

GUIDELINE FOR TRANSITIONING OUT OF PLANNING REFORMS AND BEPPS TO SHARPEN THE PLANNING TOOLS

Title:	Supplementary Guidance Note for the Built Environment Performance Plan (BEPP) 2020/21– 2022/23: Transitioning out of Planning Reforms & BEPP to sharpen the Planning Instruments, 12 November 2019
Purpose:	<p>To guide metropolitan municipalities in the preparation of their BEPPs 2020/21– 2022/23 in terms of the annual Division of Revenue Act (DORA) as it relates to:</p> <ul style="list-style-type: none"> a) Transitioning out of BEPPs to sharpen the planning tools b) Providing access to new tools and/or support developed in 2019/20; and c) Timeframes for the formulation of the BEPPs. <p>Spatial planning and land use management is primarily a municipal function in terms of SPLUMA and the precedent-setting ruling of the Constitutional Court (2010). The BEPP Guidelines do not usurp the municipal function of spatial planning and land use management. They seek to work collaboratively with metropolitan municipalities to share good practice, within the context of efforts by the national government to introduce a more enabling policy and regulatory environment to achieve more compact metropolitan municipalities. The planning alignment and reform advocated by the BEPP Guidelines (and its inherent approach, tools and instruments) are part of package of reforms complemented by national regulatory, fiscal, monitoring and reporting reforms.</p>
Target Audience:	The primary target audience is metropolitan municipalities. A secondary target audience is relevant national and provincial departments and public entities with investment programmes in metropolitan areas.
<p>This BEPP Guidance Note for 2020/21 – 2022/23 must be read with:</p> <ol style="list-style-type: none"> 1. The Guidance Note: Framework for the formulation of Built Environment Performance Plans (September 2017) Guidance Note: Framework for BEPPs; the Supplementary Guidance Note (September 2017) BEPP Supp Guidance 2018/19; and the Supplementary Guidance Note (March 2019) Supp Guidance Note CR 2. The Division of Revenue Bill and Act (2020) including the grant frameworks, related policy documents or guidelines associated with the Integrated City Development Grant (ICDG), the Urban Settlements Development Grant (USDG), the Public Transport Infrastructure Grant (PTIG), the Neighbourhood Development Partnership Grant (NDPG), the Integrated National Electrification Grant (INEP) and the Human Settlements Development Grant (HSDG). 3. The Annual Budget Circulars issued in terms of the MFMA (2003) 4. Circular 88 Rationalising Planning and Reporting Requirements (2017) Circ 88 and the updated Circular 88 (2019) C88 Addendum 	

These Guidelines have been consulted with all 8 metropolitan municipalities, the National Treasury, the Department of Planning, Monitoring and Evaluation, the Department of Cooperative Governance, and the Department of Agriculture, Land Reforms and Rural Development since August 2019. By 12 November 2019, all parties mentioned agreed to the content of this Guideline.

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1. Introduction

1.1. From its inception in 2014/15 as a tool of the Integrated City Development Grant (ICDG), a grant administered by the National Treasury, the BEPP was never intended to be a permanent addition to the existing number of plans in the planning system. It was previously used as a tool of the Urban Settlements Development Grant (USDG) when it was introduced by the Department of Human Settlements in 2011/12. The BEPP was meant to reform planning to the extent that spatial transformation outcomes could be achieved.

2. Progress with Planning Reforms

2.1 National Treasury proposed terminating the BEPP as a plan in 2016 but retaining the use of the planning approach and practice during a session on the Annual Evaluation of the BEPPs but the metros convinced the National Treasury that it was too early to do so, and so BEPPs remained in the planning system. During the Planning Reforms Seminar in June 2018 one of the key recommendations made was to use the BEPP to strengthen the range of plans and especially the SDF and IDP. At the same time, during the Planning Reforms Seminar, COGTA announced that Review of the IDP Guidelines. Now in 2019/20 we find ourselves with about a year and half away from the next term of office for local government in 2021/22.

