BUFFALO CITY
METROPOLITAN MUNICIPALITY

DRAFT BUILT ENVIRONMENT

PERFORMANCE PLAN

2017/2018

Draft 1

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INTRODUCTION

PROFILE OF THE BUFFALO CITY METROPOLITAN MUNICIPALITY

The Buffalo City Metropolitan Municipality is the key urban centre of the eastern part of the Eastern Cape and is located central to most parts of the Eastern Cape with approximately 68 kilometres of coast line. The municipality was separated from the Amathole district municipality in 2011 to form a metropolitan municipality. The buffalo city metropolitan municipality consists of both urban and rural areas on either side of the urban areas; with East London being the largest of the urban settlements. Other urban settlements of the city are King Williams Town, Berlin and Bisho which is the provincial administrative centre. The Buffalo City Metro has a population of 834 997 which is predominately Xhosa with 83.75% of the population speaking the it a their first language, followed by English (8.28%) and Afrikaans (6.87%)

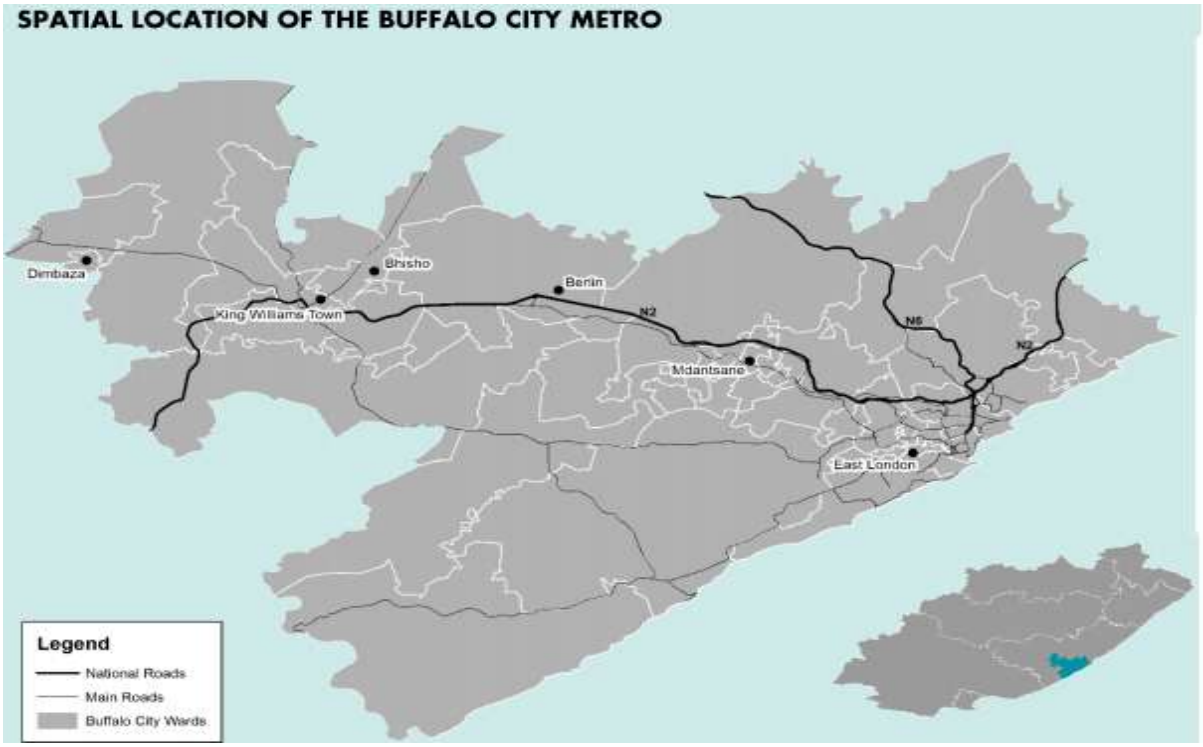


Fig 1: Spatial location of BCMM

The Buffalo City Metro accounts for 11.6% of the 6.9 million population of the Eastern Cape. According to the census community survey approximately 97.7% of the population in BCMM have access to piped water in 2016 a slight shift from the 97.3% in 2011. The percentage of people staying in traditional and formal dwellings has decreased in 2016 to 4.2% and 70.2% from 5.2% and 71.9% in 2011 respectively, while the population of those that reside in informal dwellings has increased from 22.2% in 2011 to 24.9% in 2016. In 2016 75.4% of the population of BCMM had access to flush toilets, up from 71% in 2011. The number of people using pit latrines, buckets and those with no access to toilets has decrease from 18.8%, 1.4% and 7.2% in 2011 to 15.9%, 1.2% and 3.0% respectively

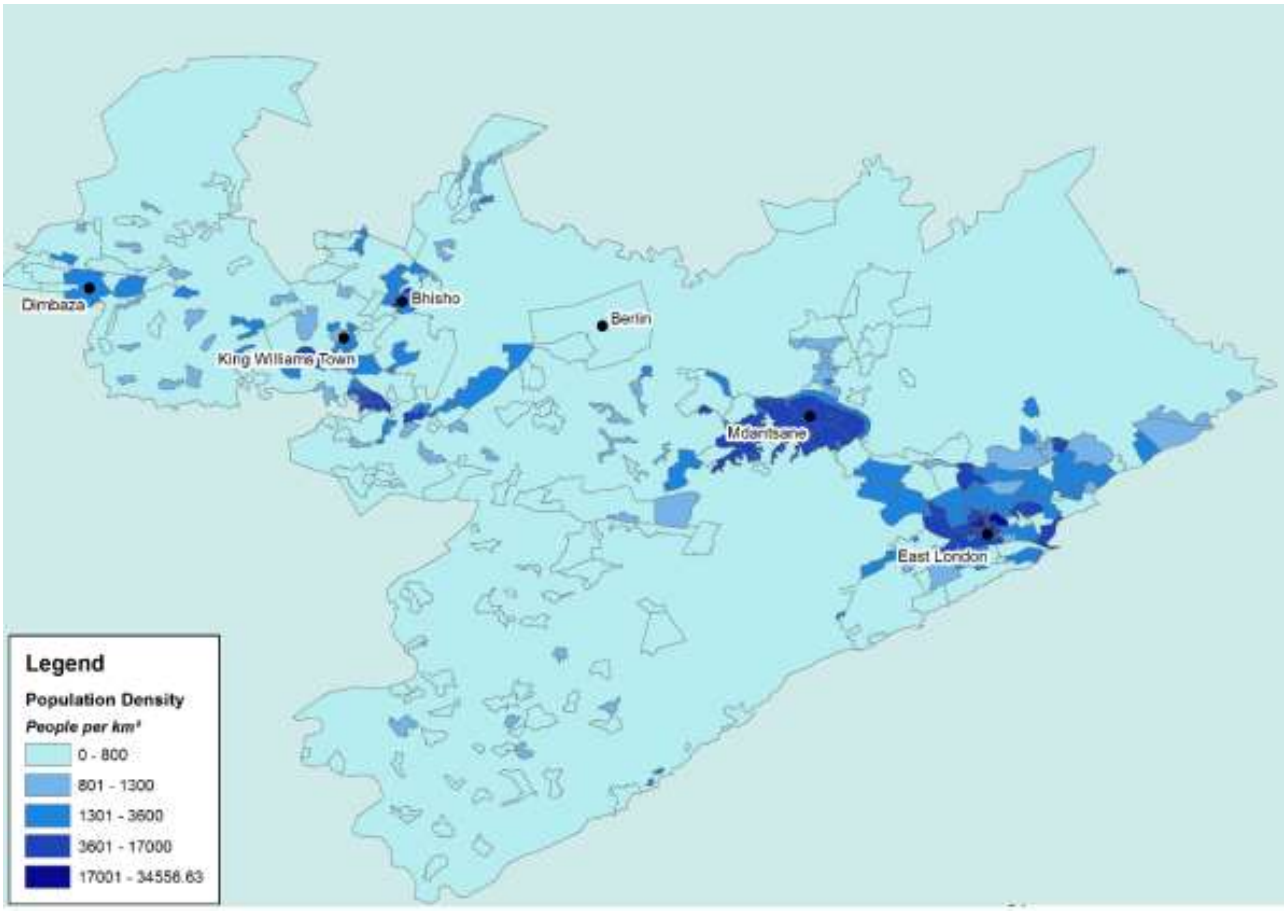


Fig 2: Population density of Buffalo City Metropolitan Municipality

Dwelling Type:

Of these 253 477 households, 70.2% are formal dwellings, 24.9% are informal dwellings and the remainder consist of traditional dwellings. The following is a summary of the Socio-Economic profile of BCMM's according to the **ECSECC 2014 report**: **GDP**. BCMM contributed about 20.9% in GDP to the Eastern Cape Province and about 1.6% to the whole of South Africa. In 2013 the growth rate of the economy was at 1.3% for BCMM as compared to 1.9% for the whole of South Africa. This growth was contributed mainly from Manufacturing which constituted about 24.2%, followed by the Finance, Insurance, Real Estate and Business Services sector that contributed 23.67% to the GDP. General Government is at 15.37%, transport, storage and communication at 11.7%, Wholesale and Retail, catering and Accommodation is at 12.17%

Human Development Index (HDI)

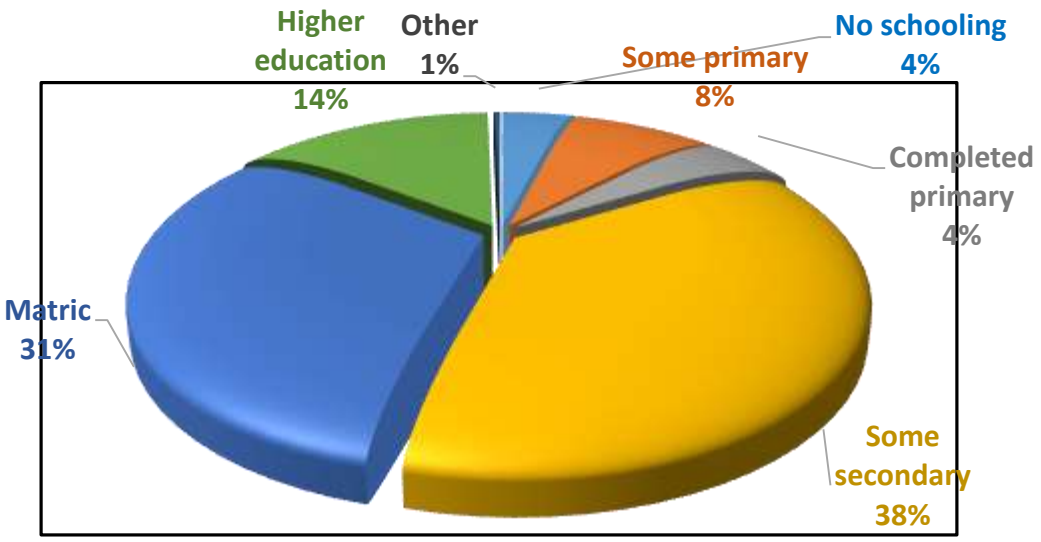
The HDI is a composite statistic used for ranking by level of Human development. The HDI for the Metro has been dropping as has been for the whole of South Africa and the Eastern Cape Province mainly due to the HIV/Aids pandemic and stood at 0.55 in 2013. For the whole of South Africa HDI dropped from 0.625 in 1995 to 0.553 in 2013. Whilst for the EC province the value dropped from 0.582 in 1995 to 0.503 in 2013.

