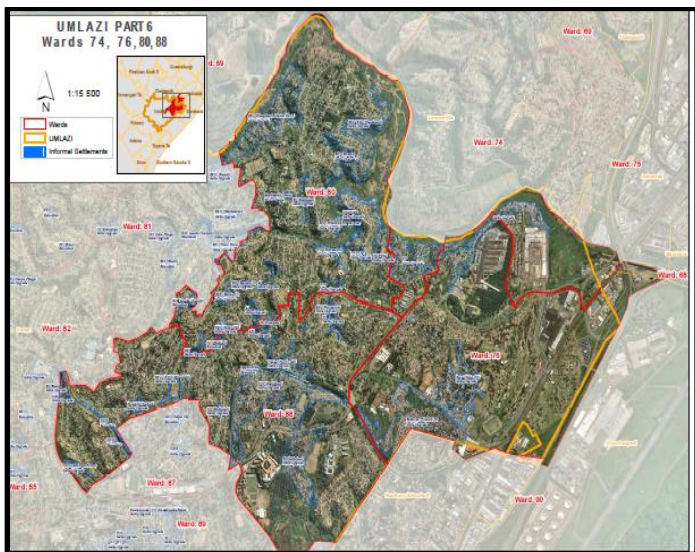
PROJECT NAME	WARDS	YIELD	STAGE	PHASES	COMMENTS
Greater Amaoti Housing Project	52,53,56,59,102	±20 000 units	Detailed Planning	To be determined once professional team has been secured	<ul style="list-style-type: none"> Existing professional team was appointed to obtain Tranche 1 Approval and contracts have lapsed for various service providers. The procurement of required professionals will to undertake phasing and detailed planning will be procured through the Department of Human Settlements
Amaoti Cuba Housing Project	53	1148	Planning and Implementation	Phase 1: (183 sites) Implemented Phase 4: (252 sites) ready to be implemented Phase 2: (56 sites) & 3(457 sites):	Phase 2 & 3: Detailed Planning in progress.

Inner City
1:24,000

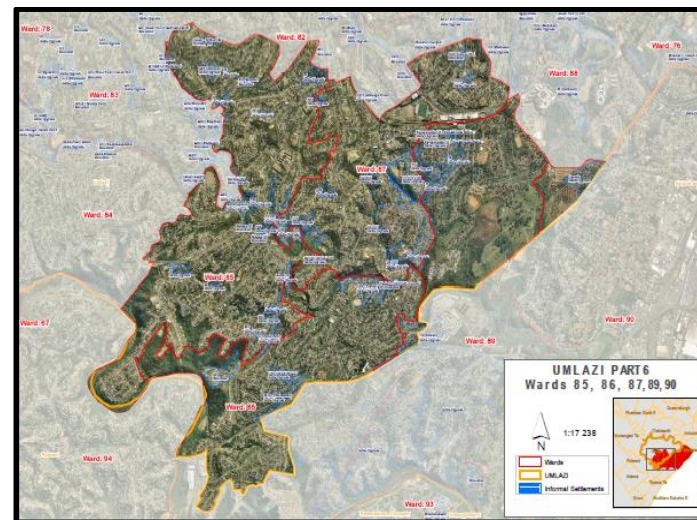


4.1.8 UMLAZI





up to 2 years. In the meantime, other projects will continue, including the production of title deeds.



4.1.8.1 Budget Requirements and Funding Sources

The program requires approximately R85 bn in capital investments at current prices. R1.6 bn appears in the capital budget for the current MTEF. Potential funding sources include:

- USDG;
- HSDG;
- Municipal Funds;
- Other spheres for some of the social infrastructure, particularly schools and clinics;
- Other spheres for some of the core infrastructure, particularly provincial or national routes, bridges and interchanges; and/or
- Private Investments, particularly for the development of commercial sites, and for developer contributions to core infrastructure.

4.1.8.2 Involvement of HDA

In terms of the catalytic projects as agreed by National Department of Human Settlements the HDA will be part of the team responsible for the

The four clusters of wards have prompted a request for proposals – Part 6 of Umlazi Infill - is an extension of previous projects that have been approved and completed in uMlazi. The project is limited to 1000 units per ward. The awarding of the four tenders is intended to take place before the end of the 2018/19 financial year. The planning and feasibilities for proposals will take

implementation of the human settlement catalytic projects. The HDA acts as Programme Manager for the catalytic projects and is to provide secretariat functions which may include the following:

- Compiling progress reports for submission to the technical Committee and other relevant oversight structures such as MINMEC and joint Committee of Mayors and MEC.
- Ensuring that timeframes for the submissions, reports, minutes in relation to the operation of the Steering Committee are met.

Social and Affordable Housing are key components to ensuring that Catalytic Projects are truly integrated through the provision of a range of housing types and income levels. These programs are briefly outlined below.

4.2 INSTITUTIONAL AND SOCIAL HOUSING

4.2.1 PROGRAM FEATURES

The aim of Institutional Housing is to subsidise the capital costs of creating rental stock for income groups between R1,500 and R15,000 per month. The program is typically implemented by non-profit organisations (NPO's).

The eThekweni region has 6 accredited Social Housing Institutions

1. First Metro Housing Company;
2. Sohco;
3. Motheo;
4. Vascowiz;
5. Ubuntu Housing Association; and
6. Royal Stock Housing.

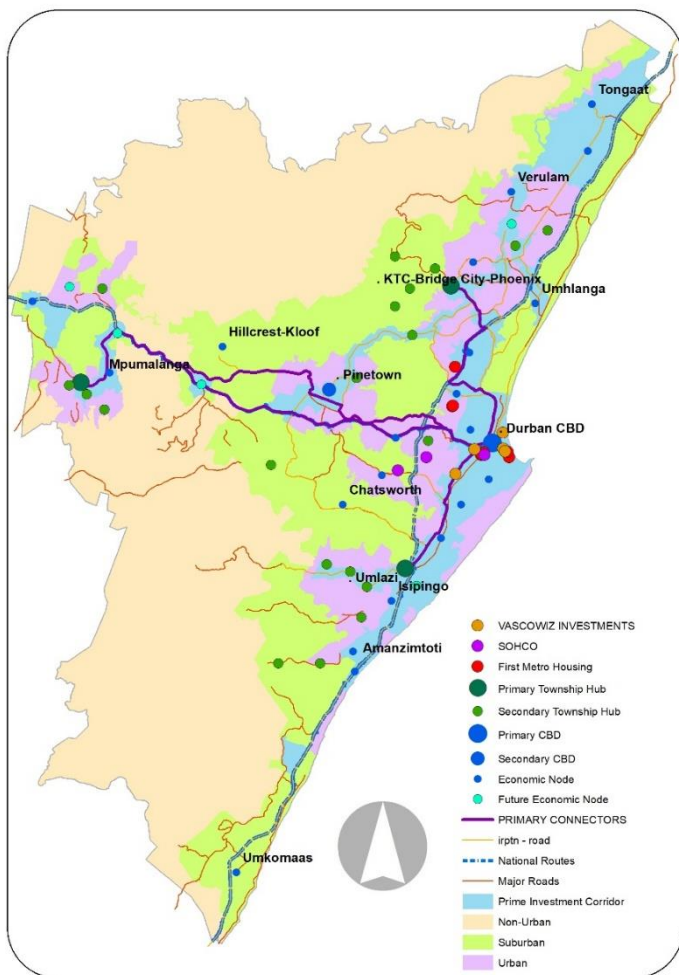
In recent years eThekweni has initiated the release of land and property for the growing number of accredited social housing institutions in the city. In terms of the city's housing catalytic programme a concerted effort has been placed in Cornubia, Bridge City Urban Hub, and the Inner City. The Umlazi Regeneration Project and Amaoti still concentrates on the lower spectrum of income levels, concentrating on the BNG market.

Furthermore, it should be noted that a few of the SHIs have acquired property and developed projects independent of eThekweni Municipality land and buildings. Examples include First Metro Housing Company's recently completed project in the Bellair and Pinetown area – the Hamptons (425 units) Hilltop (540 units) and Hampshire (180 units). Other FMHC projects are in the Sydneham area (573 units in 2 projects), the Lakehaven project which is close to the N2 (312 units) and the Avoca project (520 units). Vascowiz has done work in student accommodation, generating over 1400 units close to tertiary institutions in the city, notably Durban University of Technology (DUT) and the University of KwaZulu Natal (UKZN). Sohco has around 630 units spread across 3 areas in Durban.

There is a tendency for some of the independent social housing projects to be developed – in technical terms – outside of the Restructuring Zones. However, this speaks more to the issue of property values and land prices than a spatial procedural challenge. Furthermore, it also makes a comment on the stagnant subsidy structure which remained unchanged for years until recently. It also broadly reflects the state of the economy in that rising construction costs and densification don't always make good financial partners.

Social Housing covers rental stock for income groups between R1,500 and R15,500. Social Housing may result in refurbishments or new-builds. The program is implemented exclusively by Social Housing Institutions. Questions have been raised whether the income targets are sustainable under the available subsidy scheme quantum and given the operating costs required to meet the set standards. The Social Housing Program needs to be viewed alongside a Private Rental sub-market, which targets a similar income band, and does so without subsidy, and without the building and operating standards.

Institutional Housing may be applied anywhere. Social Housing Program must be in Restructuring Zones, which are identified by municipalities and approved by NDHS.



4.2.1.1 Program Scale

These programs have been small scale. A national review of the housing policies and subsidies however recognises that Social Housing plays an important city-building role, and is intended to be significantly up-scaled. Available plans, notably the Inner-City Local Area Plan (LAP), suggests there is scope for about 100,000 units in the core inner city region. Added to that is the intention that Housing Catalytic Projects should aim at a quarter to a third of residential units to be rentals.

4.2.1.2 Program Origin and Duration

Housing for Special Needs and Vulnerable Groups has been traditionally supplied by faith-based and secular NPO's for over a century. Social Housing is however a relatively modern variation on public rental housing stock. The program is a long-term one.

4.2.1.3 Budget Requirements and Funding Sources

Assuming a first phase of 10,000 units, then the capital requirements excluding land acquisition will be in the order of R 3 Bn. Current capital funding sources include:

- Restructuring Grants;
- Institutional Housing Subsidies;
- Private Equity; and
- Development Finance.

4.2.1.4 Capacity or Systemic Requirements

The municipality's role is to facilitate investments by SHI's and NPO's. Social Housing is intended as a component for most of the Housing Catalytic Projects. The capacity that is required to be developed by the Municipality is improved market intelligence on the sub-market size and profile, and on customer and supplier interest in the targeted locations. Where the Municipality avails its own properties for Social Housing at a discount (as has been the case in the past) or via a lease, or where it wishes to acquire land for social housing, then the capability to compile technical plans and strategic business plans needs to be developed. Given the small scale of the program delivery to date, there will be a need for the number and supply capacity of SHI's to be enhanced.

4.2.2 AFFORDABLE HOUSING

4.2.2.1 Program Features

To assist households in the affordable housing market, the national government avails financial assistance to individual households with monthly incomes of R 3,500 to R 22,000 who are often excluded from the bond

market. The government assistance takes the form of assistance related to down payments for mortgage (Finance Linked Individual Subsidy Program - FLISP) and Mortgage Insurance. Mortgage Insurance has been included in Outcome 8, with a target of assisting 600,000 households countrywide but this program is not operational yet. "This Program [FLISP] provides access to state assistance where qualifying households wish to acquire an existing house or a vacant serviced residential stand, linked to a house construction contract through an approved mortgage loan. These properties are available in the normal secondary housing market or have been developed, as part of projects not financed through one of the National Housing Programs. The Program encourages the growth of the secondary residential property market achieving an objective of the Comprehensive Plan for the Creation of Sustainable Human Settlements." []

Affordable housing is developed by private developers. The city takes on a facilitating role by:

- Selling well-located land (infill locations) to developers at cost; and
- Allocating the units to households in the affordable income bracket.

4.2.2.2 Locational Criteria

Preferably in the PIC but will be considered if accessibly located within the Urban and Suburban areas. This program is intended to play a role in establishing socially integrated suburbs. In eThekweni, the most prominent project in this regard is Cornubia where a mix of housing types for different income groups is planned.

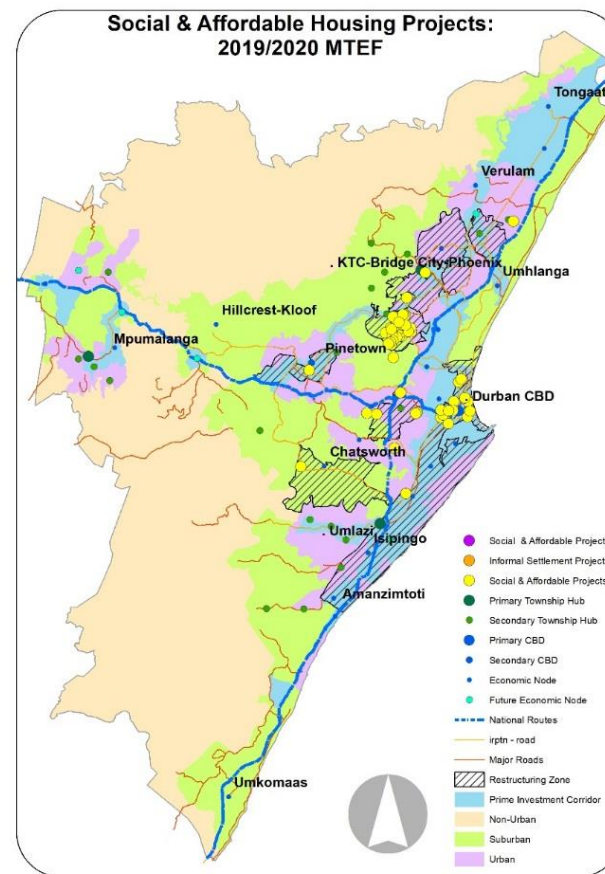
4.2.2.3 Budget Requirements and Funding Sources

- FLISP;
- Mortgage Insurance; and
- Land sales at cost (indirect Municipal funding support).

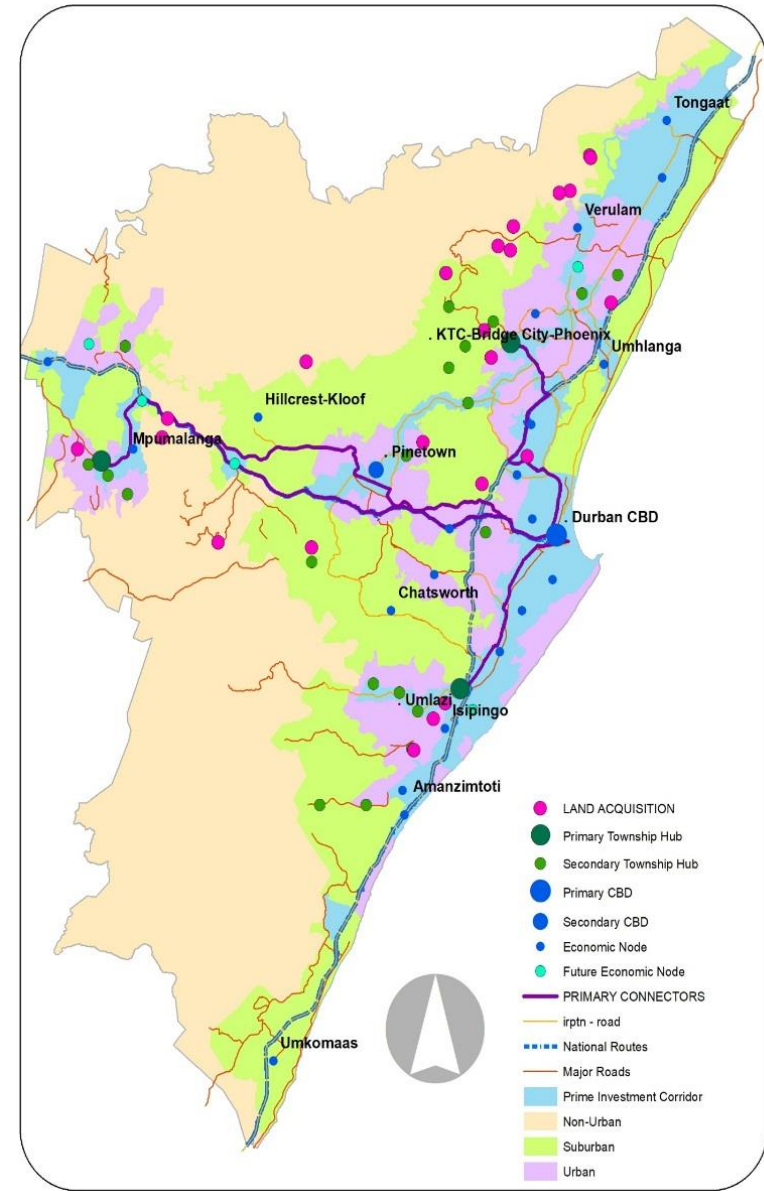
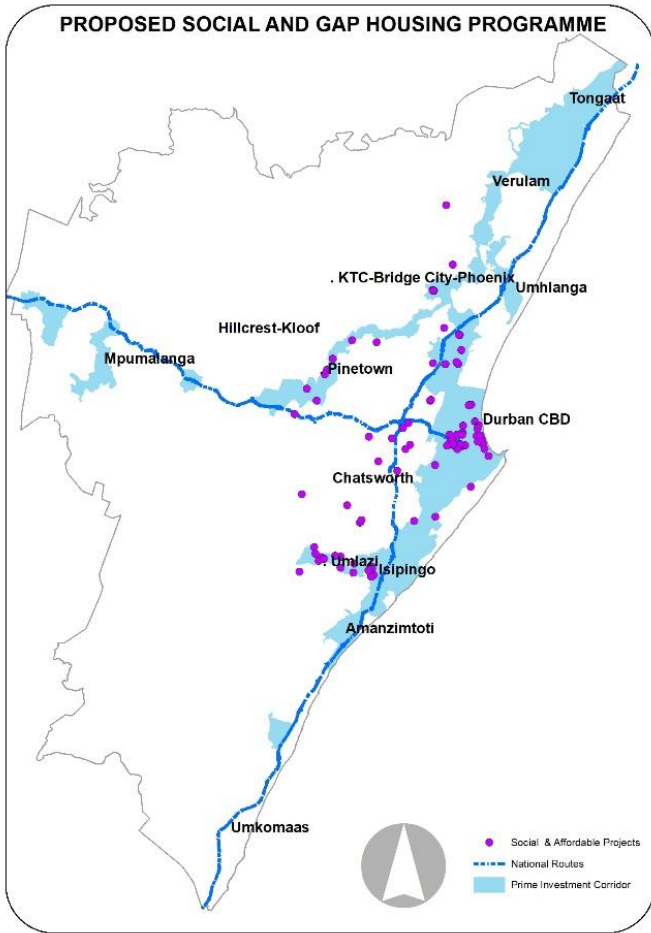
4.2.3 SOCIAL AND AFFORDABLE HOUSING PIPELINE

eThekweni Municipality issued (Request for Proposal) RFPs for detailed feasibility studies for a range of social housing projects in the Inner City and

the Bridge City and KwaMashu Town Centre catalytic housing projects – see tables above. The Map below outlines the location of all the Social and Affordable Housing Projects planned over the next three years, including those where no RFPs have been issued as yet. Eighteen of the projects are located within the PIC or in the key C3 IPTN corridor linking Bridge City to the Pinetown region, providing a potential yield of just over 12,500 units. It should be noted that 9 projects within the PIC are located within the Inner City and the Kwa Mashu Urban Hub Housing Catalytic project areas. A significant number viz. 6,500 units are currently part of the Infill Housing programme targeting the affordable market located primarily in the urban and suburban zones.



4.2.4 PRIORITISED LAND ACQUISITION 2018/19 – 2019/20



PRIORITY LAND ACQUISITION FOR VARIOUS PROJECTS FOR 2018/19 - 2019/20

SOUTH REGION	PROJECT NAME	PROPERTY DESCRIPTION	PROGRAMME	Planning A	Extent (Ha)	Potential Yield	Estimated Valuation (Rm)
1	Umlazi V8-Infill	various	brownfield	umlazi	3	200	R5,000,000.00
2	Lower-Malukazi	various	brownfield	Isipingo	126	2500	R24,000,000.00
3	Uganda extension	various	brownfield	Umlazi U	10	500	R10,000,000.00
TOTAL					139	3200	R39,000,000.00
NORTH REGION	PROJECT NAME	PROPERTY DESCRIPTION	PROGRAMME	Planning A	Extent(H	Potential	Estimated Valuation (Rm)
4	Redcliffe	Rem of Portion 3 Roodekrans	greenfield/ brownfield	Verulam	160	5000	R80,000,000.00
5	Redcliffe	Portion 85 Roodekrans	greenfield	Verulam	8	640	R3,500,000.00
6	Amatikwe	various	brownfield	Inanda	37	1045	R15,000,000.00
7	Cottonlands	Rem of Portions 1058 & 1532 both of the farm Cottonlands No. 1575	greenfield	Verulam	13	850	R8,000,000.00
8	Blackburn	various	brownfield	Durban	3	400	R5,000,000.00
9	Dikwe Masakhane	Rem of 442 Inanda	Insitu Upgrade	Inanda	10	340	R3,000,000.00
10	Kwa Mashu (L, M and various)	various	Greenfield	Kwa Mashu	various	60	R5,000,000.00
11	Kenville	various	Insitu Upgrade	Durban	12	350	R20,000,000.00
12	Rainbow Ridge	various	Insitu Upgrade	Durban	9	285	R10,000,000.00
13	Buffelsdraai	various	Greenfield	Verulam	300	2000	R25,000,000.00
14	Amaoti/Groeneberg	REM of Ptn 1 & Rem of Ptn 327 of the farm	Insitu Upgrade	Lower Inanda	To be Inv	To be Inv	R60,000,000.00
TOTAL					552	10970	R234,500,000.00
WEST REGION	PROJECT NAME	PROPERTY DESCRIPTION	PROGRAMME	Planning A	Extent(H	Pot Yield	Estimated Valuation (Rm)
16	Cliffdale Phase 1 & 2	various	brownfield	Cliffdale	30	1050	R30,000,000.00
17	Georgedale/Mophela Phase 1&2	various	brownfield	Sankontshe	190	3500	R20,000,000.00
18	Salem	Portion 3 of the farm Salem No. 1052	brownfield	Shongweni	8.186	240	R400,000.00
19	Clermont Upgrade	various	brownfield	Clermont	3	100	R10,000,000.00
20	Lower Thornwood	Erf 17765 Pinetown	Greenfield	Pinetown	20.3106	1600	R16,000,000.00
21	Ngcolosi Rural Housing	Portion 29 of the Upper End Langfontein No.980	Brownfield	Waterfall	5.6102	448	R4,500,000.00
TOTAL					257.107	6938	R80,900,000.00

This is not the exhaustive list but is indicative of efforts to ensure that land acquisition ties in with spatial integration. At the same time there are long standing historical projects which are outside of the primary urban spaces but, once again, have to be fulfilled. Excluding, for example, Cornubia, the more current efforts are gearing to find land that can catalyse more constructive development. The southern regions attempt in Umlazi, the Isipingo and Lower Malukazi land acquisition efforts are in keeping with the spatial targeting criteria.

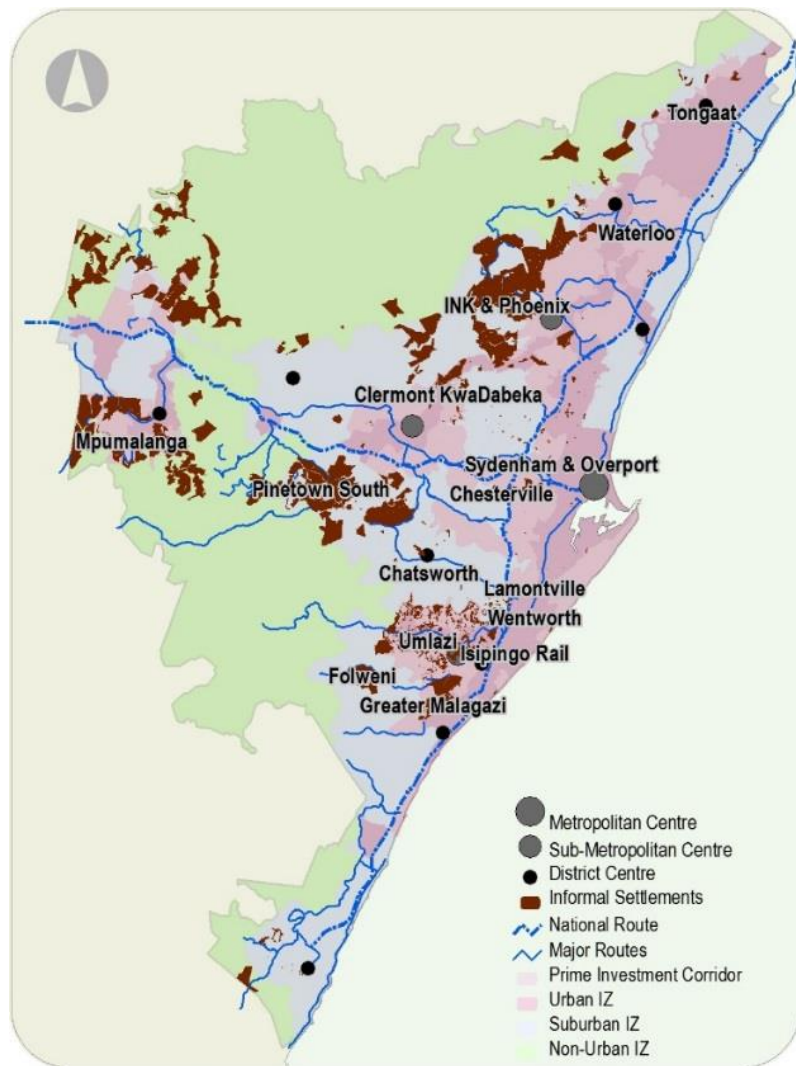
4.2.5 INFORMAL SETTLEMENTS

About a quarter of eThekweni's total population of approximately 3.7 million reside in urban and peri-urban informal settlements, most of which are located on land which is both difficult and costly to develop due to such constraints as steep slopes, unstable soils and high land costs.

Informal densification and extension of existing informal settlements is ongoing. This is largely as a result of urban migration and natural growth of households. The latter resulting in the formation of smaller household sizes which invariably contributes to the overall backlog.

- Over 550 urban informal settlements comprising 237,000 households still to be addressed;
- Many of the settlements are micro-settlements of 100 households or less;
- Comprising over a quarter of the City's population;
- Continued urbanization and a dwindling supply of well-located land;
- Over 60 years to overcome just the informal settlement backlog; and
- Prioritise identification of a programme to address a range of basic health and safety issues and deliver rapidly to as many settlements as possible instead of providing high level of services including top structures to only a select few.

Distribution of Informal Settlements



4.2.5.1 Housing Plan: Informal settlement status

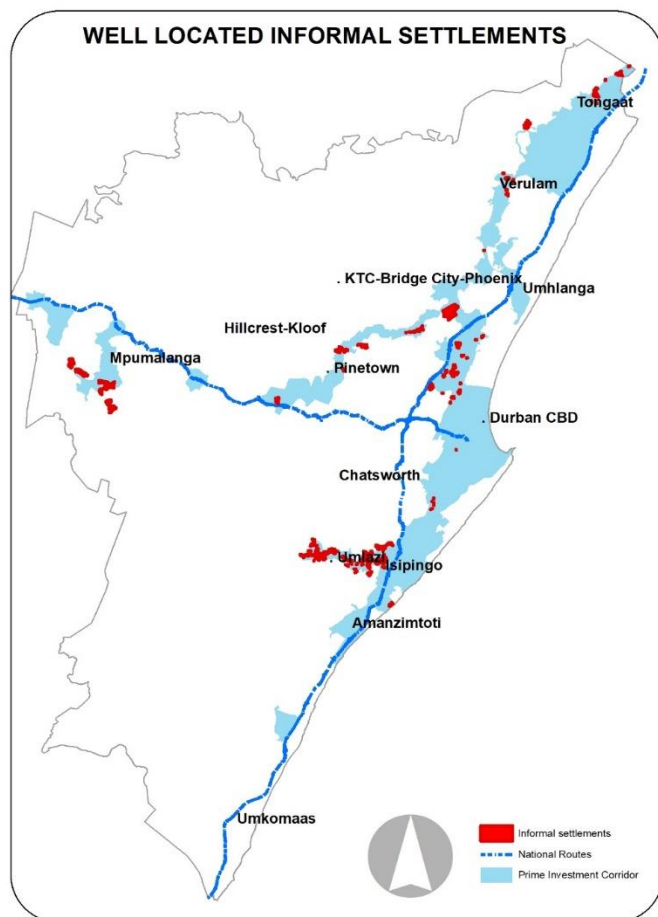
For reporting purposes, the official informal backlog figure, viz. 237 000 h/hs takes into account completed units within approved upgrade projects currently underway.

	No. of Inf Setts	(No. of h/holds)
• Upgrade in Progress (including planning)	70	38,000
• Proposed upgrades/incremental services	425	189,000
• Relocations/Emergency services	40	8,000
• Under Investigation	18	2,000
TOTAL	553	237,000

4.2.5.2 A New Approach to Informal Settlements

There has been an acceptance that conventional approaches to upgrading, premised on BNG-type housing delivery and formalisation, are inadequate in addressing the informal settlement challenge in South Africa. There is general acceptance that the new approach to upgrading needs to be inclusive of all informal settlements, incremental, participative and partnership-orientated. This is consistent with both National Policy as well as international practice.

The new approach to upgrading needs to foster a different and more functional relationship between the state and the urban poor which is not premised solely on state service delivery but which also leverages the partnerships necessary for more effective social capital formation, collaboration and 'self-help'. State investments (e.g. in basic services) need to 'leverage' this kind of shift. There also needs to be a focus on more than just basic services, functional tenure and incremental housing improvements. Key social services (e.g. ECD, schools, clinics etc.) are also important as is more effective access to public transport and economic opportunities. Upgrading needs to be seen as a sustained process of urban change over time rather than a once-off project-type intervention. It needs to be programmatic and area-based in orientation rather than just focused on delivering single/separate 'projects'. In general, the state needs to focus its efforts and finite resources mainly on enabling public realm investments (rather than the provision of free housing).



In an attempt to work in a more integrated way, an internal collaborative forum comprising Heads of Infrastructure and/or identified champions from within their Units has been established to ensure that this program becomes a key focus area of incremental service delivery within informal settlements. The Incremental Services Technical Forum for instance brings together key internal stakeholders to discuss the projects and initiatives they are implementing and planning for in informal settlements, budgetary considerations, propose innovative solutions, overcome obstacles, as well as to create opportunities for aligning initiatives so as to have a more holistic affect and avoid duplication of efforts.

4.2.5.3 Citizen-led planning for informal settlement upgrading

While the state has a mandate to deliver services and housing opportunities, communities and individual families also have a role in improving their own living conditions. Involving citizens in informal settlement upgrading contributes to the development of social cohesion, empowers communities and individuals, makes space for creative solutions, utilizes local knowledge and makes upgrading initiatives more sustainable through building ownership of the environment and amenities.

4.2.5.4 Current Thinking

The Municipality is undertaking proactive steps to not only better understand the complexities that face informal settlements, but also to address this challenge via a number of initiatives that include the poor as partners and as well as test the conventional models of housing delivery. These include but not limited to the following:

- Meaningful and effective community mobilisation, involvement and upliftment. Building 'social capital', 'self-help' and resilience, sustainable livelihoods processes etc. – thereby decreasing dependency and vulnerability;
- Capacity for innovative and effective Participatory Planning and Development;
- Effective demand management - understanding that not all informal households require the same product and tenure option;
- Promoting and facilitating innovative and incremental infrastructure and top structure designs and development;
- Providing building support and home owner education;
- Achieving transversal institutional coordination and management within and outside of the metro;
- Investigating and designing models for incremental and self-build development – pay attention to high density housing;
- Facilitating co-production in the development process – explore alignment of government investment, community savings and sweat equity, private sector social responsibility. (e.g. Blackburn Village JV with Tongaat Hulett Developments); and

- Exploring local economic development initiatives and early childhood development centres.

4.2.5.5 Current Initiatives

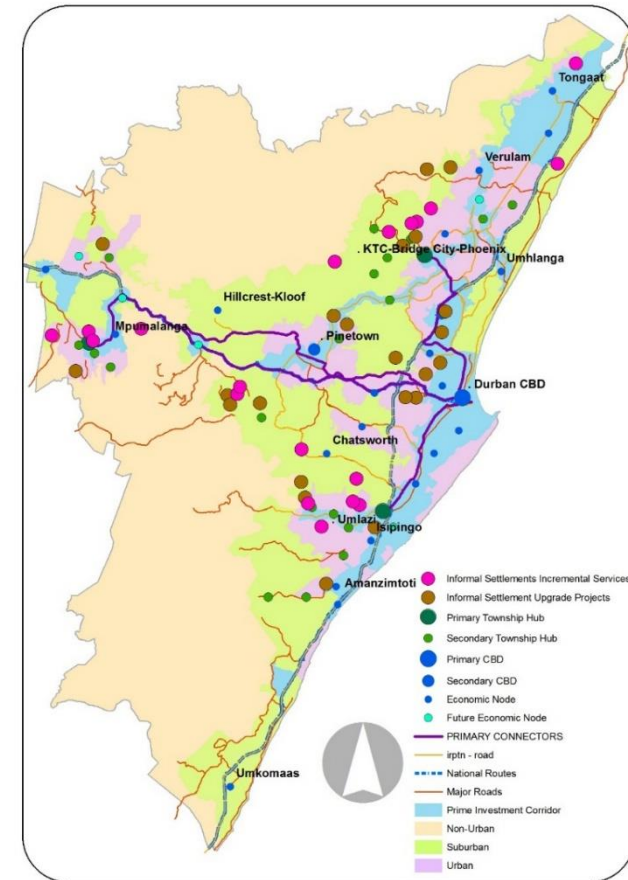
NUSP: Participatory Planning, Sustainable Livelihoods and Facilitation Support to Informal Settlement Upgrading Projects

The Human Settlements Unit has been engaged with the National Department of Human Settlements (NDHS) National Upgrading Support Programme (NUSP) for the provision of Participatory Based Planning and Facilitation support in the eThekweni Municipality. This programme is part of a national initiative to provide local municipalities with technical support. As part of this initiative 42 informal settlements (23 earmarked for Incremental Services and 19 for Upgrading) and comprising of a total of 34,571 households, were identified and selected.

The NDHS appointed a consulting team to undertake various activities as part of the technical support provided to the Municipality. In summary, the project deliverables for both the Incremental Projects and Full Upgrading projects for the selected 42 informal settlements were as follows:

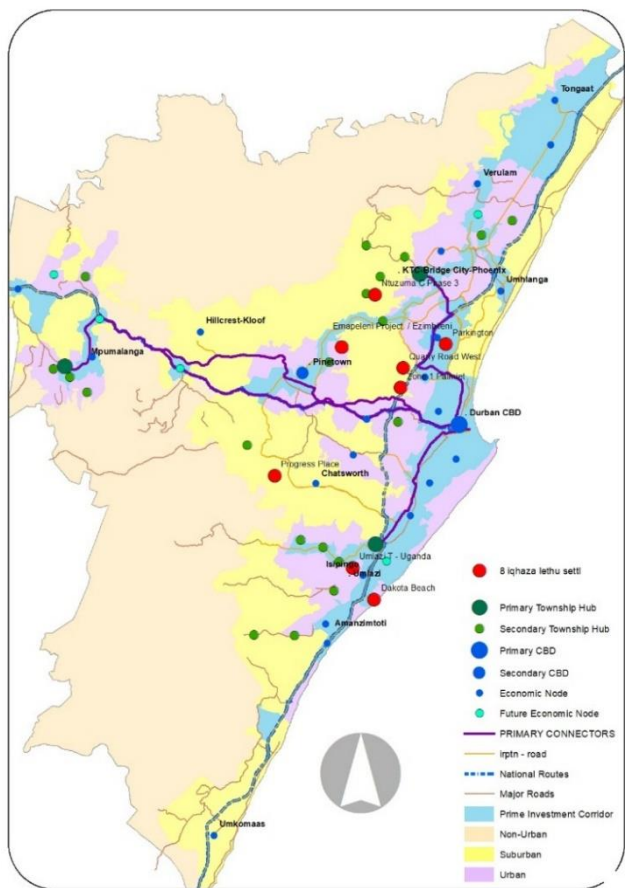
- Administer Socio-economic Surveys and finalise Analysis Reports for 42 informal settlements comprising a standard sample of 3,578 households;
- Develop and undertake a Participatory Planning Skills Programme;
- Compile and Facilitate City-community partnerships for the 42 informal settlements;
- Undertake Sustainable Livelihoods Programme for the 42 informal settlements;
- Develop a Community Capacity Development Programme; and
- Project Close-out Report.

The ultimate purpose of the NUSP funded initiative is to learn from the outcomes of the above deliverables and better capacitate councillors, officials, and the community in order to replicate the learnings and experiences in other informal settlements in eThekweni.



Eight settlements have been selected as pilots for the EU funded iQhaza Lethu initiative whereby collaborative informal settlement upgrading initiatives:

- Quarry Road;
- Parkington / Thandanani;
- Emaphaleni;
- Progress Place;
- Ntuzuma C;
- Palmiet;
- Uganda; and
- Dakota Beach.



Most of the settlements are located within the PIC. Uganda and Dakota Beach have recently been selected as they fall within the Isipingo Urban Regeneration Project. However, they haven't been confirmed yet.

Resilient City Strategy: Resilience Building Option (RBO) 1: Collaborative Informal Settlement Action

Having initially being part of the 100 Resilient Cities initiative, funded by the Rockefeller Foundation, eThekweni has now focussed on developing its RBO initiative which has identified participatory, differentiated and incremental informal settlement upgrading as a core focus for increasing resilience. 8 inter-related outcomes have been developed to achieve this objective.

- eThekweni has a committed team of champions that are supported by co-ordinating institutional structures;
- Consolidated quantitative and qualitative community and municipal-collected data on all informal settlements is accessible to all and updated regularly;
- eThekweni municipality facilitates the establishment of proactive, innovative and municipal-wide partnerships to develop and execute collaborative, climate-smart and sustainable informal settlement upgrading;
- Human and financial resources are secured;
- Enabling and integrated administrative systems and simplified regulatory procedures that facilitate the accelerated implementation of municipal-wide, collaborative informal settlement upgrading and partnerships;
- Collaborative monitoring and evaluation are institutionalised;
- Pro-active management of use of land; and
- Improved social, economic and environmental well-being in all informal settlements in eThekweni.

The City's Resilience Strategy team has secured Council approval for the initiative and is working closely with key departments in realising the outcomes identified above.

National Treasury's City Support Programme (CSP): Technical Support for the Innovative Upscaling and Upgrading of Informal Settlements

The CSP in partnership the NUSP and through technical support by the World Bank seeks to support and strengthen the service delivery and management capacity and systems of South African cities. Incremental upgrading of informal settlements forms a significant element of the human settlement's components of this initiative. The CSP aims to assist Cities to develop and scale-up efforts to upgrade informal settlements in close consultation and partnership with local communities. A framework was developed by the CSP which identified four work streams which included the development of enhanced Programme Management Toolkits and related Programme Support to selected Metros for scaling up incremental upgrading. This work

stream commenced in 2017 on the back of a Scoping Study prepared in June 2016. Engagements with eThekwini have already been initiated.

Grassroots Approaches Towards Self-Reliance in South Africa: the Isulabantu Project (Informal Settlements Upgrading Led by the Community)

This is in a multidisciplinary partnership with the University of KwaZulu-Natal in Durban the University College London, uTshani Fund (SDI Alliance) and eThekwini municipality. This project focuses on communities in informal settlements that could be involved in improving their homes and neighbourhoods. The tools and processes needed to ensure a successful upgrade of environmental and construction management are poorly understood, and top-down policies used by central and local government in SA have not been successful to date. If communities can improve their neighbourhoods through “development from within”, improving construction skills and using available materials, then there could be local, regional and national environmental, social and economic benefits. This research project seeks to explore the underpinning barriers and enabling drivers for communities to upgrade their informal settlements in SA. The central question for this research is: how can participatory approaches be utilised in an environmental and construction management strategy to achieve self-reliance in informal settlements in Durban, SA?