2.2 BEPPs and the outcomes-led planning approach, including the related intergovernmental planning process provides practical and tested planning reforms for reforming city development strategies/growth and development strategies, IDPs and SDFs, with a conscious and practical way of directly linking planning, budgeting, implementation, monitoring and reporting to achieve the outcome of spatial transformation.

- 2.3 The key recommendations from the Planning Reforms Seminar in June 2018 were to:
- a) Follow through with DRDLR on adopting the BEPP Guidelines as requirements for the Capital Expenditure Framework (CEF) part of MSDFs in terms of SPLUMA
 - b) Strategically enhance the BEPP Guidelines by (a) mainstreaming Climate Resilience into planning and (b) clarifying how the BEPP relates to CIDMS
 - c) Use the experience of BEPPs to inform the:-
 - Review of IDP Guidelines
 - Planning, Monitoring and Evaluation Bill (DPME)
 - Introducing a city and spatial perspective in to the intergovernmental planning and budgeting process with a focus on national and provincial governments and SOEs
 - Formulation of the NSDF and PSDFs
- 2.4 Progress with the implementation of the above recommendations to date are:
- a) In respect of recommendation 1 above, many metros submit their BEPP as the CEF of their MSDF. DRDLR is aware of this practice and in favour of it, but it has not gone through the official process in DRDLR for approval. The ICM pilot cities produce a “BEPP Lite” as their CEF with the focus being on infrastructure development. In the meantime, by July 2018, the CIDMS was completed, and the rollout of CIDMS is proceeding in all metros during 2019. This is alongside the piloting of the Long Term Financing Strategies (LTFS) for metros – an example of financial reform. There is now a clear distinction between the BEPP and the CIDMS, as well as the CIDMS and CLDP. The CIDMS and LTFS should collectively be the Capital (Expenditure) Investment Framework, while the BEPP is the spatial targeting strategy of the MSDF.
 - b) In respect of recommendation 2 above, the BEPP Guidelines were enhanced with a Supplementary Guidance Note issued in March 2019 that mainstreams climate resilience into the BEPP.
 - c) In respect of recommendation 3a above, the BEPP is to be used to enhance the IDP guidelines, a current project between the SACN, CSP and all 8 metros based on the acknowledgement by COGTA that there should be metro-specific IDP guidelines (adopting a differentiated approach to municipalities).
 - d) In respect of recommendation 3b above, comments sent by National Treasury to DPME in 2018 on the Integrated Planning Framework Bill used, in part, the experience of planning reforms and BEPPs.
 - e) In respect of recommendation 3c above, the IGR Division in National Treasury managed in July 2018, to introduce a city and spatial perspective in to the intergovernmental (planning and) budgeting process with a focus on national and provincial governments and SOEs. This was approved by the Budget Council and is now being implemented. The aims and objectives of this intervention is similar to that of Operation Khawuleza launched by the Presidency in 2019.
 - f) In respect of recommendation 3d above, the Draft NSDF is yet to be tabled for approval by Cabinet. In the meantime metros have strong spatial targeting plans that are used to influence the formulation of provincial spatial development frameworks in as far as supporting municipal spatially targeted areas. Many metros are yet to adopt the spatial targeting approach, process, practice and content of their BEPPs into their MSDFs.

3. Institutionalisation of Planning Reforms

3.1 Given the progress made to date with planning reforms, it is now possible to begin institutionalising some of the reforms. **“Institutionalisation” in the context of the BEPPs refers to using the BEPP *planning content, process, practice and approaches* from the Planning Reforms project to strengthen the relevant city frameworks, strategies and plans, and especially the SDF and IDP noting that there are plethora of frameworks, strategies and plans.** The institutionalisation process has been planned in the following way:-