Gini Coefficient

The Gini Coefficient for BCMM stood at 0.65 as compared to 0.66 for the EC province in 2013. This value still indicate inequality within the Metro in spite of the improvement as compared to previous years. The Gini coefficient for the whole of South Africa was 0.65 in 2013.

Education level

The population within BCMM considered to be functionally illiterate stood at 19.5%, but as at Community Survey 2016, only about 12.6% of the population is functional illiterate, i.e. with no schooling at all. The diagram below represents those 20 year and older in terms of schooling and only about 4% has no schooling as at CS 2016.



Employment status

Unemployment was at 21.4% for the metro in 2013, with about 28.3% for the EC province. The functional group constitute about 61.3% of the population for the Metro as at Community Survey 2016, and unemployment is at an average of 27.84% in 2016 according to the quarterly survey reports.

Poverty

Generally the number of people living in poverty is on the decline and for BCMM the figure stood at 47%, as compared to 40% for the whole of South Africa and 55% for the EC province.

SECTION A

A.1. BEPP IN RELATION TO OTHER STATUTORY PLANS

The BEPP is complimentary to the metro's other strategic documents, including the Integrated Development Plan, the Budget, the Spatial Development Framework, the Draft Metro Growth and Development Strategy and the Human Settlement Plans. The BEPP represents an investment strategy towards fulfilling its objectives of an inclusive city, sustainable and productive city which are spatially transformed and more compact in its development approach.

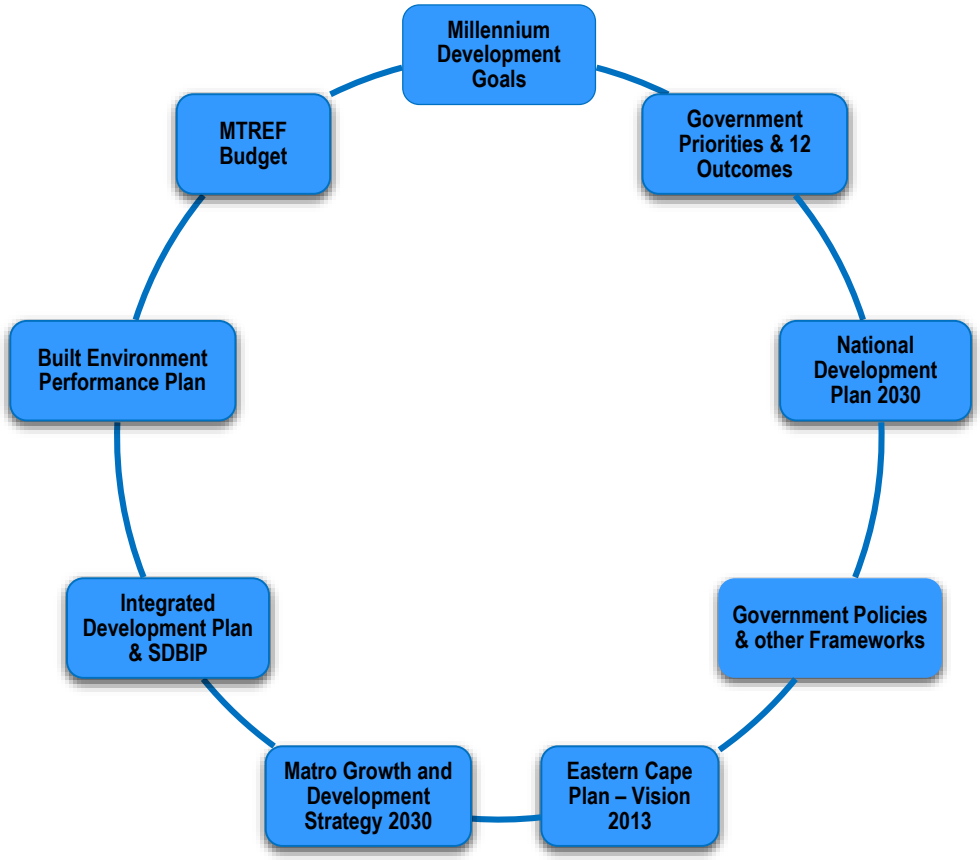


Figure A1: Relationship with strategic documents

The following documents and data sources were used in the formulation of the Draft 2015/2016 Built Environment Performance Plan: -

A.1.1. BCMM Documents:

- BCM Spatial Development Framework Review: 2013
- Buffalo City Municipality's Housing Sector Plan 2010
- Buffalo City Integrated Development Plan 2015/2016
- Buffalo City Metropolitan Municipality's Integrated Sustainable Human Settlement Plan 2014
- Metro BEPP Transit Orientated Development (TOD) Alignment Review (K. Harrison : 2015)
- Buffalo City Metropolitan Municipality : MTEF 2016 Budget Proposal (PTNG) (BCMM Transport Team: 2015)

A.1.2. National and Provincial Documents:

- National Development Plan 2010
- Spatial Planning & Land Use Management Act (Act 16 of 2013)
- National Treasury Guidance Note for the Built Environment Performance Plan, October 2016
- Provincial Growth and Development Strategy: 2006

- Eastern Cape Provincial Spatial Development Plan: 2010
- DORA 2017 including the grant frameworks of the relevant infrastructure grants
- ICDG Framework in 2016
- The Guidelines for the Implementation of the Integrated City Development Grant, May 2013 and as updated
- Concept Note for the Built Environment Value Chain and Progression Model, 23 September 2016
- Guidance Notes, toolkits and other relevant documents relating to the Neighbourhood Development Programme
- Framework for Spatial Investment in Human Settlements prepared by CSIR, 31 March 2015 Plan, August 2014
- National Human Settlements Spatial Plan, August 2014 and as updated

A.1.3. Aligning the BEPP with IDP, MGDS, BCMM SDF and Budget

The following table shows the alignment of the IDP and MGDS

KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
MGDS STRATEGIC OUTCOME	**MGDS PRIORITIES**	**10 LEKGOTLA PRIORITIES**	**IDP OBJECTIVE**	**KEY PERFORMANCE ELEMENT**	**KEY PERFORMANCE INDICATOR**
A Well Connected City	Capacitate ICT infrastructure within BCMM	ICT (Smart City)	Develop and establish a smart City concept for the City	ICT	Number of public wi-fi hotspots established for BCMM citizens

	Integrate physical and IT infrastructure to enhance multimodal connectivity				Number of municipal buildings connected with fibre
					Number of IT systems integrated
A Well Governed City	Promote sound financial and administrative capabilities	Institutional (Service delivery and operating model)	Improved performance and capacity of the institution	HRD	Milestones achieved towards implementation of integrated electronic performance management system
					Key milestones towards approval of reviewed organogram
					Number of people from employment equity target groups employed in the 3 highest levels of management

Table 1: MGDS, IDP and BEPP alignment

A.1.4. Confirmation of BEPP Adoption by Council

The BEPP 2017/18 will be presented to council for adoption on the 31 May 2017

SECTION B : SPATIAL PLANNING &

PROJECT PRIORITISATION

SECTION B : SPATIAL PLANNING &PROJECT PRIORITISATION

B.1. SPATIAL TARGETING

(a) The National Development Plan

The National Development Plan (NDP) advocated "a national focus on **spatial transformation"**. Chapter 8 was specifically called 'Transforming Human Settlements'. The NDP introduced five broad normative principles to guide the formulation of a national spatial framework, to inform urban and rural development policies, to strengthen spatial planning instruments, and to help build institutional capabilities for spatial governance at Local, Provincial and National levels. The principles are:

i) Spatial justice, as opposed to segregation and ghetto-ization;
ii) Spatial sustainability, rather than environmentally destructive development;
iii) Spatial resilience, rather than development that increases vulnerability and risk;
iv) Spatial quality, i.e. liveable, vibrant and valued places rather dysfunctional ones;
v) Spatial efficiency, i.e. productive places with efficient circulation of people, goods and other resources.

Beyond the broad principles, the NDP understood the spatial transformation of cities in terms of three of the elements of urban structure ie – jobs, housing and transport. It suggested that there were five ways in which these elements could be used to promote urban restructuring:

i) To reduce travel costs and distances,
ii) To prevent further development of housing in marginal places,
iii) To increase urban densities and reduce sprawl,
iv) To improve public transport and the coordination between transport modes, and
v) To shift jobs and investment towards dense peripheral townships.

Spatial transformation will clearly mean different things in different local contexts, depending on the socio-economic composition and physical characteristics of the area. Nevertheless several **general principles of urban design** seem relevant to most situations:

i) Mixed-use development instead of mono-functional settlements,
ii) Mixed-income residential schemes rather than exclusive housing schemes,
iii) Public transport-oriented projects rather than private car-oriented projects,
iv) Improved public spaces and opportunities for walking rather than private cars,
v) Higher density developments rather than low density sprawl,
vi) Brownfield (re)development, renewal and retrofitting of old buildings rather than new greenfield development,
vii) An emphasis on affordable housing in well-located areas, i.e. in and around transport nodes and corridors.
viii) Public consultation and popular involvement in area-based planning to ensure more of

a people-based perspective, and less of a prescriptive, top-down approach.

(b) Integrated Urban Development Framework

The Draft Integrated Urban Development Framework (IUDF) 2014 sets out a policy framework to guide the development of inclusive, resilient and liveable urban settlements. The IUDF identifies eight priority objective levers namely:

i) **Integrated Spatial Planning** is essential for coherent development.

ii) **Integrated transport and mobility** is vital component for economic infrastructure investment.

iii) **Integrated and sustainable human settlements** are key to redressing the prevailing apartheid geography, restructuring cities, shifting ownership profiles and choices, and creating more humane, safe living and working conditions.

iv) **Integrated urban infrastructure,** which is resource efficient and provides for both universal access and more inclusive economic growth.

v) **Efficient land governance and management** that grow through investments in land and property resulting in inclusive, multi-functional urban spaces.

vi) **Inclusive economic development**. Cities and towns that are dynamic and efficient, foster entrepreneurial and innovation, sustain livelihoods, enable economic growth and generates the tax base needed to sustain and expand public services and amenities.

vii) **Empowered active communities**. Cities and towns that are home to socially and culturally diverse citizens, who are actively involved in the city.

viii) **Effective urban governance** – managing the intergovernmental dynamics within the city.

B1.1.1 BCMM Spatial Development Strategy

(a) Spatial Vision

The BCMM SDF (2013) contains the following SPATIAL VISION:

"Re-Shaping Buffalo City: the Metro in 2023"

In 2023 Buffalo City is a City-in-a-Region providing a focus for socio-economic development, services and higher order human settlement in the central part of the Eastern Cape Province. The core elements of the City are its roles as a University Town; a hub for Green energy production and innovation; a centre of Industrial development with an innovative and world-class motor industry cluster at its heart; and a city that offers a rich lifestyle experience through the quality of its natural environment, the range of social, cultural and leisure activities offered in the area, and the excellence of its public infrastructure and social institutions.