Infrastructure Improvements for Early Childhood Development (ECD) Centres in Informal Settlements

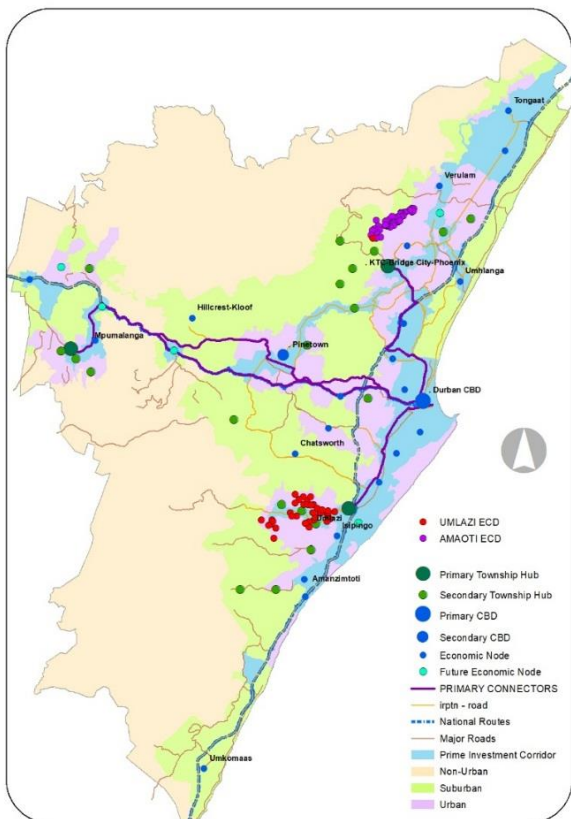
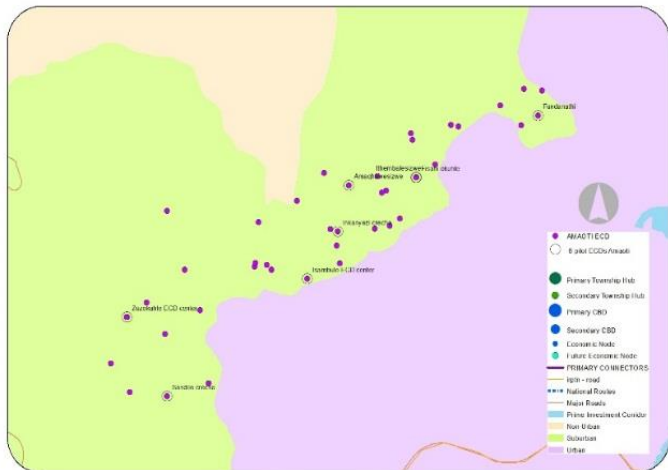
This proposed initiative in partnership with an NGO seeks to improving access to adequate ECD services for large numbers of vulnerable children within informal settlements in eThekwini. ECD is a national priority, forming part of both National and Provincial strategies aimed at ‘massification’ of ECD services. These strategies include more effectively supporting large numbers of de-facto, under-resourced ECD centres within low-income communities such as informal settlements.

The initiative directly supports the City's IDP objectives aimed at social upliftment including those of the Informal Settlements Upgrade Programme (ISUP) and Incremental Services Programme (ISP) such as the improvement of social facilities and essential services. It forms part of broader Human

Settlement responses such as those embedded in the Outcome 8 Delivery Agreements which aim to rapidly provide informal settlements with incremental services and thus eradicate backlogs of essential services through incremental services provision as well as full upgrading and low-income housing. Council approval has been secured to augment this initiative over a three-year period with 14 selected ECD centres as pilot sites at Amaoti and Umlazi having been identified for ECD infrastructure improvements and survey for phase 1. Lastly, it should be noted that both Amaoti and Umlazi are two of the five Housing Catalytic Projects that are approved by NDHS.

The informal settlements to be surveyed in the next phase will be selected as part of the ISP project pipeline and taking into consideration that ICDG funding can only be utilized in or in close proximity to, the Prime Investment Corridor defined as an area within walking distance of the municipal Integrated Public Transport Network. The target over the three-year period is to survey the bulk of the informal settlements in the Municipality covering a total population of approximately 75,000 households with an estimated number of approximately 480 ECD centres. The available ICDG funding will be sufficient to fund infrastructure improvements at 40 to 50 selected centres (based on costs from the pilot phase).





AMAOTI

The eight pilot sites identified by stakeholders have been technically assessed by PPT and submitted to the eThekweni Council for funding approval. PPT is currently negotiating with the Municipality to ensure that the current ECD centre sites will, as far as possible, be accommodated within the new town planning layouts proposed as part of the Catalytic programme.

UMLAZI

Similarly, six creches have been identified as part of the pilot stage.

Informal Settlement Incremental Upgrading and Integration Partnership Programme (via Area Based Management (ABM))

The Human Settlements and Area-Based Management Units have partnered with a local NGO, to secure funding application from the European Union to the tune of R17m over three years. A number of pilot initiatives will test and refine a model of working in partnership with communities and organisations, and improving alignment between stakeholders (including municipal and provincial departments) by utilising and expanding precinct-based communication, planning and implementation of initiatives in informal settlements.

There is a recognition that more effective, area-based urban management and multi-sectoral co-ordination is necessary which require special capacity and systems. Previously the ISP fell under the City's Human Settlements and Engineering Units. The City's Area Based Management (ABM) unit will now assist with coordination at both the programme and precinct levels. The objectives will be to:

- Strengthen centralised, upgrading programme management capacity and systems to co-ordinate and implement the city-wide programme;
- Establish and mobilise area-based upgrading implementation capacity and public space management systems;
- Mobilise underutilised/dormant capacity and develop new capacity within government, civil society, communities and NGOs;

With regard to the implementation of Pilots, the proposal is to incorporate:

- Community engagement, participative planning and capacitation for 4-8 settlements (10-20,000hh); and
- Incremental upgrading implementation for 4-8 settlements (5-20,000hh).

Through pilots, the aim will be to establish replicable co-governance systems, structures and methodologies for rollout.

4.2.5.6 African Forum on Urban Safety (AFUS) – A Key Role in Upgrading Initiatives

The African Forum on Urban Safety (AFUS) derived its mandate from the establishment of Global Network on Safer Cities (GNSC) by UN HABITAT at the 6th session of World Urban Forum in Naples, Italy in September 2012. In 2014 the Mayor of eThekweni was appointed Chair and permanent secretariat of AFUS. The AFUS network aims to strengthen crime prevention and reduction policies at a local level and promote the role of local authorities at a National level and in Africa on safety and security. This has culminated in the development of the AFUS strategy and business plan with objectives and milestones with a view to enhance the capacity of local governments in Africa to be better equipped to deliver urban safety for all citizens particularly the vulnerable. This initiative has also been instrumental in setting the scene for actions which support the implementation of the Sustainable Development Goals, African Vision 2063 and contribute to the Habitat 3 process. One of the outcomes of AFUS initiative is the implementation of a Safety Audit and a City Safety Lab.

Safety has become a key determinant of the quality of life of urban dwellers with crime often being concentrated in poorer, underdeveloped urban areas such as informal settlements. Safety and security are an essential premise for any sustainable urban development just as planning, basic infrastructure, housing, transportation, sanitation, employment and good governance. It is no surprise that improving safety in informal settlements is a key outcome of upgrading policies.

The provision of infrastructure and services has a significant impact on the experiences and perceptions of safety of informal dwellers apart from improving their quality of life. The installation of electricity vastly improves surveillance within the settlement, and similarly the provision of sanitation facilities offers a better alternative to residents who felt very unsafe and vulnerable using surrounding bushes to relieve themselves. Access roads and footpaths greatly improve mobility of residents to get help and also improves the response time for emergency vehicles and personnel to reach them. Improvements to Early Childhood Development (ECD) centres now provides safer places for children to learn and play.

So, while the physical upgrading of informal settlements is often used as a tool to improve the quality of life of residents, AFUS supported interventions aim to make safety and security a key priority of upgrading interventions. Safety therefore requires the close collaboration of all those involved in urban planning and design, in policing, in municipal service delivery, in social development and in community empowerment. The Incremental Services to Informal Settlements Programme (as one of the activities of the Resilient City Strategy's Collaborative Informal Settlement Action plan) has thus been a focal point for the AFUS initiative.

4.2.6 INCREMENTAL SERVICES TO INFORMAL SETTLEMENTS

4.2.6.1 Program Features

The Program aims to promote social equity and social inclusion by providing every household in Informal Settlements with access to basic engineering services, basic social facilities, and local economic opportunities, as soon as possible. The project selection criterion is Informal Settlements that are earmarked for upgrade in the longer term. There are five sub-programs, namely:

- Community Ablution Blocks;
- Roads, Footpaths, and Stormwater Control;
- Electricity - Ablution Blocks, Streetlights, Individual Connections;
- Access to social facilities, particularly fire and police stations, clinics, schools, & sports-fields; and
- Sustainable livelihoods.

Communal Ablution Block



4.2.6.2 Locational Criteria

Most of the planned projects are in the Suburban Area due to this being where the bulk of informal settlements are currently located.

4.2.6.3 Program scale

This program will benefit 70,000 households.

4.2.6.4 Program Origin and Duration

This program has its beginnings in the provision of water stand-pipes to informal settlements in the early 1990's. This was superseded by the provision of communal ablution blocks and refuse collection initiatives in the mid and late 1990's. It was first expressed as a deliberate program in the previous edition of the Housing Sector Plan. The program is likely to run for about a decade, though the intention is for it to be complete in two MTEF's as it is a high priority.

4.2.6.5 Budget Requirements and Funding Sources

Assuming a current-price benchmark of R 25,000 investment for each household, then the program will require approximately R 1.75 Bn. R270 Mill appears in the Capital Budget for the current MTEF. At this rate it will take six MTEF's (eighteen years) to deliver the program, which is contrary to its intention to complete the program in two MTEF's. Current funding sources include:

- USDG; and
- Other spheres for some of the social infrastructure, particularly schools and clinics.

The Communal Ablution Blocks Sub-Program is reasonably well-resourced. About R 1 Bn has been invested over the past three years. The other sub-Programs all require to be significantly upscaled to meet target.

4.2.6.6 Capacity or Systemic Requirements

Each of the sub-programs are separately managed and staffed.

DEPARTMENT	RESPONSIBILITY & AUTHORITY
Collective	Project Selection & Prioritisation, Funding, Monitoring
Water Services	Community Ablution Blocks
Development Engineering	Community Access
Durban Electricity	Communal and Individual Electricity
Social Cluster	Social Facilities
Economic Development	Sustainable Livelihoods

The Collective needs to be put in place, and project preparation and implementation capacities need to be up-scaled for several of the sub-Programs.

4.2.7 IN SITU UPGRADES AND GREENFIELDS

4.2.7.1 Program Features

The city has two significant inter-linked Programs, In Situ Upgrades, and Greenfields Projects. The long-term aim is to upgrade all of the Informal Settlements that are technically viable for upgrade, and that aren't earmarked for Relocation. The Greenfields Program is necessary, to absorb relocations from Upgrades projects. Typical deliverables of an Upgrade or Greenfields project include cadastral subdivisions, surfaced roads, water, sewer and electricity connections, and a 40 m² dwelling structure. Sites are typically created for social facilities, especially parks, schools and clinics, for uptake by the respective public entities.

4.2.7.2 Locational Criteria

Most of the planned projects are in the Suburban Area. The spatial targets for each of the Incremental HS programs have been derived from the Housing Spatial Prioritisation Model.

4.2.7.3 Program Scale

This program will ultimately benefit 250,000 households.

4.2.7.4 Program Origin and Duration

The contemporary programs originated from deliberations by the National Housing Forum in the early 1990's. The program is multi-generational, because planning and delivery are slow (typically taking a dozen years from project inception to house construction), and on the other hand, the available capital funds cap potential delivery. At the current pace of delivery, and factoring in the current rate of growth in households in eThekweni, the program will run for several generations.

4.2.7.5 Budget Requirements and Funding Sources

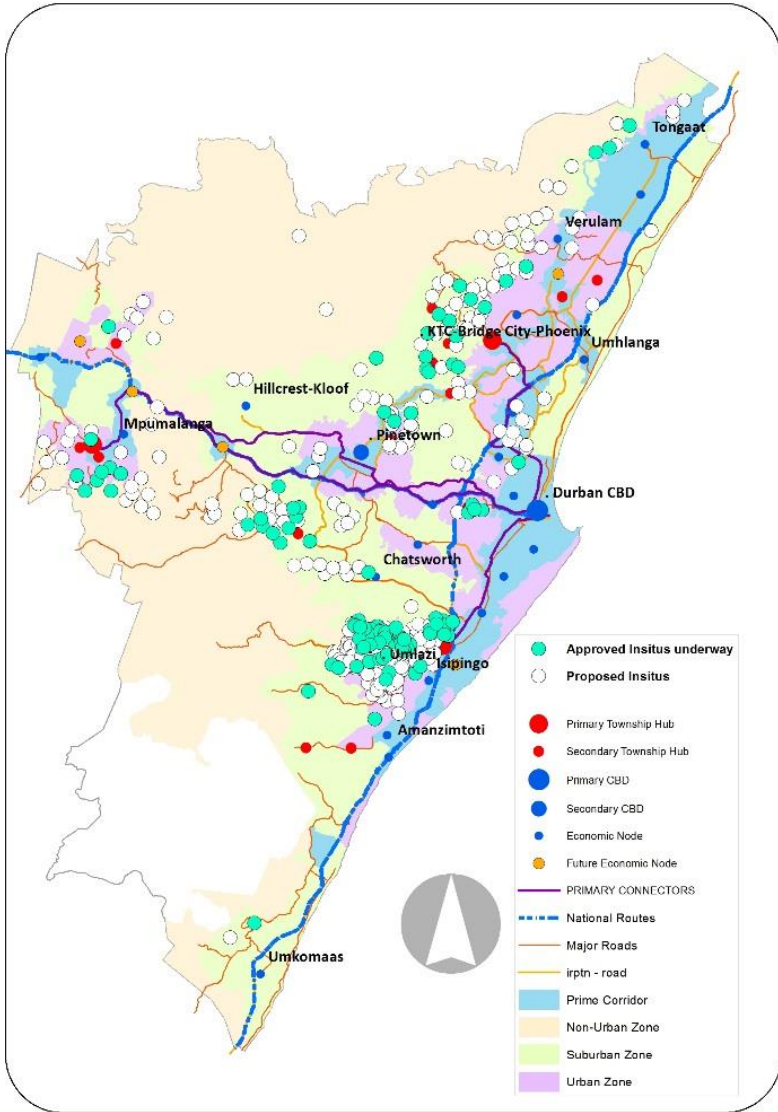
Assuming a current-price benchmark of R 230,000 investment for each unit in infrastructure and top-structure costs, and a delivery target of 20,000 over the next two MTEF's, then the program will require approximately R 4.6 Bn.

Of this R 3.6 Bn appears in the Capital Budget for the current MTEF. Current funding sources include:

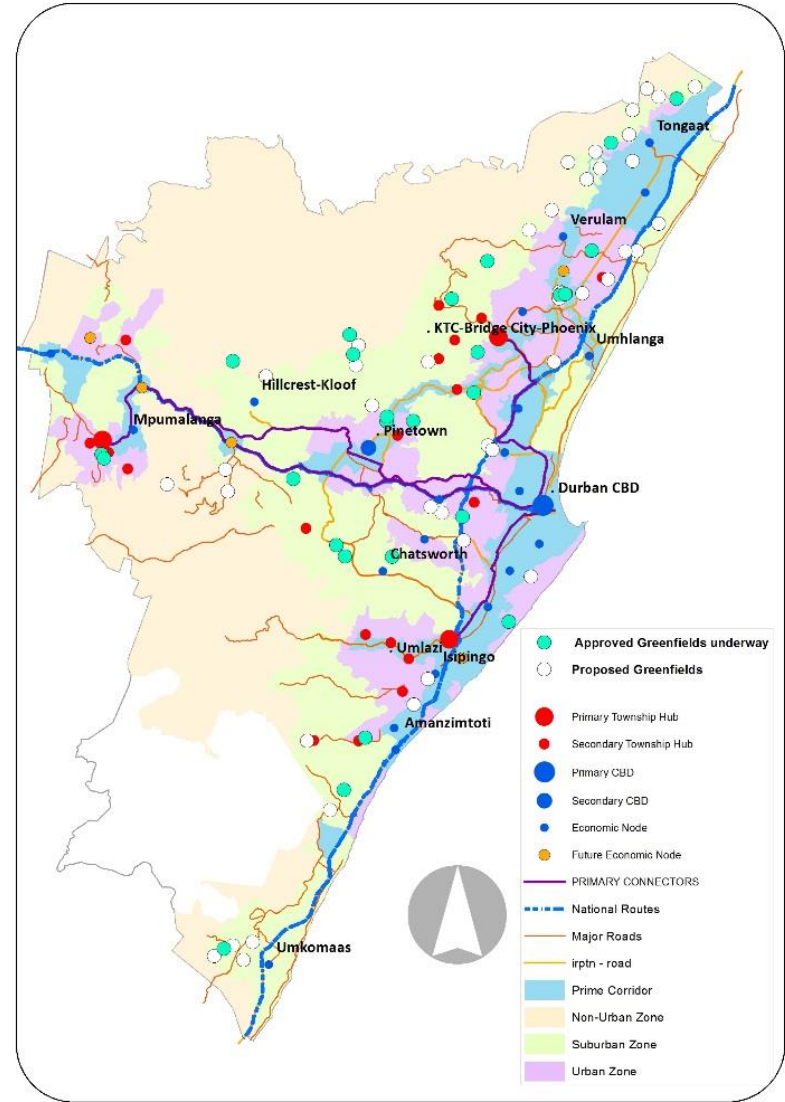
- USDG;
- HSDG; and/or
- Other spheres for some of the social infrastructure, particularly schools and clinics.

4.2.7.6 Capacity or Systemic Requirements

In order to execute the directive to no longer plan freestanding houses but instead, in the Suburban Area to plan pedestrianised duplexes, and in the Prime Corridor and Urban Area, multi-storey walk-ups, the Human Settlement Unit requires to increase or reorganise its internal capacity to conceptualise and design. The Unit appears to have sufficient capacity to administer top-structure construction contracts, and to oversee the infrastructure contracts that the service department, Development Engineering, delivers. The Human Settlement Unit also needs to supplement its capacity to finalise Infrastructure Handover to Line Department and Township Establishment. Additional capacity requirements that need to be put in place is a liaison structure with especially Departments of Education and Health to encourage their investments into those facilities. It has not however been resolved whether this liaison function resides with the Housing Unit or with the Municipality's Social Cluster, and resolution on this point is intended during the 2017/18 year. This inter-governmental issue is also being attended to by the Strategy Office in conjunction with National Treasury.



In Situ Upgrades

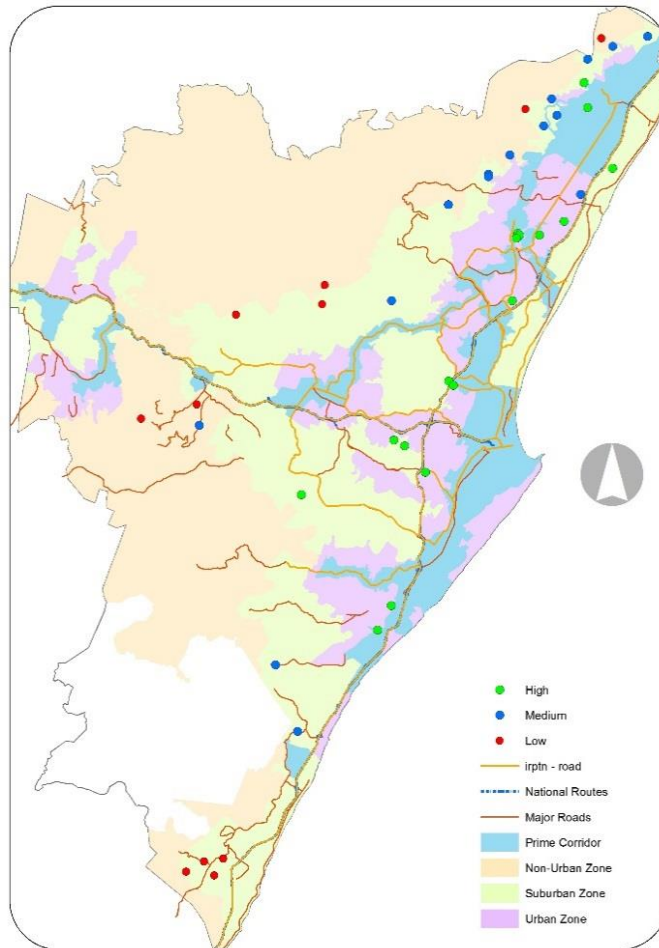


Greenfields

Analysis of Proposed Greenfield and Upgrade Projects in the Model in relation to the Integration Zone (PIC).

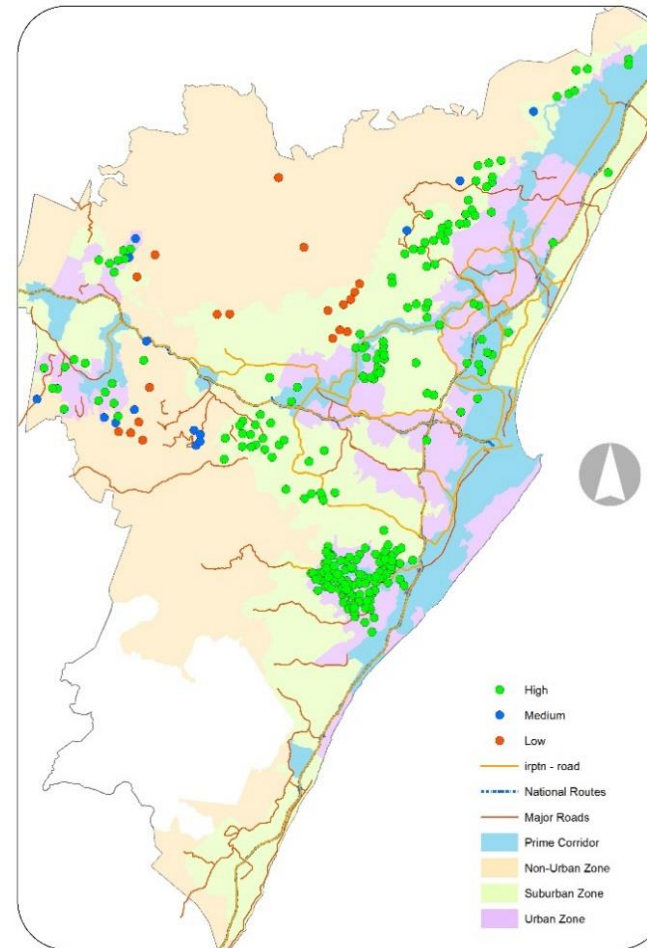
The tables below reflect the ranking (high, medium and low) of the proposed greenfield and upgrade projects determined by the Housing Spatial Prioritisation Model against the Integration Zone. There are not enough projects directly within the Integration Zone (PIC) but this is because most informal settlements are not located in the Integration Zone and land here is scarce and expensive. The majority of high-ranking projects are in the

Proposed Large Greenfield Projects



well-located parts of Urban and Suburban areas. Using a combination of the Model and the targeted areas (especially the Prime Corridor), the Municipality will begin prioritizing its new projects in line with spatial targeting to ensure there is clear alignment with its BEPP objectives. It is expected that this will take, at minimum, 3 years as historical projects currently dominate the MTEF allocations although in the outer year of the MTEF projects are located in more central areas close to and within the Integration Zone.

Proposed In Situ Upgrade Projects



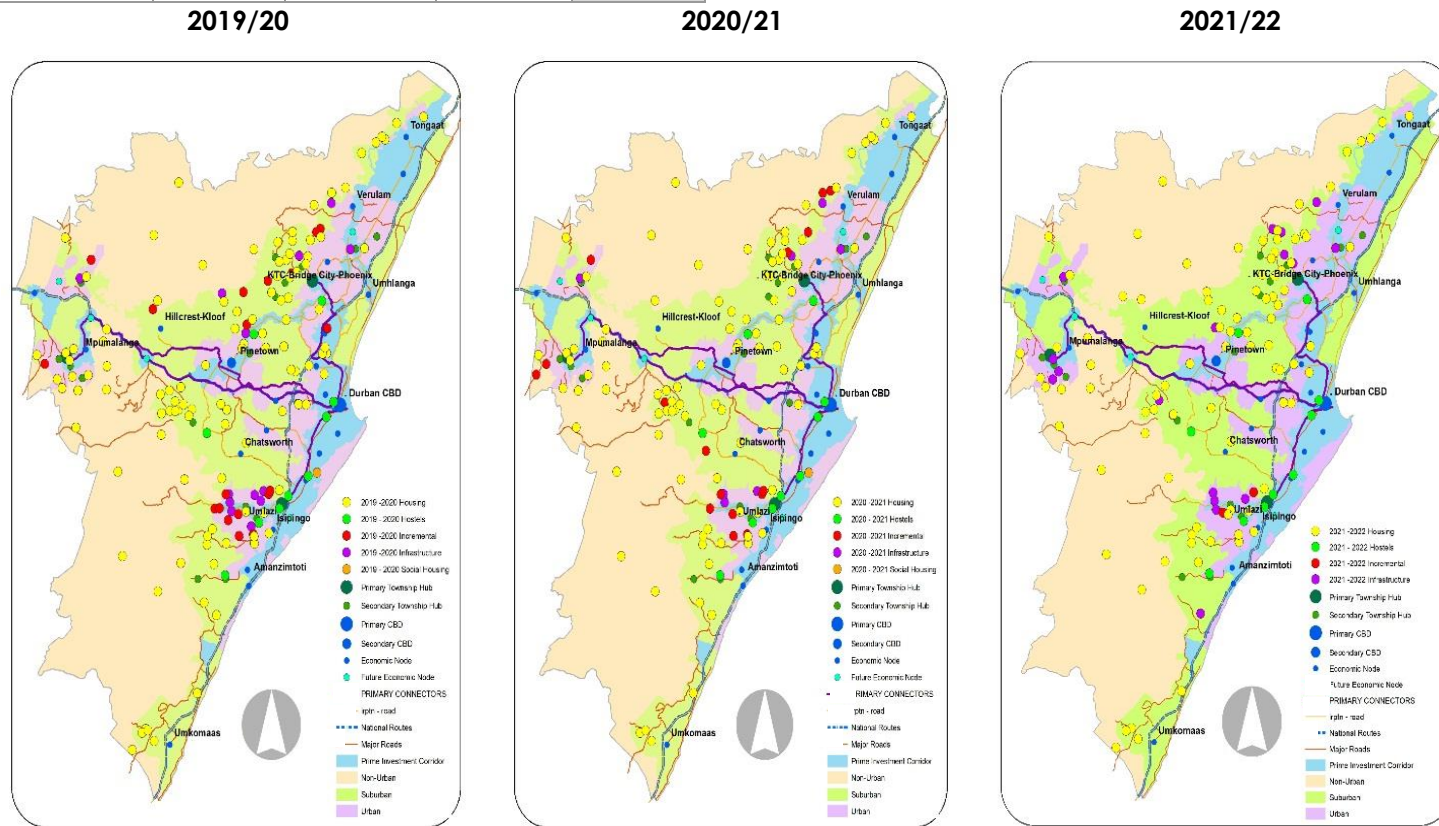
4.2.8 HOUSING PROGRAMS: RESOURCING

Program	2019-20 (Rm)	2020-21 (Rm)	2021-22 (Rm)	MTEF Tot (Rm)
Universal Access to Basic Services – Roads, Footpaths	46	43	56	145
Universal Access to Basic Services - Ablutions	250	250	230	730
Universal Access to Basic Services – Electricity	26	22	18	66
Top structures	590	651	720	1961

Infrastructure	435	462	448	1345
Early Childhood Dev (ECD) – Improvements in Inf Setts	3	0	0	3
TOTAL (Rm)				4250

4.2.8.1 MTEF Evaluation

The Maps below outline the 2019/20, 2020/21 and 2021/22 MTEF projects in relation to the Integration Zone.



4.2.8.2 Spatial analysis of MTEF proposals

The tables below outline for each of the MTEF years, the location of the various human settlement interventions/projects in relation to the Integration Zone as well as the budgets allocated to them.

It should be noted that the MTEF reflects a number of projects (in particular the Housing Projects) which were implemented prior to the development of the Housing Spatial Prioritisation Model. As such existing contracts, commitments and expectations need to be appreciated. In addition, it is

worth noting that the Municipality is implementing Rural projects especially in the context of its boundary comprising a substantial rural component - of over 60% by area. The Housing Program is undergoing a transformation with the application of the Housing Spatial Prioritisation Model and in alignment with the BEPP theory of change. However, this change cannot occur instantaneously.

In terms of the Incremental Services Program, there appears to be greater alignment with the Housing Spatial Prioritisation Model with the less well-located settlements being earmarked for this intervention.

2019/20

INTEGRATION ZONE	TOP STRUCTURE				INFRASTRUCTURE SERVICES				HOSTELS				INCREMENTAL SERVICES				EARLY CHILDHOOD DEV (ECD)			
	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%
Prime	9	9	35	6	4	8	18	4	6	60	50	63	1	5	2	5	15	100	3	100
Urban	25	21	115	19	17	35	140	32	3	30	25	31	11	55	19	44				
Suburban	61	52	303	51	25	51	254	59	1	10	5	6	7	35	20	47				
Non-Urban	21	18	137	24	3	6	23	5	0	0	0	0	1	5	2	4				
Other*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
TOTAL	118	100	590	100	49	100	435	100	10	100	80	100	20	100	43	100	15	100	3	100

2020/21

INTEGRATION ZONE	TOP STRUCTURE				INFRASTRUCTURE SERVICES				HOSTELS				INCREMENTAL SERVICES				EARLY CHILDHOOD DEV (ECD)			
	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%
Prime	9	8	42	6	4	9	18	4	6	60	53	61	0	0	0	0	0		0	
Urban	23	21	133	20	15	33	220	48	3	30	24	28	9	56	22	38				
Suburban	55	51	329	51	23	51	189	40	1	10	10	11	4	25	29	50				
Non-Urban	21	20	147	23	3	7	35	8	0	0	0	0	3	19	7	12				
Other*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
TOTAL	108	100	651	100	45	100	462	100	10	100	87	100	16	100	58	100	0		0	

2021/22

INTEGRATION ZONE	TOP STRUCTURE				INFRASTRUCTURE SERVICES				HOSTELS				INCREMENTAL SERVICES				EARLY CHILDHOOD DEV (ECD)			
	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%	NO. OF PROJECTS	%	BUDGET Rm	%
Prime	8	9	56	8	4	10	31	7	6	60	29	45	0	0	0	0	0		0	
Urban	17	18	142	20	14	35	173	39	3	30	25	39	2	100	6	100				
Suburban	47	51	368	51	19	47	207	46	1	10	10	16	0	0	0	0				
Non-Urban	20	22	154	21	3	8	37	8	0	0	0	0	0	0	0	0				
Other*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
TOTAL	92	100	720	100	40	100	448	100	10	100	64	100	2	100	6	100	0		0	

*Other = Fire Damage, Northern Storm, Southern Storm, and Western Storm

4.2.9 HOW IS THE STATUS QUO BEING CHANGED TOWARDS MORE EFFECTIVE SPATIAL TARGETING?

The development of project pipelines for each of the priority housing programs as identified in the Housing Sector Plan is being undertaken by prioritising pre-feasibilities against the Housing Spatial Prioritisation Model (outlined earlier) and the Prime Investment Corridor (PIC). In addition, projects identified for densification especially social and affordable housing, will be scored against a prioritisation matrix that will consider factors, amongst others such as:

- Location within a Restructuring Zone
- Location within Integration Zones
- Extent
- Land ownership
- Zoning
- Distance to Public Transport Nodes/Stations

The trajectory is to shift away from reactionary planning and identification of projects to one where there is complete alignment with the BEPP theory

of change. While it is acknowledged that the current MTEF comprises many historical projects, which are perhaps not in the best of locations, the way forward aims to locate as many projects as possible within the PIC and/or the Urban Zone at the very least.

Apart from the 3-year social and affordable housing pipeline outlined earlier, the Human Settlements Unit has also proactively identified vacant land opportunities in the PIC. There is a greater emphasis in prioritizing human settlement opportunities within the PIC and this links to the collaborative efforts of human settlement planners, public transport planners and developmental and key infrastructure investment requirements.

More than 34 potential sites for social and affordable housing projects have been identified with an estimated yield of just over 3,000 units. While this represents a phased approach targeting state land at the outset, it is worth noting that there are limited vacant land opportunities of reasonable extent (viz. over 2,000 m²) within the PIC, particularly in the southern portion. Phase 2 will explore additional corridors including land in private ownership.

With regards to proposed informal settlement upgrades a total of 75 settlements comprising just over 56,000 households have been prioritised.

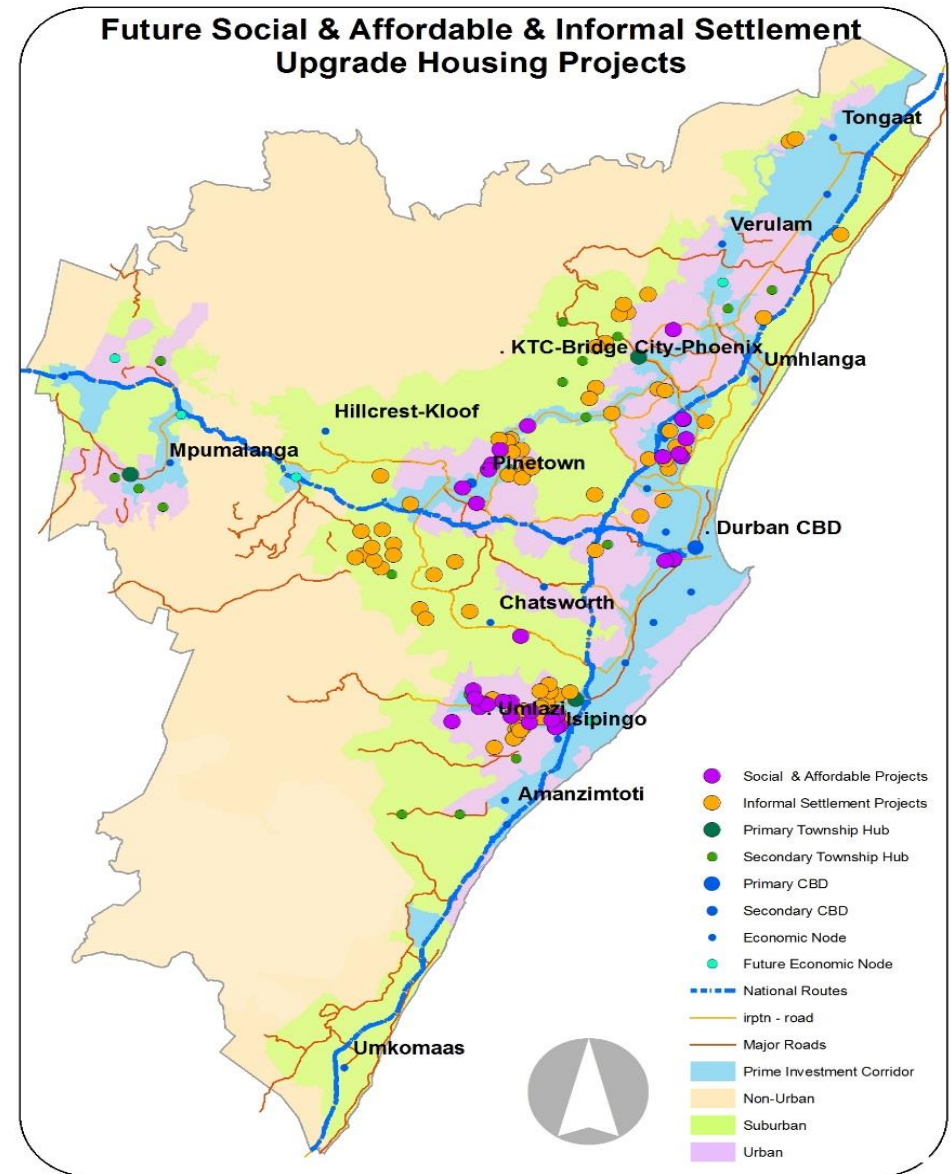
While the vast majority of settlements in eThekweni are located in the Suburban zone, the intention is to focus on settlements in the PIC and thereafter the Urban zone as per results of the Housing Spatial Prioritisation Model. The bulk of informal settlements prioritized in the north and south human settlement regions for upgrading are located in the IPTN C1 and C2 corridors. Moreover, those prioritized settlements also fall within the approved housing catalytic project areas, notably, those in Umlazi and the KwaMashu Urban Hub.

By channelling social and affordable housing investment opportunities within the PIC and adjacent urban corridors will also generate greater thresholds for public transport and for commercial development.

The Map opposite reflects the projects viz. social and affordable as well as informal settlement upgrading that fall within the PIC and/or Urban Zone which is in close proximity to the IPTN. The pipelines outline the potential projects to be planned in the current MTEF period for implementation in the following MTEF.

4.2.10 MTSF TARGETS BY NDHS

The NDHS has outlined various delivery expectations of all the Metros in terms of their MTSF ending in 2018/19. The table below describes progress made thus far. Level 2 services to informal settlements according the NDHS is the provision of services to individual households including tenure while Level 3 refers to everything in Level 2 together with top structures. The Municipality's Incremental Services project provides communal services in terms of sanitation while electricity is provided to individual households. This suite of services is complemented with roads, footpaths and storm water controls. The section following the table below summarises the challenges the Municipality faces in meeting Level 2 expectations.



MTSF- CONTRIBUTION TOWARDS MTSF TARGETS: ETHEKWINI

MTSF TARGET 2019	Yr MTSF Target for Metro	Annual MTSF Target	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Q3	2018/19 Target	
750 000 households in informal settlements upgraded to Phase 2	56,905							Total to date
Individual Households								
Water	19200	4800	5516	3037	9559	10410	2952	28522
Sanitation	19200	4800	5516	1600	1987	1405	2952	10508
Electricity	19200	4800	16769	16385	13347	12000	25000	58501
Shared services (number of households benefiting)								
Water	45000	9000	19875	1225	15900	3375	10000	40375
Sanitation	50000	10000	19875	1225	15900	3375	15000	40375
Title Deeds:								
563 000 for new developments	-	-	-	-	-	-	-	-
Pre-1994 housing stock	-	-	336	105	115		1053	556
Post-1994 housing stock	-	-	504	507	574	1018	15000	2603
10 000 of hectares of well-located land (excl rural)	-	-	140	112	313	22	150	335

4.2.10.1 Level 2 Upgrading Challenges

- High densities prevalent in informal settlements;
- The need to de-densify the settlements, but also the requirement to relocate households to alternative and suitable greenfield land;
- In the context of achieving the densification objective in the Integration Zone, de-densification and providing individual households with an individual erf/stand goes against the achievement of this objective;

- This will be further compounded by the need to acquire land whereas the incremental services programme does not warrant the acquisition of land at this stage;
- The steep topography as well as the need to acquire land from private owners are further constraints to undertaking Level 2; and
- The policy of eThekweni Water & Sanitation is to provide individual connections to stands/units only when these are officially registered via a General Plan.

4.2.11 BUDGET OPTIMISATION FOR HUMAN SETTLEMENTS

From the above chapters on human settlements it is clear that there are a number of human settlement programmes with well-developed project pipelines. These programmes often compete for the same funding sources. Funding is limited and insufficient to match national delivery targets. There is a drive to spatially transform eThekweni which requires prioritising certain programmes over others and prioritising well-located projects within those programmes. To achieve an optimal mix of programmes and projects within the available budget envelope requires an optimisation exercise to be undertaken.

4.2.12 NODES OF HIGHER ORDER SOCIAL FACILITIES AND LOCAL SOCIAL FACILITIES

Social facilities provide an important service to communities and the provision of these facilities is integral to the response to marginalized areas in eThekweni. eThekweni has an adopted set of social facility standards and social facility nodes. The geographic location of both local and national social facility backlogs has been determined and an integrated intervention plan has been developed to eliminate these backlogs. Many facilities are

provided by national and provincial departments and this is part of the IGR engagement process documented in Part C of the BEPP. The priority from a BEPP perspective would be to prioritise all facilities (municipal, provincial and national) that respond to the roll-out of both human settlement programmes and the IPTN. This will contribute to an integrated response that builds quality living environments as espoused in the eThekwini IDP.

4.2.13 ADJUSTMENTS TO OTHER SPATIAL TARGETING INSTRUMENTS

Priority Housing Development Area (PHDA)

Cornubia South is a designated PHDA. Application has been made to National Human Settlements to also designate Cornubia North, Umlazi Regeneration, Bridge City KTC, Inner City, and Amaoti as PHDA's.

Social Housing Restructuring Zone (SHRZ)

eThekwini has numerous SHRZs. They were designated in two Phases several years apart. All of the existing SHRZ's fall within the Urban Zone, except Chatsworth, which is in the Suburban Zone. A SHRZ has been proposed to National Human Settlements, to cover the whole of the Urban Zone. The rationale is that this Zone, as the site of most intensive capital investments, and as the preferred location for residential densification, as well as a preferred site for rental accommodation, should be afforded every opportunity to bring in the necessary investment.

Urban Development Zone (UDZ)

The greater part of the Durban CBD is a UDZ. Because the Durban CBD is wholly contained within the eThekwini Integration Zone, no adjustment to the spatial definition of the UDZ is needed.

Special Economic Zone (SEZ)

The Dube Trade Port has been designated as a SEZ. Its status as an SEZ is intended to stimulate economic investment and trade.

Industrial Development Zone (IDZ)

eThekwini does not have an IDZ. It appears unlikely that government will support new IDZ's, and instead is likely to consider converting existing IDZ's to SEZ's. Consequently, no IDZ is proposed for eThekwini.