- a) **Providing support to cities** to use Outcomes-Led Planning (OLP), Strategy-Led Budgeting (SLB) and influencing and incorporating the relevant provincial, national and SOE plans and budgets into their spatially targeted areas in all relevant metropolitan plans such as the GDS/CDS, BEPP, SDF, CIDMS and LTFS.
- b) Institutionalising planning, budgeting and reporting reforms in cities through **advocating the use of tools** such as JSIP/CP3/CaPS and the Fiscal Impacts Tool.
- c) **Development of Knowledge Products**, in addition to the existing knowledge products, on (1) Standardisation of development planning terminology; (2) Municipal finance guide for municipal development planners and engineers; (3) Development planning guide for municipal finance officers and engineers; (4) CIDMS Guide for municipal finance officers and municipal development planners; and (5) Collate existing knowledge products into one planning, budgeting and reporting training manual. Technical Assistance will be required by the Project Manager.
- d) **Training** – Continued Professional Development; curriculum development, etc. targeted at municipal planning, budgeting and reporting officials as well as practitioners in the field.

4. The importance of aligning planning, budgeting and reporting reforms

4.1 This memorandum deals with the process for institutionalisation in respect of **providing support to cities** to use Outcomes-Led Planning (OLP), Strategy-Led Budgeting (SLB) and influencing and incorporating the relevant provincial, national and SOE plans and budgets into their spatially targeted areas in all relevant metropolitan plans such as the GDS/CDS, BEPP, SDF, CIDMS and LTFS. While the focus of this memorandum is on the institutionalisation of planning reforms, there is a conscious effort to recognise the inter-relatedness between planning, budgeting and reporting, which collectively make up the Urban Reforms Programme in National Treasury – see Diagram 1 below.

Diagram 1: Alignment of Planning, budgeting and reporting



4.2 Planning, budgeting and reporting reforms are inter-connected and thus need to be aligned. The reporting reforms project between NT, DPME and COGTA has made significant progress with the issuing of Circular 88 on Rationalising Planning and Reporting. The planning reforms project has established outcomes led planning and spatial targeting as the planning approach to achieve spatial transformation in all metropolitan municipalities, backed by a planning instrument and range of tools – the Built Environment Performance Plans (BEPPs). All metros have now developed credible BEPPs that improve their internal alignment around a strategy and investment programme for spatial transformation. The budgeting/fiscal/financial reforms have also made progress to date with the introduction of the Municipal Standard Chart of Accounts (mSCOA), and the imminent approval of the Policy Framework for Development Charges, with work in progress on reviewing the municipal borrowing framework and long term financial strategies.

4.3 Improved planning by itself will not result in spatial, economic and social transformation in cities. Strengthening the link between intergovernmental spatial planning and intergovernmental budgeting via an intergovernmental project pipeline is more likely to deliver the outcomes we seek. Therefore as the urban spatial perspective in the budgeting process moves from introduction to refinement and establishment/institutionalization; as budget information is requested, collated and analysed in a way that promotes the allocation of funding against plans that contributes directly to the spatial transformation of our cities, the planning and budgeting horizons should be increased from 3 to 5, 10, 15 and 20 years. This will require the simultaneous improvement of the key planning frameworks (SDFs/BEPPs/IDPS); any legislative, policy or regulatory changes; and the development of a spatial budgeting mix linked to asset management and spatial plans of the cities. Current work on the Capital Budgeting and Public Investment Management Framework should take cognizance of spatial imperatives. Both the investments from the private sector and households need to enter the process as strides are made with the alignment and coordination of intergovernmental planning and budgeting.