(b) BCMM Conceptual Spatial Development Framework

Within the Buffalo City area the following three main land use patterns emerge:

i) *The dominant East London - King William's Town - Dimbaza urban axis. This spatially defines a principal development corridor that services the greater Amatole region.*

ii) *The peri-urban fringe and rural settlement area. This component includes the Newland's settlements, settlements that previously fell within the former Ciskei 'Bantustan', and the Ncera communal settlements located west of East London.*

iii) *The commercial farming areas confined mainly to the north-eastern and south-western (coastal) sectors. These areas are characterised by both extensive and intensive agricultural land utilisation.*

The settlement pattern demonstrates spatial fragmentation occurring within East London and King William's Town, mostly in the form of racially segregated residential areas or dormitories. These areas comprise Mdantsane, Potsdam, Ginsberg, Zwelitsha, Phakamisa, Briedbach and Ilitha. In addition, the higher order function and natural growth of the historic towns of East London and King William's Town have been impacted by attempts to create satellite or "buffer strip" residential, commercial, industrial and administrative growth nodes - i.e. Bhisho, Berlin and Dimbaza. The City recognises such spatial development pattern as a legacy of apartheid and previous Bantustan policies that require urgent attention.

In terms of the BCMM IDP, an overall concept (described below) is accepted and endorsed as strategic direction provided by the Municipal Council for the purposes of this Spatial Development Framework. In this regard, the Buffalo City IDP notes that: *"In essence, the [approach of Building on Urban and Rural Strengths] acknowledges that the urban areas of greater East London/Mdantsane and King William's Town/Bhisho and environs are likely to be focal points for significant economic growth and development within Buffalo City over an extended period of time. However, it is accepted that there is a dependency amongst a significant proportion of the residents of Buffalo City on access to peri-urban and/or rural land for basic livelihood (i.e. survival or subsistence) as well as cultural purposes, and that*

this is likely to continue to be so, at least in the medium term (10 years). Therefore, it is concluded that:

i) *It must be accepted that it is most rational and economically effective to focus higher order development investment (in infrastructure, housing and a diversity of economic enterprises) in the urban core areas.*
ii) *However, a proportion of the resources of the Buffalo City Municipality must also be targeted in areas of opportunity and areas of need in fringe rural and peri-urban areas, in order to upgrade existing settlements and create or facilitate new development opportunities in these areas."*

A spatial overview of the Buffalo City Metropolitan Municipality was conducted through the IDP process. Amongst the key spatial development issues identified, the prevailing spatially fragmented development pattern was identified as having essentially created a negative urban dimension.

From a conceptual point of view, the urban portion of Buffalo City extends in a linear form along the main watershed between East London and King Williams Town, with the historical settlements and urban nodes using the main roads and railway line as the central transport route to the surrounding area.

Conceptually this urban form can be likened to 'beads on a string' and, in order to enhance the operational effectiveness of this built form, it is envisaged that future development should be directed in such a way that the various settlements or nodes (beads) along the main rail and road transport routes (or string) be allowed to develop in intensity (i.e. density and variety or mix of land uses).

This is intended to create areas where the density of development and the increased variety of opportunities at points of good access to the majority of residents would improve both the

overall functioning of the built environment in Buffalo City, as well as offer better social and economic opportunities for the residents.

More specifically, it is suggested that within areas of high need and/or development potential, the integration of modes of transportation, particularly public transportation modes, should be undertaken to create points of high accessibility for a greater number of people. These areas of public transport focus are seen as points of particular potential. Creating high density, mixed-use nodes, which provide intensive local markets, and thus, a climate in which small business can flourish around them, should reinforce these high accessibility points. The components of these nodes are discussed below.

For the purposes of the Buffalo City SDF, then, the central development concept is one of 'beads on a string', with the string comprising a linear system of integrated movement modes and the beads being the intensive mixed-use nodes, around multi-modal transportation terminals. An alternative (or more technical) description of the concept would be to focus on the concepts of nodes (beads) and corridors (string).

There can be no doubt that an efficient transport system is fundamental for the successful development of the City. The greater the integration between development and the road and rail modes of transport, the more opportunities there will be for economic development. This implies a need to develop intense and higher density settlements with mixed uses along the main transport routes; inner city medium density residential environments surrounding the East London and King William's Town CBD's and medium density residential development not more than 1 kilometre from bus/taxi routes and near stations. Densities to be aimed must be at least 40 dwelling units per hectare (gross) in order to attain the minimum threshold where public transport becomes economically sustainable.

Further investment in rural areas over and above the basic level of service prescribed by the constitution should ideally be aimed at those rural areas where water, soils and topography could sustain ‘productive agricultural environments’. It is further proposed that market garden living environments be supported where commercial scale agriculture could be sustained.

Such a conceptual framework would enable a close relationship to develop between urban and rural settlements. There is a danger that urban sprawl could erode valuable agricultural land if it continues unchecked. Accordingly, it is proposed that this emphasises that increased densities close to transport and economic centres are a vital strategy.

Overall, new investment in housing, commercial buildings, industrial sites and recreation facilities should be used to increase the intensity of land use within the confines of the existing urban areas and thereby raise living densities, improve public transport viability and increase economic activity.

Investment in public facilities can also be used as development facilitators through the development of intensive mixed use nodes and creation of ‘community bundles’ containing public facilities, community services and sports infrastructure. Through this conceptual framework of integrating development closely with efficient transport systems, an improved environment is expected for the future city. In order to achieve such a future vision, certain key spatial structuring elements need to be used in all development decision making to direct growth and ensure the city starts to re-direct development into a framework which is more appropriate and desirable.

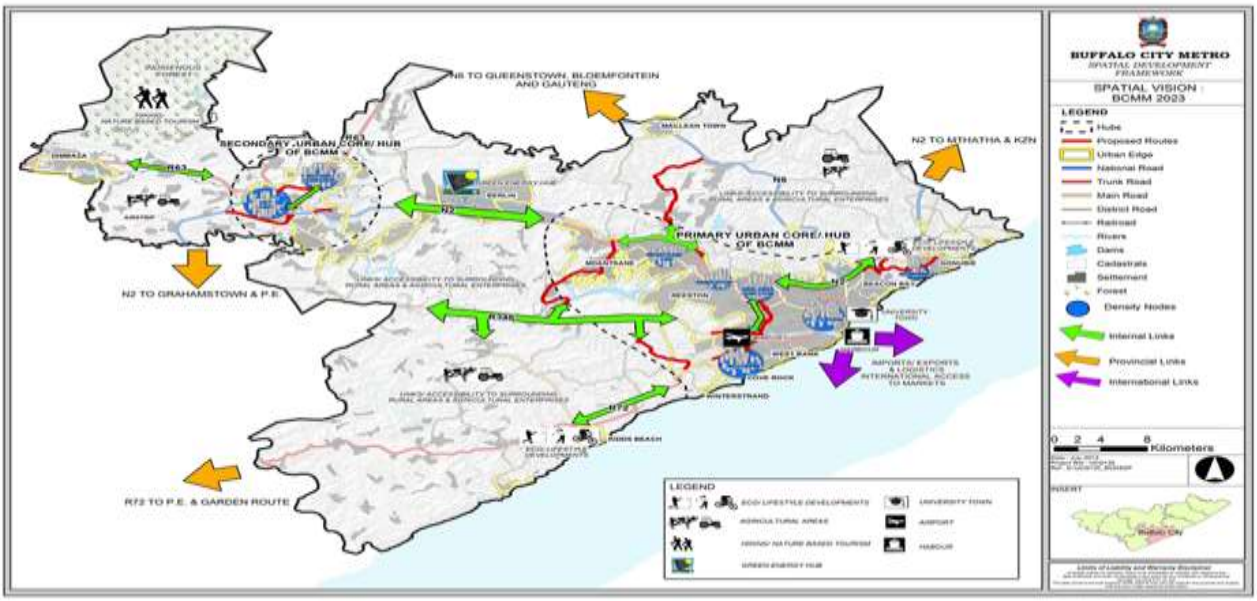


Figure 1: Spatial Vision

B1.1.2. BCMM Strategic Spatial Framework

In order to achieve the above SPATIAL VISION, the following is highlighted as being set out in the BCMM SDF Review for 2013: -

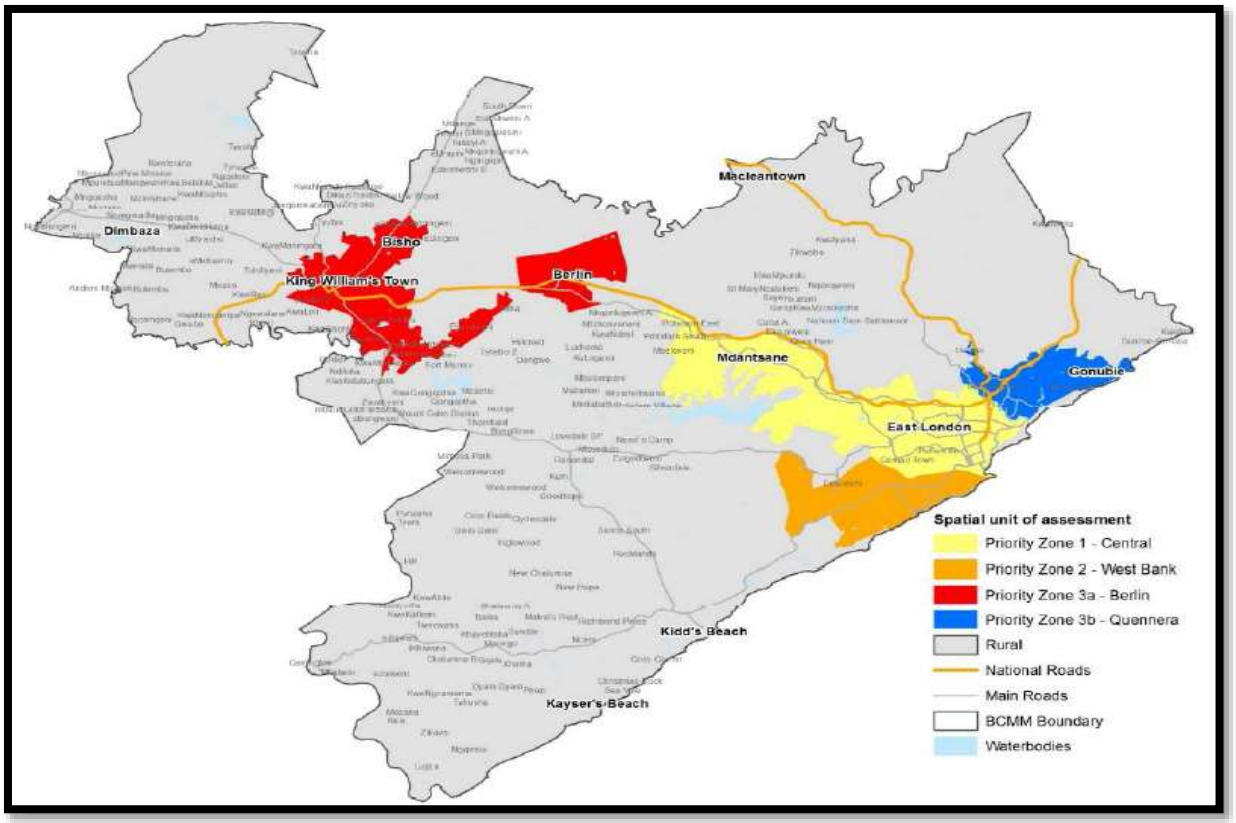


Figure 2: BCMM Spatial Priority Area

In an effort to try to bridge the gap between planning and implementation, the SDF proposes THREE areas of strategic priority within the BCMM Urban Edge where, if focused attention is placed on implementing key catalytic projects, enormous developmental benefits can be attained over an extended period of time for the benefit of all communities and residents of Buffalo City as well as the broader region over which the socio-economic influence of BCMM extends. These 3 Spatial Priority Areas are described below: -