Alignment to SDF and Land Use Management System (LUMS)

One of the principles for the definition of the Prime Investment Corridor is that its geographic extent should be based on intensifying and prioritising already intense and-or approved economic, mixed, and intense residential land uses as described in the SDF, Sub-metropolitan Spatial Development Plans (SDP's), and LUMS.

This principle has been applied, to the SDF, but SDP's and LUMS have not yet been reviewed for their alignment. The assumption that the Prime Investment Corridor accurately and comprehensively interprets the other planning instruments has not been deeply tested.

Work to be undertaken in 2019/20 includes:

- The sideways integration of Sector Plans to each other;
- The upward integration of sector Plans into the IDP, SDF, SDP's and BEPP; and
- Detailed Investigations of the boundary of the eThekwini Integration Zone with the IPTN routes and with the package of spatial plans in order to ensure full alignment.

5 STRATEGIC OVERVIEW OF DEVELOPMENT

RESPONSES: Economic Nodes

5.1 ECONOMIC NODE PLANNING & PROGRESS

The eThekweni Municipal Area (EMA) is an unparalleled hub of economic activity and dynamism within KwaZulu-Natal Province, South Africa's second largest province by population. It hosts almost two thirds of Provincial economic activity, half the formal jobs and almost a third of the Provincial population. The Municipal area is also home to the nation's most important general cargo port and has amongst the largest container-handling capabilities in the southern hemisphere as well as South Africa's third largest international airport (the only one contiguous with a Special Economic Zone). With its extensive coastline, it is a destination of choice for many domestic tourists and continues to be an important continental location for meetings, conferences and events. The EMA is also the country's second most significant manufacturing hub, after the Gauteng City Region, and has been making some inroads in securing business-related service activities in recent decades. In a global context, where cities are becoming more and more important in driving national economic prospects, the eThekweni Municipality and local stakeholders have been working to secure improved economic conditions for firms, and for the general population as a whole, with the Municipality often having been identified as one of South Africa's most effective metropolitan municipalities.

However, despite these efforts at securing rising absolute levels of employment and economic output, as well as impressive efforts at extending services to greater shares of the municipal population, some notable challenges remain. In the context of historical inequalities, pressure of urban population growth, and against a background of a sustained period of national economic weakness, it is important that city development takes into account an imperative for lasting and inclusive socio-economic

⁹ Johannesburg, Cape Town, Tshwane & Ekurhuleni.

¹⁰ "the labour force absorption rate increased (from 47.4% to 49.4%) and the participation rate also increased (from 59.1% to 63.1%) over the same period [Q2

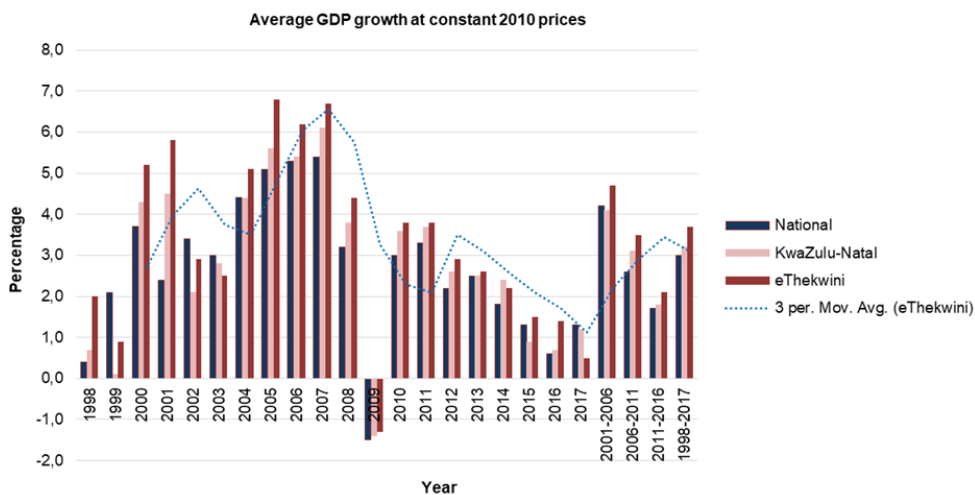
change. Of particular concern to many stakeholders is that the economy of the eThekweni Municipality Area has, in recent years, witnessed a decline in its share of both employment and economic activity of South Africa's largest metros (those five metros with over 3 million residents). Economic growth rates have also generally been below those of three of the South Africa's four other large metropolitan cities⁹, and a full 38% of the EMA working-age population are not economically active compared to the average of the other four large metros of 27% (2017 figures). Although, eThekweni's own analysis¹⁰ reports some growth in labour force absorption rates, these remain low in a middle-income country urban context. This weaker economic activity has slowed down the pace of gains made in terms of poverty reduction resulting from increased access to services, widening social grant access and sustained higher growth in the 2000s.

5.1.1 eTHEKWINI ECONOMIC GROWTH CHALLENGES

5.1.1.1 Structure of Economic Activity

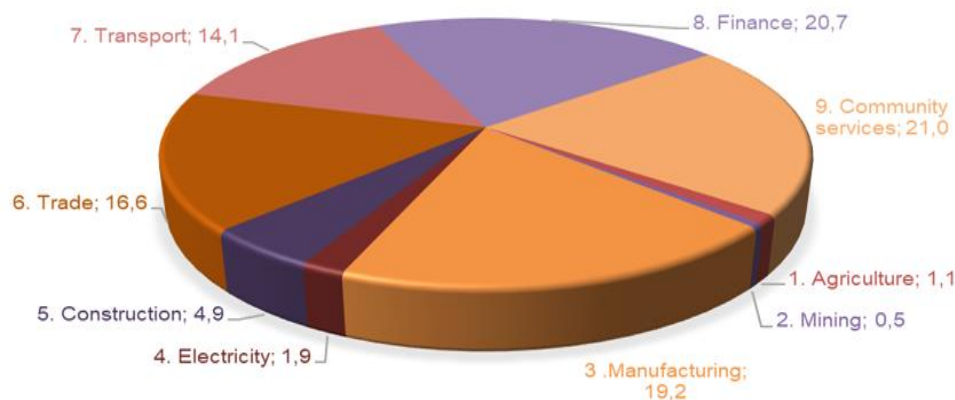
The growth rate that is targeted in order to achieve robust employment and development as set in the National Development is between 4% to 7,5%. During the 2004 - 2007 the city's average growth rate has been accumulating with an average growth rate of 4% and above. The 3 years moving average shows that as from 2012 there has been a decline in the average growth rate and the city's is averaging at 3% since 2012 – 2017. For the year 2017, the city's average growth rate is even below that of KZN and National for the first time in almost 2 decades.

2016 to Q2 2017] ... this means that since last year this time there are more people looking for employment and the likelihood of them finding employment has increased ..." (eThekweni Municipality, State of the eThekweni economy, 2017: 13)



This slow pattern of growth is predicted for all the metros in the country (e.g. Cape Town is predicted to grow at 0%) as growth in 2017 is mostly likely to come from the primary sectors which are not very prevalent in the cities, then from the secondary and tertiary sectors. Notably however is that while the economy is growing at 1% the population growth in eThekweni for 2016 was 1.4%, indicating that the population is growing faster than the economy.

INDUSTRY % CONTRIBUTION TO GDP 2017



A total gross value added of R276, 4 billion was recorded in 2017 for the city. The industry with the largest contributions to city's GDP were:

- Community services (R58,2 billion);
- Finance (R57,3 billion);
- Manufacturing (R53,2 billion); and
- Trade (R45 ,8 billion).

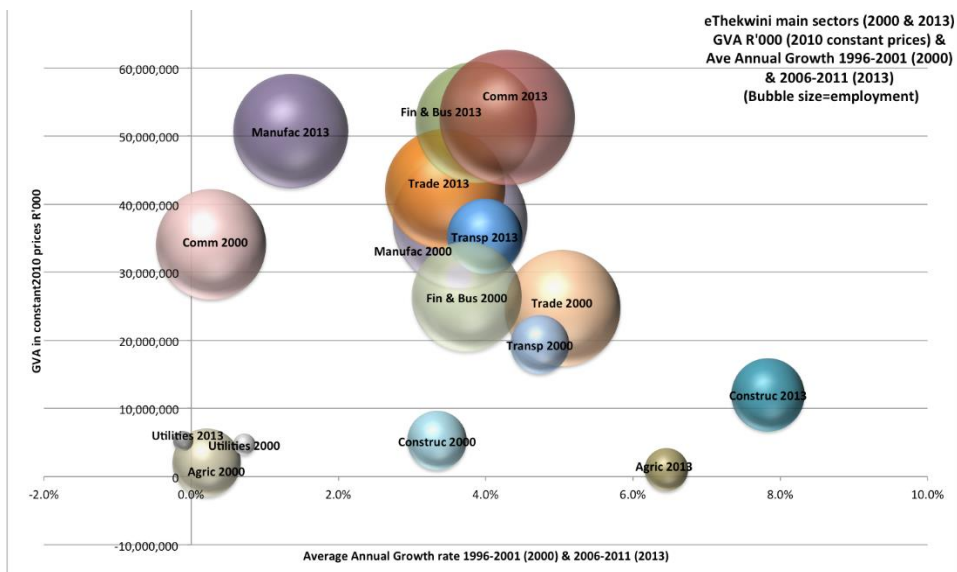
A recovery in agriculture has been noted, albeit from a very small base. The largest manufacturing contributor towards growth in 2016 was the fuel, petroleum chemicals and rubber products. Notably over the last 5 years there has been a recovery in the clothing and textile, leather and footwear sector with this sector adding new jobs. However, the city has slipped into 4th place behind Johannesburg, Cape Town and Tshwane in terms of the size of its economy, due in part to the higher economic growth in Tshwane over the last 10 years than in eThekweni.

In terms of tourism, eThekweni attracts mainly domestic tourists and is by far the most popular city among domestic tourist bed nights. However, in terms of international tourist bed nights, the city has slipped into 5th place, being significantly behind Johannesburg, Cape Town, Tshwane and Ekurhuleni. While the city attracts a large number of domestic visitors, in statistical terms this has not translated into a relative advantage in terms of local skills, employment or contribution to the economy, relative to the other large metros.

The character of port traffic has, within this context had a profound impact on the city. Containerization has become the specialty of the Port of Durban, and although recent years have seen subdued growth in container traffic, the nature of the logistics sector has transformed the way goods are moved around the country. This has brought considerable investment to Durban from the public sector (in port facilities) and also from private sector actors want to establish distribution and warehousing facilities. In fact, demand for land for these activities has been such that it has crowded out other potential land-uses as upward pressure has been placed on land parcels for this activity. Externalities related to the trucking industry such as

congestion and damage to public infrastructure have also been noted alongside this growth.

eThekwini main sectors performance 2000-2013 (Bubble size = Employment)

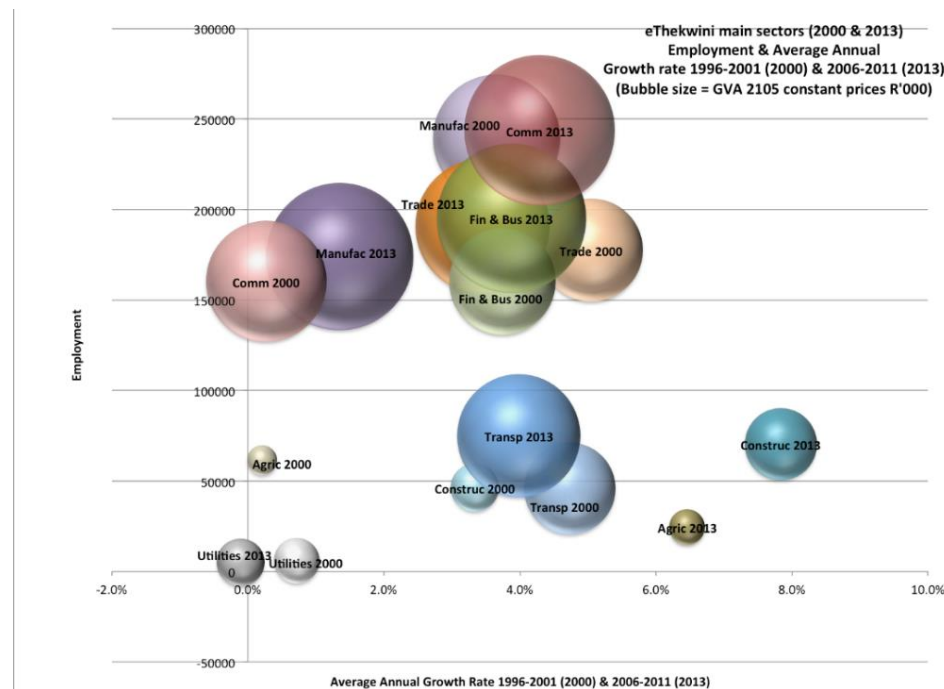


The following charts illustrates a sense of the nature of the changes in economic structure over time – the period 2000-2013 is chosen for the exercise. In Figure? It is possible to note the shedding of employment and decline in relative growth rates of manufacturing, however, the sector managed to grow its Gross Value-Added output and remains a key sector despite these changes. The growth of employment in a public sector driven category such as Community Services is also notable as is the growing importance of this alongside a variety of community-related service activities such as healthcare. Both trade and finance and businesses services also displayed growth in employment to some degree and increases in GVA output. Generally, the sectors with higher growth rates were able to deliver higher employment outcomes over time. However, since much of the services sector depends on local, regional or national consumption capacity (very constrained in Durban by generally low incomes and nationally by weak economic growth) and is often not tradable, it remains critical that the city explore opportunities to grow

manufacturing (considering that much of its output has the potential to be tradable and thus tap into new markets).

The following variant on the adjacent Figure, has the bubble sizes representing GVA output (as opposed to employment) and instead shows employment on the y axis of the chart. Here one can see how manufacturing, despite the loss of jobs, continued to increase its GVA output and thus retain its strategic value to the eThekwini economy. A number of the service sectors (transport, finance and business services) increased their GVA output but did not necessarily make such substantial employment gains.

eThekwini main sectors performance 2000-2013 (Bubble size = GVA)



For the eThekwini economy it is clear that substantial changes have been underway. However, these changes have tended to not make much headway against unemployment in the city. In looking at a more detailed sectoral analysis with regard to employment and GVA it is noticeable that

manufacturing sectors feature somewhat less in leading employment categories in 2016 than they did in 2000. The following Table provides an overview of the dominant employment subsectors and their change in ranking since 2000.

2000-2016 eThekweni sub-sector employ rank (IHS Global Insight)

Rank	2016	2016	Change in rank from 2000	Change in absolute employment	Rank in terms of net new jobs
1	85-88 Other business activities	138,604	0	24,784	5
2	Households	115,071	2	46,723	1
3	62 Retail trade and repairs of goods	112,541	-1	18,906	9
4	92 Education	81,858	2	25,534	4
5	93 Health and social work	69,521	2	20,166	7
6	50 Construction	68,066	2	21,610	6
7	31 Textiles, clothing and leather goods	56,311	-4	-19,570	
8	94-99 Other service activities	54,801	7	26,651	3
9	91 Public administration and defence activities	53,283	7	26,732	2
10	71-72 Land and Water transport	49,285	4	19,242	8
11	63 Sale and repairs of motor vehicles, sale of fuel	42,223	6	15,965	11
12	81-83 Finance and Insurance	33,113	-2	-7,835	
13	64 Hotels and restaurants	32,169	7	17,034	10
14	30 Food, beverages and tobacco products	26,198	-2	-4,770	
15	11 Agriculture and hunting	23,736	-10	-33,646	
16	35 Metal products, machinery and household appliances	22,460	2	-2,939	
17	33 Fuel, petroleum, chemical and rubber products	20,249	-6	-12,215	
18	32 Wood and wood products	19,373	-5	-11,133	
19	61 Wholesale and commission trade	15,669	-10	-26,893	
20	73-74 Air transport and transport supporting activities	10,959	4	3,970	12

A similar analysis is provided below for changes in subsector ranking for GVA output. This reveals that, as with employment, GVA contributions of manufacturing remain none-the-less significant, although that have over time been eclipsed by services outputs. This change has been driven largely by the periods of faster annual growth in GVA for these services activities enabled, largely in the 2000s, by public sector expansions in employment, wages and expenditure, greater lending to consumers, and periods of private sector wage growth.

Although these longer-term changes have in some ways diversified economic activity in eThekweni, it is nonetheless important to appreciate

that in 2000, 67% of total employment was in the top 10 sub-sectors. In 2016 this figure has risen to 73% of employment in the top ten subsectors.

2000-2016 eThekweni sub-sector GVA rank (R '000) (IHS Global Insight)

Rank 2016	2016	2016	Rank change	GVA change
1	81-83 Finance and Insurance	25,856,313	8	17,615,691
2	71-72 Land and Water transport	23,487,596	-1	9,680,599
3	62 Retail trade and repairs of goods	22,175,430	0	10,717,115
4	94-99 Other service activities	15,572,751	3	9,187,013
5	93 Health and social work	15,094,025	1	5,965,344
6	33 Fuel, petroleum, chemical and rubber products	14,896,644	-2	4,858,563
7	85-88 Other business activities	14,887,988	5	6,162,495
8	84 Real estate activities	14,486,413	-3	5,066,781
9	50 Construction	12,987,812	4	7,680,655
10	91 Public administration and defence activities	12,781,511	1	6,346,263
11	92 Education	12,691,427	-9	546,168
12	61 Wholesale and commission trade	12,678,030	-4	4,167,786
13	30 Food, beverages and tobacco products	10,235,464	-3	2,345,392
14	75 Post and telecommunication	8,097,984	6	5,210,580
15	63 Sale and repairs of motor vehicles, sale of fuel	6,467,203	3	3,265,006
16	38 Transport equipment	6,078,004	0	2,230,180
17	35 Metal products, machinery and household appliances	5,645,173	-2	1,633,052
18	73-74 Air transport and transport supporting activities	5,474,483	3	2,769,544
19	32 Wood and wood products	4,819,602	-5	762,904
20	39 Furniture and other items NEC and recycling	3,725,177	-1	738,069

5.1.1.2 A Compelling Vision

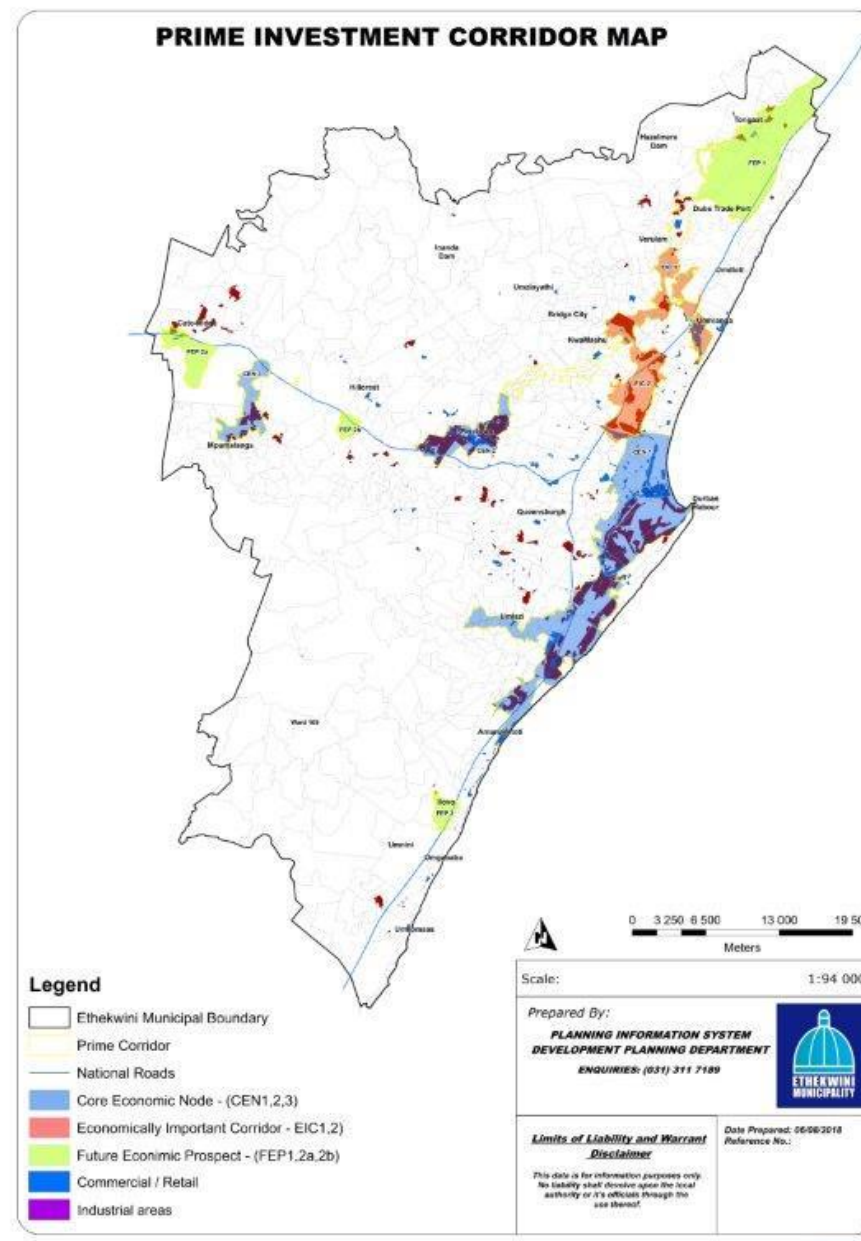
eThekweni needs a compelling vision, rooted in the SDF, which all the development partners can throw their energy behind. For eThekweni to grow and develop in a sustainable, resilient and inclusive manner it needs to deliver an urban footprint that is accessible, compact and affordable. This will in turn require a change in direction from a sprawl driven city to one that is better connected and offers much higher quality accessible amenity and economic access for the majority through a built environment profile that is denser along key infrastructure and transit routes that are closer to key urban assets such as the CBD, Port, major industrial and commercial areas. In fact,

the City has a responsibility in policy and in law¹¹ to act in certain ways to achieve sustainable and inclusive urban outcomes that encourage economic opportunities and inclusion.

A more compact, connected, accessible and integrated city will promote prosperity, social inclusion and environmental sustainability. By concentrating physical, human and financial resources, the city will grow in a way that is smarter, uses land more efficiently, conserves resources better, facilitates human interaction and boosts economic productivity. People, firms and public entities that depend on each other for inputs and outputs will save on transport costs and benefit from convenience. Proximity between diverse activities means that they will feed off each other in various positive ways, creating an interconnected system with powerful feedback effects on economic development. Well-managed urban precincts will promote buzz and vibrancy, as people and firms collaborate, compete, share ideas and learn from each other, which will spur creativity and accelerate progress – a ‘density dividend’. Intensively developed corridors and a compact urban form will also reduce the capital and operating costs of many forms of shared infrastructure. This will reduce the municipal tax burden on firms and households as the city grows over time. A dense and well-connected city is particularly important for workers with low-paid, part-time and precarious jobs because it reduces their costs of commuting to work and of searching for new opportunities when their current positions expire.

Drawing heavily on the SDF nodes and priorities as well as the BEPP emphasis on a Prime Investment Corridor that abuts the public transport corridors, a map depicting a spatial Economic Strategy has been articulated below. This map shows all the large existing commercial and industrial employment areas and highlights segments of the Prime Investment Corridor that require particular focus and investment. The proposals made for improving the business environments within the different geographic areas should be read

in conjunction with the “Transforming the Economy” chapter where greater detail is provided.



¹¹ According to the Integrated Urban Development Framework (IUDF), the Spatial Planning and Land Use Management Act (SPLUMA) and the New Urban Agenda (NUA)

Core Employment Nodes (CENs) represent the bulk of existing employment (industrial and commercial) and a very substantial historical investment in infrastructure that needs to be utilised to its maximum in order to retain existing employment as well as grow new employment opportunities. There is a need for the progressive upgrading of business environments in core areas and townships. Some of the job's growth will come from intensification within these core areas but there will also be opportunities for expansion into adjoining areas of vacant and re-developable land. There is a conscious linking of the main economic focus areas to township nodes in order to spark further economic development in township areas. There will be opportunities for better integrating the core economic areas with surrounding residential areas as well as the introduction of higher density mixed income housing and the integration with and improved servicing of adjacent well-located informal settlements in order to enhance the scope for lower income residents to be closer to urban opportunities.

CEN 1 is the highest priority and it incorporates the Durban Inner City and the entire South Durban Basin as well as an integration corridor extending into Umlazi. A range of interventions will be required including infrastructure refurbishments to improve infrastructure reliability of service, re-design of streetscapes and introduction of quality public places, more higher density mixed income housing¹², traffic management and the introduction of public transport solutions for more intense development, the provision of additional social facilities, urban management and the exploring of land value capture.

CEN 2 is the second highest priority and incorporates Pinetown, Westmead and New Germany as well as the integration corridor extending into Clermont/KwaDabeka. Similar interventions to those above are envisaged here.

¹² The 2017/18 Inner City Plan proposes an additional 250 000 people to be accommodated here in social and gap housing as well as intensification of mixed uses within the South Public Transport Corridor.

CEN 3 is the third highest priority and incorporates the Mpumalanga town centre area and Hammarsdale Industrial area as well as the integration corridor extending towards the N3, including Keystone Logistics Park.

Economically Important Corridors (EICs) were identified in order to bring in the significant employment generation areas that have coalesced alongside major arterial routes forming corridors of economic activity. EIC 1 is the highest priority and incorporates Cornubia Industrial and Business Estate, Mt Edgecombe Industrial, the commercial areas of the Umhlanga New Town Centre as well as Phoenix Industrial Park and Bridge City and KwaMashu Town Centre. EIC 2 is the second highest priority and incorporates the industrial and commercial development along North Coast Road all the way to Briardene Industrial Area.

There are a number of significant economic proposals that lie further afield and these have been labelled as Future Economic Prospects (FEPs)- though there may be pockets of development uptake in these areas currently¹³, the areas are very large and require major infrastructure investment and will only fully materialise sometime in the future. The Dube Trade Port is the highest priority and is labelled FEP1. Two economic prospects in the western region have an equal level of priority viz. Shongweni being FEP2a and Cato Ridge being FEP2b. The Illovo development proposal in the south which includes the Auto Supplier Park is labelled FEP3 and is seen as a lower priority than the other FEPs at this time.

Drawing on the spatial plans and related policies covering these priority economic areas, a project list can be drawn up fairly quickly, then analysed and prioritised and budgeted.

5.1.1.3 *Prioritising the right programmes and projects*

If we are to be successful in promoting development within these priority areas and attracting the right kind of development that supports a specific

¹³ This needs to be supported through the provision of incremental additions of infrastructure capacity on the basis of evaluation of cost versus benefit.

spatial strategy, then it is critical that all major programmes and projects go through a proper evaluation before being approved and allocated budget. This will assist in promoting a municipal budget that is strategy-led and an improved alignment of private sector investment.

Major development applications will be evaluated both in terms of their fit with municipal land use plans and the extent to which they respond to a range of prioritisation criteria including:

- Stronger emphasis on brownfield than on greenfield sites;
- Preference for transit-oriented development and the promotion of high gross densities adjacent to public transport corridors;
- Preference for mixed use and mixed income development;
- Value for money based on assessments incorporating financial and socio-economic elements;
- Preference for productive over consumptive economic uses;
- Promotion of a Smart City¹⁴;
- Promotion of Climate Resilience¹⁵;
- Promotion of key built environment outcomes that are reflected in the City's own scorecard; and
- Infrastructure demand management and alternative supply solutions preferred over infrastructure network extensions.

Institutional prioritisation structures/committees must be established with correct & broad enough technical composition and with delegated authority. The Technical Prioritisation Committee will need to adopt and use a range of tools¹⁶ in order to evaluate projects and to assist in making

¹⁴ We are all faced with a common uncertain future and the municipality must drive a programme of research into how technology is affecting our world (the Internet of Things, green technology, the Fourth Industrial Revolution, robotics etc) and what the potential resilient responses may look like drawing on international and African good practice. This intelligence must be integrated into all municipal programmes and shared with the private sector so that companies can draw out their company-specific implications.

¹⁵ A Strategic Environmental Assessment (SEA) to understand the bio-diversity baselines and preservation strategies, the environmental goods and services capacity now and into the future is currently underway. This is key to developing a

sensible decisions. Spatial prioritization methodologies and decision enabling tools need to be used to assist with making technical evaluations of projects in order to improve the likely impact on issues such as the advancement of spatial transformation, greater economic growth, enhanced economic transformation and delivery, reduced environmental impact, improved value for money, fair apportionment of contributions to bulk infrastructure etc. The current reality is that large projects requiring a substantial financial commitment from the City, are often approved without an evaluation of cost versus benefit and with little monitoring of whether the promised benefits are actually achieved. In this way the next round of project approvals often does not benefit from learnings in previous rounds.

All projects of a size and impact that is significant must be properly evaluated with a view to fully understanding the project and its likely impact and to make a judgement call on whether the project is contributing to the achievement of the spatial strategy. These project evaluations will not slow down approval times but will likely speed up approvals¹⁷ and will lead to increased confidence in the timeous delivery of integrated infrastructure provision. The evaluations will also assist with clarifying the inter-dependence and sequencing of supporting or enabling infrastructure projects. The prioritisation process must be transparent and easy to understand and lend itself towards participation of all departments. Once the technical prioritisation committee has evaluated a project, it would then present recommendations to the relevant political Committees for approval.

eThekweni needs to develop programmes and projects in partnership with various stakeholders so that it can shift from its currently reactive approach

city that is resilient to the current and future impacts of climate change and to ensure that the city grows in a manner that can be sustained into the future and continues to provide services and quality of life to its residents. Such an approach must permeate all municipal programmes.

¹⁶ Spatial Budgeting Tools, the Municipal Services Finance Model (MSFM), Cities Infrastructure Delivery Management System (CIDMS), Blue Skies methodology, RIPOA, NT Fiscal Impact model, Cost Surfaces Model etc.

¹⁷ On condition that project preparation is complete and there is availability of the required project information for adjudication/prioritization purposes.

of evaluating applications that are developed by the private sector, to one where it is developing and implementing a credible strategy in concert with its various partners.

5.1.2 IMPACT OF RECENT POLICY SHIFTS

At eThekweni, one of the major policy changes in the recent past has been the Radical Economic Transformation (RET) Framework which specifies 30% contract participation goal (CPG). Due to several work stoppages over the last period, there was an urgency to implement RET in order to prevent construction stoppages.

Another major initiative at eThekweni has been the work emanating from the City Planning Commission (CPC) which culminated in the long-term draft City Development Plan in June 2018 which coincided with the end of term of the Commissioners' appointments.

The strategic pillars of the City Development Plan are:



To take this work forward, a new set of commissioners will be appointed soon.

More recently, the Economic Development Unit has embarked on a review of its Economic Growth and Development Strategy (termed "Shape Durban"), which may influence the trajectory the city would pursue in terms of economic growth and job creation.

5.2 ECONOMIC SUPPORT INITIATIVES

5.2.1 INFORMAL ECONOMY SUPPORT PROGRAM (IESP)

The second phase of the Informal Economy Support Programme (IESP) is now well underway, having commenced in April 2018. Despite delays in the setup phase, 23 micro and informal enterprises (MIEs) have now signed participation agreements with collective new permanent job creation potential of 104 and with 12 new jobs already created. There are a further 37 MIEs identified and under assessment with additional job creation potential of 330. The IESP is well on track to meet the overall target of the current three-year phase of 750 jobs within approximately 105 supported MIEs by March 2021.

The IESP is a specialised business support initiative which is co-funded by the Jobs Fund, eThekweni Municipality and the Department of Small Business Development. It is managed by Project Preparation Trust (PPT) which is a non-profit support NGO that partners with eThekweni Municipality in many pro-poor developmental areas including the economy, informal settlement upgrading, early childhood development and special needs housing.

The IESP reaches selected, high potential MIEs effectively and cost-efficiently in order to catalyse change. It unlocks untapped job creation potential through structured, focused support services which enable, amongst other things: product refinement, accessing finance, skills development, better business management, mutual co-operation, accessing new markets, and connecting with established business and government. The IESP provides structured support services to each selected MIE in terms of a structured business development plan and for a fixed rand value which is linked to the

number of jobs which can be created. MIEs must meet stringent selection criteria, including the ability to create at least 5 new jobs. The MIEs may be co-operatives, sole proprietors or closed corporations and do not have to be formally registered. The IESP supports MIEs across various sectors including small manufacturing, specialist retail, services, contracting and agriculture.



Thulani Hadebe, owner of Mthimkhulu Glass Works. Since engagement with the IESP, Mr Hadebe has created three new jobs at his enterprise, consisting of two table assistants and one admin clerk. He aims to hire a store manager and a driver as well.



MD driving school premises, owned by Mandla Dumisa. Mr Dumisa has expanded to a new location, and since joining the IESP, he has hired two new staff and plans on creating 3 new jobs - 2 driving instructors and 1 in marketing and sales.

Phase two of the IESP is the operationalisation and upscaling of a model which was refined and proven in a three-year pilot phase (ending in 2016) and in which it achieved all of its key targets including those pertaining to job creation (217 new permanent jobs were created). Collaborations with government and private sector are key, as is establishing the necessary specialist capacity and skills for effectively servicing MIEs.

A special small loan facility for MIEs is currently being developed with funding from the Small Enterprise Finance Agency (SEFA), in partnership with Ithala who will act as the financial intermediary. The special facility will significantly reduce the 'red tape' and eligibility requirements with the IESP identifying, screening, and recommending MIEs and providing 'aftercare' which will significantly reduce the lending risk and enable the financial institutions to penetrate the MIE space – something that is not currently viable for them.



Neliswa Manukuza, one of the co-operative members from Elihle Mgazi. Elihle Mgazi Co-operative is a youth-owned sewing co-operative that currently employs 36 people. There is great potential for growth in this enterprise and their objective is to open at another site. There is the potential for 30 new jobs.

The IESP has also made good progress with sectorally-focussed collaborations in respect of clothing manufacturing, community tourism and an auto hub. Sectoral collaborations can play an important role in enabling enterprises to access new market opportunities, supply into larger value chains, and source cheaper raw material which can lead to a reduction in the cost of production and therefore more competitive product pricing.

The IESP has also established new specialist capacity to support MIEs effectively. Two new full-time personnel have been recruited, including two MIE specialists and two enterprise development facilitators. A panel of 9 independent professionals with various types of specialisation has been established to support various MIEs.



Bongiwe Mncwabe, one of the owners of Okuhle Printing and Dressmaking. Ms Mncwabe and her son own the business and together, they manufacture school uniforms, church uniforms, traditional wear, office uniforms, and graduation gowns as well as printing on clothing. They are looking at securing new machines and new premises which will trigger the creation of 9 new jobs as machinists, sales agents and printers.

5.3 THE INVEST DURBAN “STEP CHANGE” STRATEGY IMPLEMENTATION

The Durban Investment Promotion Strategy which is a National Treasury/World Bank supported project was adopted by eThekweni City Council on 1 August 2017, with HR Approval in August 2018.

In terms of progressing with the approved establishment phase of Invest Durban (budgets, recruitment, office location, plans etc.), there has been a range of implementation actions and milestones that have been achieved thus far. Some protracted administrative processes have been managed, along with some award-winning performance from Invest Durban.

The internal HR capacitation, full Budget funding, plus appropriate office accommodation has been somewhat protracted by internal administrative dynamics (outside of the Unit & Cluster's direct control).

R17m of the Strategy's envisaged Budget for Year 1 has been provided. In addition, the Metro CFO has given verbal undertaking to both the Unit and Cluster Executives, plus the World Bank Group Executives, that additional funds will be provided, especially for the HR "step change" as recruitment and selection admin milestones are reached.

Although organogram reconfirmation through Council took an extended period, the next batch of recruits would likely start Feb/March 2019, with full Strategy-envisaged Staff complement of 31 in place ideally before FYE June 2019.

Office relocation has been centralized into the Real Estate Unit processes along with all other Council office requirements (& will be accelerated via the newly appointed Real Estate Unit Head before Feb 2019).

The Economic Development and Planning Cluster Deputy City Manager and the Invest Durban Team have made contingency plans to escalate and expedite on these admin areas, and therefore more fruits of the Invest Durban Strategy implementation will soon become visible.

Invest Durban have had some notable operational successes in each of the 4 legs of the Investment Promotion Agency mandate, namely:

- investment promotion and marketing;
- foreign investment identification, attraction and facilitation;
- FDI aftercare and expansion; and
- Investment advocacy.

On the investment promotion and marketing front, the team has applied significantly increased budget and effort to make a step change in the quality and range of investment marketing materials plus channels used. This has included, inter alia, a new range of FDI Sector Briefs, new website, greater usage of social media and other electronic channels, plus more visible participation in relevant domestic and international events. This

complemented by a greater shift to proactive and targeted outbound investor missions to the foreign diplomatic community based in South Africa, plus a significant public private partnership Investment Roadshow to the United Kingdom in June 2018 (Mayoral pic below). The UAE is planned for March 2019, a UK-repeat in July 2019, & the USA in Sept 2019.



All the below earned the Invest Durban team (incl. our Business leadership partners) the 2018 Standard Bank KZN Top Business Portfolio Award (for the most exceptional Partnership delivery; picture below with Chamber President, ECOD Chair, & KZN Growth Coalition Co-Chair).



The other investment promotion and marketing achievement was being an invited and fully United Nations sponsored Speaker at the UN World Investment Forum in Geneva during Oct 2018, with 3 Panel Speaking invitation slots (shared with our Deputy City Manager), plus a Durban dedicated Panel on "Private Sector Solutions for Sustainable Development: LIV Village" (which was 1 of only 12 Case Studies picked up by the UN Media/TV Unit for filming, private TV interviews & global broadcast.) Picture below with UN Chief of Partnerships & LIV Village:



On the second mandate leg of investment attraction and facilitation, the biggest success this year has been the securing of a R1 Billion greenfields manufacturing investment by one of the world's largest food flavorant/additive multinationals. Building Plans are now being submitted for approval. The 2nd new FDI success achieved this year was in securing British Airways investment into a new direct flight route from Heathrow to Durban (where the inaugural flight landed on 30th October, to significant local fanfare.)

On the 3rd mandate leg, namely FDI aftercare and expansion, we recorded a significant R750 million expansion by the largest international contact centre in South Africa, CCI (from the UK). Once completed in early 2019 they will become the largest commercial employer in Central Durban with over 12000 staff.

With regards to the final mandate of investment advocacy, the team was able to launch and practically activate the Mayoral "Team Durban Foreign Investment Advisory Forum". This is a 12 Member Council of continent leading business titans such as Stephen Saad of Aspen Pharmaceuticals who will

advise and inform not only the city leadership & Invest Durban, but also the broader Public Sector on all aspects of improving the local investment environment. Recruitment, confirmation and launch was the result of an exhaustive advertising, engagement, and City Council confirmation process by Invest Durban (Mayoral Launch pic below with Chamber President, selected Team Durban Business VIP's, CM, DCM's & Cllrs).



The above collection of Strategy implementation delivery was awarded in October 2018 with the external business-survey-driven awards known as the Professional Management Review "PMR Diamond Arrow Awards" (x2) for the highest ratings in promoting the region for Business, and also doing the most to secure job creation via investment. (Photo below showing Invest Durban Team Members & ECOD Leadership Cllrs with all the City's awards, including tourism & infrastructure).



5.3.1.1 Next steps – Possible NT/WBG support

Staff induction and IPA training/capacity building in Calendar Q1 or Q2, 2019 would also be welcome.

Investor Tracking System support & other tech sourcing plus deployment assistance would be similarly desired.

External support would also be welcome to further the process of formalising & fully implementing the Strategy's "Systems Asks" (as defined therein), with regards to Municipal Policies and processes for Invest Durban (in areas such as IT, Travel, SCM/Finance, HR, etc).

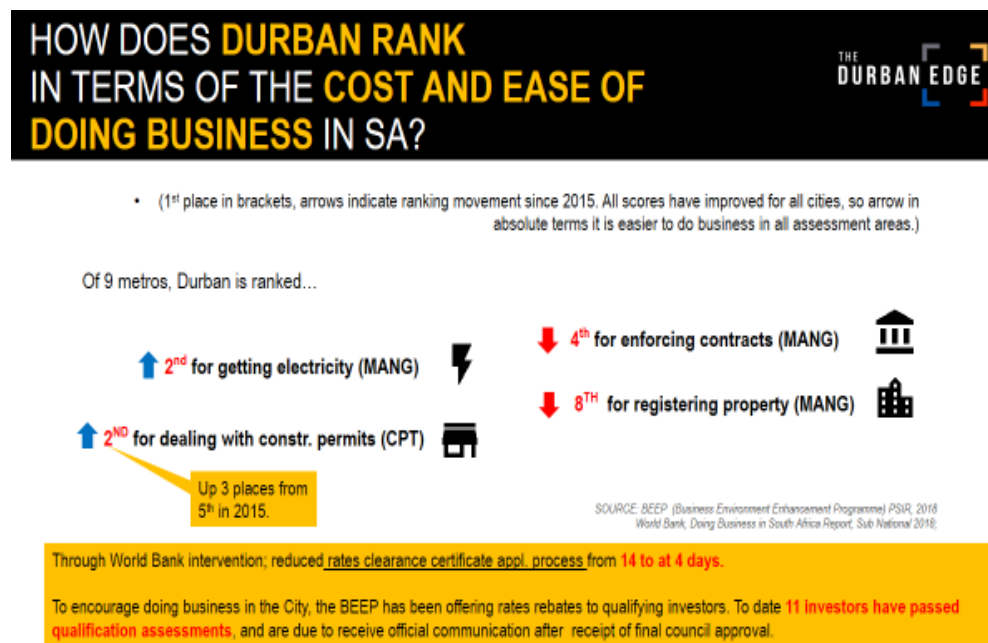
The more formal review of progress on the Strategy Implementation Plan could be considered for around July/Aug 2019, once we have all/most of the new people on board, premises, etc. We will then be in a much better place to undertake a meaningful evaluation.