5. Current planning Reform Initiatives in Government

5.1 There is a range of current planning reform initiatives in government that will complement the planning reforms institutionalisation process:-

- a) The Department of Agriculture, Land Reforms and Rural Development (DALRRD) accepts BEPP as Capital Expenditure Framework (CEF) of MSDF, but still needs to do so officially. However upon reflection, this may be short-sighted since different legislation /regulations /guidelines call for either a CEF or a Capital Investment Framework (CIF) – this needs urgent resolution between the National Treasury, DALRRD) DALRRD) and COGTA. Questions to be asked in this respect are:-
 - Would a consolidated infrastructure plan, rooted in SDF and linked to longer term financing strategies be the ideal CIF?
 - With the CEF being the 5 year Expenditure Framework linked to infrastructure asset management as part if IDP with the MTREF remaining as the 3 year rolling revenue and expenditure framework?
- b) **COGTA** has agreed that metros work with themselves, SACN and CSP to go beyond providing comments on the Draft IDP Guidelines, and produce metro specific guidelines. This provides the opportunity to get clarity between longer terms frameworks and strategies and term-of-office plans (IDP). Partner on Circular 88
- c) **DPME** – Post **National Development Plan** focus is on **NDP implementation**, draft NSDF, MTSF (request for spatial referencing), Government Priorities. Partner on Circular 88
- d) **National Treasury** has
 - Wrapped up piloting CIDMS
 - Reaching milestone on LTFS
 - Provided a clear difference between CLDP and CIDMS
 - Documented lessons learnt form Planning Reforms, in alignment with Financial and Reporting Reforms, and started institutionalisation
 - Discussing the potential overlap in infrastructure with the DPW
- e) **The Presidency Khawuleza District Development Model** (2019) with COGTA driving the model which is an effort to co-ordinate government's effort with respect to service delivery, spatial integration and economic development using districts and metros
- f) **Public Works & Infrastructure** – National Treasury and Public Works are working out the details on how to collectively monitor infrastructure post 2019 election

5.2 An analysis of the current planning reforms initiatives raises concerns over the range of plans currently in the planning system and their related timeframes. There are too many longer term Frameworks or Strategies for different sectors, and then a Term-of-Office Plan, the IDP, and related Budget and SDBIP. The opportunity afforded by COGTA to review the IDP Guidelines brings with it the opportunity to rationalise the range of plans and sort out timeframes.

5.3 Besides the National Development Plan, **longer term planning is not common practice in government with national sector departments** required to produce 5 year Strategic Plans and a MTSF with the process for Annual Performance Plan being focused on M&E of the performance of the previous year, and an outline of adjustments for coming 3 years

5.4 **Very few, if any departments, have spatially referenced strategies or plans.** The former DWS, now DHSWS, is the only national sector department that spatially references their programmes. The Department of Human Settlements produced a Master Spatial Plan/Framework for Human Settlements some time in 2014/15, and are currently following a process to declare Priority Development Areas (PHDAs). The PICC has strategic information mapped for the country, and there are a few SOEs and other departments such as the Gauteng Planning Division that spatially reference their plans, programmes and projects. However there are no common norms and standards for government departments and entities for spatial referencing.

5.5 Frameworks & Strategies should be longer term, at least 20 years, and ideally 40 years (full life cycle of infrastructure assets which form the foundation of development). Furthermore Frameworks & Strategies should be informed by a theory of change (TOC) with clear, measurable outcomes and the desired impacts (many of which are clearly stated in the National Development Plan) which would form the basis of the longer term sustainability of the city. The planning approach should be outcomes-led; the process should be iterative, informed by reality on the ground and directly rooted in legislation and policy. Frameworks & Strategies should include:-

- a) The Spatial Transformation Strategy generally referred to as the SDF; and
- b) The City Infrastructure Development Management Strategy/System, and
- c) The longer Term Financial Strategy
- d) The above three Key Strategies should guide the Sector strategies such as
 - Economic Development Strategy;
 - Climate Resilience Strategy;
 - Housing and Human Settlements Strategy;
 - The Integrated Public Transport Strategy; and
 - The Growth Management Strategy.

Sector strategies should comply with sector policy, legislation, regulations and norms and standards, but also be integrated with other sector strategies and directly and positively contribute to the spatial transformation strategy, infrastructure development and financial sustainability of the city.

- e) The Land use Management System that would guide development on the ground to achieve the outcomes in the SDF.