1. Spatial priority area 1

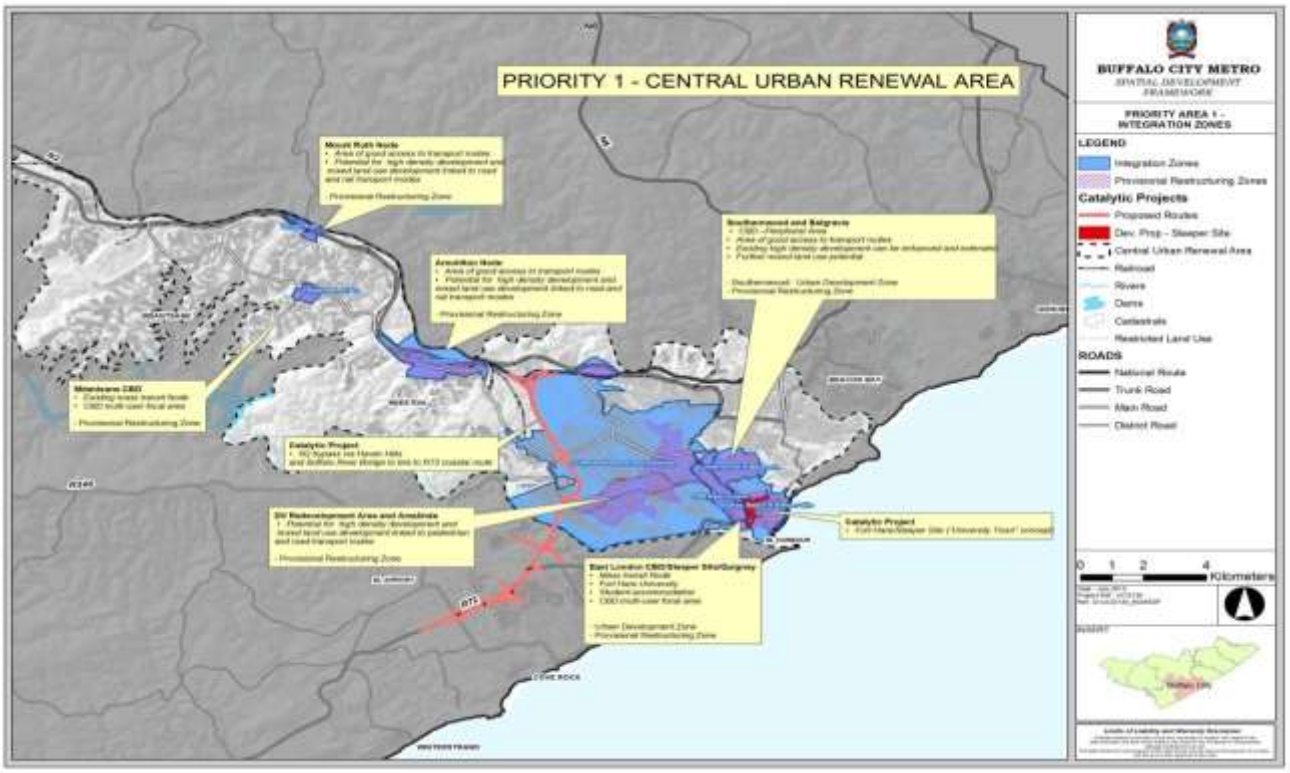


Figure 2: Priority Area 1

STRATEGIC PROPOSALS FOR BCMM

Strategic Priority Area 1: Central Urban Core (East London-Mdantsane)

Spatial Focus	Rationale for Priority
Focus Investment in the Central Urban Renewal Area (EL-Mdantsane) Catalytic Projects are identified as: • Inner City Regeneration and in particular the Redevelopment of the Sleeper Site • MELD Corridor • Development of the Amalinda Junction Precinct supported by the extension of the North West Expressway	• This area is home to the majority of the BCMM population. • The “Heart” of the City-in-a-Region that is BCMM. • Potential to house 40,000 to 50,000 households at increased densities, over time. • Critical infrastructure/service backlogs hindering progress. • Creating infrastructure capacity in roads and services networks will give “biggest bang for the buck” in shortest time-frame. • Opportunity to reverse Urban Sprawl by combining densification and mixed use development with improved access to public transport

In order to provide Strategic direction to spatial development to BCMM, and in order to support investment and growth, it is proposed that the **Central East London Urban Renewal Area** should be **Priority 1*.*** This includes ***East London and Mdantsane and the areas in between them***. This area is regarded as the ***‘HEART” of the City-In-A-Region***, which is BCMM. Due to the large number of people resident in this area, it is also subjected to critical infrastructure/service backlogs, which severely hinders progress of development. The urban area also has the potential to accommodate between 40 000 to 50 000 households at increased densities in the future. Creating infrastructure capacity in roads and services networks will give *“biggest bang for the buck”* in shortest time-frame.

2. Spatial priority area 2

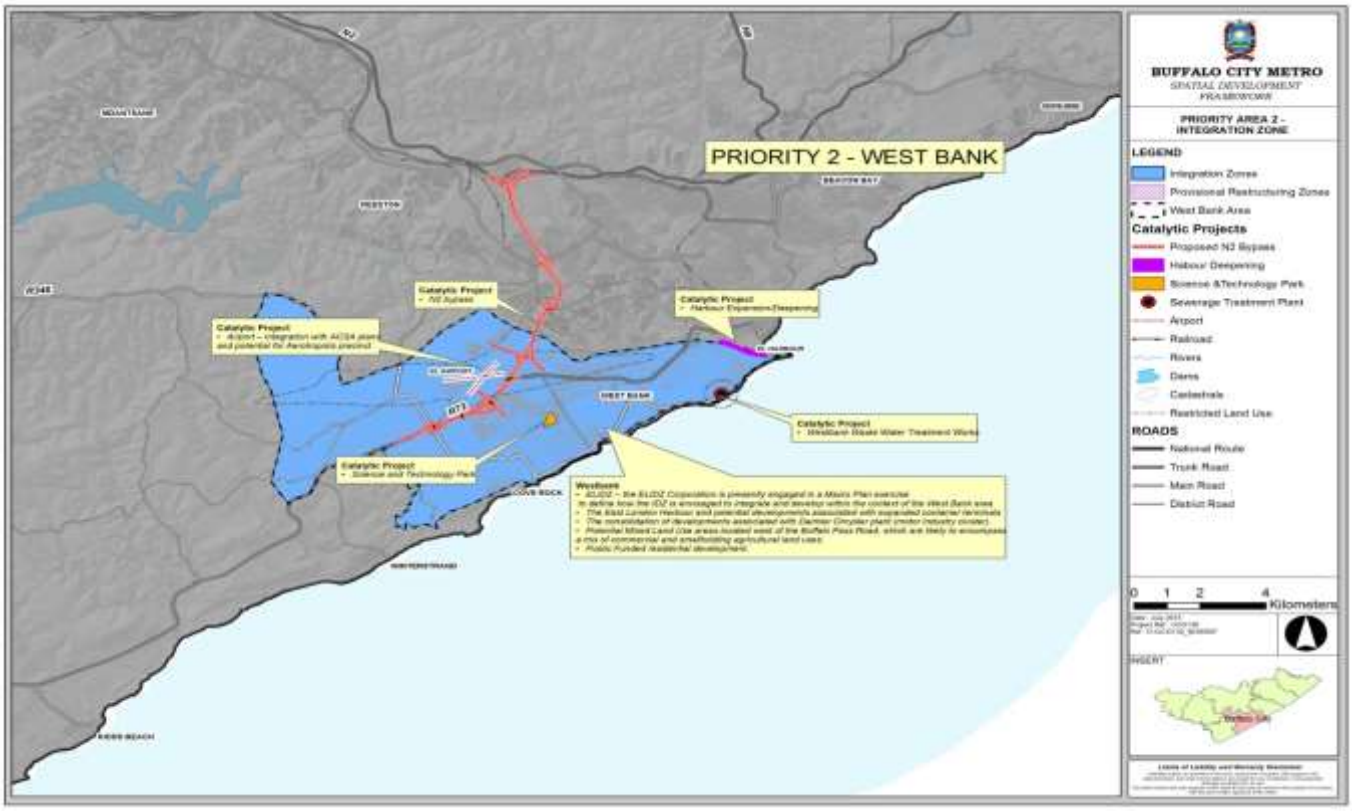


Figure 3: Priority Area 2

Strategic Priority Area 2: West Bank	
Spatial Focus	**Rationale for Priority**
Catalytic Projects are identified as: • Revitalisation of the West Bank Industrial area including: • Upgrading of Wastewater Treatment Works and Bulk Water Supply • Buffalo River Bridge and N2/R72 realignment	• Since 1980s, West Bank area seen as having best potential for large-scale urbanisation in Greater EL area. • Investment in IDZ is constrained from being fully realised by lack of key infrastructure in Wastewater treatment on West Bank. • Potential to house 20,000 to 30,000 households at increased densities, over time.

• Harbour expansion and deepening IDZ Science & Technology Park Expansion of East London Airport	• Buffalo River Bridge is crucial to creating an integrated and better functioning city.

Since 1980s, the **West Bank area** has been seen as having the best potential for large-scale urbanisation in the Greater East London area. Investment in the East London Industrial Development Zone (ELIDZ) is constrained from being fully realised by the lack of key infrastructure in Wastewater Treatment on the West Bank. As land prices have inflated and the developable land in close proximity to the City centre is depleted, the next available area after Quenera is the West Bank, with ample well-located land for integrated, higher density and mixed land use development close to the ELIDZ. It is primarily for these reasons that the **West Bank** has been identified as **Priority 2**. Critical for the success of the West Bank area is the need to complete catalytic projects that resolve the issue of Waste Water Treatment for the area as well as Roads and Bridges to link the West Bank to the Central Urban Area and Regional linkages (i.e. the N2 with a new bridge over the Buffalo River).