Implementation of the admin & resourcing aspects has been a little slower than anticipated due to external factors, but of greater importance and practical impact is that the tangible Durban Investment Promotion Strategy's operational step-change is well underway. The Strategy is being implemented; Recruitment is accelerating (with the proposed numbers in

place by mid-2019); New premises have been identified; Pro-active investment marketing activities have ramped up; Strengthened aftercare focus is delivering, and most critically, increased new investment flows have materialised. This has largely been made possible by the unwavering support of our City Leadership team. Our thanks for this overall successful initiative must also go to the National Treasury City Support Program Team, and the World Bank Group Management whom have remained as close Advisors and valued Supporters during implementation.

5.3.2 SUB-NATIONAL DOING BUSINESS (SNDB) IN SOUTH AFRICA

The eThekweni Municipality together with all other metros within the country participated in a World Bank survey in 2014 with the aim of assessing the cost and ease of doing business in South Africa. A repeat survey in 2018 assessed progress since the implementation of reforms following the first survey.



time, cost, number of procedures and quality of critical indicators that contribute to business environment enhancement. eThekweni's Getting Electricity indicator has improved its position from 3rd place in 2015 to 2nd place in 2018. This improvement may be attributed to improvements in the Customers Services reforms implemented and the Unit's ability to record and maintain data that qualifies its efficiency in delivering electricity to its customers.

A significant improvement in the Dealing with Construction Permit indicator was recorded. A graduation from 5th position to 2nd position can be attributed to enhanced clarification of roles and responsibilities in the value chain of procedures and processes to acquire a construction permit. The clustering of procedures contributed to the enhanced systems and positive impact on the experience of customers.

The City has a role of issuing a rates clearance certificate to enable the registering of property. The City is in the process of automating processes so that approvals may be undertaken online, as many of the functions in the value chain sit outside the control of the Municipality. The absence of an automated system (which will be fully operational in the next 18 months), resulted in a recorded drop from position 6 in 2015, to position 8 in 2018, regarding the cost and ease of registering property within the Municipality. There is a targeted pilot study in two areas which also assesses the City's efficiency in titling low value houses across the City.

The SNDB Programme has yielded a number of highlights and uncovered a number of challenges in respect of operational systems within the City. Whilst this intervention as a City Support Programme has given impetus to renewed thinking and innovative methodology, the Municipality has to address a spectrum of operational, infrastructural and institutional fractures for greater success in implementing reforms. These are verifiable through an independent audit which will validate the positive impact and identify urgent interventions to achieve expeditious reforms. The continuation and commitment to the Programme highlights its benefit to the investment in the City.

The Table above depicts the performance of eThekweni Municipality as benchmarked against 8 other cities in the country. The SNDB study measures

5.3.2.1 Incentives to key investments

In order to enhance the growth of the local economy the City has identified financial incentives that are aimed at attracting new investment, creating new jobs, optimizing the city's revenue, encouraging skills transfer & local procurement, bolstering growth in our priority sectors, encouraging export & enhancing the City's competitiveness.

The Economic Development Incentive Policy is an extension of the eThekweni Rates Policy (Clause 14) and hence, all legal compliance is necessary. The EDIP guides the Municipality in the management (implementation and monitoring) of all incentive-related activities in an effective and efficient manner, and allows for the alignment of investor needs and economic incentives offered. These incentives are offered in three development types namely: Greenfield Development, Brownfield Development and Sectoral Targeting. There has been a keen interest from investors, and the City has already approved 11 applications over the past 3 years, which aggregates to approximately R5b of investment. The Municipality is currently preparing to assess the impact of investment on jobs and investment in the City.

The application process is ongoing however, investor compliance is critical. The eligibility of a beneficiary does not preclude those who have benefitted from incentive schemes from any other sphere of government. The EDIP rates rebate incentive is unique to the eThekweni Municipality to achieve the outcome of attracting investment and enhancing the business environment.

5.3.3 CUSTOMER RELATIONS MANAGEMENT (KEY CLIENT ENGAGEMENTS)

Entrenching excellence in service delivery to all eThekweni Municipality stakeholders is one of the outcomes of the City Customer Relationship Management Strategy. Big business forms a critical part of eThekweni Municipality's stakeholders. In realising this, the City Manager, as part of the Customer Relations Management Strategy, established a key client engagement process with the City's major revenue generators, in order to improve the Municipality's service offering and explore ways to build and strengthen partnership with them.

The objectives of the key client engagements include:

- Gaining insight on major customers' level of satisfaction with municipal services;
- Exploring ways of building and strengthening relationships between the City and big business;
- Sharing key plans of eThekweni Municipality and developing convergence on the City's development trajectory; and
- Discussing areas of mutual interest on which the City and business could collaborate.

The City Manager appointed a number of senior managers as relationship managers to the top revenue generators of the City. The role of the relationship managers is to coordinate responses to issues that are raised by their companies. In addition to that the City Manager, through the CEOs Forum, meets with the CEOs of each of these companies on an annual basis to discuss issues that negatively impact on their businesses as well as opportunities for greater collaboration with the City.

In the interaction with the companies it became clear that they often get frustrated in getting complex issues that require the participation of more than one department resolved. Since the key client engagement process, a number of complex issues have been resolved or processes are in place to address them. This report will highlight three issues that have been addressed through this process.

Most of the industries in eThekweni are situated at the South Durban Basin. This area is however prone to floods during the rainy season. This matter was raised by Toyota who have a huge plan in the area. The relationship manager assigned to Toyota identified the relevant units within the Municipality and together with Toyota established a task team to look at Estuary Management. The meets monthly to, amongst other things, analyse the data collected on tracking points in the rivers and canals. The results are presented at the monthly progress meetings. Furthermore, Toyota has initiated an internal hydrological study to compliment the Municipality's intervention in trying to curb flooding within the area.

The key client engagement process has been able to resolve and fast-track a number of key projects that strategic partners such as Tongaat Hulett, Transnet and Prasa are undertaking in the City.

The quality of supply with respect to water and electricity has been raised by a number of companies as an issue. The water and electricity departments have processes in place to address this matter. For instance, the water department has requested and received EXCO approval to redirect funding towards upgrading the old infrastructure that was causing frequent water cuts in the South Durban Basin

5.3.4 INNOVATE DURBAN

Innovate Durban NPC was set up by the eThekweni Municipality to support the innovation ecosystem in the region by promoting innovation amongst all citizens and business. With a special focus on youth, women and stimulating township innovation, innovation is seen as important in supporting radical economic transformation in the local economy.

'Innovate Durban' is the Innovation Programme of the eThekweni Municipality and key partners. It was established in 2014 as part of the Smart City Initiative with the purpose of driving the innovation agenda within eThekweni. The programme has included a number of projects implemented by the city in collaboration with these key partners to support innovation.

The Innovation programme is driven by projects focused on creating awareness, building capacity and skills, encouraging community involvement, boosting public and private sector innovation and creating fundamental linkages between all role players and innovation tools to make innovation easy and possible. Innovate Durban encourages innovation for development within an economic context. The programme is a solutions-based programme that deals with social development and transformation. It is one of very few innovation programmes within South Africa that has a deep focus on social impact through innovation, with a special focus on previously disadvantaged youth, women empowerment and stimulating township innovation, in this way supporting radical economic transformation.

The entity has gained many partners over the years, including additional funders for specific projects and programmes since its establishment as an NPC.

Innovate Durban Partners

UKZN	Transnet	TIKZN
Maker Space	Technology Innovation Agency	Socially Acceptable
Oracle	Open Data Durban	Indlovukazi Online Media
Mangosuthu University of Technology	Mobility Centre for Africa	LifeCo UnLtd
KZN EDTEA	Krisp	International Labour Organisation
Flanders	FNB	eThekweni Municipality
Durban University of Technology	Durban Hub	DCCI
Domino Foundation	Aurecon	Adams & Adams

Innovate Durban is governed by a Board of Directors, with the initial nomination being carried out by the City and ratified by the Stakeholder Forum that oversees some of the operational elements of the entity.

Innovate Durban had a successful 2017/18 financial year. It launched its offices, employed four full time staff, including a Chief Executive Officer, became a public benefit organisation (PBO), developed a strategic plan for 2018, gained new partners, held two innovation festivals, launched three new programmes and three repeat programmes, and developed five online information platforms.

Some of the programmes are highlighted below:

- Maritime Youth Innovation Challenge**
 The Youth Innovation Challenge is an annual programme held in partnership with Oracle, Aurecon, Adams&Adams. The sector specific focus has given rise to new stakeholder engagements in the form of eThekweni Maritime Cluster, Transnet, and DUT School of Maritime. The objective of the Maritime Youth Innovation Challenge 2018 is to give the youth of Durban and surrounding areas an

opportunity and platform to come up with practical innovative solutions to existing problems facing the Port of Durban.

- **Youth Innovation Challenge Aftercare and Innovator Support Programme**

The Youth Innovation Challenge Aftercare programme ran from the 2nd of October 2017 to the 21st of June 2018. The programme aimed to help the 6 winning innovators of the Youth Innovation Challenge 2017 to progress their ideas through more targeted guidance. The programme focused on the development of core sector/entrepreneurial capabilities, with the aim of supporting the identification of and engagement with potential users, partners, and resource providers.

- **Qhakaza Girls Programme**

The purpose of the programme to influence, spark interest and encourage young females from previously disadvantaged schools to consider careers and entrepreneurship opportunities in the STEM and IT sector. Research has proven that these sectors are still male dominated in this current century.

- **Makerlab**

The Makerlab is a physical space that offers the opportunity to people to access the tools, skills and space to make anything, coupled with robust programmes that support innovators and makers. The objective of the MakerLab is to introduce citizens to the technologies and tools of the 4th Industrial Revolution, in order to stimulate innovation, widen accessibility and broaden the impact of available technology, and ultimately improve the standard of living of citizens.

- **Yakha Sakhe – Township Development Programme**

Yakha Sakhe is a township youth development programme, which uses the tools of design-thinking, cultural context, and critical thinking as a way to generate insights for change. The programme aims to expose, challenge, and support the participants to better understand sectors that are leading innovation in areas such as science, technology industry, design, and culture.

During the 2017/18 financial year, Innovate Durban has been able to attract additional funding into the organization from the following sources:

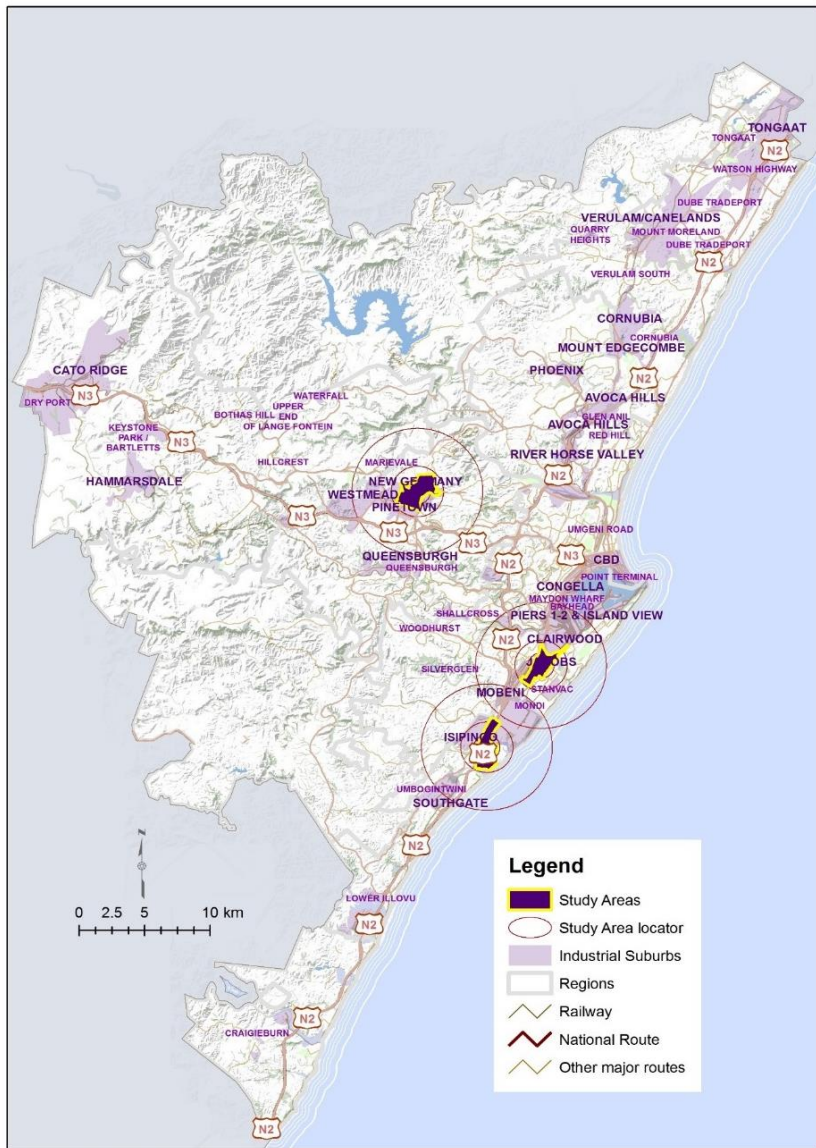
- KZN Economic Development, Tourism and Environmental Affairs;
- Conlog; and
- Other (Sponsorships) – Oracle South Africa, Adams & Adams.

Innovate Durban's current and future plans include the following:

- Innovation Labs – Innovate Durban in partnership with eThekweni Municipality, Open Data Durban, Technology Innovation Agency and the Makerspace will be establishing Innovation Labs in townships, the first lab to be set up in 2019. The Yakha Sakhe (township development) programme will be run at the Innovation Lab;
- Youth Innovation Challenge – roll out of the Youth Innovation Challenge, in partnership with Rural ABM;
- Women in ICT & Engineering Programme – conceptualization and roll out of a focussed programme aimed at upskilling and providing opportunities to young women;
- IF – Annual Innovation Festival Durban;
- Innovator Support – continue running this programme aimed at supporting all innovators from concept to commercialization; and
- Municipal Innovation Programme – aimed at equipping Municipal officials with the skills and tools for effective problem solving in order to eliminate or reduce service delivery.

5.3.5 INDUSTRIAL REVITALISATION

The Industrial Revitalisation project began in September 2017 and was piloted in three areas in Jacobs, Prospecton and New Germany. At the onset, the project set out to deliver two key outputs viz. a) Urban Design Upgrade Plans for the three areas and b) to produce an eThekweni Industrial Revitalisation Framework. The strategy was intended to guide the revitalisation and upgrade of industrial areas across the City.



Map showing the location of the three IR pilot study areas

By December 2018, plans that had been prepared include:

- Urban Design Framework and concept plans for priority projects for Jacobs

- Urban Design Framework and concept plans for priority projects for Prospecton
- Urban Design Framework and concept plans for priority projects for New Germany
- The overall Industrial Revitalization strategy report

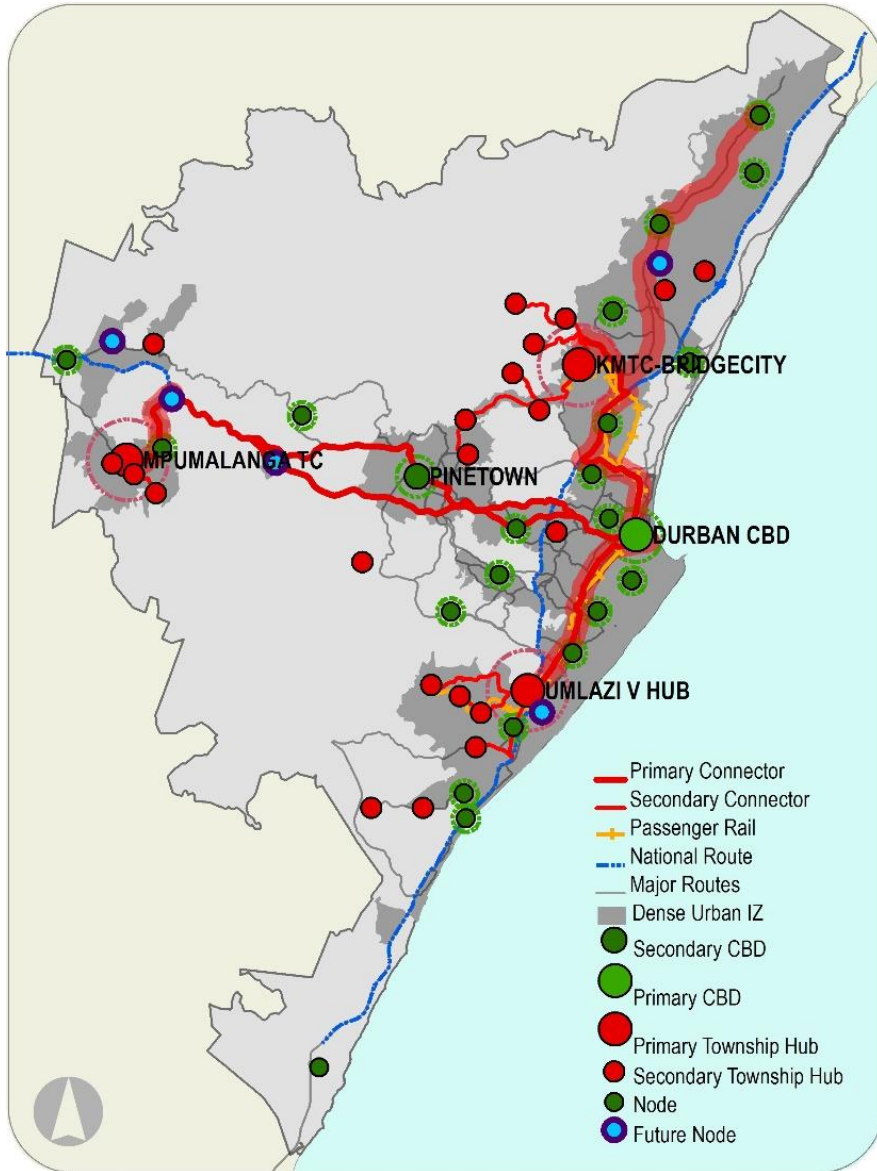
A draft implementation plan for the three case study areas has also been produced, which lists all the projects to be implemented in each area. However, the plans that have been prepared require that further work be done in order to devise a strategy to take them forward into the implementation stage in terms of the best institutional approach to use. The work to finalise the institutional structure is currently underway, due to be completed in June 2019.

5.4 URBAN NETWORK STRATEGY

The Urban Network

Strategy (UNS) is a spatial analysis tool that National Treasury introduced to support the spatial targeting agenda. The Urban Networks Strategy is a transit-oriented investment planning, development and management approach. Its focus is on spatial transformation to optimise access to social and economic opportunities for all and especially the poor. It aims to work towards a more efficient urban environment that is enabling for economic growth and development. The UNS has its origins in the township revitalisation programme funded by the Neighbourhood Development Partnership Grant. eThekweni successfully participated in the township revitalisation programme for many years with funds being spent in KwaMashu, Umlazi, Mpumalanga and Clermont. With the transforming of the township revitalisation programme into the UNS, most of the townships were newly categorised as Township Hubs under the UNS methodology and were connected to the Durban CBD via integration zones. More recently eThekweni has decided to align its integration zone directly with the roll-out of the public transport network. This has necessitated extensions to the narrowly defined integration zone as found within the UNS. The UNS elements are well aligned with and are contained within the eThekweni Integration Zone (or Prime Investment Corridor) however a revision of the UNS is needed to align fully with eThekweni plans and this revision will occur in 2018/19.

Within the UNS there is a Primary Network and a Secondary Network and this can be seen on the map below.



Primary network

The Primary Network is at city-wide scale and consists of anchor nodes, i.e. the CBD, a number of Urban Hubs, Public Transport Links and Activity Corridors between these anchor nodes.

Central Business District

The CBD is the centre of the Urban Network.

Primary Township Hub

Primary Township Hubs are regional nodes in townships. They function as “town centres”. They are intended to be planned and developed as high-density, mixed-use precincts. There are three Primary Township Hubs, namely Mpumalanga, Umlazi, and Inanda-Ntuzuma and KwaMashu (INK) Hub.

At the core of the Primary Township Hub should be an efficient intermodal public transport facility and a system of public spaces. Land uses such as retail, recreation, offices, banking, community facilities and government services, hospitality, tourism, leisure, and high-density housing should ideally be located here.

There should be an Activity Corridor to connect the CBD to Primary Township Hubs. It is a belt of land approximately 2 km wide adjacent to a Primary Public Transport link with a number of corridor nodes. The R102 is the Activity Corridor that links Umlazi to CBD and CBD to INK.

Nodes are regional mixed-use activity centres, like the old town centres of Verulam, Amanzimtoti, and Cato Ridge. The CBD and Nodes are the subject of attention, either via the Catalytic Projects, or the NDPG Program, or via the municipal-funded Urban Renewal Program.

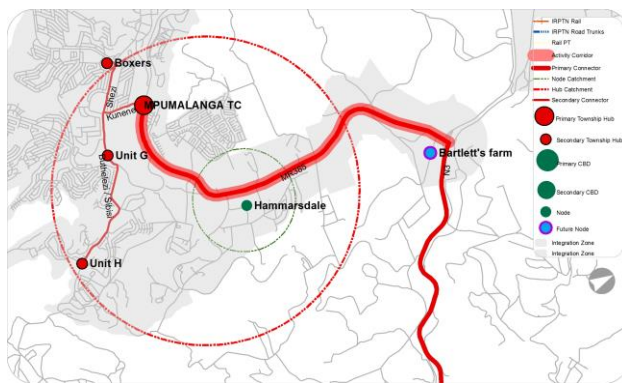
Secondary Township Hubs are mixed-use nodes within township areas and are directly linked to the Primary Township Hub by means of public transport.

A secondary network refers to the network at the scale of the township or of a cluster of townships. It includes the Primary Township Hub, Secondary Township Hubs, and the connections between them.

Implementation within Mpumalanga



MPUMALANGA PRIMARY NETWORK



MPUMALANGA SECONDARY NETWORK

Project Preparation and Implementation

The study area for the project falls within the Mpumalanga local area, which is located within the Outer West planning region of eThekweni Municipality, approximately 45km west of the Durban CBD. Mpumalanga is one of six local planning areas in the Outer West region. The Mpumalanga area is home to approximately 120,000 people, some of whom are settled formally either in urban villages or townships or on small agricultural holdings, but many of whom are settled informally in transitional, peri-urban and rural areas.

The Mpumalanga local area faces a number of key implementation challenges:

- high levels of socio-economic need;
- limited private sector capacity and investment potential;
- constrained public resources and institutional capacity to deliver integrated projects;
- integrated projects;
- absence of a clearly defined shared vision amongst stakeholders for the development of the Town Centre Plan;
- poorly developed precinct management agencies and tools; and
- lack of publicly owned land with the majority of land under Ingonyama Trust Board ownership.

These issues pose considerable challenges for effective implementation and precinct management and require concerted and strategic interventions from the Municipality and other stakeholders in order to address and overcome these challenges. The implementation approach for the Precinct Plan was based on a number of key tools and interventions that were considered necessary in order to initiate and/or consolidate development investment spatially in a manner that will generate the structure, character and qualities of an urban hub. This will serve to reinforce the sustainable economic growth objectives in the eThekweni IDP.

Proposed Lead Projects

The following Lead Projects have been identified as the basis for developing precinct project concept plans:

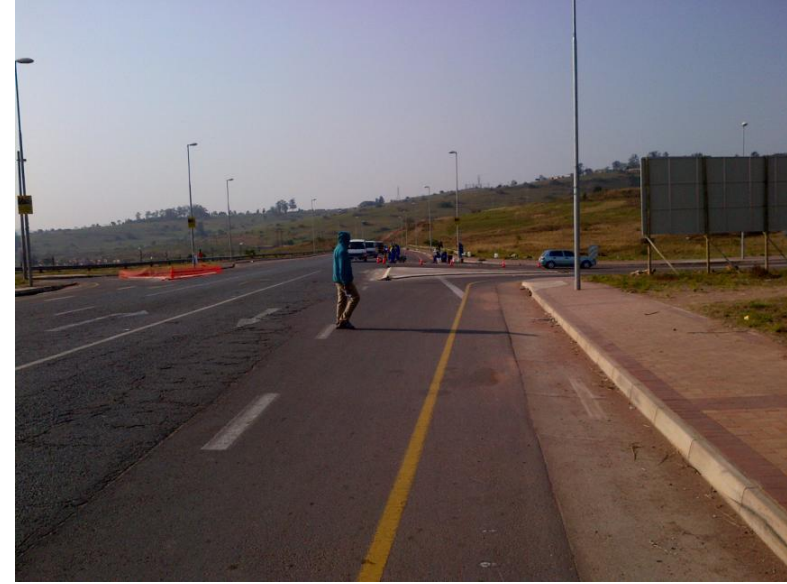
- **Business Hives Centre and Non-Motorised Transport (NMT) /Public Transport Access** - The proposed land uses associated with the business hive have the potential to make a positive contribution to the development of a vibrant town centre use alongside the proposed Civic Services Centre site. Together with the proposed investment in the Civic Services Centre, this will create a significant new local node with the potential to provide the nucleus for the new town centre. Designs and land acquisition have been completed and project currently subject to EIA process;



Kunene / MR385 Intersection Safety Improvements

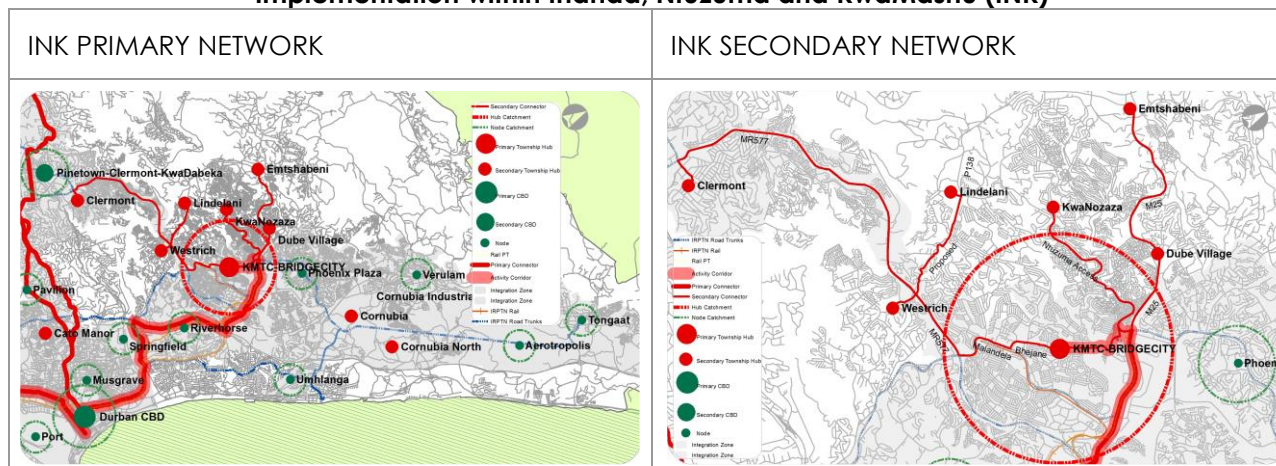


- **Civic Services Centre and NMT/PT Access** - The proposed investments in the Business Hives and Civic Services Centre will create a significant new local node with the potential to provide the nucleus for the new town centre. The Civic Services Centre in particular will attract significant numbers of people, which in turn can generate opportunities for other support services and business uses in the area. These developments have the potential to provide a high level of management of the area, increased activity and surveillance, improved security, etc. This has the potential to increase private sector confidence to invest in the area and capitalise on the concentration of activity in the area. Designs and land acquisition have been completed and project funding approved by National Treasury for implementation;
- **Kunene Avenue Mixed Use Development and NMT/PT Access** - is an important mixed-use development spine, which together with the Mpumalanga High Street provides the main development axes to structure the growth and development of the town centre/urban hub heart. Kunene Avenue provides important gateways into the town centre from MR385 in the north and Shezi Main Road in the south. The Avenue also provides a key linking element that connects the northern and southern settlement areas of Mpumalanga as well as the shopping centre, sports precinct and proposed rail station. Kunene Avenue has accordingly been identified for development. Project is currently complete; and



- **Mpumalanga High Street Mixed Use Development and NMT/PT Access** - an important mixed use development spine, which together with the Kunene Avenue mixed use spine provide the main development axes to structure the growth and development of the town centre/urban hub heart. Mpumalanga High Street will provide the primary mixed-use development spine within the town centre and an important BRT/PT corridor. The Main Street will link the existing shopping centre with the proposed town centre public park, civic services centre, and business hives centre and future public hospital/CHC. Project has been completed.
- **Mpumalanga NMT Phase 4:** Non-Motorised Transport phase 4 achieves to integrate and link the Mpumalanga Town Centre with adjacent communities. Funding has been approved to commence with designs and implementation.

Implementation within Inanda, Ntuzuma and KwaMashu (INK)



Local Economic Empowerment

One of the criticisms of the Bridge City Development has been a lack of more opportunities for SMME and local opportunities for the community. In the initial stage of the planning, provision was made to accommodate these activities however the feasibility and market pressure has resulted in these sites being used for other higher order land uses.

In order to address this shortfall, the concept proposes that some areas along Aberdare Drive / adjacent to the Phoenix Highway which are currently utilized for overflow parking, be explored for smaller incubator hives for the community i.e. 3m x6m containers. This would be subject to a detailed investigation into the constraints applicable to the existing pipeline servitude in the area, and the planned BRT C9 corridor.

The current Bester Community Centre area which lies at the doorstep of Bridge City is in the pipeline to be redeveloped for mixed use SMME and incubator hives, as well as enhanced community facilities, possibly including tertiary education / knowledge centre facilities.

SMME opportunities can be explored along the back of the existing shopping centre. This site has the potential to link the upper platform with

neighbouring residential areas that are some 2 to 3 storeys lower, whilst providing SMME and informal trade opportunities around public transport at the higher level, with SMME manufacturing along the lower road, and a residential component for surveillance and 24 security. The re-assessment of the existing feeder terminus behind the shopping centre, can pave the way for the introduction of a consolidated informal traders' market, once again linked to public transport facilities.

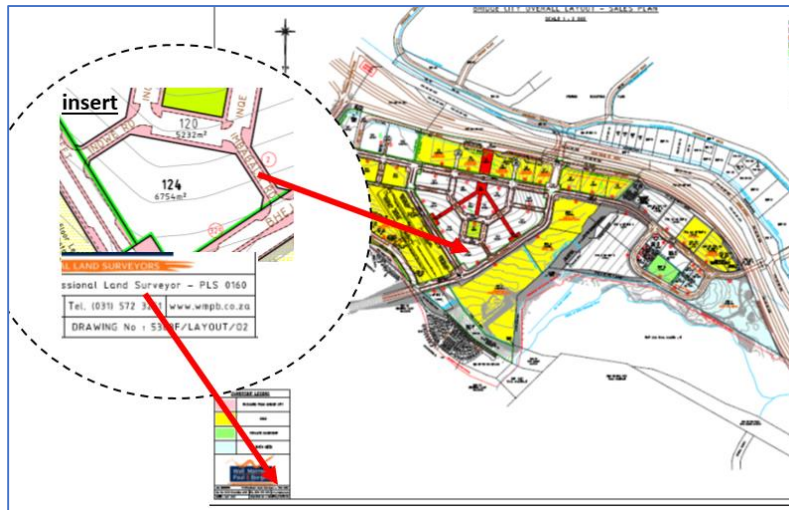
Social Service Cluster

A recent need and desirability study have been commissioned for a government services cluster / one stop shop within the PINK area. The studies concluded that there is in fact a need for a Government Services Mall in the INK area and that the proposed selection of site 124 of Bridge City was more suitable, other identified sites fell outside of Bridge City in Cross Roads and KwaMashu Town Centre. The City therefore made a decision to purchase this site at a value of R 12 663 750, 00.

The proposed Government Service Mall will be an integrated community development centre, with community participation and services relevant to people's needs. The aim is to empower the poor and disadvantaged through access to information, services and resources from government,

non-governmental organisations (NGOs), parastatals, business, etc. enabling them to engage in government programmes for the improvement of their lives.

Typical services found in this centre will include services from the departments of Home Affairs, Labour, South African Social Security Agency (SASSA), Social Development, and the department of Health as well as telecentres, the Post Office, libraries, agricultural extension offices and municipal services. Community Development Workers, the South African Police Service, NGOs and community-based organisations, also part of this development.



Westrich/Dumisane Makhaye Node

The Dumisani Makhaye Node is one of the nodes identified for development within the broader INK nodes and corridors (Northern Urban Development Corridor - NUDC). The NUDC states that at present there is a backlog of community facilities within the Phoenix-INK local area resulting in residents commuting long distances, spending from the little they have, to get to these facilities (Library, Sizakala centres, clinics, retail centres, etc.).

This node will serve local neighbourhoods within KwaMashu with limited commercial and social services facilities. The retail/shopping development

will be integrated with other land uses to create a more mixed-use environments and to increase thresholds for public transport. Assessment of the node revealed that retail can grow up to around 22 000m2 (bulk).

The development of the shopping centre has also brought forward the extension of the Newlands Expressway. The Newlands expressway serves both as an access to the IRPTN facility as well as connecting the community of Newlands West with the community of Lindelani. The Neighbourhood Development Partnership Grant (NDPG) has agreed to fund the extension of the Newlands expressway as its construction leverages private sector investment. The estimated cost of this section is R 69 000 000, 00.

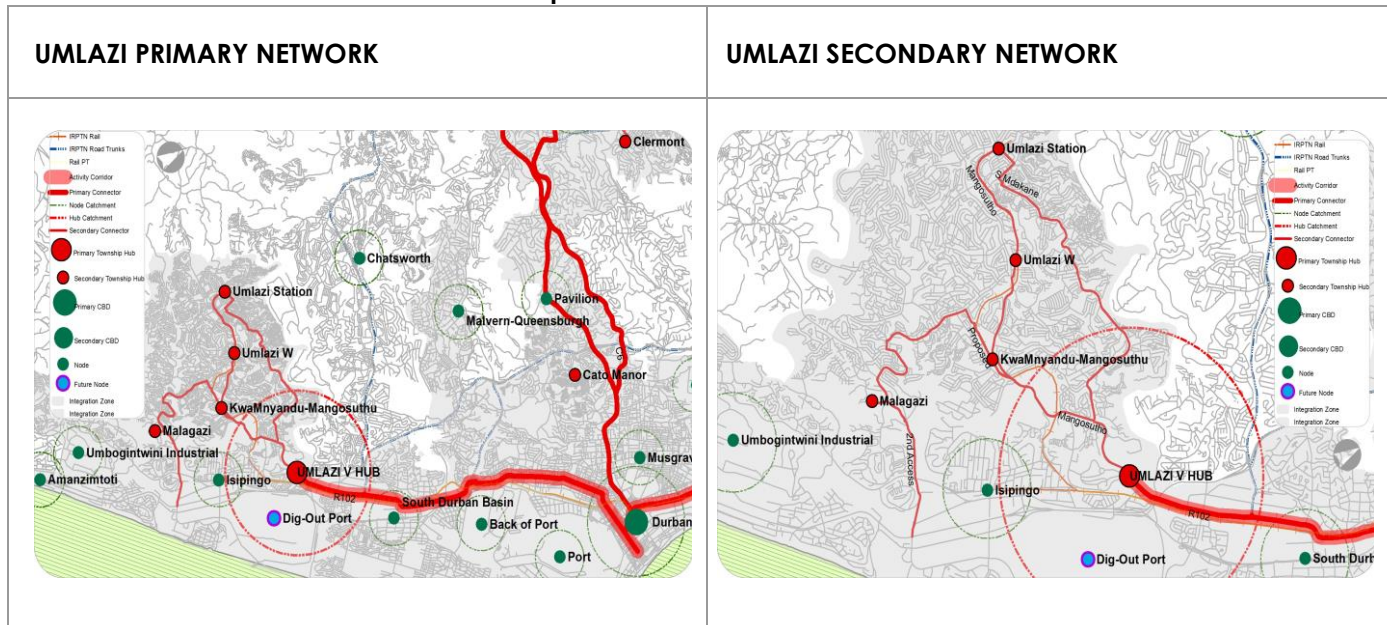
Current



Future Development



Implementation within Umlazi



Project Preparation & Implementation

Established in the 1960's as 'Black' Township under the Apartheid Government, Umlazi is presently the largest township in KwaZulu-Natal and the second largest (after Soweto) in South Africa. Like most townships in South Africa, Umlazi faces a number of challenges that include but are not limited to the following:

- Limited Service Delivery;
- Severe Housing Shortages;
- Informal Settlements;
- Limited Economic development;
- High rates of unemployment;
- High Rates of Crime;
- Limited internal (within Umlazi) and external connectivity (to the greater city region); and
- High Population.

The Urban Network Strategy

Within the above context, through strategic investment by government, it is then understood that the focus of the Urban Network Strategy is to facilitate the development of a more caring economic space from which a vibrant local economy can emerge.

The Study Area Catchment (Umlazi V/Reunion Urban Hub)

Within this context, the strategic location of the Reunion Study Area can provide job, economic and social opportunities within central and northern eThekweni and the southern and southern coastal areas suggesting that the node (the urban network area) has the potential to serve a significant threshold. This catchment can be divided into three components, viz.

- Primary catchment (primarily Umlazi) where some 405 000 people reside);
- Secondary catchment (including the southern parts of eThekweni) where an estimated 300 000 people reside);
- The tertiary catchment (including most of the Ugu District and beyond) where more than 700 000 people reside; and
- This catchment demarcation suggests an overall catchment for the Study Area of more than 1.5 million people.

Isipingo/ Reunion/Eastern Umlazi is a strategic gateway for nearly 1.5million people residing south of Durban to gain access to the Durban CBD and other parts of eThekweni. Umlazi, an area with a population of more than half a million people have a severely underdeveloped local economy. This requires most residents of Umlazi and beyond to travel to nodes such as Isipingo and the Durban CBD to access retail and commercial services.

Other nodes are accessed for job opportunities. The precinct plan report considers, based on preliminary layout plans, consider the bulk provision to be made for various economic uses in the Reunion component of the Urban Network System. The economic uses considered for location in the node include:

- Small business and informal economy;
- Retail and related services;
- Services;
- Commercial/ office development;
- Manufacturing/ logistics; and
- Residential.

The Spatial Economic Vision

The Spatial Economic Vision for the future development of the Umlazi Urban Network System, and the Reunion component thereof specifically, is then:

To create an urban nodal network that will provide southern eThekweni and South Coast residents with access to a full range of economic services and opportunities, located in a vibrant and dynamic node, linked to an efficient urban network system.