5.6 The above Frameworks and Strategies should then be used to directly guide the Term-of-Office Plan, that is the IDP, and the resulting Service Delivery and Implementation Plan, and related financial and performance monitoring. This would result in the re-organisation of Frameworks, Strategies and Plans as outlined in the Diagram 2 on the next page.

6. Institutionalisation Roadmap

Readiness for institutionalisation

6.1 It is proposed that the institutionalisation process be practical, implemented incrementally but systematically, and monitored annually to gauge progress and make refinements where necessary. We have 2 cities who are willing to pilot the transition, and these 2 cities prove to have mature, good

quality BEPPs. Both the cities of Johannesburg and Cape Town are ready to start the institutionalisation:-

The City of Johannesburg

- a) Had a focus on the **Inner City** soon after the 1994 elections and Soweto has always been a city priority;
- b) Introduced **Corridors of Freedom and spatial targeting** in 2013/14 long before it became a firm requirement in the BEPP Guidelines – this has continued into current term of office, although with lesser emphasis;
- c) Had Corridors of Freedom and spatial targeting in the **SDF** prior to 2016, and in 2016 went further and chose a **compact polycentric urban form** as their outcome outlined in the SDF;
- d) Is the first municipality in the country to approve an **Inclusionary Housing Policy**;
- e) Notwithstanding being a leader in planning as outlined above, found value in doing a BEPP.

The City of Cape Town

- a) Incorporated a very specific **spatial targeting approach** in adopting their 2016 SDF;
- b) Has itself realised that there has been less value in doing the BEPP over the last 2 years, and that **it was better to build the value-add of the BEPP into their new Strategic Management Framework and process**;
- c) Discussed the above with National Treasury, and given the original intentions of the National Treasury to not add yet another plan into the planning system, and taking into consideration the key recommendations from the Planning Reforms Seminar in 2018, **National Treasury welcomed the opportunity to build the value-add of the BEPP into their new Strategic Management Framework and process** since CPT offered to pilot the transition from the BEPPs to sharpen the planning instruments.

6.2 The outline above is based on observations by the CSP. The cities would be able to provide their own motivations to be exempted from the BEPP on the basis that the planning reforms inherent in the BEPP would be used to enhance the longer term frameworks and strategies as well as the IDP and related processes of planning.

Diagram 2: Current Government initiatives suggest a proposed re-organisation of frameworks, strategies &



Assessment Criteria

6.3 The CSP proposes the criteria to be used to assess the longer term frameworks and strategies as well as the IDP and related processes of planning be based on the best practices as identified at the Planning Reforms Seminar in June 2018, and any work subsequently on planning reforms. The criteria, as outlined below in Table 1, is based on a clear response to, or evidence where necessary, of the following in the set of aligned metro plans (CDS/GDS; SDF; CIDMS; LTFS, IDP, SDBIP).

Table 1: Criteria for the assessment of metropolitan plans

Criteria	Focus of assessment
1. Theory of Change for City Transformation ¹	<ul style="list-style-type: none"> Evidence of a clear TOC to address city transformation in line with national policy directives – SPLUMA & IUDF Evidence of alignment with TOC in all plans and budget
2. Outcomes-Led Planning and Spatial Targeting ²	<ul style="list-style-type: none"> Have outcome statements been used to directly influence planning? Has the circle been closed by adopting the Circular 88 indicators? Are the spatially targeted areas clearly evident from frameworks through to strategies and implementation plans?
3. Strategy-Led Budgeting ³	<ul style="list-style-type: none"> Is there a longer term financing strategy to resource the CIDMS? Is the budget spatialized? Has MSCOA been implemented?
4. Alignment of Public Infrastructure Investment in spatially targeted areas in metros (Annexure 2 and Part C of BEPPs) – process and outputs ⁴	<ul style="list-style-type: none"> Has the city managed to get intergovernmental stakeholders to disclose their Programmes and related Budgets? Is the evidence that here is a move from disclosure to joint planning? What is the extent of alignment of intergovernmental planning and budgeting?
5. Adoption of spatial planning, prioritisation and budgeting tools ⁵	<ul style="list-style-type: none"> Does the city have a process or system/tool in place to filter programmes and projects submitted for approval? What criteria does the city use to approve projects for funding and Implementation? Does the city distinguish between priority programmes and projects? Do priority programmes and projects have a greater weighting than others?
6. Does the city have longer term frameworks and strategies in comparison to the term-of-Office plan (IDP) or 5 year plans?	<ul style="list-style-type: none"> Does the city have a SDF? CDS/GDS? Are there longer term sector strategies for Human Settlements, Public Transport, Economic Development, Climate Resilience, Financial Sustainability, Infrastructure Asset Management