3. Spatial priority area 3

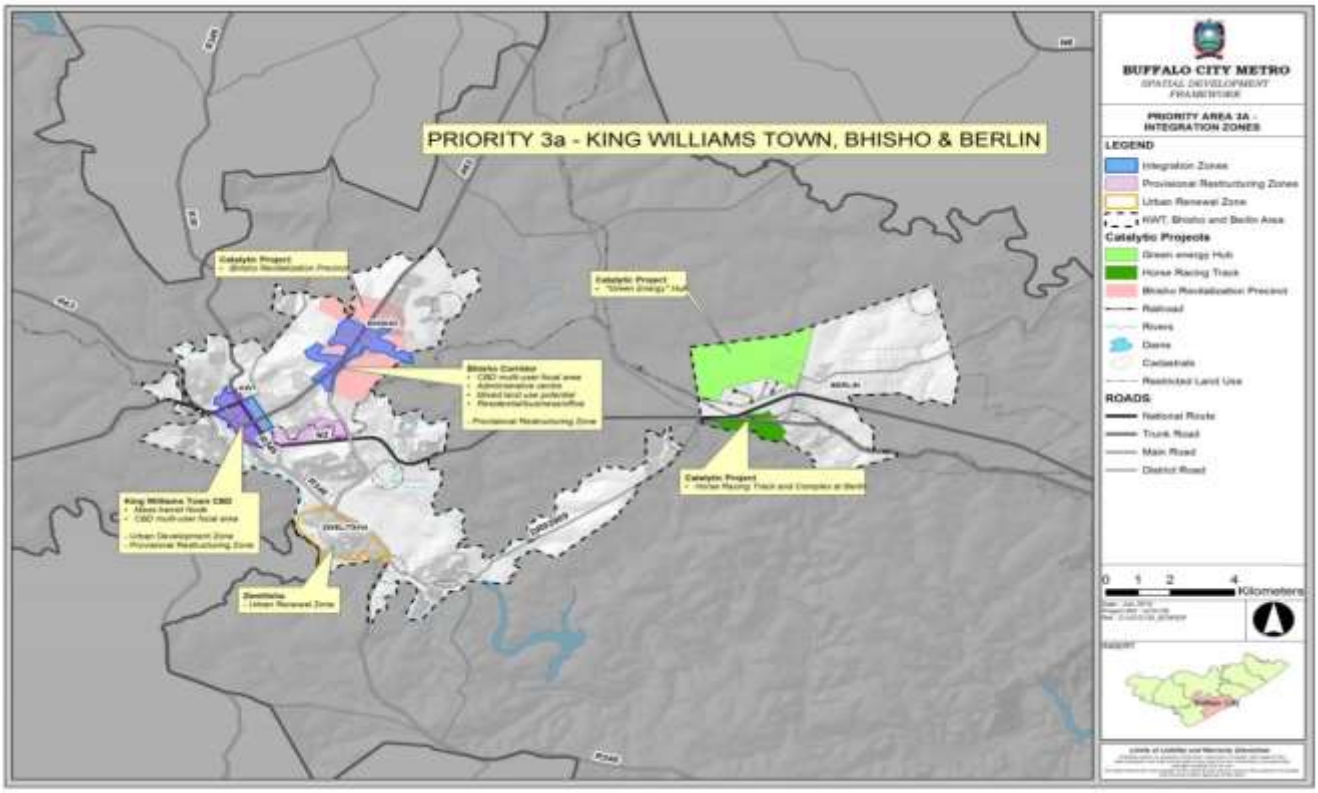


Figure.4: Priority Area 3a

Strategic Priority Area 3a: King William's Town & Bhisho	
Spatial Focus	**Rationale for Priority**
Catalytic Projects are identified as: • The Bhisho KWT Corridor and Revitalisation Precinct • "Green Energy" Hub located at Berlin Industrial Area	• Investment will serve to support the continuing function of KWT as an extended Rural Service Centre. • Support Provincial Government-led initiatives to consolidate Bhisho as the Administrative Capital of Province. • Potential to house 5,000 households at increased densities, over time.

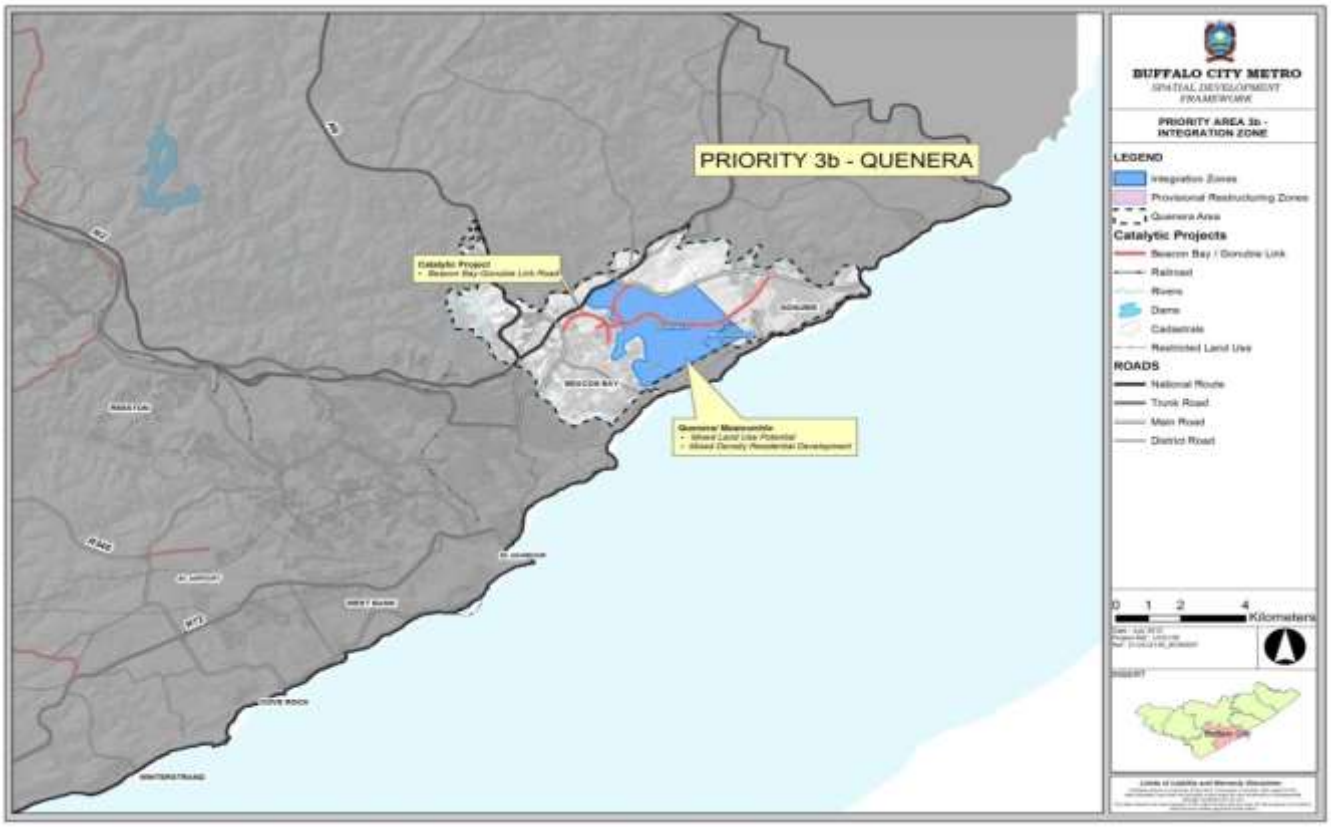


Figure 5: Area 3b

Strategic Priority Area 3b: Quenera	
Spatial Focus	**Rationale for Priority**
Catalytic Project is identified as: The Beacon Bay-Gonubie Link Road	• *Opportunity to create an integrated sustainable higher density mixed use development that will integrate the existing communities.* • *Potential to house 20,000 to 30,000 households at increased densities, over time.*

Table 2

Priority 3 looks at two Key Focus areas to overcome existing problems as well as opening the doors for investment and growth. Firstly **King Williams Town/Bhisho** as an extended Rural Service Centre is an important segment of BCMM and continued support is required. Provincial Government is leading initiatives to consolidate Bhisho as an Administrative Capital of the Eastern Cape Province and BCMM needs to support the initiatives by ensuring that there is sufficient bulk infrastructure. Secondly, **Mza'momhle and Nompumelelo** are informal settlements that require upgrading.

B1.1.3. Spatial Structuring Elements

(a) Development Nodes

Nodes are generally described as areas of mixed use development, usually having a high intensity of activities involving retail, traffic, office, industry and residential land uses. These are the places where most interaction takes place between people and organisations, enabling most efficient transactions and exchange of goods and services. Nodes are usually located at nodal interchanges to provide maximum access and usually act as catalysts for new growth and development.

The following categories of nodes have been identified and/or are proposed:

NODES	
NODE TYPE	**AREA/DESCRIPTION OF LOCALITY**
PRIMARY NODES:	
Central Business Districts (CBDs)	East London King William's Town Mdantsane

NODES	
NODE TYPE	**AREA/DESCRIPTION OF LOCALITY**
	Dimbaza
	Mount Ruth Station Arnoldton Station Amalinda Junction
LOCAL NODES	
Minor Mixed Land Use Nodes (Existing)	Meisies Halt Bonza Bay Road (Sparg's Centre) Ndende (Duncan Village) Golden Highway (Mdantsane) Berlin town centre Zwelitsha town centre
Minor Mixed Land Use Nodes (Potential)	Quenera Brakfontein Chester Road Cove Ridge Nahoon Valley Mdantsane Station Mtsotso Station Needs Camp Zone CC (Mdantsane) Fort Jackson Station Ndevana Phakamisa Junction
Administrative Node	Bhisho

NODES	
NODE TYPE	**AREA/DESCRIPTION OF LOCALITY**
Commercial Nodes	Vincent Park Beacon Bay Retail Park/The Hub
Industrial Node	East London IDZ North end Fort Jackson Berlin King Williams Town Zwelitsha
Coastal Nodes	Kidd's Beach Sunrise-on-Sea
Rural Service Centre (Existing)	Crossways St Luke's (Newlands) Kidd's Beach Interchange
Rural Service Centre (Potential)	Khwetyana Intersection (Newlands) Kuni Village Upper eJojweni Village (Tyolomnqa) Drayini Village (Yellowwoods)

(b) Development Corridors

The notion of development corridors both as structuring elements to guide spatial planning as well as special development areas with specific types of development potential has been well established internationally. Typically, development corridors have been identified as roads or other transport routes along which existing and/or potential land developments at a higher than average intensity (can) occur. Development corridors are described as follows: -

CORRIDORS		
CORRIDOR TYPE	MAP CODE	AREA/DESCRIPTION OF LOCALITY
Activity Corridors	1 2	• Mdantsane – East London Development Corridor (MELD) (which includes the Railway Corridor and the North West Corridor • KWT-Bhisho Corridor
Activity Streets	5 6 7 8 9 10 11 12 13	• Devereux Avenue (Vincent) • Lukin Road/Pearce Street (Berea) • Old Transkei Road (Stirling/Nahoon) • Gonubie Main Road • King William's Town to Bhisho link (Maitland Road) • Bonza Bay Road (Beacon Bay) • Amalinda Main Road • Oxford Street/ Western Avenue • Alexander Road (KWT
Mobility Routes	14 15 16	• N2 (East London / King William's Town and East London / Umtata) • N6 (East London / interior) • R72 Coastal Road (East London / Port Alfred) • Mount Coke Road ([346] East London to King William's Town)

	17 18	• DR02909 linking Ilitha to Zwelitsha via Phakamisa and Ndevana
Proposed Mobility Routes	19 20 21 22 23 24 25 26 27	• Quenera Road linking Beacon Bay Retail Park to Gonubie • N2 Bypass (realigned) from Amalinda Interchange through Haven Hills and across Buffalo River to link into R72 • Route from Mdantsane Zone CC via Potsdam Village across Buffalo River to Needs Camp and 346 • Realignment of N2 through KWT to bypass CBD • Mouth Ruth-Newlands-N6 • Ginsberg to Zwelitsha • R30 (Stutterheim) to Bhisho • Breidbach to the Bhisho access road • Link between R346 and proposed new Buffalo River crossing