The proposed vision and the recommendations following on from this is based on a sound regional economic logic. The basic arguments for the approach include:

- The reality of a growing and densifying population (local and regional catchment);
- An existing situation that nodes cannot appropriately cope with current and future demand for social and economic services;

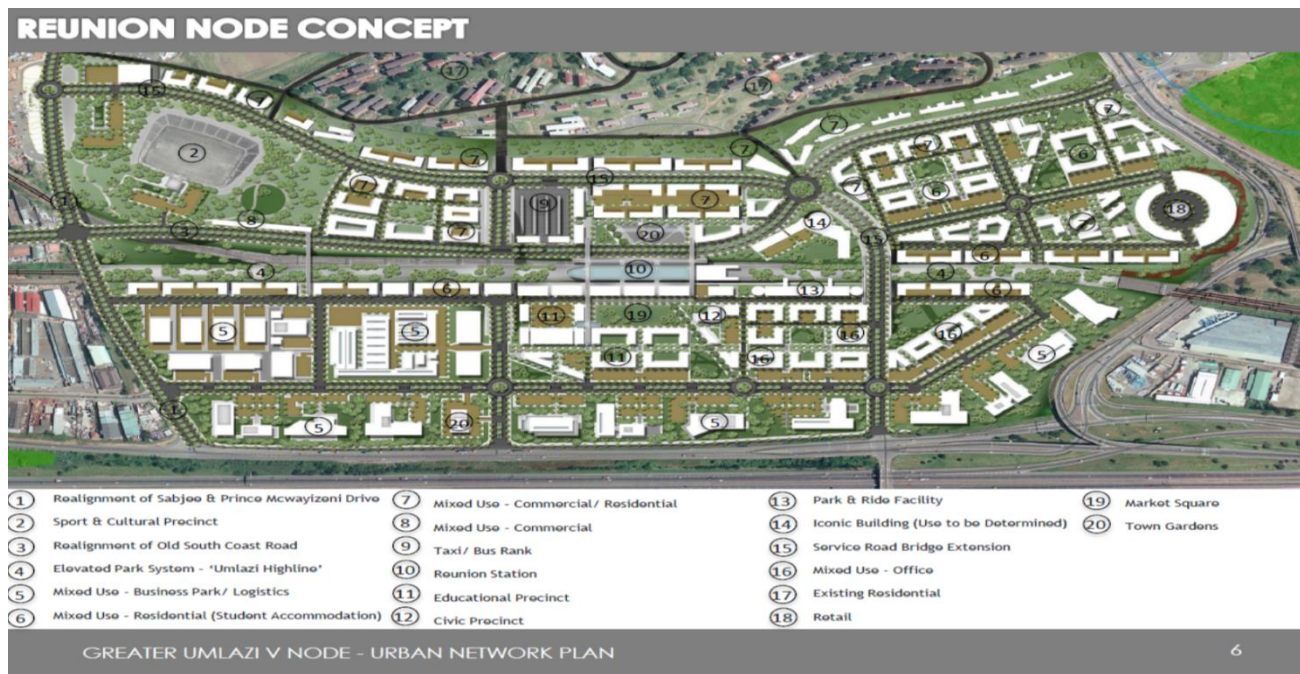
- The continued unsustainability of existing transport arrangements (i.e. distance residents and commuters must travel to access services); and
- The strategic location of Reunion as a Gateway between Umlazi/ South Durban and CBD/ North and West Durban. Current urban transformation processes present opportunities for the Reunion Node, forming an integral part of the Umlazi V Urban Network, to be established as an Economic Gateway to eThekweni. The Economic Gateway will provide:
 - A strong Services Node;
 - A centre for Job Creation;
 - Offering Alternative Retail opportunities; and
 - High Density Housing.

Nodal Structuring Elements

Each of these nodes have a varying degree of land uses, fostering an economic impact.

Reunion – Filling the Gap

The Reunion node presents an opportunity to fill an economic gap by allocating appropriate land uses that support each other, enhancing the overall economic growth within Reunion, Umlazi and the 'proposed/ future dig-out port' zone. The most dominant land use proposed for this zone is logistics, in support of the nodes context, specifically the 'proposed/ future dig-out port', and freight corridors (N2 connecting to N3). The next dominant land use is mixed use, followed by commercial and then residential. These land uses tie in with their surroundings, however here mixed use will serve as a catalyst for densification with commercial uses found at ground level and high rise residential above. Commercial uses will ultimately serve pedestrians and residents within and extending out of this vicinity. The planning for the proposed concept below is in progress.



Reunion Proposed Concept Plan

Ezimbuzini – Alternative Enterprise Development

Ezimbuzini has been identified as an 'Alternative Enterprise Development' node. As a result of its existing structure and the catchment, Ezimbuzini services an array of economic uses. Locals provide various services to the community, ranging from housing materials, food supplies, livestock and herbal medicine. It is therefore proposed that the dominant land use for the area is mixed use complimented by open space associated with the large sports complex. Residential development is also located in this node, which consists of both informal and formal residential clusters. It was then established by EDU that the construction of the Ezimbuzini Auto Hub and Informal Traders Stalls were a need and Feasibility Study and Business Plan was done. This feasibility study created a comprehensive justification for the project and served as a living document against which project deliverables are measured during construction and implementation of the project. The implementation stage will require a business plan that communicates (i) institutional structure, (ii) systems development and (iii) day-to-day management. Below are the progress pictures of the projects.



Complete Umlazi Auto Hub (Phase One) - R22 000 000.00



Complete Umlazi Auto Hub (Phase One) – R22 000 000.00



Complete Umlazi Auto Hub (Phase One) - R22 000 000.00



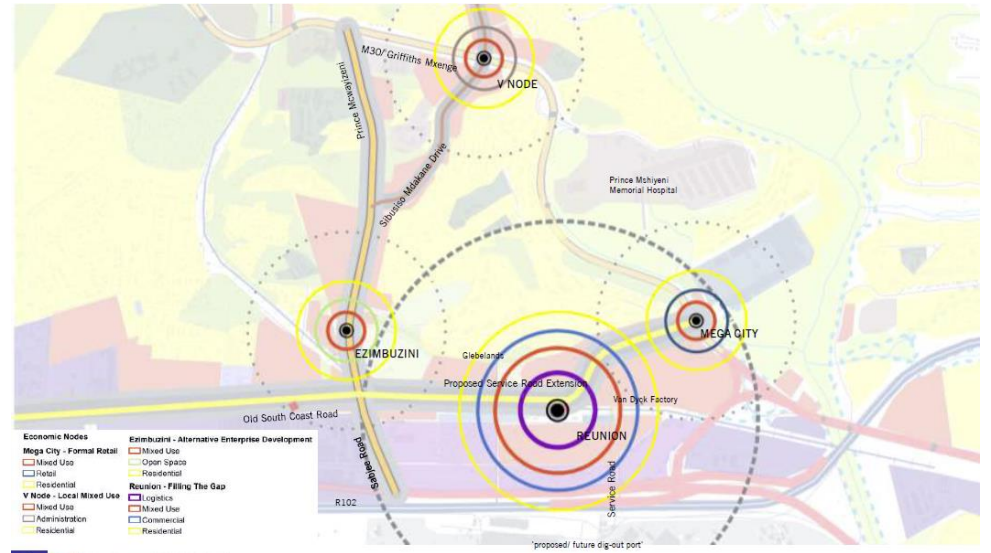
Ezimbuzini Informal Traders Stalls (Phase 2) – at Sub-Structure level – R19 000 000.00



Ezimbuzini Informa Traders Stalls (Phase 2) – at Sub-Structure level – R 19 000 000.00



Ezimbuzini Informa Traders Stalls (Phase 2) – at Sub-Structure level – R19 000 000.



Mega-City – Formal Retail

The Mega City node is identified as formal retail attributed to Mega City mall. However, the dominant land use within this node is mixed use due to adjacent uses. The second dominant use is the shopping complex followed by residential, compromising of the hostels.

Umlazi V Node – Local Mixed Use

Umlazi V node is a local mixed-use node due to the various businesses in this area (offices, retail, informal trade, restaurants and a garage). This interceptory point is busy and vibrant. In addition, a strong presence of administrative uses is available referring to the magistrate court and police station. Umlazi V Node also consists of a mix of both formal and informal residential facilities.

5.4.1 PRIMARY AND SECONDARY URBAN NETWORK & ECONOMIC NODES

To respond to both the fact that the formal housing programme is taking too long to respond to the housing need as well as the urgent need for improved access to urban opportunities, eThekweni will prioritise those human settlement projects that are well located and where intervention could make a significant contribution to spatial transformation. In parallel, the Municipality will provide incremental services to the tens of thousands of families living in informal structures in the less well-located and usually suburban locations. This kind of strategy is beginning to emerge at national level as well.

6 STRATEGIC OVERVIEW OF DEVELOPMENT RESPONSES: Institutional & IGR

6.1 INSTITUTIONAL ARRANGEMENTS & INTER GOVERNMENTAL RELATIONS

6.1.1 CITY SUPPORT PROGRAMME FORUM - COMPOSITION AND REPORTING

eThekwini has a City Support Programme Forum chaired by the Chief Strategy Officer and attended by senior staff from Planning, Human Settlements, Economic Development, Catalytic Projects, Transport, Water Services, Roads, Social Sectors, Treasury, and the Strategy Office. The Forum is served by a part-time Secretariat comprising one senior manager as well as part-time BEPP representatives from each sector. The City Manager is periodically briefed on the progress of the Forum.

The Forum members input and review the work of the Secretariat on the identification of the UNS and IZ's, the itemising of the ICDG budget, compilation of the CSIP and presentations to NT as well as discuss issues of a strategic and cross-cutting nature across all key built environment departments.

The next steps regarding the Forum is to formalise its terms of reference and its status as a Collaboration Forum designed to support horizontal integration between municipal line departments. The current work stream within the CSIP dealing with transversal management will be drawn on in this process. Having a formally adopted membership and the provision of additional capacity for integration type work, will improve the operation of this Forum and the quality of the BEPP going forward.

6.1.1.1 City Support Programme Forum Secretariat

The Secretariat needs additional resources. There is currently one part-time senior manager, but permanent staff and access to panels of professional service providers is urgently required to speed up the production of work in support of the BEPP. The Office of the Chief Strategy Officer has an organogram currently in process of formal adoption which identifies resources to deal with the BEPP and spatial budgeting.

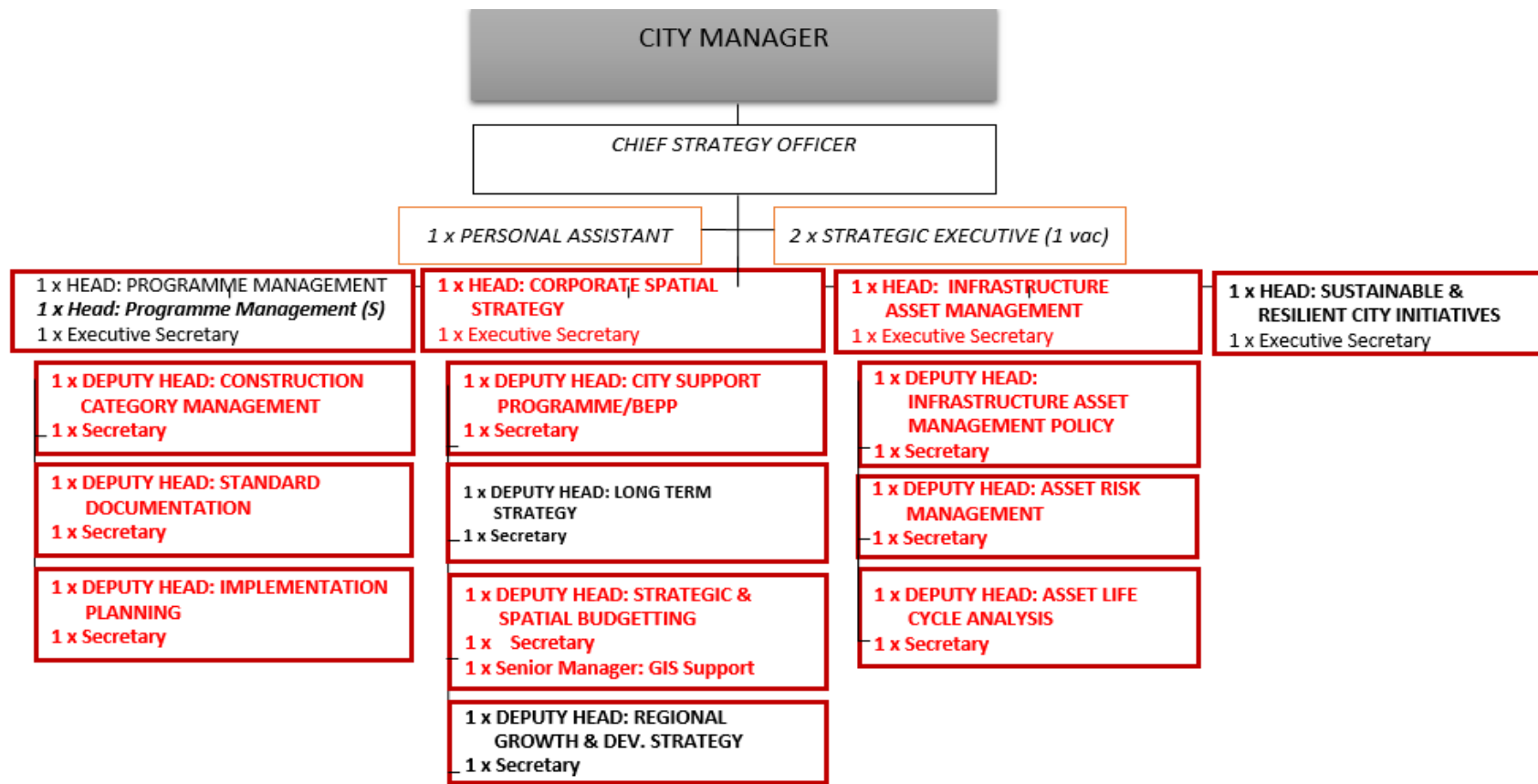
6.1.2 INSTITUTIONAL ARRANGEMENTS FOR CAPITAL PROGRAM MANAGEMENT

As shown below, the Strategy Office of the Municipality provides for a range of functions including Programme Management, Infrastructure Asset Management, Spatial Strategy and Sustainable and Resilient City Initiatives. All these functions will be driven across the municipality with collaborative arrangements across all relevant Units and Departments.

The Programme Management structure provides for Construction Category Management, Standard Documentation and Implementation Planning.

Construction Category Management is intended to identify the programmes and portfolios, undertake spend and ease of supply analyses and to make recommendations on appropriate procurement strategies for each programme and portfolio.

Standard Documentation is intended to ensure that the procurement strategies are backed up by appropriate documentation to give effect to these strategies. This Department is intended to be a best practice hub also dealing with knowledge and change management. The intention is to ensure that, wherever possible, standardised documentation is utilised. This function will also provide training to Line Departments on how to compile procurement related documentation.



Implementation Planning is meant to deal with pre-implementation support by ensuring that project and programme pipelines are created and that all relevant actions and decisions relating to these pipelines are timeously taken to ensure smooth implementation. This Department will also deal with programme and project oversight, strategic programme delivery management, programme financial control and integrated programme controls. Currently an integrated roadmap is under preparation which looks at the critical milestones and their inter-relatedness for the planning, budgeting, reporting, performance management and Infrastructure Asset Management processes. The intention is to ensure firstly that these important activities are treated as ongoing processes rather than events and secondly

to ensure that all activities upstream of the milestones are identified and properly planned for.

The Corporate Spatial Strategy structure provides for Long Term Strategy, City Support Programme/BEPP, Strategic & Spatial Budgeting and Regional Growth & Development Strategy. The Long-Term Strategy function will produce the IDP and the thematic prioritisation thereof as well as managing long term scenario planning and ensuring that potential risks such as climate change, energy and water scarcity, inadequate economic and employment growth, social instability and urbanisation and other demographic changes are addressed. The City Support Programme/BEPP will deal with the production of the BEPP and the other requirements of the

CSP programme being driven by National Treasury including the CSIP and built environment indicators and will fulfil the role of eThekwini CSP co-ordinator. The Strategic & Spatial Budgeting function will implement a GIS-enabled spatial budgeting tool to drive municipal budgeting, facilitate and co-ordinate the analysis and integration of, and reporting on, grant funds and implement the Municipal Services Financial Model (MSFM) as a strategic non-spatial budgeting tool. The Regional Growth & Development Strategy function will deal with inter-governmental relations & partnerships required with provincial (including the PGDS) & national departments, state-owned enterprises and adjacent municipalities and will promote joint planning & implementation of infrastructure (engineering and social) across all the relevant municipal, provincial and national departments and manage a land banking programme.

The organogram for the Strategy Office has been approved by the Unit Labour Forum and is being submitted to the Executive Committee of the Municipality for approval. Resourcing will commence thereafter subject to the availability of funding.

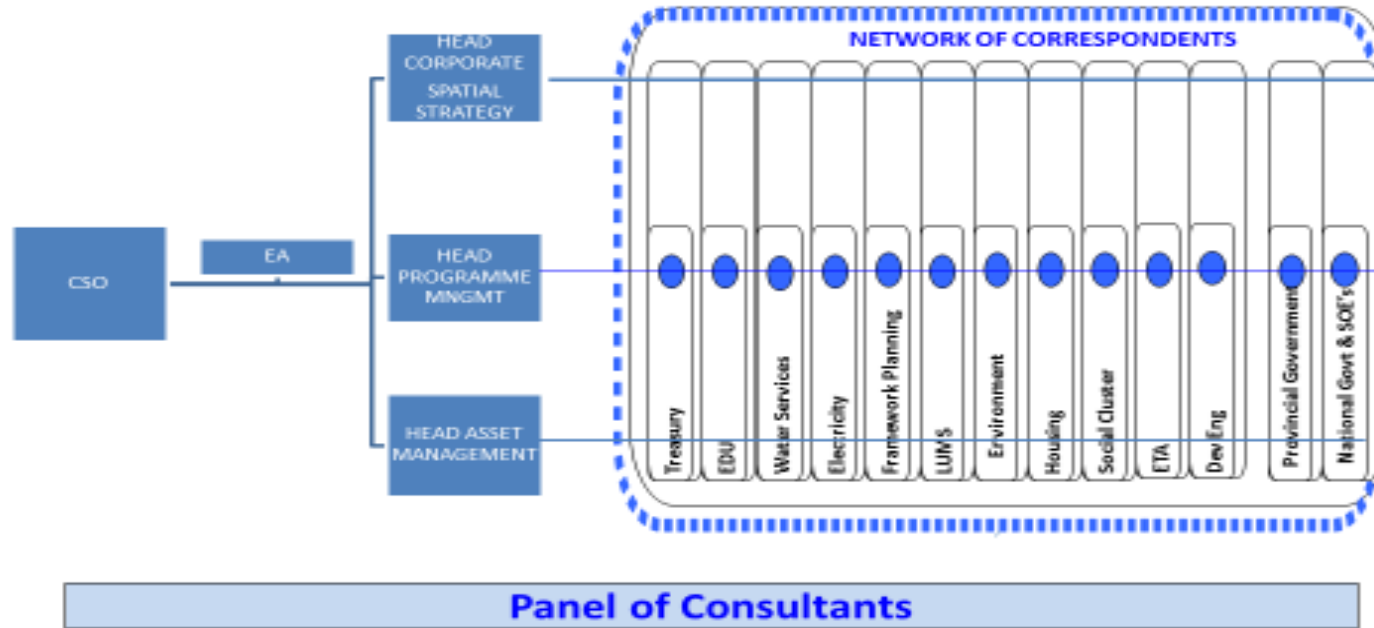
Whilst this institutional process is underway a firm of consultants have been engaged to assist with a conceptual design of a Programme Management Office. This work has commenced and is scheduled for the next 3 months.

To ensure critical system support, the City has also undertaken a business needs assessment relating to software support. In conjunction with the upgrade of the current Enterprise Reporting System, it is envisaged that a recommendation will be made to the ICT Steering Committee re an appropriate Project and Programme Management module. Together with other related modules, this will ensure maximum visibility across the pipeline from concept to divestment for a range of stakeholders including management, community and other stakeholders.

The CSP programme has also been requested to assist the City with a Transversal Management study to ensure that the critical collaborative structures are backed up by appropriate performance management and other systems to ensure their effectiveness beyond the goodwill and passion of individuals. The Matrix Management assessment of eThekwini has been completed together with a 3-day boot camp with senior management, and eThekwini is entering the next phase of this work which is to identify workstreams where more detailed assessments can be undertaken, and transversal management principles and procedures can be institutionalised.

Critical areas identified for Transversal Management are shown below.

CRITICAL SUCCESS FACTORS COLLABORATION STRUCTURE



In the interim eThekweni has a capital monitoring collaborative forum chaired by the City Manager which monitors the capital spend of the municipality, and which also monitors a key precursor to spend, namely the procurement process. This is supported by a software tool which captures spend and key activities. Weekly budget meetings with multiple service units, to coordinate spend, procurement, and related processes take place.

The City Manager's office is also monitoring the "Top 150" capital projects. These projects have been selected because of their budget quantum and/or because of their urgency. The Top 150 follows a similar process. As discussed above, in parallel, the municipality is preparing itself to implement CIDMS, which is concerned not only with spend and procurement, but also

with the remainder of the project cycle and with comprehensive program management.

Significant progress was made this year with the development of a single corporate spatial strategy as part of the Capital Budget process. Historically, service units determined their own budgets with loose reference to the IDP/SDF/BEPP. An intention of the single spatial strategy is to ensure the conscious and corporate selection and prioritisation of programs and budgets in order to achieve spatial transformation and higher economic growth through implementation of SDF priorities.

6.1.3 PARTNERSHIPS

Partnerships with other government departments covers planning, project implementation and to a limited extent, operations. There is generally a poorly developed partnership on the planning side and this frustrates the development of a strategic pipeline of the right projects in the right areas and it frustrates the ability to make transformative changes to communities since municipal delivery needs to be complemented by delivery of national and provincial level infrastructure items and other types of products.

Most of the engagement with national and provincial departments remains at project level where these departments require assistance from the municipality or the municipality requires an investment in a specific geographic area and engagements focus at that level. However, there are a number of fairly recent green shoots developing in this regard.

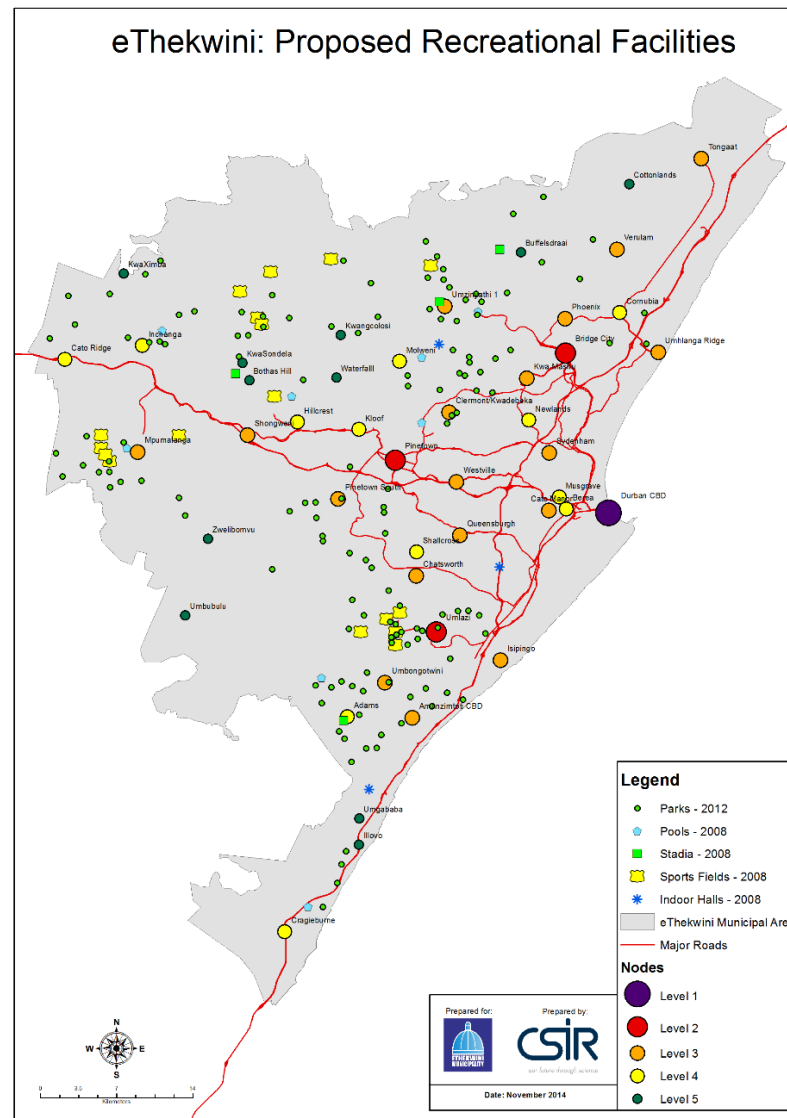
6.1.4 PROVINCIAL INFRASTRUCTURE REPORTING MODEL (IRM) & INFRASTRUCTURE MASTER PLAN

The above model that has been implemented by the KZN Provincial Treasury has taken provincial budgeting a huge step forward and has the potential for significant integration of provincial budgets to achieve provincial outcomes. This model has benefitted eThekweni in that it has facilitated access to more of the provincial budgets and has started a process of budget mapping. eThekweni welcomes the opportunity to forge closer relationships with the province with a view to partnerships on joint planning, budgeting and implementation. The benefit will be significant for both parties.

Another area of great potential collaboration with the Province is around the KZN Infrastructure Master Plan. A few meetings have been held between eThekweni and the Province and we look forward to taking integrated infrastructure planning forward jointly with the Province.

6.1.5 SOCIAL FACILITIES: MUNICIPAL, PROVINCIAL & NATIONAL ENGAGEMENT

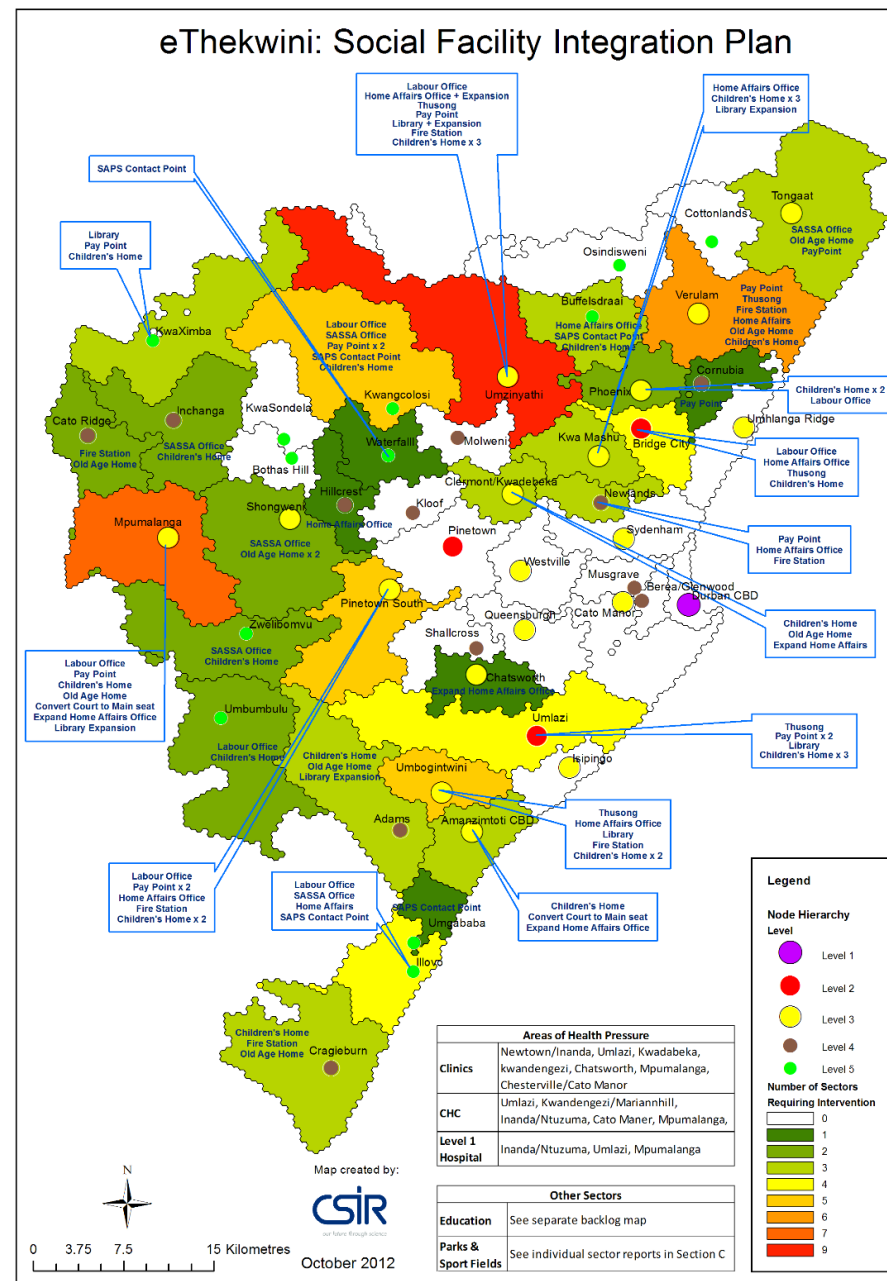
6.1.5.1 Municipal facilities



The eThekweni municipality has undertaken accessibility modelling of social facilities from as far back as 2001 and as such is a leader in this field across the metros. The purpose of this modelling work was to bring a scientific and evidence-based method to the determination of the quantum and spatial location of social facility backlogs across the full spectrum of social facilities. For all municipal level, social facilities eThekweni has a backlog eradication plan that it is implementing- this can be seen below. A hierarchy of social facility nodes has been developed (using catchment analysis techniques) and this acts as a spatial frame for co-ordinating all investment in social facilities. The clustering of local, but especially higher order facilities in accessible development nodes will be promoted to benefit residents who can make a single trip to access a range of services. Clustering a range of facilities will mean that more people will visit the social service node which in turn can promote small business opportunities. The clustering of facilities also creates the opportunity for sharing of services, such as ablutions, parking and security etc. Clustering and multi-use of facilities is a principle adopted by both the municipal Architecture Department as well as the national Department of Public Works.

6.1.5.2 National facilities- partnership with Department of Public Works

At national level eThekweni was part of the report by the national department of Public Service & Administration titled "Geographic Accessibility Study of Social Facility and Government Service Points for the Metropolitan Cities of Johannesburg and eThekweni" (2011). This report captures the backlogs of national social facility departments and eThekweni would like to engage with these national departments with a view to implementing the proposals made by this report, which can be viewed in the map below titled "eThekweni Social Facility Integration Plan". From a BEPP perspective the priority social facility projects would be those that fall along the major public transport corridors and related catalytic projects and urban network strategy elements. Apart from the eradication of historical backlogs, social facilities are required to serve areas of new growth as well and these are the subject of a study that is in the process of being initiated.



As recently as the 2016/17 midterm budget review process held in February 2017, we were approached by the national department of Public Works (DPW) to initiate a partnership to assist them with a significant proposed investment in the Durban Inner City Centrum that DPW are co-ordinating on behalf of national social facility departments. This falls within the Planning & Precinct Development Programme of DPW which is creating government precincts through an approach premised on spatial targeting and fostering

the clustering and multi-use of government buildings. This is another example of good IGR which we are supporting.

The current budget allocation to eThekwini is captured in the table below and all the projects are well aligned with the eThekwini priorities as they reflect a major investment in the Inner City which is one of the municipal Catalytic Projects within the Prime Investment Corridor.

EXISTING URBAN PRECINCTS – Metro's eThekwini Inner City							
City/Town	Total lease portfolio (m ²)	Extent of development (m ²)	Site enablement Budget (R)	Service construction start date	Indicative EPWP Job creation figures (Site)	Project budget (R)	Project Implementation timeframe
eThekwini	90 429						
Security Precinct		47 409	R16 million	2019	106	R853million	2021
Centrum Precinct		52 460	R40 million	2022	260	R944million	2021
Court		28 526	R10million	2019	66	R513million	2021

6.1.5.3 Prioritisation Methodology:

The DPW have committed to supporting eThekwini in the implementation of its SDF and BEPP in so far as national social facilities are concerned. The facilities being built by these national departments tend to be higher order facilities (such as Thusong Centres, Magistrates Courts, Home Affairs Offices etc) and they attract large numbers of people and as such are key pieces of the built environment that, if built in the right places, have a transformative capacity. Prioritisation is always a key undertaking and DPW has agreed to allocate the budgets for which they are the implementing authority in a manner that prioritises according to the following principles:

they will be brought into the prioritisation method). Public transport corridors are a priority in the eThekwini IDP, SDF and BEPP;

- **Principle 1:** Prioritise social nodes along the first phase of the integrated public transport network (IPTN)- the C2, C3 and C9 transport corridors (as new public transport corridors are phased in,
- **Principle 2:** Prioritise social nodes according to their ranking in the node hierarchy starting with Level 1, then Level 2, then Level 3 etc. The higher the ranking of the node, the more people are served by that node. The principle of equity is therefore being applied. The detailed list of nodes together with their catchment population statistics will be used to prioritise between nodes;
- **Principle 3:** Project readiness or rather 'node readiness' will be factored in, in the following way. If a node is next on the list of priorities but does not have the necessary detailed precinct plans completed, then in this round of budgeting it will be skipped-over in favour of the next node on the list which does have the necessary plans completed; and

- **Principle 4:** An integrated social facility cluster is preferable both in geographic terms (clustering on the same site or in close geographic proximity) as well as in implementation terms (implementation of a cluster of facilities within the same year or within a year of each other to make a bigger impact).

The application of Principles 1 & 2 produces the following list of priority **Urban Nodes** in descending order of priority:

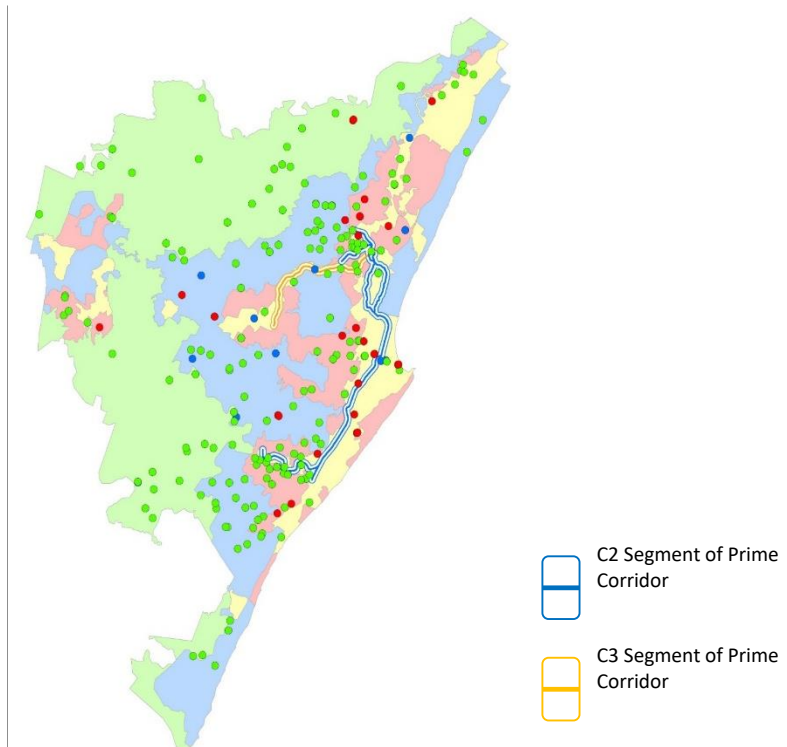
1. Durban CBD;
2. Bridge City;
3. Umlazi;
4. Pinetown;
5. Kwa Mashu;
6. Phoenix;
7. Clermont/KwaDabeka;
8. Umhlanga Ridge; and
9. Cornubia.

This is a further reflection of an evidence-based planning method that will inform resource allocation going forward and that will allow for co-ordinated and intensified investment of social facilities in areas with excellent geographic service coverage as well as high levels of utilisation (footfall).

6.1.5.4 Provincial facilities

At provincial level, there have been many efforts over the years to achieve alignment of planning, budgeting and implementation but this has, until recently, delivered limited results. Some progress has been made recently at the strategy level with the Provincial Treasury Infrastructure Reporting Model on the sharing of MTEF allocations for some provincial departments which is allowing eThekweni to understand how provincial departments intend intervening in our space. The table below shows the budget allocations and grant proportions which indicates that eThekweni is being allocated fairly high levels of the provincial budget with the exception of Roads maintenance.

Funding Source	Amount	Percentage
Education Infrastructure Grant	347 064 887	20%
Equitable Share	718 815 961	42%
Health Facility Revitalisation Grant	575 480 736	33%
Provincial Roads Maintenance Grant	88 055 430	5%
Total	1 729 417 014	100%



The spatial distribution of the budgets that we were able to access with co-ordinates, is shown in the adjacent map and it reflects some concentration of budgets around the Prime Investment Corridor which is focused on the public transport corridors. However further interrogation is required and we need to move from a situation of being a passive recipient of provincial budgets to being an active participant in the planning so that we can align the necessary eThekweni budgets spatially and temporally in support of improved outcomes.

6.1.5.5 Education facilities

Currently there is a huge backlog of Grade R, Primary and Secondary school access within the municipality (as established by the 2011 accessibility study undertaken by the national Department of Public Service & Administration) and this has existed for many years which indicates that there are capacity and/or resource constraints within the Department of Education which hinder its ability to address this at scale. Below is the Education Department budget for eThekweni which shows that the backlog is being addressed at a very slow pace given the scale of the need.

School name	Amount
Uxolophambili Secondary	9 571 851
Cornubia Primary	4 508 530
Ulovu Area Secondary	11 902 149
Westmead Secondary	17 300 083
Zizamele Primary	138 106
Nsimbini	3 644 780
Completion of Quarry Heights Primary	5 160 432
Matabetulu	8 911 644
Ingcindezi Primary	1 964 000
Dlulumuzi	1 964 000

Given the importance of education the municipality intends engaging further, via the CSP process, with the Department of Education to identify what the broader Education Strategy is to turn around the education system and how the municipality is best placed to support this process.

Currently the municipality is expanding its incremental services programme to pilot Early Childhood Development (ECD) initiatives within informal settlements as a way of supporting early education outcomes.

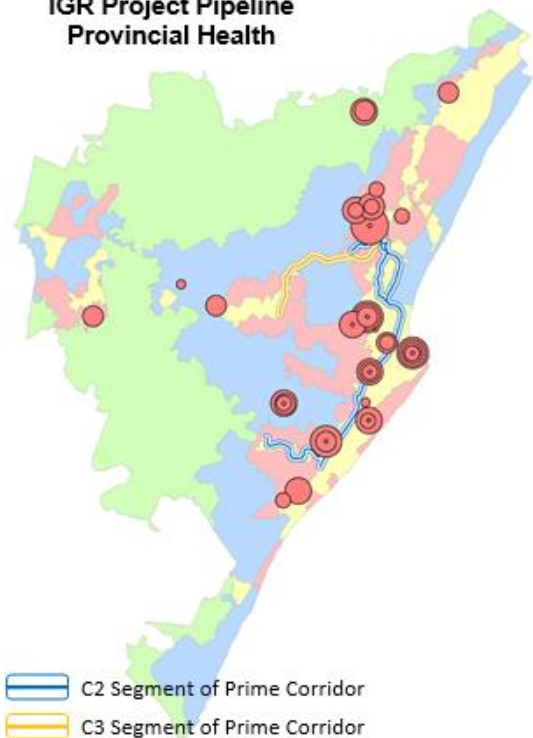
At an operational level, there is an existing Memorandum of Agreement (MOA) with the Department of Education (DoE) whereby eThekweni acts as Implementing Agent on infrastructure at schools (the municipality is involved in building ablutions at many schools on behalf of the DoE and has designed, and will soon oversee the construction of, an entire school within Cornubia) and on the management of school's sports fields and libraries, as

after-school-hours community facilities. The implementation agency and the management arrangement on school sports fields are not general throughout the city, but rather on a case by case basis (such as in Cornubia currently). Innovating around new models of service delivery takes consistent effort over many years to bear fruit. This is an area that requires some dedicated transversal capacity in order to achieve further results. Given the crucial role that education plays in transforming society, this is a critical area for further engagement. The innovation around the clustering of social facilities at schools and the after-hours use of the school library and sports fields not only creates savings in capital but has a significant positive contribution to the achievement of higher nett residential densities within communities and as such contributes to spatial transformation.

6.1.5.6 Health facilities

Currently there is a huge backlog of primary health care facilities within the municipality (only 56% of residents having access to health services within the standard). This situation has prevailed for many years and this indicates that there must be capacity and/or budget issues within the Department of Health (DoH) that is hindering its ability to deal with the backlogs rapidly. Recent budget figures indicate a substantial increase in health budgets allocated to eThekweni and what is more, most of these budgets are concentrated around the Prime Investment Corridor which shows an allocation of R3.5 bn out of a total allocation of R4.4 bn over the MTEF. This is a very positive development. A joint planning & budgeting project has recently been started between eThekweni and the Province to deal with the issues of national core standards implementation, asset condition of health facilities and budget prioritisation in a collaborative manner.

**IGR Project Pipeline
Provincial Health**



St Andrews Hospital	3 275 000
R K Khan Hospital	754 000
Highway House: Mayville	2 130 000
King Dinuzulu Hospital	894 000
King Edward VIII Hospital	450 840

6.1.5.7 Partnerships for Integrated Human Settlement

For the development of Cornubia South (underway) and Cornubia North (proposed), a functional partnership has been established between the municipality, the landowner (Tongaath-Hulett Developments), the Housing Development Agency, and the DHS. The partnership is served by a full-time secretariat comprising municipal officials. The municipal Architecture Department has completed the detailed plans for one of the Cornubia school clusters and these plans have been approved by the provincial Education Department. Budgets have been allocated by the province and in April 2018 we anticipate entering the contractor procurement stage. Hopefully this partnership process related to the Cornubia project will set in motion a regular, programmatic interaction between eThekweni and the provincial DoE which can then be extended to deal with joint planning for schools.