¹ Knowledge Product available at [Outcomes Led Planning](#)

² Knowledge Product available at [Outcomes Led Planning](#)

³ Knowledge Product available at [Strategy Led Budgeting](#)

⁴ Knowledge Product available at [Spatially Targeted Public Infrastructure Investment](#)

⁵ Knowledge Product available at [Aligning Planning and Capital Budgeting Tool](#) and [Fiscal Impacts Tool](#)

6.4 There four elements of planning that is implicit in the criteria outlined in Table 1 above – that is the planning approach, content, practice and process:-

- a) **Planning Approach:** The planning approach is outcomes-led, using predetermined outcomes that can be measure the performance of the built environment, to inform the planning process. Transit-oriented development and spatial targeting are key planning concepts that drive the outcomes-led approach and inform the budgeting process.
- b) **Planning Content:** The planning content is the substance of the plan and the related key outputs of the plan e.g. Catalytic Land Development Programmes; the Intergovernmental Programme Pipeline; budgeting that is led by the planning strategy and outcomes; and results on the performance of the built environment.
- c) **Planning Practice:** Planning practice is about the professional agency of planners and related built environment practitioners, municipal financial practitioners including monitoring and reporting practitioners.
- d) **Planning Process:** The planning process is the collective activities that constitute the Built Environment Value Chain (BEVC), a standardised, logical set of interactive and iterative activities that should result in a well performing built environment that produces the outcome of a compact city that is more inclusive, productive, resilient and sustainable and thus better governed. The process includes intergovernmental planning and budgeting, that is across the spheres of government and including the communities / households and the private sector investment in the built environment.

A Fair and Transparent Mechanism to Assess the Institutionalisation of Planning Reforms

6.5 The mechanism to be used to assess the institutionalisation of planning reforms will be the **Urban Reforms Assessment Team** comprising representatives from the following four departments: National Treasury, COGTA, DARDLR and DPME. All of these departments except DARDLR are “transversal departments.” DARDLR is amongst the transversal departments since they have the mandate for spatial planning and land use management.

6.6 This **Urban Reforms Assessment Team** will be established in November 2019 and be governed by the following Terms of Reference:

- a) Assess the motivation from the cities of Cape Town and Johannesburg in November 2019 to be exempted from submitting a BEPP to access the Built Environment Grants in terms of the Division of Revenue Act 2020. In other words the team will consider motivation and from the CPT and COJ outlining why there is need to transition out of the BEPP (city rationale) and what internal/city commitment they are prepared to make for the process going forward.
- b) Make recommendations to National Treasury on the proposed changes to DORA 2020 in terms Section 14 and any Built Environment Grant Framework to include cities *exempted* from submitting a BEPP to access their Built Environment Grants (but still subject to specific grant conditions not linked to BEPP submission) – this needs to be done by end November 2019.
- c) Assess the BEPPs of the six other metros (BCM, NMB, MAN, EKU, TSH, ETK) at the end of July 2020.
- d) Assess the Medium Term Strategic Frameworks (MTSFs) Strategic Plans (SPs); Annual Performance Plans (APPs) and Budgets of the relevant SOEs, national and provincial sector