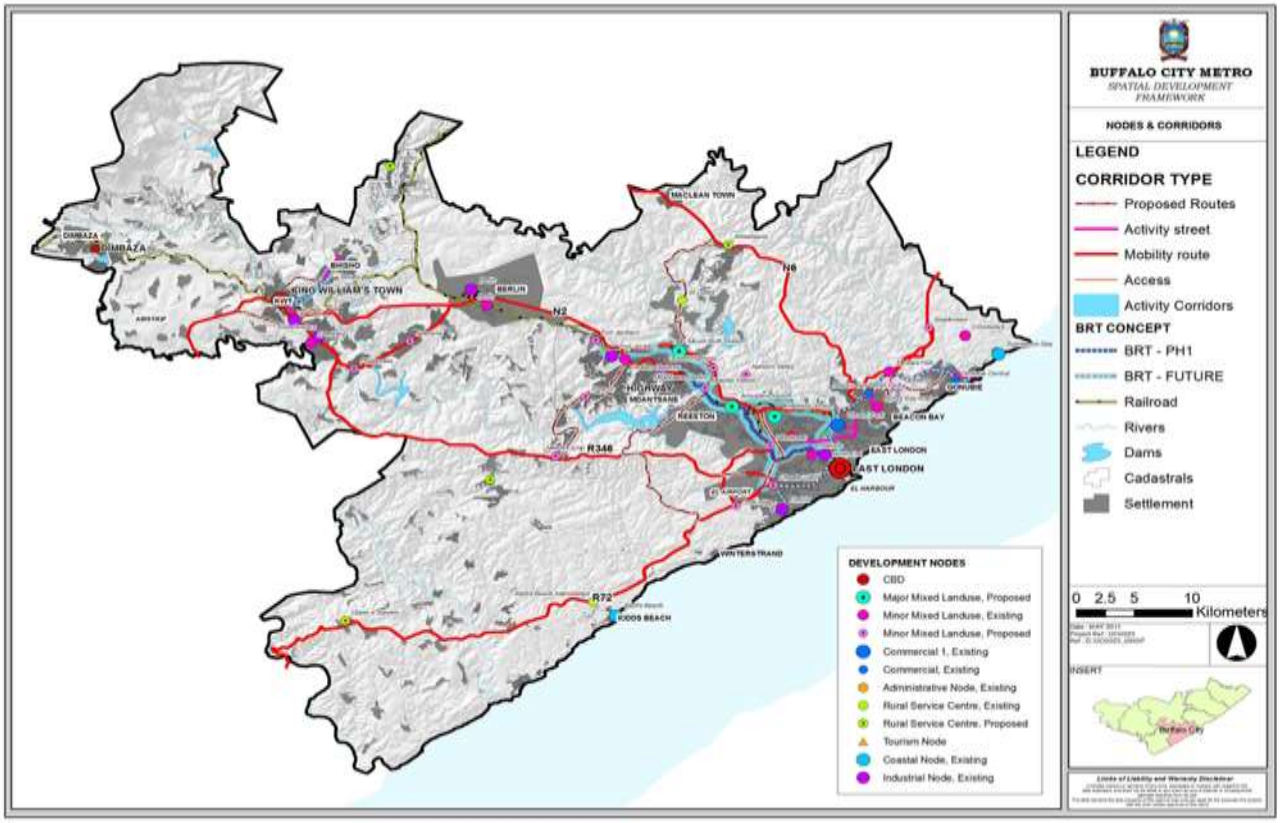


Figure Structuring Elements: Corridors and Nodes

(c) Urban Edge

As part of the effort to consolidate the urban areas and achieve a more compact city, the Spatial Development Framework proposes that an Urban Edge be defined beyond which it is envisaged that lower density rural development will be favoured.

As part of the review of this SDF, the coverage of the Urban Edge was adjusted according to the Services Edges proposed by Engineers. The Services Edge comprises a boundary (similar to the concept of an urban edge), up to which municipal infrastructure can be provided according to current resources.

In view of the pressure as well as information produced from Local Spatial Development Frameworks on the Metropolitan to provide services, the urban edge has been adjusted in Dimbaza, King Williams Town, Bhisho, Zwelitsha, Berlin, Mdantsane and Summerpride, West Bank and Gonubie.

B1.1.4. Urban Network Identification and Prioritisation of Integration Zones

B1.1.4.1. BCMM Urban Network Strategy: Proposed Integration Zones

The Buffalo City Urban Network Strategy identifies two Integration Zones in Buffalo City Metropolitan area, namely:

- *BCMM Urban Core: East London and Mdantsane which includes the MELD Corridor*
- *KWT-Bhisho Corridor.*

The primary Integration Zone is focussed around the MELD Corridor because this area is regarded as the *"HEART" of the City-In-A-Region.* The secondary Integration Zone is focussed around the Bhisho/KWT Corridor. Both these Activity Corridors have been identified in the BCM SDF of 2003 and the BCMM SDF of 2013 because they contain significant transport routes that serve major employment areas. The BCMM Urban Network Strategy and consequent Integation Zones are thus completely aligned with the Spatial Strategy in the BCMM SDF.

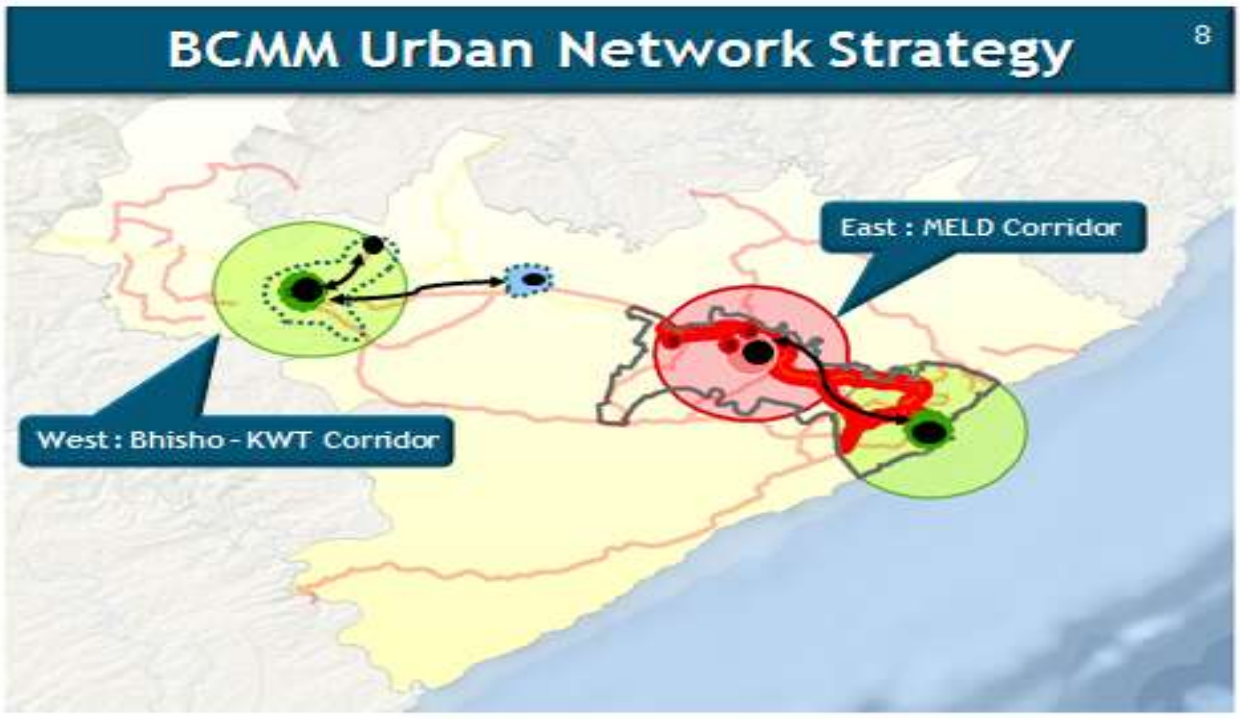


Figure 6: BCMM Urban Network Strate

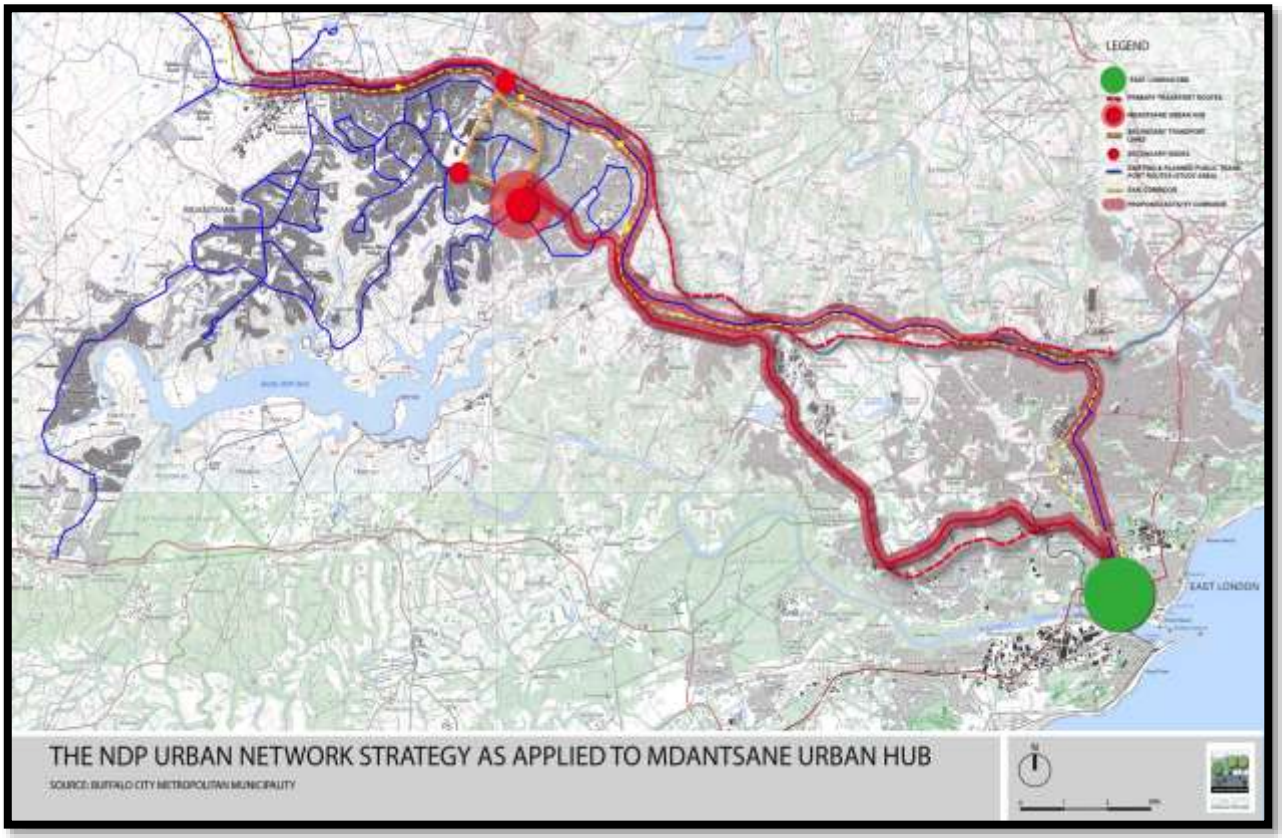


Figure 7: Urban Network Strategy for Primary Integration Zone

B1.1.4.2 Primary Integration Zone: BCMM Urban Core and MELD Corridor

As indicated on Figure B.7 below the Primary Integration Zone includes Mdantsane; East London; Beacon Bay: Gonubie as well as a portion of the West Bank. The Primary Integration Zone thus includes Spatial Priority Area 1, a portion of Spatial Priority Area 2 and Spatial Priority Area 3b.