6.1.5.8 Joint ventures with the private sector

There have been historical, and there are current joint ventures with the private sector around Bridge City and the Riverhorse Industrial Area. Riverhorse Industrial is complete, and at Bridge City the JV succeeded to attract significant private and state investment, and aims to continue to do so until the project is complete. Experience has shown that joint ventures with the private sector can yield very positive returns for all parties and can result in a more co-ordinated development response which is one of the intentions of the BEPP. Partnership arrangements should continue to be supported and enhanced as a means of achieving spatial transformation through the promotion of mixed-use objectives as well as a means of supporting economic development.

Health facility	Amount
Osindisweni Hospital	3 036 000
Tongaath CHC	1 051 000
Hillcrest Hospital	927 000
Phoenix Mortuary	300 000
Inanda C CHC	6 840
Phoenix Assessment Centre	618 000
Mahatma Gandhi Hospital	5 209
Dr Pixley ka Isaka Seme Memorial Hospital	549 134 000
Addington Hospital	4 072 000
King Dinuzulu Hospital	18 139 893
Phoenix CHC	927 000
Clairwood Hospital	1 495 749
Wentworth Hospital	2 300 000

6.1.5.9 IGR Forums

There is a need for structures to be formalised that will assist engagement between the municipality and other levels of government with a view to aligning planning, budgeting and implementation as well as, where necessary, operations. There are internal municipal discussions on the issue of collaboration forums as part of a broader discussion on transversal management which is designed to break down the silos between departments and assist in efforts to improve areas where integrated responses are required from both municipal departments and departments at provincial and national level.

6.2 INFRASTRUCTURE ASSET MANAGEMENT

Municipalities are largely dependent on infrastructure assets to deliver services to communities and other stakeholders. Continuous improvements in IAM processes is therefore an important element of ensuring that municipalities are sustainable and improve their service delivery resilience.

eThekwini has reviewed the IAM Policy, requiring the establishment of only the Tactical Infrastructure Asset Management Committee (TIAMC) which reports to the Executive Management Team. In addition, improved definitions, particularly of maintenance and renewal programmes and work are included. Implementation of the revised committee structure and revised IAM Policy places additional focus on good governance based on lifecycle processes.

The TIAMC will be chaired by the Chief Strategy Officer and Unit Heads responsible for the management of infrastructure assets are listed as committee members. Functions of the TIAMC include:

- Review all Units' Infrastructure Asset Management Plans (IAMPs) with specific emphasis on alignment with the IDP, SDF and progress on Unit Life Cycle Strategies (Acquisition, Operations, Maintenance, Renewal and Disposal strategies);
- Review and make recommendations on progress with Units' implementation of their Infrastructure Asset Management

Improvement Plans (IAMIP's) including the impact IAM improvements have made on operations; and

- Review and make recommendations on progress that Units have made in improving the quality of their infrastructure asset registers.

Implementation of the JDE E1 Capital Asset Management module has started. Implementation of the module in Units and Departments is expected to begin from July 2019 onwards. This implementation will include links (via mSCOA) to financial information at infrastructure asset component level as well as to the Municipality's ESRI GIS.

The availability of the IDMS, incorporating the CIDMS and IDM BOK, and linked to the Standard for Infrastructure Procurement and Delivery Management (SIPDM) will further assist the standardisation of IAM and implementation of lifecycle processes. Standard reporting for planning and monitoring will become good practice and standard use of project gates will lead to improved delivery linked to Municipal objectives. A summary of these reports is shown in the table below.

Infrastructure Delivery Management Control System		
Process	Deliverable	Description
Portfolio Management	Infrastructure Asset Management Plan	Includes a description of how all 5 lifecycle programmes will be integrated to deliver infrastructure as well as long term cash flows. The IAMP also includes an improvement plan outlining improvements to the infrastructure delivery system
Programme Management	<ul style="list-style-type: none"> • Infrastructure Programme Management Plans • End of Year Report 	These plans ensure that all infrastructure is aligned with organisation objectives and include schedules of work and cashflows. Programme plans are reviewed annually to identify improvements and take account of changed situations.

Infrastructure Delivery Management Control System		
Process	Deliverable	Description
Operations & Maintenance	<ul style="list-style-type: none"> Updated Infrastructure Asset Register (IAR) Operations Management Plan Maintenance Management Plan 	<ul style="list-style-type: none"> Updating the IAR at least annually is essential to ensure that all infrastructure is included in risk assessments, planning and budgeting. Operations and Maintenance plans describe how infrastructure will be used and looked after, including the institutional structures that support the provision of supplies, reporting and decision making. An annual review on achievements leads to improvements.
Project Management	Project Delivery gates (proposed 1 – 7)	Project delivery is based on formal documentation of the scope, cost and schedule for delivery of infrastructure. Reports are developed at each gate using the principle of progressive elaboration. All projects must form part of a programme and be handed over to normal operations once complete.

Currently implementation of lifecycle processes has focussed on improving capital budgeting processes, to improve the allocation scheduling of resources. This supports BEPP processes by aligning all IAM lifecycle programmes and plans with the IDP and SDF.

Use of lifecycle process will be extended to operation and maintenance strategies and associated programmes to improve the balance between installation of new infrastructure, effective operation of existing infrastructure and meeting social and economic needs.

PART C, D AND E

7 CATALYTIC LAND DEVELOPMENT PROGRAMME – PREPARATION, RESOURCING, IMPLEMENTATION

7.1 PREPARATION/RESOURCING/IMPLEMENTATION

PROJECT CATEGORISATION

- PC Project complete
- PU Project underway with construction
- PA Project approvals in place, but construction not started
- PP Project planning underway, approvals not yet in place

7.1.1 AUTOMOTIVE SUPPLY PARK (ASP)

The project is strategically located on a 1,000ha agricultural site in Illovo South which is to be developed as a KZN Automotive Supplier Park to strengthen the automotive manufacturing sector in the city and broader KZN region.

7.1.1.1 Socio-economic benefits

- Investment Value: R6.5 billion
- Annual Rates: R1.2 bn
- Construction Jobs: 2600
- Permanent Jobs: 6000
- Other Benefits: Mixed use development, upgraded bulk infrastructure for the Southern areas

7.1.1.2 Project Status

Consultants are currently underway with undertaking the key studies and compiling the relevant statutory approval applications (including Act 70/70, EIA and SPLUMA) in preparation for planned implementation by 2021.

Some of the key activities which are currently underway include the following:

- Act 70/70 application for release of land from agriculture has been submitted to DAFF;
- The draft town planning layout is being compiled for preparation of the SPLUMA application; and
- The draft application for Environmental Authorisation is also being prepared with the specific specialist studies currently underway to inform the application.

7.1.1.3 Investment Strategy

In manufacturing terms, original equipment manufacturers or OEMs are companies that make a part or subsystem used in another company's end product. The supplier park is envisaged to become a centralised hub of Toyota's OEMs, with reputed benefits to these companies including world-class benchmarked facilities, lower cost of goods and distribution efficiencies, better productivity, efficiency and quality, shorter customer order cycles and a road network design which supports all types of articulated road vehicles and provides ample turning circles for ease of access, among others.

The intention is to submit applications to National Treasury to extend the SEZ Zone currently in place around the King Shaka International airport and Dube Trade Port to the ASP. Benefits offered to businesses operating within the Special Economic Zone are geared towards promoting business growth, revenue generation, employment creation, the export of value-added commodities, and the attraction of both foreign and local investment – all enhancing South Africa's manufacturing and export capabilities.

As with the development around the airport, Dube Trade Port Corporation, who are wholly owned by the KwaZulu-Natal Provincial Government, will act as land developers for and on behalf of the province in conjunction with other key stakeholders, such as the Municipality and Toyota.

7.1.1.4 Spatial Planning and Targeting

The proposed automotive supplier park is planned to be developed on a 1 000hectare site on the Illovo River bank indicates that the largest government-driven project planned for the south in at least the last decade is on track for construction to begin in July 2019. The site falls within the Prime Investment Corridor and is located alongside the N2, just 16km south of the Toyota prospecton plant and 38km away from the Durban harbour.

7.1.1.5 Preparation

A framework plan is busy being finalised by the consultants for the broader 1,000 ha land parcel acquired by Dube Trade Port with specific focus on the ASP area for which a town planning application will be submitted shortly in terms of SPLUMA. Although this programme is driven largely by provincial government (EDTEA) there is a strong focus on ensuring buy-in and support from the other key stakeholders, namely the eThekweni Municipality as well as the private sector, specifically Toyota, currently the main OEM in the city.

Priority	Project Description	Municipal	Provincial	National
1	Submission of application for Act 70/70		Funder & implementer	
2	Submission of application for EIA		Funder & implementer	
3	Submission of application for SPLUMA	Authorising authority	Implementer and funder	
4	New interchange off the N2 south			Still negotiating
5	Upgrade to surrounding provincial roads		Implementer and funder	

7.1.1.6 Resourcing

Currently the Auto Supply Park project is being driven through the Provincial Department of Economic Development, Tourism and Environmental Affairs (EDTEA).

The implementing agent on their behalf is Dube Trade Port Corporation, which is wholly owned by EDTEA.

As such the land was purchased by EDTEA from Illovo sugar for the development of the ASP.

Other key governmental departments have been engaged in the planning process and once the implications for bulk service requirements have been finalised, engagements with the relevant service providers will take place with respect to the provision and funding of the necessary infrastructure. Key infrastructure already identified that will be required include:

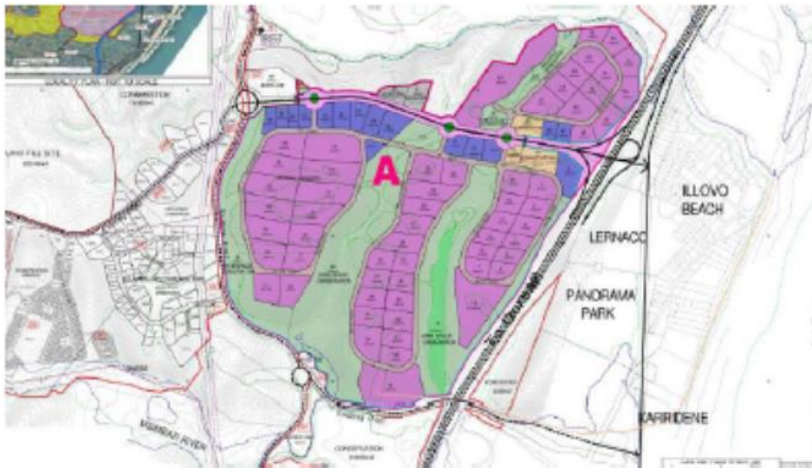
- New interchange off the N2 to provide access to the site;
- New bulk electricity supply from Eskom to the area and then distribution subs by EM;
- Expansion to existing WWTW or new on-site package treatment plants for sewer; and
- Bulk road upgrades to surrounding provincial roads.

7.1.1.7 Reporting and Evaluation

The indicators for this project will be populated along with the other council requirements as per the requirements of Circular 88.



Automotive Supplier Park site



Automotive Supplier Park Framework

7.1.2 CATO RIDGE MULTI MODAL DEVELOPMENT

Cato Ridge Multi Modal Hub Development of a Logistics Hub / Inland or Dry Port with the following business units, Mega Truck Stop and Staging with various amenities, such as overnight facility, 700 to 1,000 truck parking bays, fuel station, convenience stores, driver's wellness centre, pharmacy truck and tyre repair facilities, Container and Automotive Terminal with an envisaged maximum container annual throughput capacity of about 750,000 TEUs, Logistics and Industrial Park with warehouse facility for added container services such as stuffing and de-stuffing. The Industrial Park will house various manufacturing facilities and Tank Farm (Petroleum Product Storage) with an estimated annual throughput capacity of 3,168,000 million Litres.

7.1.2.1 Project Status

The project is currently at 15% completions and is at Prefeasibility stage; however, the Interim Intermodal Feasibility phase's financial model and business plan are 95% complete with construction scheduled to start by 01 July 2019.

- Estimated Value: R18 billion;

- Annual Rates R 250 000 per annum;
- Construction jobs 2000;
- Permanent Jobs 6000; and
- Duration: The development started implementation in 2015 with an anticipated roll out duration of 25 to 30 years.

7.1.2.2 Spatial Planning and Targeting

The project aligns with the eThekweni Municipality Spatial Development Framework (SDF) 2018 and falls within the Prime Investment Corridor. The Development Planning, Environment and Management Unit has completed a Local Area Plan for the greater Cato Ridge area. After a comprehensive public participation process, Council approved the Local Area Plan endorsing the multi modal hub within the Cato Ridge area to create much needed jobs and grow the local economy.

Phase one priority projects

Priority	Project Description	Municipal	Provincial	National	SANRAL	Private Sector
1	N3 Interchange	X	X		X	X
2	Container and automotive					X
3	Logistics and Industrial Hub					X
4	Truck Stop and Mega Staging					X

7.1.2.3 Preparation

The Cato Ridge development will be done in collaboration with Transnet, PRASA, eThekweni Municipality, Emkhambathini Municipality, KZN Human Settlement and KZN Department of Transport. The finalisation of the Cato Ridge Local Area Plan has created a much-needed framework which integrates housing plans, public transportation plans, logistics plans and business parks.

The project is done by the private sector and eThekweni Municipality playing a facilitation role.

7.1.2.4 Resourcing

As it has been mentioned above that this is a private sector led initiative and it is the private sector that is investing the 18 billion Rands into this development. The consultant appointed by the developer are working on the total cost for infrastructure required to make this development happen.

eThekwini Municipality will contribute to the proposed N3 interchange, MR 385 widening, sewer, water and electricity upgrades that will be necessary to realise this development. A cost sharing model will be formulated which will clearly stipulate how much each of the affected parties should contribute for this investment to happen.

7.1.2.5 Implementation

The developer has appointed SMEC engineers and they have prepared a comprehensive infrastructure plan for this development breaking it up into manageable phases since this project will be finalised in 20 years' time.

The project is done in collaboration with SANRAL, KZN Department of Transport, eThekwini Transport Authority and other affected departments.

Local communities comprising the traditional council, businesses and other community structures have been engaged in the process. This will create a conducive environment for the smooth implementation of the project and eliminate the work stoppages experienced in most of the projects implemented currently.

7.1.2.6 Urban Management

The developer has prepared a land use scheme for the rezoning application which will be submitted once he gets the ROD from the KZN Department of Environmental Affairs and the release of the land from Act 70 of 70.

Once the eThekwini Municipality approves the rezoning of the land as per the proposed scheme, all issue of land use management will be done as per that scheme until such time that it requires to be amended.

7.1.2.7 Reporting and Evaluation

The project like all other catalytic projects will be monitored and evaluated against the proposed jobs at construction and completion. The proposed rates contribution that have been mentioned at the inception of the projects will also be scrutinised against the actual at the completion of the project.

7.1.3 CENTRUM SITE DEVELOPMENT PROJECT

Centrum site is situated within the core of the Inner City; it has remained under-developed for some decades now. The city through its Urban Renewal Unit has completed an urban design framework which has been bold in its development vision. A potential 700, 000m² of bulk is achievable on the site which includes the Albert Luthuli International Convention Centre, Durban Exhibition Centre, the current bus terminal and Workshop.

A super basement parking garage is planned for Centrum also housing the IRPTN and ICDS terminals. A combination of public and private sector commercial opportunities together with the planned new library. Enhanced pedestrian movement within the centrum precinct and connecting with the rest of the city

- To enhance existing & create new links between the commercial city centre, Durban Station, the Greater Warwick & the ICC;
- Develop an Intermodal Transport Facility for the Integrated Rapid Public Transport Network & Inner-City Distribution System bus stations;
- Develop new public service buildings such as the new City Library, Natural Science Museum & Council Chamber;
- Consolidate & create a new Municipal Complex in the civic heart of the City; and
- Provide shared basement parking facility to support the greater development & other areas within the vicinity.

7.1.3.1 Project Structure

Project Steering Committee established with ToR's of reference. Scheduled to meet monthly. Includes multidisciplinary team comprising of different departments. Work Streams identified include:

- Technical Work Stream – considers all the technical and infrastructure requirements
- Procurement Work Stream – responsible for procurement advisory on procurement options suitable for the project and factoring in empowerment objectives
- Planning & Design Work Stream – responsible for developing and refining development controls relating to the precinct taking into account the LAP and Town Planning Scheme.
- Finance & Funding Work Stream – responsible for mobilising funding for the different phases of the development of Centrum

7.1.3.2 Project Progress (to March 2019)

- Land Clearance process complete;
- Procurement of Programme Manager for a period of 36 months to manage the daily programme activities pertaining to the development of Centrum Site is underway and a Letter of Award is expected to be issued by end April 2019. Report is currently serving at Bid Evaluation Committee;
- Complete Terms of Reference for a Framework Panel of Consultants who will be responsible for specialist detail designs for construction of bulk reticulation;
- Preparation for a Council resolution permitting the office of the DCM ECOD to formally engage with National Treasury on a Private Public Partnership for the design, finance, build and operate for the basement parking in April 2019; and
- Appointment of Contractors to construct and install reticulation services (Elec, Water & Sanitation, and Landscape Architects etc.) March 2020.

Phase 1- current and prospective tenants:

- New City Library (Construction commence 2021);
- New Council Chambers & associated services (construction commence 2021);
- Integrated Rapid Public Transport Station;
- Traffic Management Centre (TBD);
- Department of National Public Works (SASSA, Dept. Of Labour, Home Affairs SARS) (TBD); and
- Basement Construction & Parking Operator (Commencement October 2019).

Phase 2 – Projected Land Uses (2023):

- Residential Housing (different typologies incl. boutique hotels);
- Retail; and
- Commercial infill.

7.1.3.3 Spatial Planning and Targeting

This project falls within the Prime Investment Corridor and is one of the key projects within the revitalisation of the Durban Inner City.

Land Use Mix

Priority	Project Description	Municipal	National	Private Sector
1	Bulk Reticulation (Water, Sewer, Electricity, Pedestrian Walkways Park Extension/Civic Square)	X		
2	Super Basement Parking (PPP)	X		X
3	IRPTN Inner City Station	X		
4	Public Services (City Library)	X		
5	Public Services (Municipal Offices)	X		
6	Public Services (Dept. Home Affairs, SASSA, Dept. of Labour)		X	
7	Land Development (Gap Housing, Hotels, Retail)			X
8	Social Housing	X		

Representation of National Department of Public Works on Inner City Steering Committee and Centrum Site Project Steering Committee. Draft MoU with National Dept of Public Works on Cooperation on the Development of Centrum Site.

Priority	Project Description	Municipal	National	Private Sector
1	Bulk Reticulation Services (Water, Sewer, Electricity, Pedestrian Walkways, Civic Square/Park Extension)	0.705		
2	Super Basement Parking	1,265		
3	IRPTN Inner City Station	TBD		
4	Public Services (City Library)	0.450		
5	Public Services (Municipal Offices)	TBD		
6	Public Services (Dept. Home Affairs, SASSA, Dept. of Labour)		TBD	
7	Land Development (Gap Housing, Hotels, Retail)			TBD
8	Social Housing	TBD		
TOTAL PRECINCT REQUIREMENTS		2.42bn	TBD	TBD

7.1.3.4 Urban Management

Revised Inner City Local Area Plan approving 7 Precincts with Centrum Precinct being one of the 7 precincts. Overarching Densification Strategy. Underpinned by four spatial principles:

- Connected City- physical connections, roads, cycle pedestrian;
- Walkable City – mixed use & densified with access to public transport;
- Integrated and Inclusive Inner City – wide range of housing typologies; and
- Unlocking the Inner City's Potential – regenerate & expand, big & small projects.

7.1.4 CORNUBIA INTEGRATED HUMAN SETTLEMENTS DEVELOPMENT

The Cornubia Integrated Human Settlement development is a joint venture between the National, Provincial Departments of Human Settlements, eThekweni Municipality and Tongaat Hulett Developments, and is set to be eThekweni and the Province's largest sustainable integrated Human Settlement initiative. Cornubia will be a mixed-use mixed-income development, incorporating industrial, commercial, residential and open space uses.

7.1.4.1 Socio-economic benefits

- Investment Value R25 billion
- Annual Rates R300 million
- Construction jobs 15 000
- Permanent Jobs 48 000

7.1.4.2 Project Status

- Phase 1:
 - Phase 1A (486 units) complete & occupied;
 - Phase 1B (2,180 units) – complete and occupied; and
 - CIBE – 70ha industrial estate – bulk and internal infrastructure complete & sites sold. 18 buildings complete and operational.
- Phase 2:
 - Cornubia Business Hub: All infrastructure in and sites sold. Cornubia Mall and MMI call centre complete and operational. Other sites under construction, including petrol filling station;
 - N2 Business Park – infrastructure and platforming complete. First building (Makro) nearing completion and scheduled for opening in March 2019;
 - Phase 2A Housing: Currently in planning phase. Layout plan submitted for SPLUMA approval; and
 - C9 IPTN Corridor: Bridge over N2 linking in UNTC open. Tender out for Cornubia Blvd.

7.1.4.3 Investment Strategy

The city together with the private sector partner (THD) are jointly investing in the bulk infrastructure to allow for the release of land for commercial and social purposes.

A CBA (Cost Benefit Analysis) has been undertaken, which shows the positive return on investment.

7.1.4.4 Land Use Strategy

Public land outside noise contour being used for subsidised housing and social services. Land within noise contour set aside for commercial and industrial purposes to be released via a public tender process.

Private sector land developer, sells land to property developers via normal private sector market driven sales approach.

THD has programmed the development of 1100 units for the gap market at Marshall Dam as part of Phase 1. SPLUMA approval has been achieved already for 1376 gap, affordable and market related dwellings in Umhlanga Hills as part of Phase 2 by THD. Both of these form part of the long term estimated overall 10 000 private development units that are intended to be part of the mixed income residential development.

7.1.4.5 Spatial Planning and Targeting

The Cornubia programme falls within the Prime Investment Corridor and is strategically located as an infill area, thereby integrating a number of formally separated areas of various income groups. It is also strategically located along the N2 northern corridor and bisected by IPTN public transport routes (Go Durban C8 & 9 corridor).

7.1.4.6 Preparation

As a mixed use integrated human settlements programme there are number of both governmental and private sector stakeholders involved in rolling out development in the area. The table below gives an indication of some of the projects to be rolled-out in the short-term by the various parties.

Priority	Project Description	Municipal	Provincial	National
1	Primary School, community hall and clinic in Phase 1b residential area	Implementer & co-funder	Co-funder	
2	Phase 2 BNG Housing	Implementer and co-funder		Co-funder
3	Ottawa Substation upgrade	Implementer and funder		
4	Cornubia Boulevard (C9 route)	Implementer and co-funder		Co-funder
5	CTC elevated water tower	Implementer and funder		
6	Blackburn elevated water tower	Implementer and funder		
7	Retail Facility for Phase 1b	Implementer and funder		

As per the Table above there are a number of projects which are planned for implementation as a result of inter-governmental engagements and commitments to funding and implementation: including social facilities to support the nationally funded housing and the IPTN route dissecting the development.

In addition to the above public sector projects being planned for implementation, there are also a number of private sector land development projects in terms of the preparation of precincts (Cornubia Town Centre and uMhlanga Hills) and property developments in precincts which already have all the internal infrastructure and platforming in place (e.g. Makro in N2 Business Estate).

7.1.4.7 Resourcing

As Cornubia is already in the implementation stage a number of projects are simultaneously being prepared, planned, procured, implemented and maintained across the various precincts of this programme.

This requires a portfolio approach to achieve the optimal funding mix and sequencing of the public catalytic project pipeline.

A key requirement in this regard is securing the necessary funding to undertake the implementation of the various projects planned. Below is a reflection of the quantum's that have been set aside for these projects over the next three years. Please note these figures have been sourced from the draft budget that still need to go to Council for approval, so may be subject to change. The specific amounts from the other entities are being sourced to input.

Priority	Project Description	Municipal	Provincial	National
1	Primary School, community hall and clinic	R25.1m	R68.6m	
2	Phase 2 BNG Housing	R113.7m		R58.0m
3	Ottawa Substation upgrade	R10.2m		
4	Cornubia Boulevard (C9 route)	R59.2m		R140m
6	CTC elevated water tower	R11.3m		
7	Blackburn elevated water tower	R50m		
8	Retail Facility for Phase 1b	R10m		

7.1.4.8 Implementation

Implementation is taking place in a number of precincts within the broader programme both by the private (land and property developers) as well as the public sector.

A number of institutional structures have been set up to assist with an integrated and collaborative approach, including a Steercom, IGR Forum and Technical Task Team meetings.

A Development Forum which includes the various community groupings and stakeholders in the process of being established.

7.1.4.9 Urban Management

There are a number of structures that have been established to assist with the management of the public spaces and maintenance of the relevant infrastructure.

The private sector precincts are managed by Management Associations. As part of the sale of each of the even, each property owner is mandated to contribute towards this Association, which provides a 'top-up' service to the Municipal level service in terms of security, cleaning and landscaping.

The public sector precincts are managed by the relevant Municipal line department responsible for that service, whether its: water, roads, stormwater, solid waste, Parks, etc.

For the public retail and sports facility that have been constructed to serve the community in Phase 1A these are operated and maintained by the Business Support Unit and Parks Department accordingly.

7.1.4.10 Reporting and Evaluation

The indicators for this project will be populated along with the other council requirements as per the requirements of Circular 88.



Cornubia Mall and Town Centre Precinct



Cornubia Phase 1 Housing and CIBE (Cornubia Industrial and Business Estate)

7.1.5 DUBE TRADE PORT

Dube Trade Port Special Economic Zone

7.1.5.1 Project Description

The Dube TradePort precinct is strategically located 30km north of the important coastal city of Durban, in KwaZulu-Natal, on South Africa's eastern seaboard. This over 3 000 hectare development is home to the state-of-the-art King Shaka International Airport and is ideally positioned 30 minutes from Africa's busiest cargo port, Durban Harbour, and 90 minutes from Richards Bay Harbour. Dube TradePort takes advantage of its prime location as the only facility in Africa combining an international airport, dedicated cargo terminal, warehousing, offices, retail, hotels and agriculture.

7.1.5.2 Socio Economic Benefits

- Investment Value R18bn (private sector investment);
- Annual Rates R180m; and
- Permanent Jobs Over 150,000 operational jobs ultimately 2,060 permanent jobs

7.1.5.3 Project Status

Land development complete for the first phase of DTP with substantial take up in terms of end-user developments in Trade Zone 1 as well as the Agrizone 1. Dube City, which is a commercial and office precinct has seen slower take-up but the installation of basement parking should prove a catalyst for increased take up in the area with office and hotel developments coming on stream. Trade Zone 1 & 2 and Agrizone 1 have received IDZ Status, migrated to an SEZ. New link road from uShukela Highway has been constructed and is operational. Planning is currently underway for subsequent phases (Trade Zone 2 & 3; Support Zone 2 and Agrizone 2) in the form of EIA's which have been submitted for approval to the relevant authority (EDTEA) for each of these phases. Trade Zone 2 has received it EIA approval and bulk earthworks and platforming is currently underway on site.

7.1.5.4 Investment Strategy

Dube TradePort Special Economic Zone is a world-class development offering globally integrated logistics and manufacturing infrastructure, and support for a range of airport-related activities, including cargo operations, warehousing, agriculture, and commercial real-estate for office, retail and hospitality.

The benefits offered to businesses operating within the Special Economic Zone are geared towards promoting business growth, revenue generation, employment creation, the export of value-added commodities, and the attraction of both foreign and local investment – all enhancing South Africa’s manufacturing and export capabilities.

Owned by the KwaZulu-Natal Provincial Government, Dube TradePort is the province's flagship infrastructural development and key priority, forming part of South Africa's National Infrastructure Plan.

7.1.5.5 Spatial Planning and Targeting

Dube Trade Port falls within the eThekweni Prime Investment Corridor. As a long-term, master planned freight and passenger logistics hub, Dube TradePort - located just 30km north of the seaport city of Durban - is rapidly emerging as a vital global supply link and trade centre for KwaZulu-Natal.

Strategically located surrounding King Shaka International Airport, the precinct includes:

- Dube TradeZone: A prime, fully-serviced industrial precinct of 77 hectares, growing to 300 hectares, for electronics, pharmaceuticals and aerospace manufacturing, assembling, and distribution;
- Dube Cargo Terminal: A state-of-the-art cargo handling facility with digital tracking and secure cargo flow through on-site statutory bodies, which prides itself on 0% cargo loss since inception in 2010;
- Dube AgriZone: An advanced agricultural precinct that provides world-class facilities and technical support for propagating, growing, packing and distributing high-value perishables and horticultural products through an efficient supply chain;

- Dube City: A 12-hectare premium business and hospitality precinct, just 3 minutes from the passenger terminal; and
- Dube iConnect: A cutting-edge telecommunications platform and premier cloud service provider, servicing the Dube TradePort precinct and KwaZulu-Natal's only locally-hosted cloud service, making it the premier offering for regional data recovery.

7.1.5.6 Preparation

A Masterplan has been developed for both the Airport Precinct as well as the broader DTP development precincts. These also form part of the larger Aerotropolis area, an initiative been driven by the Provincial Government (EDTEA), but supported by other key stakeholders, such as the Municipality. DTP are currently underway with planning and implementing their next precincts for development, which has triggered the need to upgrade some of the bulk infrastructure in the area which the Municipality is responding to in partnership with other relevant roleplayers, such as DOT.

Priority	Project Description	Municipal	Provincial	National
1	Land development for Trade Zone 2		Funder & implementer	
2	Hlawe Sewer link to Tongaat Trunk		Funder & implementer	
3	La Mercy Substation reinforcement	Implementer and funder		
4	New Umdloti WWTW and upgrade to Tongaat WWTW	PPP		PPP
5	Dube City Multi-storey car park		Implementer and funder	

In addition to the above public sector projects being planned for implementation, there are also a number of private sector property development projects currently being developed in TradeZone1 and planned for TradeZone2. This includes a range of industries including Samsung and the recently announced smart phone factory to be developed by the Marra group.

7.1.5.7 Resourcing

As Cornubia is already in the implementation stage a number of projects are simultaneously being prepared, planned, procured, implemented and maintained across the various precincts of this programme.

This requires a portfolio approach to achieve the optimal funding mix and sequencing of the public catalytic project pipeline.

A key requirement in this regard is securing the necessary funding to undertake the implementation of the various projects planned. Below is a reflection of the quantum's that have been set aside for these projects over the next three years. The development of the airport was largely funded by national government at its inception in 2008 and Provincial government as well have made substantial investment into bulk and internal infrastructure development through Dube Trade Port corporation which is a fully owned provincial entity and act as implementing agents on this development as well as the Auto Supplier Park planned for the south.

Priority	Project Description	Municipal	Provincial	National
1	Land development for Trade Zone 2		?	
2	Hlawe Sewer link to Tongaat Trunk		?	
3	La Mercy Substation reinforcement	R1.5m		
4	New Umdloti WWTW and upgrade to Tongaat WWTW	PPP		PPP
5	Dube City Multi-storey car park		?	

7.1.5.8 Implementation

Implementation is taking place in a number of precincts within the broader programme both by the private (land and property developers) as well as the public sector.

A number of institutional structures have been set up to assist with an integrated and collaborative approach mainly through the Aerotropolis institutional structures which consists of a Steering Committee and various Workgroups. A Technical Task Team has also recently been established with

both the developers in the area and the service departments to align programmes and service requirements.

7.1.5.9 Urban Management

Management Associations are created via a condition of lease, which provides top up services to the municipal services in terms of cleaning, security, landscaping, etc.

Due to SEZ requirements, some of the zones are access controlled and the infrastructure therein remains the responsibility of DTP and is not handed over to the city for maintenance.

7.1.5.10 Reporting and Evaluation

The indicators for this project will be populated along with the other council requirements as per the requirements of Circular 88.



Dube Trade Port (Dube City & KSIA precincts)



Dube Trade Port (Trade Zone 1 & 2)

7.1.6 NTSHONGWENI (URBAN CORE) DEVELOPMENT

Ntshongweni Urban Development Node

7.1.6.1 Project description

The Ntshongweni Urban Node is the largest of several new developments, which collectively represent a significant development dynamic in the eThekweni Metropolitan Area, but particularly in the western region to the extent that a formal and efficient urban pattern of development is emerging in this region that includes:

- Lifestyle and tourism-based developments moving inland from the coastline, with the Hillcrest, Summerveld and Kloof areas forming some of the most sought-after residential properties in the EMA;
- New lifestyle estates and consolidation of residential development and associated services on sites around and within existing residential areas;
- High quality office park developments to the north and north-east of the proposed Ntshongweni Urban Node;
- Hi-tech business parks and freight and logistics industries in what is head-and-shoulders the pre-eminent freight corridor in Africa and

the SIP status that goes with this in terms of National Government policy support along the N3 corridor;

- Associated industrial and commercial consolidation within this N3 corridor; and
- Golf, equestrian and leisure facilities within the wider Ntshongweni Urban Node including Kloof Country Club, Cotswold Downs Estate and the Durban Shongweni Equestrian Club and its associated renowned polo establishment and the Summerveld Jockey Academy and race track.

The total investment value for Ntshongweni Urban Development is 90 billion over a 20 year period, and it is expected to create 19000 construction jobs and 8500 permanent jobs. After completion of phase one the total investment value on real estate is estimated to be approximately 8 billion.

7.1.6.2 Spatial Planning and Targeting

Ntshongweni falls within the Prime Investment Corridor.

Ntshongweni Urban Development Node

INFLUENCING PLANS

Sip2 – Durban-Free State –Gauteng Logistics and Industrial Corridor

The proposed Logistics and Industrial Corridor has been identified as part of the SIP2 in the National Development Plan.

Phase one development is the Mall of the West and a Business Park.

ETHEKWINI SPATIAL DEVELOPMENT FRAMEWORK (SDF) 2018

The current SDF supports and reinforces the proposals of an urban development node in Ntshongweni to catalyse development along this logistics corridor.

Ntshongweni node will specifically have a number of characteristics and will include higher residential densities, mixed use, public transport and pedestrianisation, public amenities and good infrastructure with the level of services. A proposal for a long-term dedicated “Freight Route” that will

traverse Ntshongweni Urban Development node has also been integrated with the LAP for the Ntshongweni area.



Phase one priority projects

Priority	Project Description	Municipal	Provincial	National	SANRAL	Private Sector
1	Mall of the West					X
2	Kassier Road Upgrade	X				
3	Sewer and electricity	X				
4	Business Park					X

7.1.6.3 Preparation

This project forms part of the national government development plans NDP termed the SIP2 which is the Durban to Gauteng logistics corridor. It aligns with the Spatial Development Framework for Ethekewini Municipality and the Ntshongweni Urban Development node will comprise residential development both private and public housing, commercial, retail, business parks and public transport.

The main partners in this development is Tongaat Hulett Developments who owns the land, Fundamentum, developer of the Mall of the West, Ethekewini

Transport Authority, KZN DOT, KZN Economic Development, Tourism and Environment (EDTEA).

7.1.6.4 Resourcing

Resourcing

Priority	Project Description	Municipal	Provincial	National	SANRAL	Private Sector
1	Mall of the West					2,3billion
2	Kassier Road Upgrade	259m				
3	Sewer and electricity	68m				
4	Business Park					500m

7.1.6.5 Implementation

The project is championed by Tongaat Hulett Developments working in collaboration with KZN Economic Development, Tourism and Environment, eThekweni Municipality, KZN Human Settlement, Fundamentum and KZN Department of Transport.

7.1.6.6 Urban Management

Precinct plans are complete and have been approved by eThekweni Municipality.

Ntshongweni Land Use Management Scheme has also been approved.

Tongaat Hulett Development is the sole land owner and will manage the sale of land, the development of the various projects within this development as they do in all the development, they implement within eThekweni Municipality.

7.1.6.7 Reporting and Evaluation

There is a team comprising representatives from Tongaat Hulett Developments, eThekweni Municipality, Fundamentum, Provincial departments that is tasked with reporting on progress to the provincial cabinet where there are challenges.

The team will also ensure that there monitoring and evaluation of the transformation goals that have been set for this development.

7.1.7 POINT WATERFRONT DEVELOPMENT – SPECIAL ZONE 91

The Durban Point Development Company through its Shareholders have worked to revitalise development that has stagnated over the past few years and now are in the process of developing with infrastructure provision underway.

The construction of the promenade will see the promenade extended from Ushaka all the way to the Harbour mouth and along the Harbour entrance channel which will encourage a continuous public access and a vibrant public environment. The promenade will be elevated to take account of the existing land fall and will fully accommodate the Water-Sports Club facilities, the Seine Netters and parking for the public beneath the walkway.

The road system is to be converted to a loop system which will be continuous within the Point Development area. The main access to the Point will be the existing Mahatma Gandhi and Shepstone Roads and it is proposed that an additional road link into the Point Development via Prince Street extension or any other similar link will be developed in the future.

A socio-economic assessment of the new proposals concluded that “there is no doubt that the proposed Development Plan will yield a range of measurable positive impacts, in the immediate area of the development, in the CBD, in respect of job creation, rates revenue, national tax revenue, as a contribution to the overall quality of the City of Durban.” Approximately 11,000 construction phase jobs are likely to be created per annum, 6,750 more permanent jobs are likely to be create and local existing property values are likely to increase by some 10%. Central Durban property values are likely to increase by 5%. It is also anticipated that an approx. of ZAR200 million per annum of rates revenues to be generated for eThekweni and anticipated GDP / GVA Contribution of an approx. of ZAR700 million once this development is completed.

7.1.7.1 Spatial Planning and Targeting

This project falls within the Prime Investment Corridor.

Land Use Mix

Priority	Project Description	Municipal	National	Private Sector
1	Bulk Infrastructure (Watermain Upgrade, Water and Sewer Reticulation,	X		
2	Extension of Promenade	X		
3	Parking Garage (PPP)	X		X
4	Land Development			X

Foreign Direct Investment through investment of UEM Sunrise, an Investment Company owned by the Malaysian Government. Shareholding owned through RocPoint in Durban Point Development Company

Private Sector Developers developing various sites within the precinct.

Priority	Project Description	Municipal	National	Private Sector
1	Bulk Infrastructure (Watermain Upgrade, Water and Sewer Reticulation,	0,295		
2	Extension of Promenade	0,330		
3	Parking Garage (PPP)	TBD		
4	Land Development Phase 1			1,5
Total Precinct Requirements		0,628bn	N/A	1,5bn

7.1.7.2 Urban Management

- Revised Inner City Local Area Plan approving 7 Precincts with Point Waterfront falling within the Beach Precinct being one of the 7 precincts. Overarching Densification Strategy;
- Underpinned by four spatial principles;
- Connected City- physical connections, roads, cycle pedestrian;
- Walkable City – mixed use & densified with access to public transport;
- Integrated and Inclusive Inner City – wide range of housing typologies; and
- Unlocking the Inner City's Potential – regenerate & expand, big & small projects.

7.1.8 RIVERTOWN PRECINCT DEVELOPMENT

Rivertown Precinct Public Realm Upgrades

7.1.8.1 Project description

Rivertown Precinct lies to the east of Durban CBD, between the city's International Convention Centre (ICC) and Durban's beachfront. The precinct is formerly Durban's light industrial area with several low-rise warehouses, some of which are of heritage value. A canal diagonally traverses the precinct along John Milne Street. Currently the canal is enclosed and water from areas that were formerly wetlands in the city bowl drain into the canal and are dispersed into the Harbour at Cato Creek.

Rivertown will be a destination for a diverse and sophisticated inner-city community with a mix of contemporary apartments, offices and cultural venues of different sizes. It will also capture the rhythm and spirit of Durban's Beach Lifestyle, while incorporating the amazing culture of Durban. Showcasing the best in contemporary design, Rivertown precinct will retain strong links to its rich heritage. Chimney stacks and industrial relics will stand as landmarks to the past.

Heritage buildings will be re-purposed and re-imagined for contemporary activities. Street and outdoor spaces will become exciting open-air galleries and stages for performance

This project is limited to public realm upgrades which are aimed at creating a connected, walkable, integrated and a city that realises its potential. The precinct has potential but it needs to be linked with the ICC and the beachfront with the intention of enabling pedestrian movement between these major attractions in the city.

The investment value is 44 million Rands and no private sector contribution are necessary for these upgrades. Only construction jobs are expected to be created by these public realm upgrades.

7.1.8.2 Spatial Planning and Targeting

The project falls within the Prime Investment Corridor and forms part of the list of projects proposed in the Innercity LAP which recommended that in order to regenerate the CBD, firstly there must be improvement in the quality of public realm so that it attracts investment in the CBD.

The only engagement that the city had with property owners was to inform them about the proposed upgrades and it is then that the property owners got the opportunity to input into the plans as it relates to their operations.

7.1.8.3 CLDP Preparation

Rivertown Precinct project will be implemented by the eThekweni Municipality and there is no funding required from other sources at this stage.

7.1.8.4 CLDP Resourcing

The project has been allocated 44 million for public realm upgrades by the city's treasury and no other sources required.

No funding is required from other sources for the proposed public realm upgrades. The private sector is expected to invest on their properties by allowing for move towards a mix use development comprising commercial, retail and residential so that there is activity in the precinct 24 hours a day and 7 days a week.

7.1.8.5 Implementation

Development Engineering from eThekweni Municipality are the implementers of this project. Other related projects in this vicinity is the Beerhall rejuvenation as the building is in a state of disrepair.