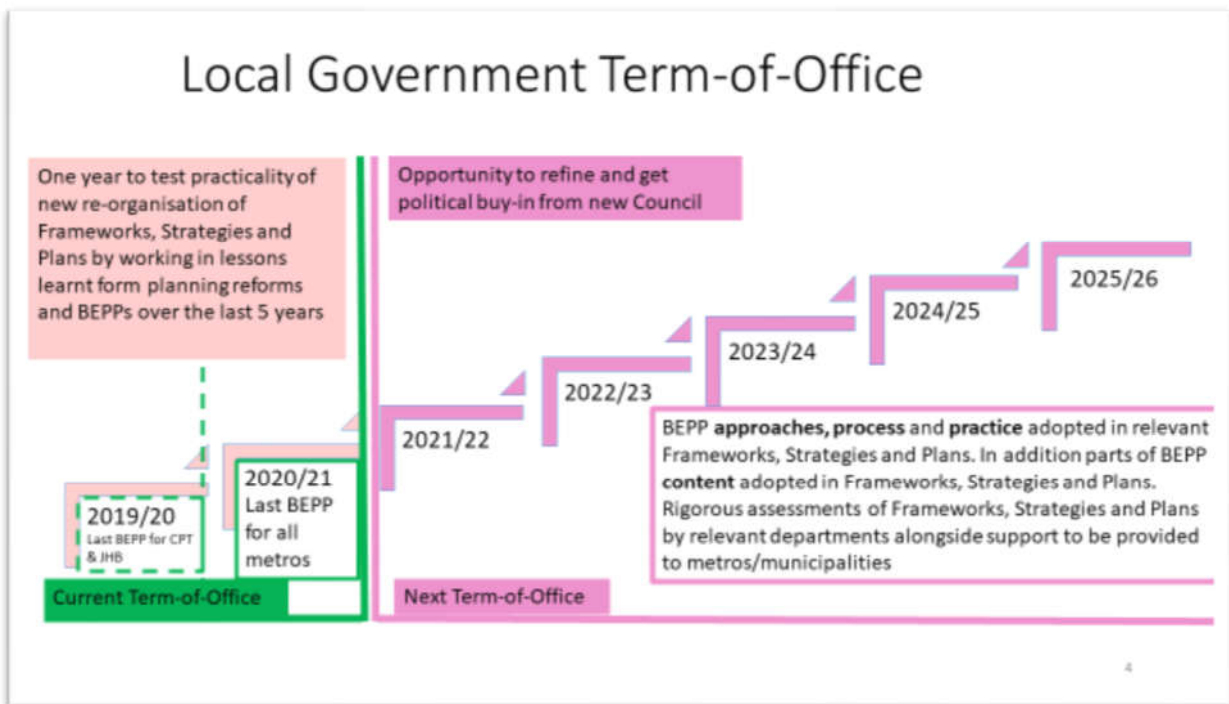
departments, Provincial Infrastructure Development System (IDMS) to assess the extent of alignment, if any, to metropolitan city development strategies, framework, plans and budgets mentioned in paragraph 5.5 above. These assessments will be scheduled as soon as the MTSFs, SPs, APPs, etc., are made available in 2019/20.

- e) Assess the Draft APPs annually in July and provide an opportunity for the entity/department to jointly plan with the metro during August – November and incorporate the results of the joint planning in their APP by January. The metros will then incorporate the entity’s/department’s approved plan into their metro tabled plans and budgets as part of the Intergovernmental Programme Pipeline by March annually, and ultimately into their council approved plans and budgets. This will happen annually until 2025/26 which will be the end of next term of office for local government.

Timeframes

6.7 In terms of the time-frames for local government, the new term-of-office will begin sometime in 2021/22, and the next national/provincial election will be in 2024. The diagram below shows the current and next local government term-of-office.