Within the Primary Integation Zone, the Mdantsane/East London area is regarded as the *'HEART" of the City-In-A-Region*. The bulk of the population of BCMM live and work within the Mdantsane/East London area.

The Primary Integration Zone is subject to critical infrastructure/service backlogs, which severely hinders progress of development. The SDF estimates that the urban area within the Integation Zone has the potential to accommodate approximately 80 000 households at increased densities in the future. Creating infrastructure capacity in this area such as roads and services networks will give *"biggest bang for the buck"* in the shortest time-frame

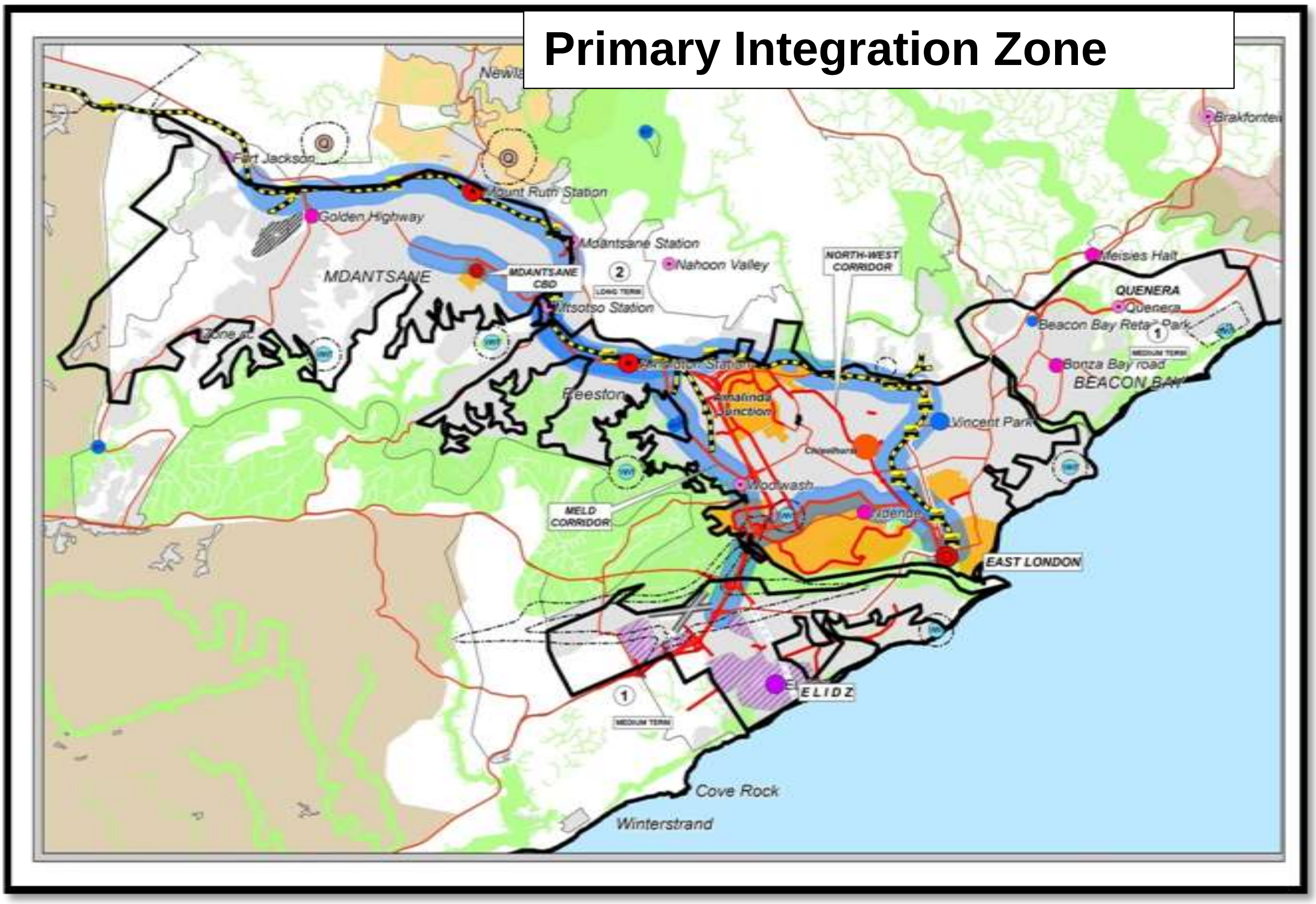


Figure 7 Primary Integration Zone

B1.1.4.3. The MELD Corridor Concept

The MELD Corridor stands out as the key public transport corridor within BCMM and is the busiest artery serving the Primary Integration Zone. This is based on the following criteria and characteristics:

- Existing and future public transport passenger demand – this corridor has the highest passenger demand in Buffalo City.
- Operations – this corridor also provides the most operationally efficient service within Buffalo City and therefore the most cost effective.
- In terms of the development and planning framework proposed by Buffalo City, this corridor is the key strategic transport corridor for the city.

The area termed the East London – Mdantsane Corridor was identified as early as 1996 as being the area straddling the main transportation routes (roads and railway) linking the township of Mdantsane and East London's Central Business District. Spatial Planning Policy at the time which remains relevant today, identified the intention of the MELD Corridor as being:"*To initiate restructuring in the East London Metropolitan area, which would result in Mdantsane and other previously disadvantaged areas being integrated with the East London core*".

It was understood that there was a clear need to use new growth to integrate the city, in order to make it more efficient. However, as the growth rate necessary to achieve this is slow, it will take a long time to achieve. Therefore all new growth must be used strategically, so that each new development systematically contributes to an increasingly more efficient urban system over time. This should take place within a concept of a corridor that will evolve over a long time and in which short term development will take place in **concentrated points.**

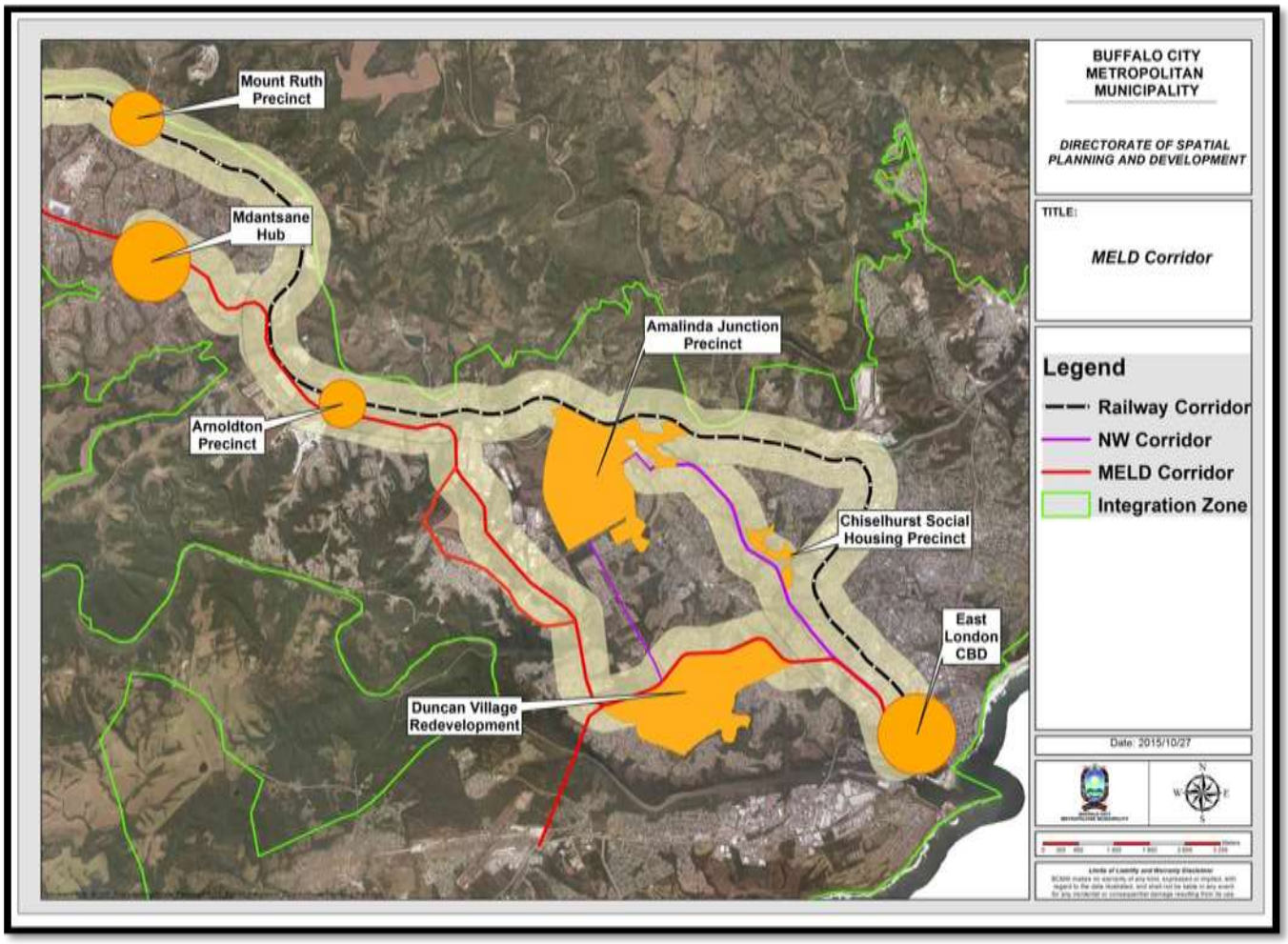


Figure 8: MELD Corridor and Precincts: Primary Integration Zone and Mixed Use Precincts