Phase two in the precinct will be the pedestrianisation of John Milner Street as a linear market with more live performances.

7.1.8.6 Urban Management

After the implementation, the precinct will be incorporated into one of the UIPs in the CBD to manage and maintain. ITRUMP will oversee the entire process as their task is to ensure that the innercity is managed properly.

7.1.8.7 Reporting and Evaluation

After completion of these upgrades ITRUMP will ensure that the infrastructure is well maintained. Since this project is first one implemented after the approval of the innercity LAP, private sector response in terms of investment attracted will be monitored.

7.1.9 VIRGINIA AIRPORT SITE RE-DEVELOPMENT

The eThekweni Municipality Catalytic Projects Department has embarked on a process to unpack the Land Development Strategy and Framework to determine the viability of redeveloping the Virginia Airport Site situated along the M4 in Durban North.

To date, the Municipality has undertaken numerous studies outlining aspects of (1) economic and financial benefits of the current and future aviation operations at the site, (2) relocation options of the operations to locations within and outside of eThekweni, and (3) development principles and high-level constraints analysis.

In recent months, the municipality had received (unsolicited) proposals from private developers for the site as well as the neighbouring Beachwood Golf Course, for a mixed-use development.

The Municipality has now realized that there may be significant market pressure to redevelop the site for a number of uses that have a wider municipal benefit than what is currently happening on the site. On the other hand, the Municipality's Spatial Development Framework and Local Areas Plans (including the Inner-City LAP), have not provided an alternative development scenario for the property.

To get an appreciation of the site development risks, the municipality is now revisiting previous studies and unsolicited proposals to determine the

implications for future developers, and/or the municipality, as a future developer on the site.

This analysis will require that internal technical line departments provide a rapid assessment of development proposals / land use proposals for the site to outline the nature and extent of risks associated with a proposal in future.

7.1.10 WARWICK JUNCTION

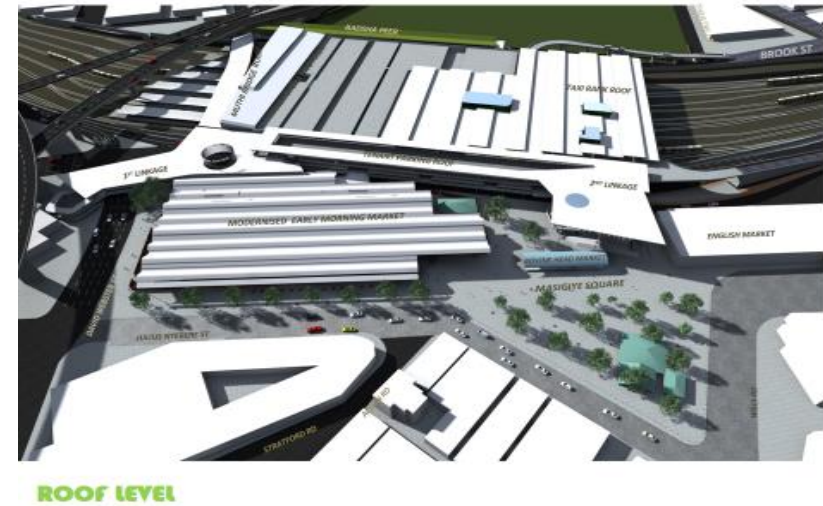
Warwick precinct redevelopment project aims to restructure transport facilities and operations, as well as social economic activities and social fabric, within a wider strategic framework for the area.

Projects underway in the Warwick area include: Berea Station Mall, taxi holding facility, creation of a cold room storage, informal trade infrastructure upgrade. Crucial in promoting linkages between work and residential destinations. The Precinct accommodates vast number of commuters and therefore the area has developed into a major economic node boasting student accommodation, retail and social housing opportunities.

- Investment Value R 1.3 Bn;
- Annual Rates R 250 000 per annum;
- Construction jobs 3 500; and
- Permanent Jobs 2 670.

7.1.10.1 Spatial Planning and Targeting

The Warwick Junction Precinct falls within the Prime Investment Corridor and is the dominant public transport node within the eThekweni Municipality and its appropriate functioning is therefore essential in terms of the municipality's transport strategy. It is the largest intermodal precinct, with the convergence of rail, bus and taxi routes and thus crucial in promoting linkages between work and residential destinations and subsequently the use of Public Transport in the city.



As one of the consequences, the Warwick Precinct accommodates vast numbers of commuters and the area has therefore developed inter alia into a major economic node, both in terms of formal and informal economic activities. The easy accessibility of the area for a great number of the metropolitan population has also created demands and opportunities on the Warwick Precinct for social and community amenities. At the same time, the area forms one of the major gateway into the Durban CBD and priority projects in the precinct include the following; Julius Nyerere as a pedestrian priority linear, market street, Market Street as vehicle priority, Deck over Market Street – connect market and station, Deck over Market Street allows new bridge link to Bertha Mkhize (Victoria) Street, Public transport nodes integrated with public space N, S & centre Use of air-rights over transport infrastructure, Residential densification, incl public housing, Reclaim bad buildings, Mixed use – average 60% residential, Local amenities & 24 hour activity and Space and infrastructure for informal trade

Warwick Junction development comprises a variety of projects done by eThekweni Municipality, private sector and Prasa. Currently the three parties are working in collaboration to prepare a masterplan which will be used as a vehicle to integrate and implement all the projects that will result from the

process. Human Settlement have already appointed a social housing company to provide 500 rental units in the precinct.

DUT has already erected about 5 000 beds for their students in the precinct and have also completed their masterplan which will guide development in the next 20 years. This plan has been prepared in collaboration with eThekwini Municipality and there is alignment.

eThekwini Municipality is currently preparing a masterplan which will incorporate all current and future proposed projects from both the private and public sector in Warwick Junction so that it becomes that major entry points to the city

7.1.10.2 Resourcing

The private developer (Fundamentam) is investing about 350 million in the shopping centre on top of Berea train station and Ethekwini Municipality is contributing 150 million for the taxi holding facility, Ethekwini Transport Authority are contributing 200 million towards a multi storey taxi holding facility to cater for more taxis, Human Settlement is contributing 250 million for Social Housing and DUT has already invested 100 million on student residences.

Priority	Project Description	ETA	Human Settlement	DUT	PRASA	Private Sector
1	Multi Taxi Holding Facility on Gale Street	X				
2	Social Housing		X			
3	Taxi Holding Facility on Berea Station	X			X	X
4	Student Residences			X		
5	GoDurban Routes and Stations	X				
6	Berea Station Mall					X

7.1.10.3 Implementation

There is Draft MOA that is currently being considered which will be used to implement all the projects in the precinct. Human settlement has already appointed a Social Housing Company to build 500 rental units in the precinct which will provide much needed accommodation.

There is also 2 DUT Campuses on the precinct and DUT has partnered with the city so that their development plans are aligned with the city's masterplan for the precinct.

eThekwini Transport Authority is currently doing their final feasibility and route allocation plans so that it guides the implementation of the GoDurban innercity distribution network. As part of this study, the city is reviewing the existing precinct plans to create a masterplan for the area to guide future regeneration projects in Warwick Junction

Prasa is doing modernisation of the train station at Berea and will also be contributing to the erection of the taxi holding facility.

7.1.10.4 Urban Management

There is a private developer who has aerial rights over Berea Station Mall who will be building a mall and has partnered with the city to erect a taxi holding facility above his mall. ETA has also confirmed the intention of erecting a multi storey parking facility to accommodate the large numbers of taxis coming from the southern areas of the city. This will assist in create requisite infrastructure that is much needed by the taxi industry ie serving garages, washing bays and other ancillary infrastructure to improve the taxi operations in the precinct.

ITRUMP are the urban management that is based in Warwick Junction to maintain and manage the infrastructure. The intention is to add capacity where it is lacking and provide additional resources required to manage the entire precinct.

There is an existing scheme in the precinct which is used to manage land use so that there is harmonious development.

7.1.10.5 Reporting and Evaluation

The impact of this development will be assessed through enforcement agencies working in the precinct for example metro police will report on the number of offences before and after the development. SAPS will inform the city if the crime in the area has decreased or increased.

Business Licencing will document compliance of businesses in the precinct

Business Support Unit will assess the number and the quality of informal trading space before and after development see if there has been improvement.

7.1.11 BRIDGE CITY & KWAMASHU TOWN CENTRE URBAN HUB

Bridge City is a Joint Venture between the City of Durban and Effingham Joint Venture (THD)

The City's Planning Scheme manages and directs the land use activities on the site. This mechanism ensures delivery of quality environments in line with the City's Vision as contained in the IDP.

7.1.11.1 Project description

Bridge City is located in the heart of, and services the communities of Inanda, Ntuzuma, KwaMashu and Phoenix. The precinct is no different from the Umhlanga Town Centre in that Bridge City has a Town Centre node as well as a Business Park. The Precinct has proved to be highly functional and vibrant as a result of the emerging land use mix that comprises retail, commercial, business and residential offerings and opportunities. Coupled with the vibrant land use mix, the precinct is supported by an already operational Regional Magistrates Court, a soon to be opened Regional Public Hospital comprising of some 500 beds, a thriving shopping centre (48000m²) as well as inter-modal public transport facility comprising a train and bus station. Rental housing stock in the form of Social Housing, as well as higher density housing is also entering the market; with interest shown in both categories. To date proposed, there are 350 units that are in the affordable housing category; with 1800 social housing units being proposed, which includes 500 units in the adjoining growing KwaMashu Town Centre.

A private hospital comprising of some 150 beds is also in the design phase; as well as other business and warehousing developments. Thus, the precinct enjoys a high commitment of both public and private offerings. There is an R8bn investment across the private and public sectors. It is anticipated that 700 000 commuters will be served on a daily basis when the entire project is completed. A projection of R62 Mil is anticipated towards rates for the City upon completion of the entire project.

Temporary jobs included 1500 construction jobs; and 6300 top structure jobs per annum during the construction period to date. 8000 permanent jobs have also been created.

7.1.11.2 Spatial Planning and Targeting

This project falls within the Prime Investment Corridor.

Priority	Project description	Municipal	Provincial	National	Prasa	Eskom
1	Inter-modal transport hub	X				
2	Brt	X				
3	Bulk water	X				
4	Public hospital		X			
5	Social housing		X			
6	Government precinct	X	X	X		

The Planning Scheme created Bridge City as a Special Zone in 1992. This amendment to the Planning Scheme would have been via a public participation process in terms of the old Planning Ordinance for Durban. Subsequent amendments in 2003/2007/2010 and 2011 would have also been via public participation processes as defined by the Planning and Development Act, 2006. The current Planning Scheme is now under review and has been advertised mid December 2018, with objections closing end March 2019. These amendments are also subject to a public participation process in terms of the City's Planning Bylaw. Once the objection period

closes, a report will be taken to Council where the proposed amendments are adopted for inclusion into the Planning Scheme.

Perhaps important to note is the Joint Ventures support to the proposed amendments. The proposed amendments seek to separate the precinct into the Town Centre as well as in to the Business Park. In separating the precincts, land use definitions have been reviewed in line with Town Centre land uses; such uses are now free-entry land uses thus resulting in Developers now only having to put in a building plan with the City, rather than follow cumbersome statutory planning processes.

In order to assist Developers with building plan submissions, the Catalytic Projects Unit manages the statutory process of building plan approval. This process fast tracks the building plan approval in the City.

Clearly, the JV has a mandate to promote sustainable development of the area; it is committed to honouring its mandate in that regard. While the JV is also subject to compliance with legislation, there is no reason why they should be exempted from the same.

- Courts constructed- Public Works;
- Regional Hospital – Provincial;
- Bridge City Shopping Centre- Private;
- Private Hospital- Private;
- Social Housing- Municipal and Provincial; and
- Social Housing – Private.

7.1.11.3 Preparation

This Project is the bookend of the C3 Corridor. The C3 Corridor runs from Pinetown in the west to Bridge City in the North. The purpose of the Corridor is to move people from the dense suburbs of the north to work opportunities in the west.

Stations along the corridor, enjoy higher densities and reduced parking requirements and a greater variety of land use mix. Thus, Bridge City as a bookend should have the same. Thus, Bridge City is a catalytic project.

The development of Bridge City has largely been through the sale of land to the private sector; however, the public sector has also contributed and this can be seen in the emerging land use mix as demonstrated thro' out this document.

Bridge City enable integration, that is, mixed and intensified land uses where the residential land use caters for people across various income bands and at increased densities that better support the viability of public transport systems;

Bridge City is strategically located within integration zones; and is a game changes in that the nature and scope of the projects are likely to have significant impact on spatial form and unlock economic activity.

7.1.11.4 Resourcing

This is a Joint Venture Project- City of Durban and THD.

7.1.11.5 Implementation

- Supported by integrated infrastructure plan;
- Collaborative;
- Resilient; and
- Vibrant mix.

7.1.11.6 Urban Management

The Planning Scheme created Bridge City as a Special Zone in 1992. This amendment to the Planning Scheme would have been via a public participation process in terms of the old Planning Ordinance for Durban. Subsequent amendments in 2003/2007/2010 and 2011 would have also been via public participation processes as defined by the Planning and Development Act, 2006. The current Planning Scheme is now under review and has been advertised mid December 2018, with objections closing end March 2019. These amendments are also subject to a public participation process in terms of the City's Planning Bylaw. Once the objection period closes, a report will be taken to Council where the proposed amendments are adopted for inclusion into the Planning Scheme.

7.1.12 INNER CITY SOCIAL HOUSING

7.1.12.1 Project description

The revitalisation and economic recovery of the Inner City will not be led by zones that determine height, bulk and buildings controls. It will be done by the investment in and the positioning of key infrastructure and the convergence of a linked plans and budgets that feed off each other. The various precincts within the Inner City have different roles and sites and routes that inform each of its distinctive future development and redevelopment. Unlike large greenfield housing projects like, for example, Cornubia, the existing project scales, the use of existing buildings and elements have to engage in adaptive reuse in conjunction with new developmental agendas.

The use of social housing as a primary government subsidised instrument stands in stark contrast to other human settlement catalytic projects like Amaoti and Umlazi. The Inner City falls within the Prime Investment Corridor where perhaps the greatest mix of incomes and housing typologies (although largely flats and apartments with no RDP developments at all) exists within a multi land use urban fabric.

There are 3 categories of residential development in the Inner City: public housing delivered by the state – few and notably the Thokoza Womens Hostel is a throwback to apartheid implementation. Secondly, private development and this has generated a vast range of residential opportunities for a wide range of income levels, mostly in the form of apartments. The last, and newest form of housing delivery is in the form of social housing institutions. These can be in the form of new buildings on greenfield sites, additions, alterations or conversions of existing buildings to residential by either public or private entities, including institutions like social housing companies.

The average household income of Inner City residents is below R15,000 pm. The concentration of resources and amenity makes the inner city attractive to the marginalised. Inner city livelihood opportunities create demand for affordable live-work arrangements. The social housing proposals fits into this target market.

In order to release the potential residential development to be a driver of regeneration in the Inner City it has to be accompanied by a set of interventions covering, inter alia, major infrastructure investment, clarity around public transport systems, a commitment to coordinated and sustained urban management and public realm upgrades and the facilitation of upgrading bad buildings.

Today the Inner City of Durban is a diverse and complex part of the city, rich in culture and opportunities. It is characterised by its strategic location both as a major CBD and its Port linkage, significant transportation exchange and networks, accessible metropolitan and local facilities, key sporting and recreation facilities, concentrated and diverse population and activities, as well as complex formal and informal networks and exchanges.

7.1.12.2 Socio Economic Benefits

- Investment Value R143mn 2019/20 - (SHI sector investment); and
- Annual Rates SHIs contribute to services payments.

7.1.12.3 Project Status

Five sites have been awarded to Social Housing Institutions (SHIs) during the 2018/19 financial year that project a total yield of approximately 750 units. A sixth site is issuing a request for proposals in the Moses Mahbida Stadium area that will address the potential of approximately 1500 social and gap units.

Another set of 5 sites are going through a set of feasibility assessments that could potentially provide up to 6000 units are currently underway.

The Lancers Road site – one of the five sites that has been awarded to a SHI - is located within the Warwick Junction. It will be reconfiguring a listed building formerly used as offices for social housing. This node accommodates a huge number of commuters on a daily basis. The node is also adjacent to the Durban University of Technology which has recently built student accommodation. In conjunction with significant public transport investments by both ETA and Prasa the Warwick Junction presents

a solid case for developing linkages for student and residential accommodation, retail and economic trading.

7.1.12.4 Project Status

All five projects are awaiting approval from SHRA before the end of the financial year. The Umngeni Precinct Request for Proposals (RFP) is scheduled to be put to public tender during March / April 2019.

7.1.12.5 Investment Strategy

The potential economic multiplier effects from increasing the resident inner city population across all market segments is significant. The focus in the Inner City region is primarily social and gap housing. This also implies a shift in focus (or at least, from the point of view of government subsidized housing, a dual focus) from 'slums clearance' – through the provision of incremental services and in-situ informal settlement upgrades to further densification of identified integration zones such as the Inner City and the precincts within.

Residential use may be a primary vehicle for new and transformed fabric that must not be seen simply as housing provision, but as residential development integrated with public realm improvement, economic opportunities, affordable public transport, excellent urban management and good governance.

7.1.12.6 Spatial Planning and Targeting

This programme falls within the Prime Investment Corridor. The social housing projects form part of the list of projects proposed in the Innercity LAP which collectively are required to regenerate the CBD. At this point they don't necessarily coincide directly with all of EDUs catalytic projects. However, they do coincide with a series of council owned land and properties. They are all earmarked to straddle across a range of income levels and contribute to the principle of integrated human settlements.

All are located either directly within a broader municipal regeneration project and certainly within close proximity to existing public transport routes.

The next 'generation' of potential social housing projects are also proposing the use of council assets as a springboard to introducing social housing income strata within the existing broad range of income levels in the CBD and Inner City.

7.1.12.7 Preparation

Ethekwini Municipality is to provide land or building. The five projects will be implemented by the appointed SHIs. SHRA will assess the business plan and, in conjunction with the SHIs, determine equity required with subsidies.

Priority	Project Description	Municipal	Provincial	National
1	Table Tennis Building	Provision of Building		SHRA subsidy
2	44 Lancers Road Building	Provision of Building	Originally donated by Public Works	SHRA subsidy
3	71 Play fair Road	Provision of Building		SHRA subsidy
4	Morans Lane	Provision of Land		SHRA subsidy
5	Umngeni Road	Provision of Land		SHRA subsidy

7.1.12.8 Resourcing

As indicated each project will source funding through each SHIs ability to put forward its own capital resources as well as sourcing through the subsidies and possibly its own equity or raising further capital as required.

Ethekwini Municipality can contribute as in the case of the Warwick Junction to public realm upgrades. Simultaneously, other projects will have to coordinate the same public realm upgrades as required.

The sequencing of project building and other catalytic interventions need to be procured and implemented systematically and sequentially.

7.1.12.9 Implementation

Implementation is taking place per project in conjunction with specific urban regeneration projects such as Warwick Junction.

Implementation of projects are set with the LAPs precincts within the broader programme both by the private (land and property developers) as well as the public sector.

7.1.12.10 *Urban Management*

The revised Inner City Local Area Plan approved 7 Precincts. After the implementation, each of the social housing buildings will be managed by the respective SHIs. The precincts will be incorporated into the ITRUMP and city departments' operational management systems.

7.1.12.11 *Reporting and Evaluation*

The indicators for each project will be populated along with the other council requirements.

7.1.13 UMLAZI

7.1.13.1 *Project description*

Umlazi is a developed township in the southern region of eThekweni Municipality. It is the second largest township in the country after Soweto. It is part of the approved National Department of Human Settlements approved catalytic project. The Umlazi initiative is an integrated governmental venture between the National, Provincial Departments of Human Settlements, eThekweni Municipality and the Housing Development Agency. Umlazi has one of the highest concentrations of formal apartheid-built dwellings interspersed with a significant number of informal settlements.

There are also initiatives in terms of public transport – both Prasa and eThekweni's Transport Authority (ETA).

7.1.13.2 *Socio economic benefits*

- Investment Value R172 million (2019/20); and
- Annual Rates BNG units not rateable and limited free water and electricity provision.

7.1.13.3 *Project Status*

Phase 1 – 5 completed (15 000 units)

Phase 6 – detailed planning for additional 5000 units with SCM.

7.1.13.4 *Investment Strategy*

The city's Human Settlements Unit has identified 30 of the 50 highest priority informal settlements in its southern region are located in Umlazi. Therefore, clustering those 30 informal settlements along with other informal settlements in the Umlazi region has spatial concentration issues. Recognising that relying purely on the provision of formal units will be a slow process, the strategy is to deliver a combination of both full upgrades and incremental services. The combination of using USDG and HSDG subsidies in conjunction with a host of infrastructure service delivery, as well as, public transport mechanisms will provide a more holistic residential development. In addition, the hitherto built RDP / BNG units also addresses the delay in the provision of title deeds. The long-term implication for upgrade to formal unit development is to eventually address the development of a secondary property market.

7.1.13.5 *Land Use Strategy*

Viable and appropriately sized land to deal with overly dense and settlements in hazardous conditions is difficult in the Umlazi area. Audits of state land is critical. This requires acquiring private land within close proximity to those settlements where the footprint either occupies private land and to further acquire land where required to extend the footprint of settlements. This includes Prasa addressing both lands encroached by informal settlements and addressing potential surplus land that can be used for decanting or relocating within the boundaries of the locality of the settlements and the Umlazi region – including the neighbouring Isiphingo Urban Regeneration Project region.

A long-term strategy is also to address both the backlog of title deeds and to stimulate the secondary property market is underway.

7.1.13.6 Spatial Planning and Targeting

The Umlazi programme falls within and adjacent to the Prime Investment Corridor and is strategically located partly as an infill area. The two primary public transport routes, namely the C2 rail corridor and the Griffith Mxenge highway runs through the Umlazi area. Feeder routes supply the main highway. The area as a whole is strategically located on the edge of the South Durban Basin (SDB). Prasa has completed one mega station, namely, KwaMyandu station. eThekweni Municipality and Prasa are currently in negotiation for the integration (and possible relocation) of the informal settlement occupying Umlazi J station. Discussions have been initiated between Prasa and eThekweni to address land release mechanisms to allow for a more holistic approach to residential development along public transport routes.

The assessment of the clusters of informal settlements for the Part 6 upgrading initiative has a number of spin-offs. Firstly, it is rooted within the Human Settlements Prioritization model. So, while there are a significant number of informal settlements prioritising them has to be undertaken. Secondly, in certain cases land acquisition has to be undertaken where informal settlements have invaded private property. While sizable land (that is, anything more than a hectare is rare in the Umlazi area), there has been a record of small-scale acquisition to ensure that consolidation for an upgrade can take place. It should further be noted that land prices are considerably cheaper than land prices closer to the CBD and surrounds.

7.1.13.7 Preparation

As an integrated human settlements programme there are number of transverse governmental stakeholders involved in rolling out development in the area. The table below gives an indication of some of the projects to be rolled-out in the short-term by the various parties.

Priority	Project Description	Municipal	Provincial	National
1	Packaging of feasibility studies for Umlazi Part 6 for 4 clusters of the 15 wards@ 1000 units per ward	Implementer & co-funder	Co-funder	

Priority	Project Description	Municipal	Provincial	National
2	Title deed registration – overcoming the backlogs	Implementer & co-funder	Co-funder	

Priority	Project Description	Municipal	Provincial	National
3	Integrated TOD development at Umlazi J station	HSU, ETA, EDU /Business Support Implementer	Co-funder (HS – subsidies)	Prasa Implementer and co-funder

As per the Table above there are a number of projects which are planned for implementation as a result of inter-governmental engagements and commitments to funding and implementation. The municipal public sector projects being planned also require engagement with a national agency, namely, Prasa. This, in turn, will have spin-offs for private sector land development projects in terms of the development of the associated retail and commercial investment within the station upgrade or precincts. In addition, the role of road based public transport also has to be linked to the development of the stations and feeder routes within the area.

7.1.13.8 Resourcing

Umlazi has a number of projects already in the implementation stage and there a number of projects in more detailed planning stage. The clusters of Part 6 are simultaneously being prepared through the Municipality and Province.

Securing the necessary funding to undertake the implementation of in-situ upgrade will be done through the municipality and provincial department of human settlements. In the case of TOD involving Prasa and its current model of station development land value capture has to be more carefully planned. Land Audits are key to restructuring the built environment.

Priority	Project Description	Municipal	Provincial	National
1	Umlazi J Station Modernization			±R300m (Prasa)
2	ETA Feeder Routing – Umlazi J	tbd		
3	BNG Housing (upgrades & incremental): Part 6	tbd	tbd	

7.1.13.9 Implementation

Upgrades and the implementation of incremental services is taking place across the region in a number of wards. A Steering Committee has been established to address the range of development issues around Umlazi J Station, including Technical Task Team meetings.

7.1.13.10 Urban Management

A number of structures have been established to assist the linking of community and ward level guidance with relevant municipal line departments' provision of services, including infrastructure and civil services and social and economic services such as human settlements.

7.1.13.11 Reporting and Evaluation

The indicators for the cluster based human settlements projects – incremental services and upgrades - will be updated as per the schedules along with the other council requirements.

Reporting to the joint eThekweni, Provincial HS Department and Housing Development Agency (HDA) in terms of programme management for the Umlazi catalytic project.

7.1.14 AMAOTI

7.1.14.1 Project description

Amaoti is one of the five approved National Human Settlements catalytic projects. It is the only one that has no history of formal township development pre or post 1994. It is unique in that regard. Given the history of informal settlement development in large cities it is therefore key to understand how catalytic development occurs that such a large informal settlement can be addressed. In terms of conditions on the ground it is made up of a cluster of established settlements each with its own sense of identity. To address each separate settlement independently would be difficult and the principle that a collective process would bear more fruit has been established.

The proposed Greater Amaoti project development comprising of 15 different areas, including Nigeria, Cuba, Palestine, Moscow, Namibia, Lusaka, Libya, Zambia, Angola, ozambique, Tanzania, Brooksfarm, Zimbabwe, Geneva and Amaotana. The proposed project yield is estimated to be approximately 20 000 sites.

The Cuba area has been the first area of focus with 4 phases having been planned and so far, two phases delivering just under 200 units in the first phase. The other 3 phases are to address another 900 units and are either ready to be implemented or are in detailed planning stage.

The remaining areas are in a in a detailed planning stage.

7.1.14.2 Socio economic Benefits

- Investment Value R23 million (2019/20)
- Annual Rates BNG units not rateable and limited free water and electricity provision.

7.1.14.3 Project Status

- Cuba Phase 1: completed (200 units);
- Cuba Phase 2: 250 units ready to be implemented; and
- Cuba Phases 3 & 4: detailed planning for 700 units appointment ready.
- Other areas feasibility planning: appointment to be made.

7.1.14.4 Investment Strategy

The city's Human Settlements Unit has identified 15 areas within the Amaoti region. A combination of using subsidies and ensuring that improved road and public transport networks are made accessible to each of the 15 clusters – collectively and individually is part of the investment framework. The organic – albeit largely survivalist - informal trading within the settlements will develop further over time. This has to take place within a broader framework of residential and infrastructure development.

7.1.14.5 Land use Strategy

The initial land use development strategy suggests a range of housing typologies. This would include an In-situ component, High density- 3/4 storey walk ups, Incremental housing as well as a retail, service provision and residential mix. Without descending into a set of development clichés the land use strategy has to address a set of mixed uses within the existing informal fabric. This has to address not only residential redevelopment but include social and economic opportunities that can be traversed within a road and pedestrian network.

7.1.14.6 Spatial Planning and Targeting

The study area is situated within 5km of the Bridge City and Phoenix Industrial complex. By extension, the KwaMashu town centre is a further 2 km from Bridge City. Similarly, Cornubia Industrial and Business Estate and Umhlanga New Town Centre is less than 10km away to the West and King Shaka International Airport lies under 15km away to the North. Whilst it is relatively close proximity to opportunities it is nevertheless traditionally separated from these adjacent suburbs.

The site is currently serviced by both Bus and Taxi services but these do not provide sufficient coverage as they transverse through limited portions of the site. However, if such settlements are ignored or neglected in terms of a broader city prioritisation then the linkages and clustering will fall short if only viewed through a lens that catalysing can only take place within existing formal development or a greenfield area.

In the future, the Northern expressway, which forms part of the broader Aerotropolis linkages, will pass through Southern portion of the Study Area enhancing regional connectivity. Other important future linkages within the vicinity of Amaoti includes the IRPTN C3 corridor which will link Kwa-Mashu Town Centre, Mt. Edgecomb and Cornubia. These linkages ultimately provide connectivity to the economic anchors in the North of Durban.

7.1.14.7 Preparation

As a mixed use integrated human settlements programme there are number of both governmental and private sector stakeholders involved in rolling out development in the area. The table below gives an indication of some of the projects to be rolled-out in the short-term by the various parties.

Priority	Project Description	Municipal	Provincial	National
1	Packaging of feasibility studies and implementation for Amaoti Cuba for 1000 units in phases	Implementer & co-funder	Co-funder	

Priority	Project Description	Municipal	Provincial	National
2	Feasibility studies for rest of Amaoti	Implementer & co-funder	Co-funder	

Priority	Project Description	Municipal	Provincial	National
3	ECD pilots (x 8)	Implementer & co-funder	Potentially Dept of Education and Dept of Social Services	

7.1.14.8 Resourcing

Amaoti Cuba has a number of projects already in the implementation stage and there a number of projects in a detailed planning stage. The remaining clusters are simultaneously being prepared through the Municipality and Province. Securing the necessary funding to undertake the implementation of in-situ upgrade will be done through the municipality and provincial department of human settlements.

7.1.14.9 Implementation

Upgrades and the implementation of incremental services is taking place across the region in a number of wards.

7.1.14.10 Urban Management

A full range of housing typologies and incremental service provision to existing informal settlements will require a far more holistic approach to urban management than dependence on formal suburban methods. This also includes the management of, for example, roads and stormwater management, land use management strategies and environmental management in a broader suite of systems.

7.1.14.11 Reporting and Evaluation

The indicators for the cluster based human settlements projects – incremental services and upgrades - will be updated as per the schedules along with the other council requirements. Reporting to the joint eThekweni, Provincial HS Department and Housing Development Agency (HDA) in terms of programme management for the Amaotii catalytic project.

7.1.15 DUMISANI MAKHAYE DEVELOPMENT NODE

7.1.15.1 Project description

Dumisani Makhaye Development Node is township development project located in ward 38 of eThekweni Municipality. The project area has been catalysed by the development of P577 (C3 Corridor) as well as the development of this road as part of the North west connector of the IPTN. The project is the first major development along the IPTN and is located adjacent to the Lindelani/Westrich station.

The first phase of the project is the development of the Midway Crossing shopping centre and the Municipal facilities on erf 2342 of Westrich. This development will include 21000 bulk sqm of commercial development with estimated R400 million construction budget. The Municipal Services Facilities will include Sizakala Centre, Safety and security operational centre as well as the link road, Newlands express way. The total investment by the Municipality in this phase will amount to approximately R330 million. The total investment value for the first phase is approximately 730 million.

The second phase of the development will be to develop two land parcels owned by the Municipality both adjacent to erf 2342. The sites will be development as mixed-use development as part of the City densification programme. Currently the realise of the adjacent land parcels is with the City's land transaction division for assessment.

Whilst the development is a green field development, it is taking place in a built-up area therefore all the bulk services and infrastructure is in place currently on additional capacity is required with in the node in terms of water, electricity, sanitation and road network.

7.1.15.2 Socio Economic Benefits

Investment Value: R 760 895 521, 00 (excluding Vat)
 Expected Construction Job: 300
 Permanent: 100
 Private Partner: Siveni Investment Pty Ltd

7.1.15.3 Project status:

Construction is due to start on the project on the 15th April 2019. Application to undertake Earth works has been submitted to the Municipality for consideration. Multi stakeholder Steering committee has been established to fast-track implementation of the project.

7.1.15.4 Spatial Planning and Targeting

Dumisani Makhaye Development is forms part of the broader C3 corridor spatial planning and zoning area and falls within the Prime Investment Corridor. The development is on a historic buffer zone/site this the development in particular the development of Newlands Expressway connects communities of Inanda, Ntuzuma and KwaMashu (INK) to the community of Newlands west.

Priority	Project Description	Municipal	National
1.	Go Durban Feeder Facility		x
2.	Completion of Newland Expressway (NDPG)		X
3.	Construction of Ramps	X	

Table above illustrate some of the projects that are planned to be implemented. The project is implemented using national treasury grant funding but are implemented through the Municipality.

In addition to the Public investment by various spheres of government there is also significant private sector investment anticipated within the node in particular the development of the Mall and other retail facilities as well as the development of Gap housing and potentially a service station.

7.1.15.5 Resourcing

As highlighted above due to the fact that the development of this node is in a build-up area there is limited resources required for bulk infrastructure. Funding for the MRETF has been secured from a number of Departments to meet the current requirement for phase one of the development.

Precinct level design and site-specific feasibility will be undertaken by the Economic Development Unit in the 2019/20 financial year. There are currently no Urban Management structures established. It is envisaged that such a structure will include all property owners once the development is concluded.

7.1.15.6 Reporting and Evaluation

The Indicators for this project will be populated along with the other Council requirements as per the requirements of circular 88.

Artistic Impressions of the Shopping Centre



8 CATALYTIC LAND DEVELOPMENT PROGRAMME – RESOURCING (STRATEGY LEVEL ISSUES)

8.1 LONG-TERM FINANCING STRATEGY

eThekweni has a Borrowing Strategy, and a Municipal Services Finance Model. Recent work with the National Treasury has started a work-stream to link development challenges to financing options with a view to developing a Long-term Funding Strategy. The work-stream has the participation of the Municipal Finance department, the DBSA and their consulting team, and National Treasury. Through discussion it has emerged that the consulting team only has the skills to complete the financial assessment component of the work and this means that the component dealing with the socio-economic assessment, is a critical gap that needs to be filled. The spatial aspect is also not integrated in the proposal. Further discussion will be needed to find a way forward on these short comings.

8.2 STRATEGY-LED BUDGET PROCESS

The Office of the Chief Strategy Officer has designed and started implementation of an IDP/SDF/BEPP/Budget/Performance & Programme Management road map and annual calendar which is intended to

institutionalise these as ongoing processes throughout the year and to move away from the long-held practice of them being annual events. A calendar of engagements was set up between September and December 2018 to meet with the officials within the administration as well as with the political leadership. These engagements covered the following issues:

- The Budget circular setting out the budget process;
- Debriefing (2017/18 and 2018/19 year to date) covering Expenditure, SDBIP delivery, the IDP/SDF/BEPP, Annual Report, Annual Financial Statement & Life Cycle Cost Assessments (LCCA) for 2018/19. The focus was on current challenges and shortcomings and to set the scene for critical choices for the 2019/20 MTREF;
- City Strategy & Priorities including spatial prioritisation and Zonal Plans covering local ward delivery;
- Block sums unpacking;
- Infrastructure Condition Risk;
- LCCA improvements; and
- Budget adjustment and re-allocation rules.

The focus in the last 6 months has been on improving programme management but a new spatial filter has also been introduced. All the projects in the MTREF have been through quality assurance assessments to determine if they are justified and if they are properly packaged for implementation.

8.2.1 FEASIBILITY STUDY PROCESS

The feasibility study process that eThekweni Municipality utilizes to make capital decisions moves through four stages. First the generation of the project information, this stage is vital for the success of the project. Within the generation of project information stage individuals gather information that is analysed and evaluated at a later time for the capital expenditure proposal. Typically, information of significant value includes; available alternatives, available resources, cost data, benefit data, prior performance, risk projection. Available alternatives are a very wise place to invest time in gathering information, having a backup plan that will still accomplish the desired goal or leave the eThekweni Municipality in a

favourable position and may save the municipality when the initial plan fails. The availability of resources plays a major role in the approval of projects. Without information as to where the funding and resources will be being coming from to finance a project it will never even be brought up for capital expenditure proposal. The idea of resource availability goes in tandem with cost data since without a timeline of what it is going to cost to complete the project, eThekweni Municipality will be unable to determine the amount of resources necessary to see the project through to completion. Benefit data can be very influential in getting a capital expenditure proposal approved. Benefit data will include information as to the return on investment that the project will generate financially but it should also include information on the benefits that the municipality will see in functionality (e.g. social benefits, political benefits, technological benefits, environmental benefits and legal benefits) throughout its system as a result of completing the project. Information in regards to the prior performance of projects and the individuals that managed them can provide some insight into the likelihood of success with the current endeavour. Lastly, in the generation of project information stage is information concerned with project risk. In this portion of information generation, it is important to ask the “what if” questions.

The quantitative risk analysis estimates real-world values for both the probability and impact. It aims to produce a reliable risk analysis however, this is not always possible due to: lack of data, the influence of human factors (i.e. uncertainty), or because the effort of assessment is too high. This is when a qualitative or semi-quantitative analysis might be more appropriate. Care has to be taken to avoid focusing quantification on the wrong risks. There is a danger of tunnel vision (diverting attention to the wrong risks and missing critical new risks). If tunnel vision occurs, risk management essentially narrows the information available instead of widening it. Managers will likely give up with formal risk analyses and instead just live and deal with the risks as they arise since their judgement and experiences seem to be a more effective use of their time. Risk analysis will always include an element of judgment that is not definable and that any verification is itself a judgment and is made on the basis of random, debatable and subjective evidence. Therefore, most calculations of risk will

contain some degree of uncertainty, especially since a lack of quantified data is the norm rather than the exception in the industry. This evidence indicates that there could be many uncertainties not accounted for in the industry.

8.2.2 QUALITY ASSURANCE PROCESS

Due to the assumptions formulated during the development of the feasibility study and the uncertainties in the risk analysis, quality assurance on the feasibility study is performed by the Strategy Office. The quality assurance process involves the assessment of the following criteria:

Quality Criterion 1: Feasibility Study
Capital Project is included in the Asset Management Plan
Problem statement is clearly defined
Failure Mode is clearly identified
Multiple solution options have been analysed

Quality Criterion 2: Life Cycle Cost Analysis
LCCA performed for the Do Nothing Option
LCCA performed for Option 1
LCCA performed for Option 2
Multiple Scenerios Investigated

Quality Criterion 3: Business Risk Exposure
Quantified population affected
Defined mean to restore service

Quality Criterion 4: Environmental Impact
Environmental impact is clearly defined

Quality Criterion 5: Spatial Efficiency
Servicing the SDF aligned corridors
Constructed in the SDF aligned corridors
Not Applicable to the SDF aligned corridors

Quality Criterion 6: Project Readiness
Design & Tender documents Completed
Revised Business Case Approved
25% Construction is complete
50% Construction is complete
75% Construction is complete

Based on the above assessment, a quality assurance score issued for each feasibility study report.

8.2.3 CORPORATE INVESTMENT COMMITTEE PROCESS

The Corporate Investment Committee (CIC) is chaired by the City Manager and the members of the committee are the Deputy City Managers, Chief Digital Officer, Corporate Audit Executive, Head of Legal and the Chief Strategy Officer. The objective of the CIC is to discuss capital projects and apportion eThekweni Municipality's capital budget. A key input to the CIC, is the comprehensive list of the quality assurance scores.

Recommendations to overcome improper project/ programme planning e.g. over-budgeting, excessive scoping and poor market timing:

- It is recommended that initial concepts (projects and programmes) should first pass through a Unit Capital Investment Committee. The Unit Capital Investment Committee should comprise of the Unit Head and Deputy Heads. The minutes of meeting should be documented and recorded. At this stage no Planning Budget (operating) is spent as internal resources are used;

- Financial Feasibility budget (R200K) [extracted from the “Strategically-Managed Planning Budget”] should then be set aside per Unit-approved project concept. During the financial feasibility study, we should be able to assess timing, scoping and high-level budgeting. It is estimated that approximately 50 projects (R10 million) per annum will fall into this category. Worst case scenario 30 projects will pass through this gate which means that R200K x 20 = R4 million will be regarded as an operating loss. A project passes this stage with an approved Quality Assurance Certificate; and
- Technical Feasibility Budget (R500K) [extracted from the “Strategically-Managed Planning Budget”] should be set aside per approved Financial Feasibility Study. The Technical Feasibility Budget should be used to firm up on the budget and develop the specifications for the tendering process. It is estimated that approximately 30 projects (R15 million) per annum will fall into this category. Worst case scenario 20 projects will pass through this gate which means that R500K x 10 = R5 million will be regarded as an operating loss. A project passes this stage with an approved Quality Assurance Certificate.

Recommendation to overcome unfavourable infrastructure delivery negotiations:

- At capital project concept stage (prior to the capital budget request), a documented negotiation strategy must be formulated for the best financial benefit to eThekweni Municipality. This strategy should be approved by the Cluster Capital Investment Committee prior to engaging with potential infrastructure delivery agents. The Cluster Capital Investment Committee should comprise of the Deputy City Manager and the Heads of the Units in the cluster.