Diagram 3: Timeframes for Local Government



6.8 The cities of Cape Town and Johannesburg will not be required to submit a BEPP for the 2020/21 MTREF. However they will be required to use their BEPPs to enhance their metropolitan plans for the 2020/21 MTREF, and the plans for the new term-of-office. The other six metros will produce their last Council Approved BEPP by 31 May 2020. The Urban Reforms Assessment Team will assess the draft BEPPs and Tabled City Plans and Budget for the 2020/21 MTREF of the 6 other cities in time for the 2020 Budget Benchmarking Engagements with the assistance of a Technical Team to provide an independent assessment.

6.9 All metros should use the opportunity to review the performance for the current-term-of-office, and start the technical planning for the new term-of-office by using the planning reforms and BEPP to enhance their plans and budget. The CSP is ready to provide support in this respect.

6.10 All key metropolitan plans will be assessed in terms of the criteria set out in Table 1 above from 2020. An independent assessment done by consultants will assist the Urban Reforms Assessment Team to assess the plans, and the officials on the Urban Reforms Assessment Team from the various departments will be encouraged to do their own assessments too. This will be in addition to the normal assessments done e.g. assessment of IDPs by provincial COGTA.

6.11 The Urban Reforms Assessment Team will continue to assess the Tabled and Council Approved City Plans and Budgets for 2021/22 until the end of the term for local government in 2025/26

6.12 Given that city plans are to reflect “all of government plans in city spaces/jurisdiction” the Urban Reforms Assessment Team will also need to assess the plans of provincial and national sector departments including SOEs to determine the extent to which the plans contribute to spatial transformation, developing a more inclusive economy and co-ordinated service delivery.

6.13 While the annual local government planning and budgeting process includes “all of government stakeholders” (provincial, national and SOE), very few of the provincial, national and SOE processes includes municipalities. Not all municipalities have to be included for all provincial, national and SOE processes for planning and budgeting – a differentiated approach can be adopted where metros and other non-delegated municipalities join the provincial benchmarking engagements and sector functional group engagements that are part of the annual planning and budgeting process. The provincial benchmarking engagements take place annually in December-January. The sector functional group engagements take place during July-August annually. There are also Provincial Infrastructure MTECs to which the metros and other non-delegated should be invited. SOEs have corporate plans and the SOEs should invite metros and other non-delegated municipalities to participate in their planning process at the relevant times of the year.

6.14 Specific SOEs, Provincial and National governments should have “BEPP”//Urban Spatial Perspective representatives appointed by their DG/CEO to participate in the annual Intergovernmental Planning and Budgeting process, and their performance should be measured on the extent to which they are able to positively contribute to urban spatial transformation developing a more inclusive economy and co-ordinated service delivery.

6.15 The following selection of departments/SOEs are based on the need expressed by cities in terms of their experience over the last 5 years through the BEPP process:

COGTA	DTI
DALRRD	DEA
DHSWS	PRASA
DPW	TRANSNET
DOT	ESKOM
	SANRAL

6.16 Outlined below is the Joint Planning Calendar (using local government calendar as the centre):-

Local government Calendar:

- Plans and Budgets tabled by 31 March annually
- Plans and Budgets approved by 31 May annually
- Planning between July and September annually
- October-November is for strategic Review and Planning
- December-January is for mid-year planning and budget adjustment including Review of audited results
- Jan-Feb is for Mid-Year Budget Engagement (national oversight)

IDMS / Provincial Infrastructure

- First Draft Plans due in June annually
- Final plans tabled and gazetted within first 2 weeks of March annually
- So Provincial IDMS need to do joint planning with metros / local government during April and May annually to have meaningful input from metros / local government in their first draft plans in June annually
- Then there will be time for the provincial IDMS to fine-tune their plans with metros / local government a between July –October annually. This will enable metros / local government to take this into their annual strategic review and planning.
- Infrastructure MTEC in August annually
- Provinces have mid-year review in July/August annually
- Provinces load 1st DRAFT draft/indicative Budget for MTEC in August and Benchmarking in December/January
-

National Sector Departments and SOEs

Same as for provincial government.

Term-of Office Plan is 5 years.

Longer Term plans should be at least 20 years - 40 years.

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