A spatial filter has been introduced into this capital budget process to ensure that there is an evaluation of where projects are located geographically and to give higher scores to projects that are located within and support transit corridors. This is a big step forward from a spatial planning perspective since for line departments the pathway to the budget will, for the first time in eThekweni, include a spatial evaluation. The intention is that the projects and

budgets of municipal departments become aligned in geographic space and begin to be packaged in the form of programmes that are temporally aligned and that deliver integrated human settlements and public spaces as well as infrastructure & precinct management that support economic growth. This is more evident at the level of the CLDP but this logic must be applied upfront to the development of the Capital Budget project list rather than being a post facto assessment of an already existing project list.

Some of the strategic messages that emerged as a result of the strategy led budget initiative are as follows:

- Programme & Project Management Capacity & Skills;
- Single Infrastructure Plan & Pipelines of Projects;
- Systems, Processes and Supporting Technology must be invested in, in order to boost the strategic capability of the administration;
- Collaboration Structures and Capital Investment Committees need to be established/strengthened;
- Construction Interference is posing a major challenge for delivery and expenditure;
- We have tools and Institutional Structures BUT need to build time in the budget process for both Administrative and Political Engagement;
- From a strategic perspective we need to decide what we can achieve in the 19/20 MTREF cycle and what we want to target for future MTREF's;
- The consultation process requires more extensive political engagement as past practices do not accord with best practice in respect of consultation;
- Strategic capability funding, specifically for ERP consolidation and rollout, should be prioritized; and
- A pot of funding is required for feasibility studies to assist in the development of a more robust project pipeline.

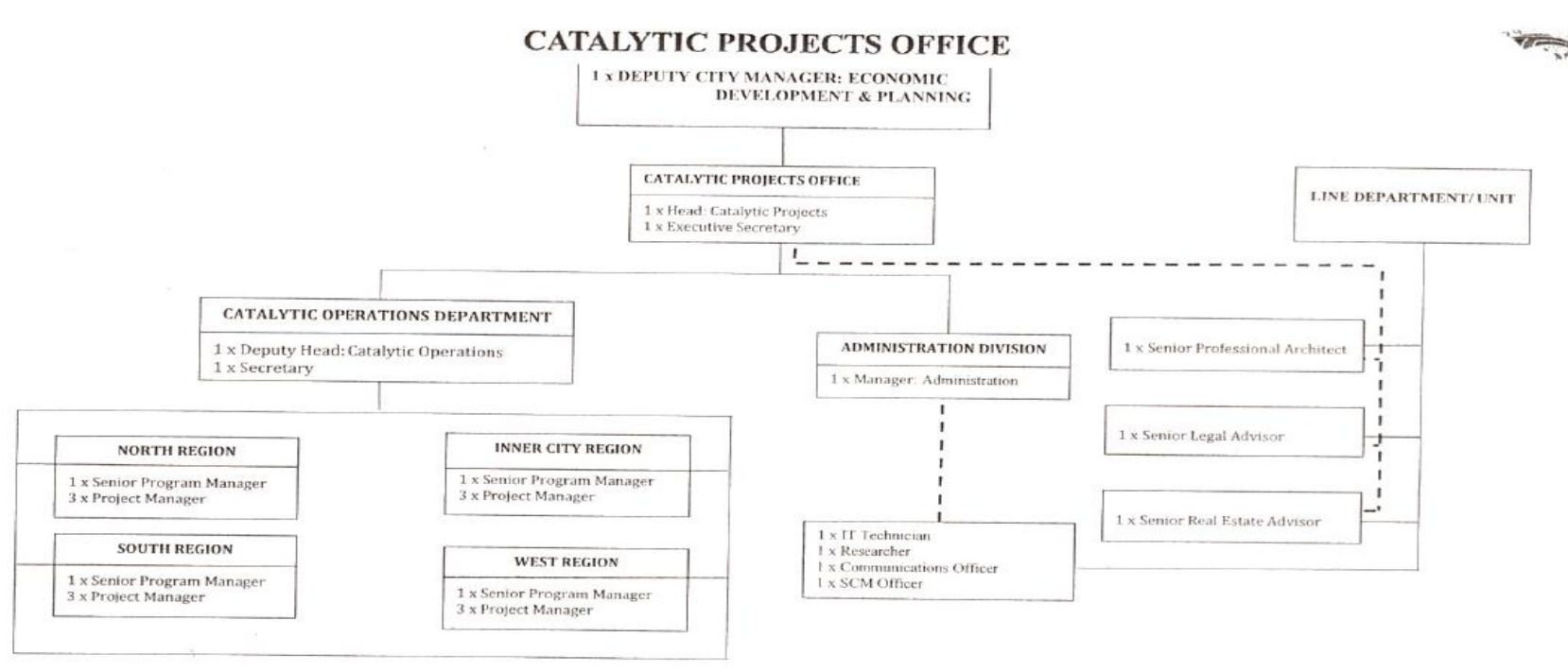
8.3 INSTITUTIONAL ARRANGEMENTS & INTER-GOVERNMENTAL RELATIONS (IGR)

8.3.1 INSTITUTIONAL ARRANGEMENTS FOR CATALYTIC DEVELOPMENT PROGRAMMES

An issue has been identified around how to best drive the development within the integration zone, but particularly the mechanisms for driving and facilitating the various Catalytic Programmes and Projects within the City. The intention is for a Catalytic Projects Unit to be established within the Economic Development and Planning Cluster within the city to facilitate these programmes/projects. Within this Unit, four Senior Programme Managers will be appointed, who will manage a team of Project Managers to help facilitate a number of programmes/projects within a certain region

of the City (North, South, Outer West and Inner City. The Programme and Project Managers will also have access to a number of support personnel with specific professional skill sets and mandated sign-off authority to enable fast tracking of project application approvals within the Unit itself. The best suited form of the team chosen for each project will be based on its scope and specific input requirements in terms of issues to be addressed. See below the latest organogram for this new Unit which was recently approved by Council.

Interim arrangements have been made to focus staff resources on the Catalytic Projects. A Catalytic Projects Office has been established in the office of the Deputy City Manager for the Economic Development and Planning Cluster. Project Facilitators have been seconded to this office on an interim basis from various Units, as a precursor to the establishment of the Catalytic Projects Unit.



PART F

9 URBAN MANAGEMENT

9.1 PREPARATION/RESOURCING/IMPLEMENTATION

9.1.1 PRECINCT MANAGEMENT ENTITIES

The City's Urban Management strategy is premised around a three-segment strategy as shown below.

For the top segment, approximately 500 km of priority routes are dealt with by all-inclusive contracts. Priority spaces are dealt with and intended to be dealt with by a combination of Special Rating Areas (SRA's), which are called Urban Improvement Precinct (UIP) in eThekweni and Management and Lot Owner Associations. There is however a realisation that there is insufficient rates base in many areas where SRA's are desired and that hybrid models with public sector co-funded may be required. In this regard Sections 85 and 86 of the Municipal Systems Act is being considered as an alternative mechanism.



Top Segment – 20% of Network that 80% of People Traverse (Freeways, main arterial, primary & secondary CBD's ~ 500km)

- Priority Spaces - UIP's, MA's, LOA's top up services
- Priority Routes - All inclusive, outcome based integrated contracts



Middle Segment – Developed Suburbia ~ 4000km

- Internal Delivery
- Rollout of WMS across all Field Teams
- Performance Management & Service Delivery Accountability Model



Bottom Segment (Rural & Developing Suburbia ~ 2600km)

- Community based Contracts, Coops etc.
- Social Economic Strategy
- Rationalised Oversight & Performance Standards

There has been a growing collaboration of the Municipality and the SA Property Owners Association (SAPOA) to promote the further development of SRA's in commercial and mixed-use areas. As a result of this engagement SAPOA has established both a Precinct Management Forum to improve the effectiveness of the sector, as well as having established the Strategic Urban Management Non-Profit Company. The Municipality will contract this company through Sect. 67 of the MFMA to provide a non-commercial service in the form of developing promoting and supporting the establishment and effective operation of commercial precinct management initiatives throughout eThekweni.

SUBURB	MARKET VALUE 2009	MARKET VALUE 2013	VALUE CHANGE 2009 TO 2013	2013 % OF TOTAL	CHANGE % FROM 2009 TO 2013
UMHLANGA RIDGE	4 609 850 000	8 036 692 000	3 426 842 000	10.5	74
CBD	6 928 473 000	7 834 807 000	906 334 000	10.3	13
PINETOWN	2 256 346 000	2 685 508 000	429 162 000	3.5	19
AMANZIMTOTI	515 456 000	600 415 000	84 959 000	0.8	16
VERULAM	231 640 000	359 626 000	127 986 000	0.5	55
ISIPINGO RAIL	315 245 000	304 185 000	-11 060 000	0.4	-4
UMBOGINTWINI	32 300 000	204 550 000	172 250 000	0.3	533
TONGAAT CENTRAL	178 810 000	147 400 000	-31 410 000	0.2	-18
ISIPINGO HILLS	147 570 000	136 390 000	-11 180 000	0.2	-8
UMKOMAAS	79 540 000	112 259 000	32 719 000	0.1	41
ISIPINGO BEACH	87 325 000	64 660 000	-22 665 000	0.1	-26

The following six commercial and mixed use SRA's are in operation:

- South Beach UIP, North East Business UIP and the CBD UIP. These three Inner City SRA's are jointly managed by the Urban Improvements Precincts Company; and
- The Umhlanga Village UIP, the Umhlanga Promenade UIP and the Florida Road UIP are all managed by the Urban MGT company.

In general, mixed use SRA's are not favoured as it proves too difficult to secure the founding vote between large numbers usually sectional title residential properties and a smaller number of commercial properties.

Commercial SRA's initiatives are underway in Glenwood, Musgrave, Stamford Hill, Umbilo (industrial), Pinetown CBD and the Northern Beachfront Management Associations are in place typically in private sector commercial property development areas, typically done by Tongaat Hulett, including Riverhorse Valley Business Estate, Bridge City, Sibaya, Cornubia and the uMhlanga Ridge. The Point Waterfront also has a Management Company. What is common in this model is that the developer has structured in a levy with the property purchase that funds the precinct management company services.

Lot Owners

Associations exist in Phoenix and a few other older Municipally developed Industrial Parks.

The Municipality / SAPOA collaboration is also focused on the development of Municipal policy to enable wider replication of precinct management initiatives throughout priority economic nodes, engaging in national processes to improve the enabling legislation and to improve the effectiveness and efficiency of the existing Precinct management entities,

The case for change is clearly articulated in the table below where it is apparent that historic high value areas are experiencing a declining or flat trend which poses a risk to municipal income. Areas with some form of urban management, like Umhlanga, demonstrate much higher property growth levels.

Areas with historical high value properties such as the CBD's and secondary CBD's are clearly in decline or having very flat growth. The table above illustrates this reality. As such there is a very real income risk to the municipality given that property values are a proxy for rates income.

The developments over the past year have been guided by the view of, the City Planning Commission that the City needs to do more about forging partnerships with stakeholders. In this regard a high-level City / SAPOA workshop was convened by the City Manager in January to give impetus to the partnership.

Township and other emerging nodes have also been identified as areas requiring a precinct management approach, however recognizing that the SRA mechanism will not apply. There are nevertheless a number of pilot projects at the initiation stage. The City has an Area Based Management Institutional structure which cover sub-regional areas larger than a precinct. Nevertheless, the ABMs provide a vehicle through which the Municipality does deploy a cross cutting management function. This consists of three main service levels:

- Identifying and facilitating response to infrastructure maintenance issues;
- A socio-economic development interface between the Municipality and communities; and
- Monitoring and reporting on faults and service delivery matter and assisting with accountability Council Line Departments, including monthly exception reporting up to the level of political committees.

A service delivery charter is under preparation to articulate the service levels applicable to all services and to ensure a commitment from the relevant Departments. This Charter will form part of a Customer Relations Strategy and is intended to be supported by a compatible and integrated CRM module of the current ERP system.

Emerging and declining economic areas determines as priorities in accordance with the Urban Network strategy are as shown below:

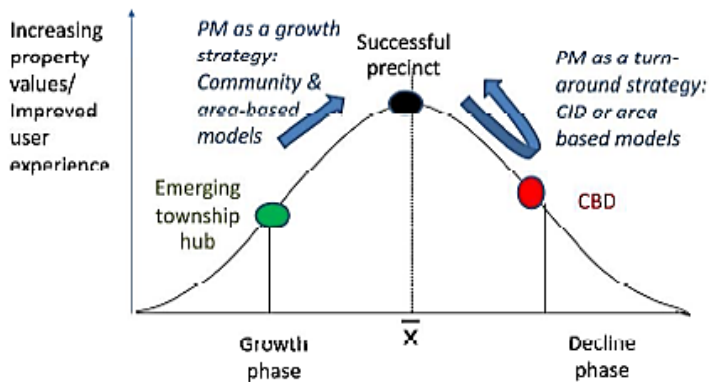
Emerging Township Nodes	Declining CBD Nodes
KwaMashu	Durban

Umlazi	Pinetown
Inanda	Amanzimtoti
Ntuzuma	Verulam
Clermont	Tongaat
Lamontville	Isipingo
	Umkomaas

A National Treasury funded project has been agreed to map all economic nodes throughout eThekweni onto the GIS. This will establish spatial and property data to determine focus areas, for example which are the emerging commercial nodes in large townships like uMlazi. This will also integrate data related to the sections of the BEPP dealing with Integration zones and economic nodes to establish a prioritisation for where the Municipality / Private sector partnership should focus its collective energy and resources.

The UNS recognises that the above 2 categories of nodes will require support in the form of subsidisation to bridge the gap between the base services provided by the City & the top up services that are affordable to the property owners within the SRA, as reflected in an approved business plan, and the levels of service required to make a positive difference on the ground. This is the essential difference between emerging and declining nodes as compared to established nodes.

These realities are shown in the 2 figures below:



A National Treasury funded project has been established to develop a pilot initiative in each of these two categories. The first focusses on the KwaMashu Town Centre and its linking corridor to Bridge City. The second will focus on the South Beach mixed use area of the Inner City.

A process is also being initiated to develop greater precinct management coverage in the Inner City which has only partial SRA/UIP coverage as shown in the diagram below. The intention is to maximise the area of coverage, establishing contiguous managed precincts and with the ultimate goal of wall to wall management initiatives.



9.2 RESIDENTIAL SPECIAL RATING AREAS (SRAS)

SRAs have been established in a number of middle- and upper-income suburbs, where high crime levels have been the main driver. These include:

- Maytime Community Association;
- The Burlington UIP;
- Florida Road UIP; and
- Giba Gorge Environmental Precinct.

Another six residential initiatives are underway in the Westville area.

The Municipality retains a passive approach in accepting residential SRA applications, but at this stage there is no emphasis in the promotion of the system in residential areas.

PART G

10 REPORTING & EVALUATION

10.1 ADOPTION & MEASUREMENT OF SHORT- AND MEDIUM-TERM OUTCOME INDICATORS

After a period spanning two financial years, and involving the CSP and the Municipality, a set of 54 indicators has been developed to measure the achievement of the BEPP. They are grouped into four categories:

- Well-governed city;
- Inclusive city;
- Productive city; and
- Environmentally sustainable city.

For the 2018/19 BEPPs, metropolitan cities are required to report on the baselines and set targets for 8 indicators and national is required to provide baselines for 9 indicators for which cities will need to set targets. These indicators are captured below.

The process to identify internal process drivers for each indicator, and to identify information systems which will provide the information needed and then to determine the baselines and targets for the range of KPIs began in 2016 and is continuing. The process has in many instances been slow as is often the case with newly introduced performance information that needs to be gleaned from the municipal system and where owners need to be identified to take responsibility for reporting on the new KPIs. This process has been further slowed due to changes to the spatial extent of the Integration Zone which has meant that the calculations have needed to be re-done to determine baselines. The setting of targets is often related to the budget allocation and hence these decisions need to be made by the Heads of Departments (as opposed to KPI owners at senior management level) since it requires strategic oversight on relative budget allocations to various programmes. There are also confirmations required from a number of

organisations external to the municipality who are required to provide some of the data elements required for the calculation of the outcome indicators. The end result of all these factors is that many of the baselines and targets are yet to be completed. These BEPP indicators are being included as part of the outcomes report for 2018/19 and where baselines and targets are still being finalised, the outcome report will reflect as such.

10.1.1 BEPP INDICATOR BASELINES AND TARGETS:

eThekwini is in the process of incorporating the BEPP outcome indicators into its SDBIP. Due to the fact that for the bulk of these new indicators, there are currently no systems in place to gather and process the requisite information, it is not possible to establish baselines let alone to set targets. This is being addressed via pilot assessments of existing databases and linking databases and it is hoped that during the course of 2019/20 that we will be in a position to deal with the current shortcomings. As a metro we need to take a stance and drive development and investment decisions in accordance with the transformational outcomes we wish to achieve.

CITY TRANSFORMATIONAL INDICATOR

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
T1. Targeted investments in integration zones	WG13. Percentage change in the value of properties in Integration Zones	Work in progress. Included in 18/19 but targets have not been provided. There is no TID - is there a reason why?	There is a TID for City Transformation indicator WG13 on the Master Table tab. It appears in column DT of Appendix B (the MExcel sheet and the file published on the National Treasury website with the release of the circular). It appears the WG13 tab was omitted but all of the content is still there on the Master table.	
	CC2. Number of land use applications processed in integration zones as a percentage of the total number of land use applications submitted city-wide	<p>Information is generated based on applications that would have been received for processing. Targets provided beyond the baseline are not accurate as we have no control to predict how many will be received at any given time. However, targets have been set.</p> <ol style="list-style-type: none"> 1. Targets beyond the baselines are not accurate as we cannot control/ predict development applications. 2. What is meant by processed? Suggestion is to use the word finalised. 	These indicators are set at an outcome level and should be informed by historical baselines. Metros are expected to take a stance and employ strategies in relation to land use and development outside the urban edge. They should be able to set medium-term targets informed by a baseline.	Now able to report - able to provide data for actual but targets are meaningless.

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
	<p>CC3. Number of building plan applications processed in integration zones as a percentage of the total number of building plan applications city-wide.</p>	<p>Should be building permit applications as opposed to building plan applications per the SNDB World bank study. Information is generated based on applications that would have been received for processing. Targets provided beyond the baseline are not accurate as we have no control to predict how many will be received at any given time. However, targets have been set. TID is not populated - why?</p> <ol style="list-style-type: none"> 1. The indicators should refer to building permit applications to standardise with the SNDB initiative. 2. Targets beyond the baselines are not accurate as we cannot control/ predict development applications 3. What is meant by processed? Suggestion is to use the word finalised. 4. If an application is re-submitted, do we count it as a new application? 	<p>The TID for City transformation CC3 is populated on the Master Table tab in column DV. It appears a link has broken between the tab for CC3 and the Master table. No response for change in wording. These indicators are set at an outcome level and should be informed by historical baselines. Metros are expected to take a stance and employ strategies in relation to land use and development outside the urban edge. They should be able to set medium-term targets informed by a baseline.</p>	<p>Just started collecting building plan application in integration zones. Will only be able to report at end of June 2019.</p>
	<p>PC4. 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.</p>	<p>Work in progress. Included in 18/19 but targets have not been provided.</p> <ol style="list-style-type: none"> 1. There may only be a minimal change in the results of this KPI as valuations are not done annually. 2. How should mixed use properties be treated? 		

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
T2. Reduction in urban sprawl	CC1. Hectares approved for future development outside the 2015 urban edge as a percentage of Hectares allocated for future development as defined by the 2015 MSDF	<p>Information is generated based on applications that would have been received for processing. Targets provided beyond the baseline are not accurate as we have no control to predict how many will be received at any given time. However, targets have been set.</p> <p>Using wrong year for urban edge - 2018 adopted in SDF and it's a very different line now. Some areas outside urban edge has their own development lines eg Hillcrest, Mpumalanga which have their own "urban" areas. Which urban edge is being referred to?</p> <ol style="list-style-type: none"> 1. Targets beyond the baselines are not accurate as we cannot control/ predict development applications. 2. Why are we using the 2015 figures – eThekweni has a reviewed SDF for 2018 and there has been a drastic change? 3. Some areas outside the urban edge have their own development lines which is also considered an urban edge. Which urban edge is being referred to? 	<p>These indicators are set at an outcome level and should be informed by historical baselines. Metros are expected to take a stance and employ strategies in relation to land use and development outside the urban edge. They should be able to set medium-term targets informed by a baseline.</p>	

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
	IC5. Ratio of land use types (residential, commercial, retail, industrial) in integration zones	<p>Work in progress. Included in 18/19 but targets have not been provided. We have no baseline information as the land use information has not been updated for the past 15-18 years. This work requires a fair amount of resources over a sustained period and our attempt to outsource proved to be too expensive (submissions received were between R20-30m). We have now started doing this internally on an incremental basis but this is not ideal as it will take us more than 3 years to cover the integration zone alone by which time most of the info will be out of date. Going forward, a mechanism to generate baseline info and update same on an ongoing basis is required and this is where we require assistance from NT. In the meantime, we can attempt to define realistic 3-5 year targets within the parameters of the prevailing constraints.</p> <p>National Treasury's assistance is requested. We have no baseline information as the land use information has not been updated for the past 15-18 years. This work requires a fair amount of resources over a sustained period and our attempt to outsource proved to be too expensive (submissions received were between R20-30m). We have now started doing this internally on an incremental basis but this is not ideal as it will take us more than 3 years to cover the integration zone alone by which time most of the info will be out of date. Going forward, a mechanism to generate baseline info and update same on an ongoing basis is required and this is where we require assistance from NT. In the meantime, we can attempt to define realistic 3-5 year targets within the parameters of the prevailing constraints.</p> <ol style="list-style-type: none"> 1. We do not collect GLA data and are therefore currently unable to report on this indicator. We can provide zoning data but this is different to land use types/ GLA. Furthermore, our land use data is outdated so results will not be accurate. 2. What does lettable mean i.e. only inside building or outside too? 3. The indicator refers to land use types but the formula refers to GLA – please clarify what is required. 		No target but data is being collected so will be able to report. Land use surveys are being done to allow for coding of the land use - Buddy will use data to develop ratio.
T3. New housing options with social diversity	IC1. New subsidised units developed in Brownfields developments as a percentage of all new subsidised units city-wide	<p>Included in 18/19 with targets provided.</p> <ol style="list-style-type: none"> 1. What is meant by developed i.e. at what stage? 		

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
	IC2. Gross residential unit density per hectare within integration zones	<p>Work in progress. Included in 18/19 but targets have not been provided. We have no baseline information as the land use information has not been updated for the past 15-18 years. This work requires a fair amount of resources over a sustained period and our attempt to outsource proved to be too expensive (submissions received were between R20-30m). We have now started doing this internally on an incremental basis but this is not ideal as it will take us more than 3 years to cover the integration zone alone by which time most of the info will be out of date. Going forward, a mechanism to generate baseline info and update same on an ongoing basis is required and this is where we require assistance from NT. In the meantime, we can attempt to define realistic 3-5 year targets within the parameters of the prevailing constraints.</p> <p>National Treasury's assistance is requested. We have no baseline information as the land use information has not been updated for the past 15-18 years. This work requires a fair amount of resources over a sustained period and our attempt to outsource proved to be too expensive (submissions received were between R20-30m). We have now started doing this internally on an incremental basis but this is not ideal as it will take us more than 3 years to cover the integration zone alone by which time most of the info will be out of date. Going forward, a mechanism to generate baseline info and update same on an ongoing basis is required and this is where we require assistance from NT. In the meantime, we can attempt to define realistic 3-5 year targets within the parameters of the prevailing constraints.</p> <ol style="list-style-type: none"> 1. We have zoning data which is different to land use. Our last land use survey was done 15-18 years ago. The attempt to obtain a service provider to do. Update the land use data was too costly so it is being done by current staff, in addition to their normal work. This is a very slow process. We require Assistance/ advice as it will probably be time to restart by the time we finish. 2. We are unable to set targets but the results will reflect the trend. 		<p>In plan approval process, starts with LUMS assessment. Form has been amended so applicant ticks whether development is in an integration zone or not. When application goes to dev planning, will be able to pick up data for development in integration zones. Target cannot be set but actual reported will show a trend over time. Can guide but can't enforce. Land use survey done when we were only central as opposed to unicity. Check what level of detail is required by NT - our scope with cost of R30m may be much more detailed than NT needs.</p>

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
	IC3. Ratio of housing types in integration zones	<p>Work in progress. Included in 18/19 but targets have not been provided. We are uncertain of the number of subsidy units built by the private sector so this cannot be measured...</p> <p>1. We are unable to calculate the complete figure as we do not know the number of units built by the private sector. Further guidance is required.</p> <p>Gap Hsg - HS to provide for those developments facilitated by HS. If private developers don't come via HS, no way of knowing if they get the subsidy from Province. Developers can build a block of flats to a value of R500k and approach Province for the subsidy. We don't track. HS figures will be provided as at date of completion of the unit/s.</p>		
	IC4. Ratio of housing tenure status in integration zones	<p>Work in progress. Included in 18/19 but targets have not been provided. the TID shows it is Metro responsibility but the data is only from Stats SA. Is this for Metro reporting?</p> <p>1. What does partially owned mean?</p> <p>2. What does rented mean in data element D1 i.e. rented from whom?</p>	<p>It was initially hoped that we could get data from StatsSA but it is not statistically significant at the level of integration zones. So, in summary, the TID is incorrect and it should say that it is for metro reporting for all elements.</p>	
	IC6. % households accessing subsidy units in integration zones that come from informal settlements	<p>Included in 18/19 with targets provided. However, we are unable to calculate complete figure - subsidy units also provided by private sector. Subsidies catering for new CRU units including GAP/Social Housing units have been factored into the MTEF delivery within the Prime Investment Corridor. The latter is largely provided by the private sector and Social Housing Institutions. We can supply BNG housing figures.</p> <p>1. We are unable to calculate the complete figure as we do not know the number of units built by the private sector. Further guidance is required.</p>		

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
T4. Affordable and efficient public transport services	IC7. Number of all dwelling units within Integration Zones that are within 800 metres of access points to the integrated public transport system as a percentage of all dwelling units within Integration Zones	<p>Work in progress. Included in 18/19 but targets have not been provided. We have no baseline information as the land use information has not been updated for the past 15-18 years. This work requires a fair amount of resources over a sustained period and our attempt to outsource proved to be too expensive (submissions received were between R20-30m). We have now started doing this internally on an incremental basis but this is not ideal as it will take us more than 3 years to cover the integration zone alone by which time most of the info will be out of date. Going forward, a mechanism to generate baseline info and update same on an ongoing basis is required and this is where we require assistance from NT. In the meantime, we can attempt to define realistic 3-5 year targets within the parameters of the prevailing constraints.</p> <p>National Treasury's assistance is requested. We have no baseline information as the land use information has not been updated for the past 15-18 years. This work requires a fair amount of resources over a sustained period and our attempt to outsource proved to be too expensive (submissions received were between R20-30m). We have now started doing this internally on an incremental basis but this is not ideal as it will take us more than 3 years to cover the integration zone alone by which time most of the info will be out of date. Going forward, a mechanism to generate baseline info and update same on an ongoing basis is required and this is where we require assistance from NT. In the meantime, we can attempt to define realistic 3-5 year targets within the parameters of the prevailing constraints.</p> <p>We are unable to calculate complete figure - subsidy units also provided by private sector. Subsidies catering for new CRU units including GAP/Social Housing units have been factored into the MTEF delivery within the Prime Investment Corridor. The latter is largely provided by the private sector and Social Housing Institutions. We can supply BNG housing figures.</p> <p>1. There is a concern about the definition of access points. Taxi stops are not included. However, taxi stops are difficult to measure. The definition should indicate that these should be ignored if that is the case.</p>	Same as IC5	
	IC8. Percentage share of household income spent on transport costs for different household income quintiles city-wide	The TID shows that this indicator is for National reporting. NT has indicated that we should include the indicator and use the data from National. However, it has not been included in 18/19 as the NT response was received too late, and no data has been received from National yet.		

Outcome	Integrated Outcome Indicator	Comment/ query/ concern	National Treasury response	Internal PME notes
	IC9. Capital expenditure on integrated public transport networks as a percentage of the municipal capital expenditure	The TID shows that this indicator is for National reporting. NT has indicated that we should include the indicator and use the data from National. However, it has not been included in 18/19 as the NT response was received too late, and no data has been received from National yet.		
	IC11a. % learners travelling for longer than 30 minutes to an education institution	The TID shows that this indicator is for National reporting. NT has indicated that we should include the indicator and use the data from National. However, it has not been included in 18/19 as the NT response was received too late, and no data has been received from National yet.		
	IC11b. % of workers travelling for longer than 30 minutes to their place of work	The TID shows that this indicator is for National reporting. NT has indicated that we should include the indicator and use the data from National. However, it has not been included in 18/19 as the NT response was received too late, and no data has been received from National yet.		

10.1.2 SECTOR DEVELOPMENT OUTCOMES AND OUTPUTS AS PER SECTOR PLANS 2018/19 AND DRAFT SDBIP 2018/19

Each of the Eight IDP Plans has performance Indicators and budget. Sector Plans are unpacked into the Eight Plans. Plan 3 – Quality Living Environment, receives about 85% of the capital budget, and its KPIs and targets are shown below.

Item	Measure	Unit
1. Integrated housing & interim services to informal settlements		
• The number of subsidized HOUSES constructed/ built.	5003	No.
• The number of new fully subsidized housing units allocated.	6012	No
• Hectares of land acquired for subsidized Housing	150	Ha
• The number of households benefitting from serviced sites handed over for subsidised housing units	3096	No
2. Rental and Gap housing strategy		
• CRU's - upgrading, refurbishment, and construction of new family units (at existing hostels).	90	No.
• Sale of rental and BNG housing	4500	No.
• Upgrade and refurbishment of pre-1994 housing units	160	No.
3. Title deeds strategy		
• Number of Title Deeds submitted to the Deeds Registrar for registration for subsidized housing	2000	No
• Number of Title Deeds issued to owners for subsidized housing	1500	No
3. Address Infrastructure backlogs		
• Built Environment Performance Plan	100	%
• The number of consumer units provided with access to AT LEAST a FREE basic level of SANITATION by means of a UD toilet, an existing VIP or, for informal settlements, by	15000	No

means of a toilet/abluion block within 200m		
• The number of consumer units provided with access to AT LEAST a FREE basic level of potable WATER either by means of an indiv hh yard supply (ground tank or metered flow limiter connected to a yard tap) or, for informal settlements, by a standpipe within 200m	10000	No
• The % of non-revenue water loss.	39	%
• The percentage of households with access to AT LEAST a basic level of Water	95.31	%
• The percentage of households with access to AT LEAST a basic level of Sanitation	85.96	%
• The percentage of estimated indigent households provided with free basic services: Sanitation	68.81	%
• The percentage of estimated indigent households with access to a free basic service: Water	92.87	%
• The Cumulative number of consumer units collecting FREE BASIC ELECTRICITY	1 101 705	No
• The number of connections energised and captured on Ellipse, for provision of prepaid electricity to residential dwellings	20 000	No
• The number of connections energised and captured on Ellipse, for provision of conventional electricity to residential dwellings	800	No
• The percentage of households with access to a basic level of electricity	79.50	%
• The percentage of estimated indigent households collecting free basic services: Electricity	16	%
• Electricity losses (technical and non-technical) as a % of electricity purchases.	8.50	%
• The percentage of households with access to a basic level of Solid Waste Removal.	100	%
• 100% of estimated indigent households with access to a refuse removal service once a week	100	%
• The % of municipal landfills in compliance with the Environmental Conservation Act.	100	%

<ul style="list-style-type: none"> The number of properties below the eThekweni defined level of service provided with STORMWATER solutions. 	440	No
<ul style="list-style-type: none"> The number of km of SIDEWALK constructed. 	39	No
<ul style="list-style-type: none"> The km of unsurfaced ROAD converted to surfaced. 	12	No
<ul style="list-style-type: none"> The number of PUBLIC TRANSPORT RANKS constructed. 		
4. Infrastructure asset management		
<ul style="list-style-type: none"> Submit the 17/18 Integrated Infrastructure Asset Management Plan to Chief Strategy Officer in order to inform the 18/19 budget 	100	%
<ul style="list-style-type: none"> Integrated Infrastructure Asset Management Plan Level 2 - All Sectors 	100	%
5. Implement an effective public transport plan for the Municipality		
<ul style="list-style-type: none"> Detailed Design of Phase of the (IPTN) Project. 	100	%
<ul style="list-style-type: none"> Passengers using accessible scheduled public transport services 	65 000	No.
<ul style="list-style-type: none"> Passengers using scheduled public transport services 	29 500 000	No.
<ul style="list-style-type: none"> Implement an effective public transport plan for the Municipality 	90.38	%
<ul style="list-style-type: none"> Improve Road Safety by Conducting Road Safety Awareness at schools and implementation of speed humps & intersection improvements 	103	No

PART H

11 BEPP SUPPORT

11.1 CITY SUPPORT IMPLEMENTATION PLAN (CSIP)

11.1.1 STRATEGIC SUPPORT

eThekwini has been assisted by the City Support Programme under National Treasury for the last 5 years across five themes which are contained in the column headings of the table below.

In 2018 a Strategic City Review was undertaken by the CSP team. This was a rapid assessment of the strategic position of the eThekwini Metropolitan Municipality, to identify areas which can benefit from support offered under the CSIP. This review helped to frame the content of the CSIP. A number of the areas of support identified are being carried over from previous years but there are numerous additions to the basket and these will need to be requested from national treasury.

City Governance	Human Settlement	Economic Development	Climate Resilience	Public Transport
Transversal Management Practices	City wide upgrading plan – Toolkit	Support to SNDB performance	CR&S for city leaders	Pilots: City Bus Integration
BEPP process management support	BEPP integration of Housing Strategy Model	Investigate and propose other forms of spatial industrial policy	CR project pipeline	Strategic Sessions Public Transport Financing
Catalytic Programmes	Facilitating use of public employment in informal settlements	Support to develop and implement coherent TED workplans	Streamlined environmental management	

Open Data	Promote consumer education	Zoning, planning and regulatory practices in townships	BEPP support (tools)	
Innovations in City Data	Backyard / small scale rental project	Generate data on 'where people live'	Data and indicators for CR (Circular 88)	
CIDMS Metro Roll out	Massive small-scale project innovation support - inclusionary housing & TOD development projects along precincts	Support to SNDB performance	CR&S for city leaders	

The five themes are unpacked in more detail below.

Core City Governance support is as follows:

- Transversal Management Practices:
- IPTN Corridors as acupuncture programmes/UK Prosperity Fund projects;
- Safety/safer cities Safer Cities (possibility of creating an app) urban safety; and
- Informal Settlements upgrading TM;
- Catalytic Programmes Support:
- Clairwood Node/Corridor partnerships models;
- City to conclude on what it does with Cornubia and King Edward Node support; and
- Ongoing support on Catalytic Programmes;
- Innovations in City Data:
- Project to be resumed with a City Lead from city - GTAC is gearing up capacity to do this in ETK;
- Property value chain streamlined;

- Smart City – road map and implementation strategy support; and
- Urban Observatory– preparing the business plan for the Urban Observatory (some data work with UK Prosperity Fund)
- CIDMS roll-out:
- Link to the One IDMS implementation in cities; and
- City is a pilot already.

Human Settlement support as follows:

- City wide upgrading plan – Toolkit:
- Prioritisation has begun per informal settlement; and
- Partnership with SDI and PPT in place;
- BEPP integration of Housing Strategy Model:
- Model being finalised; and
- Incorporation of assumptions into BEPP in the next BEPP;
- Facilitating use of public employment in informal settlements:
- Linked to SDI work on data collection; and
- Support programmes on approaches to PE;
- Promote consumer education:
- Civic education a critical need in cities into their contributions into the housing process;
- Backyard / small scale rental project:
- New project needs testing with city; and
- If not needed, will be canned;
- Massive small-scale project innovation support - inclusionary housing & TOD development projects along precincts:
- This is linked to TM work on corridors; and
- Some informal settlements located on corridors will be targeted.

Economic Development support as follows:

- Support to SNDB performance:
- Support on each indicator;
- Support with Registering Property, esp. titling; and

- Support on institutionalising the property value chain work;
- Investigate and propose other forms of spatial industrial policy:
- Work began on economic industrial sites as part of urban management; and
- City does need to form part of discussions on industrial policy;
- Support to develop and implement coherent TED work plans:
- City intent on framing their approach to township economic development;
- Zoning, planning and regulatory practices in townships:
- Critical support to align spatial transformation agenda with regulatory practices to enable township economic development;
- Generate data on 'where people live':
- Critical project for city in improving its intelligence for economic programmes and social programmes esp. informal settlements.

Climate Resilience support as follows:

- Water resilience:
- Look at the implementation of Water Demand Management strategy; and
- Check opportunities for peer learning;
- CR project pipeline:
- Review of the programme pipeline; and
- Testing possibility for green finances;
- Data and indicators for CR (C88):
- Look at the current Circular 88 indicators; and
- City form part of the discussions on indicators for CR;
- Streamlined environmental management:
- National process? – city inputs?
- Informal waste reclaimer integration:
- New project to support waste management programmes.

Public Transport support as follows:

- Pilots: City Bus Integration:
- ETK will benefit from this process due to their own bus operations;
- Strategic Sessions Public Transport Financing:
- Although this is a national process, inputs from cities will benefit overall process.

PART I

12 REFERENCES AND ACRONYMS

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BEPP	Built Environment Performance Plan
BNG	Breaking New Ground
BoP	Back of Port
CBD	Central Business District
CBO	Community-Based Organisation
CIC	Capital Investment Committee
CIF	Capital Investment Framework
CMDA	Cato Manor Development Association
CMPR	Central Municipal Planning Region
CPC	City Planning Commission
CRU	Community Residential Units
CSIR	Council for Scientific and Industrial Research
CSP	Cities Support Program
DCM	Deputy City Manager
D'MOSS	Durban Metropolitan Open Space System
DBSA	Development Bank of South Africa
DCM	Deputy City Manager
DORA	Division of Revenue Act
DPASA	Department of Public Service & Administration
DSW	Durban Solid Waste
DTP	Dube Trade Port
DWA	Department of Water Affairs
EIA	Environmental Impact Assessment
EMA	eThekwini Metropolitan Authority
EMF	Environmental Management Framework
EPWP	Expanded Public Works Programme
ETA	eThekwini Transport Authority
EWS	eThekwini Water Services
FAP	Functional Area Plans
FAR	Floor Area Ratio
GDP	Gross Domestic Product
HDA	Housing Development Agency
HPPTN	High Priority Public Transport Network
HSDG	Human Settlements Development Grant

IAMP	Integrated Infrastructure Asset Management Plan
ICDG	Integrated Cities Development Grant
ICT	Information & Communications Technology
IDP	Integrated Development Plan
ILO	International Labour Organisation
IMR	Infant Mortality Rate
INEPG	Integrated National Electrification Programme Grant
INK	Inanda Ntuzuma KwaMashu
IRM	Infrastructure Reporting Model
IRPTN	Integrated Rapid Public Transport Network
ITP	Integrated Transport Plan
IZ	Integration Zone
KPI	Key Performance Indicator
KSIA	King Shaka International Airport
KZN	KwaZulu-Natal
KZNPGRS	KwaZulu-Natal Provincial Growth and Development Strategy
LED	Local Economic Development
LEFTEA	Less Formal Township Establishment Act
LUF	Land Use Framework
LUMS	Land Use Management System
MCPP	Municipal Climate Protection Programme
Metro	Metropolitan Municipality
MFMA	Municipal Financial Management Act
MSA	Municipal System Act
MTREF	Medium Term Revenue and Expenditure Framework
NDP	National Development Plan
NDPG	Neighbourhood Development Partnership Grant
NDPP	Neighbourhood Development Partnership Program
NEMA	National Environmental Management Act
NGO	Non-Government Organisation

NHBRC	National Home Builders Registration Council
NHRA	National Heritage Resource Act
NMPR	Northern Municipal Planning Region
NMT	Non-Motorised Transport
MOF	Ministry of Finance
NPC	National Planning Commission
NPO	Non-Profit Organisation
NSDP	National Spatial Development Perspective
NT	National Treasury
PGDS	Provincial Growth & Development Strategy
PPF	Project Preparation Facility
PPP	Public-Private Partnership
PPT	Project Preparation Trust
PSP	Professional Service Provider
PTIG	Public Transport Infrastructure Grant
RFP	Request for Proposals
ROI	Return on Investment
SCM	Supply Change Management
SCM	Supply Chain Management
SDBIP	Service Delivery Business Implementation Plan

SDF	Spatial Development Framework
SDP	Spatial Development Plan
SEZ	Special Economic Zone
SIP	Strategic Infrastructure Projects
SMME	Small, Micro and Medium Enterprises
SMPR	Southern Municipal Planning Region
SOE	State Owned Entity / Enterprise
SPLUMA	Spatial Planning and Land Use Management Act
TEU	Twenty Foot Equivalent
UN	Urban Network
UNS	Urban Network Strategy
USDG	Urban Settlements Development Grant
WMPR	Western Municipal Planning Region
WSA	Water Services Authority
WSDP	Water Services Development Plan
WTW	Water Treatment Works