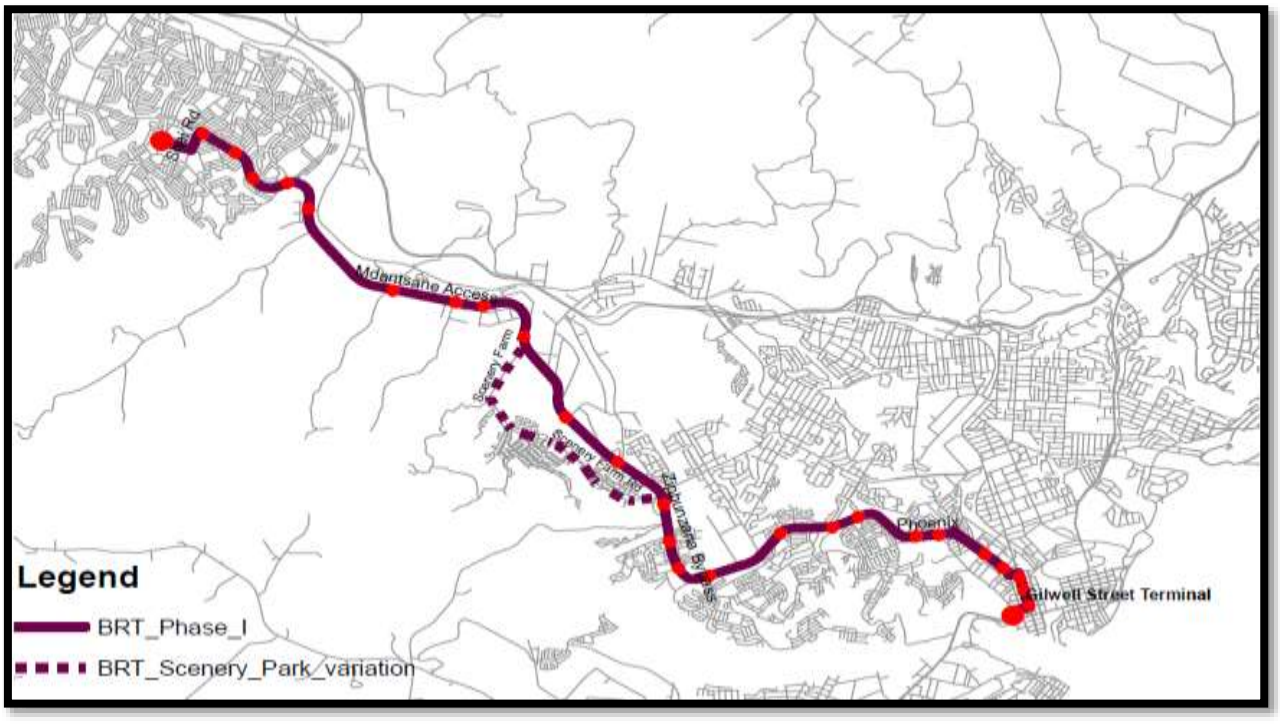


Figure 9: MELD Rapid Bus Route

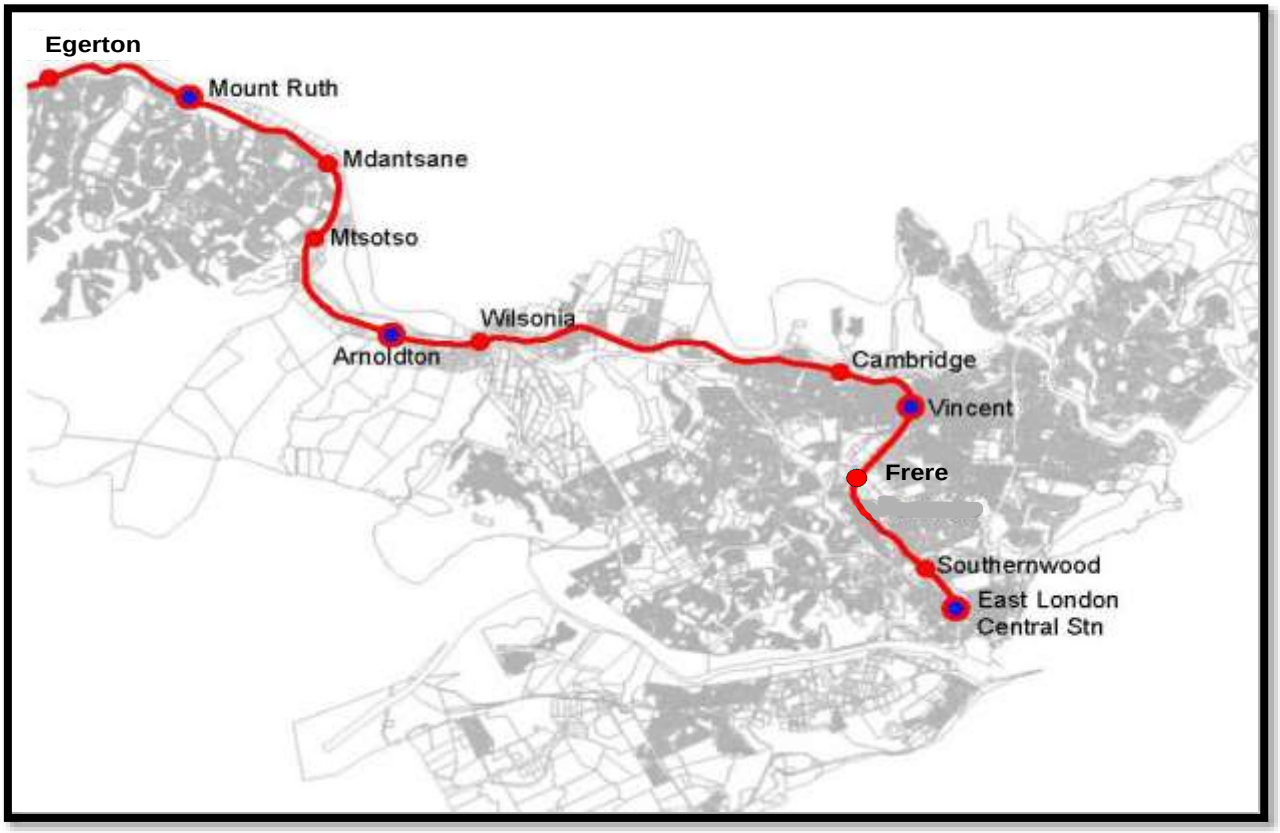


Figure 10: MELD Rail Route

While it is clearly sensible to do everything possible to attract large-scale investment, the key to the economic future lies in local economic development creating a climate in which small and medium enterprises can flourish. Spatially, there are three main preconditions for this to occur:

- Generate intensive local markets to support enterprises and promote economic diversification and specialization,
- Generate points of high accessibility which extend the range of the economic enterprises associated with them,
- Integrate public investment in social infrastructure with private investment as these highly accessible places to increase their attraction and to increase convenience for consumers.

The development of a mixed land use at sufficient densities in the activity corridor from Mdantsane to East London was identified as being very important for the economic growth of the city. In this regard Plans for mixed use precincts have been drawn up, which are located at strategic points along the MELD corridor, primarily in areas termed “Development Nodes. The most significant of these being:

- Mount Ruth Nodal Precinct.
- Arnoldton. Nodal Precinct.
- Precincts associated with the North West Corridor
- Vincent Commercial Node

The BCMM SDF Densification Strategy works in combination with the Urban Edge towards the achievement of a more Compact City by encouraging the intensification of residential land uses in areas within the urban edge and thereby limiting urban sprawl. This is proposed deliberately to continue the re-structuring of the city, with the ultimate objective remaining that of a functional and inter-related settlement pattern where high-density, efficiently functioning urban areas provide the platform for a strengthening urban economy with strong linkages to outlying peri-urban and rural areas

The overall objective of densification in the identified Integration Zones will be to attain an improvement in operating thresholds so that services such as public transport become economically viable and sustainable.

The Rail system and the Rapid Bus Route in combination with the rest of the public transport routes result in most residents within the Integration zone being within 1km of public transport. BCMM largest housing project being Duncan Village and Reeston are situated on the MELD Corridor. Apart from the upgrade of the MELD Corridor itself, one of the Key projects associated with the MELD concept is the N2/R72 Road realignment and the Buffalo River Bridge. This project has been identified by Council as a Catalytic Project. The Buffao River Bridge will reduce travel time for workers coming to the West Bank Industrial Area (Motor Industry Cluster and IDZ) from Mdantsane and Duncan Village.

B1.1 4.4. North West Corridor

The North West Corridor (NWC) when constructed will link CBD to the Amalinda Junction situated on the Rail route and back to Duncan Village on the MELD Corridor. The NWC is thus an integral part of the MELD Corridor as it provides critical transport linkages into the road and rail component of the MELD Corridor. Situated along the NWC are two main precincts:

i) Chiselhurst High Density Housing Precinct

ii) Amalinda Junction Precinct. This has been identified by Council as a Catalytic Project. This area will contain a mix of uses and of housing types.

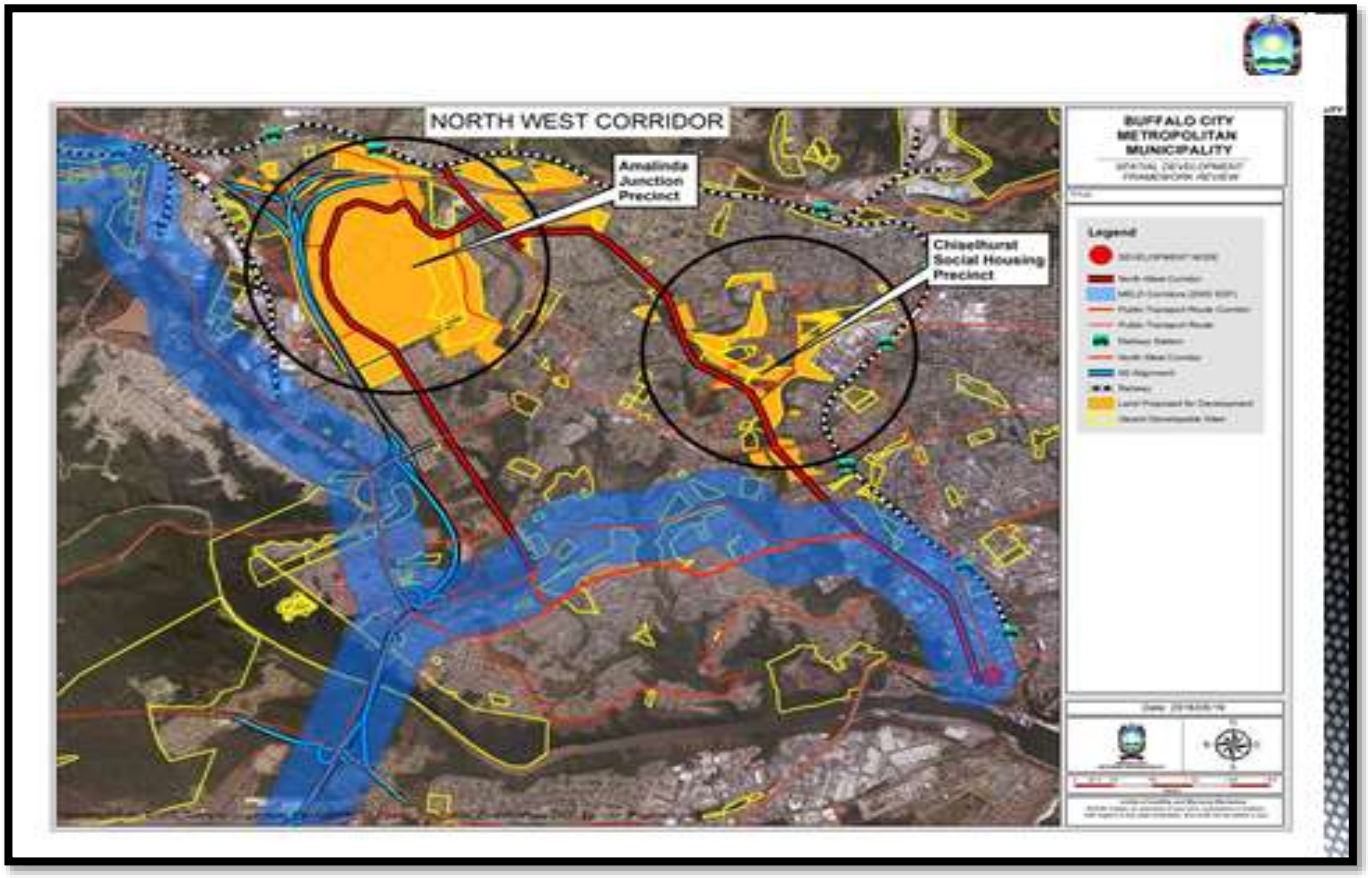


Figure B.10: North West Corridor showing the two major Precincts

B1.2 Marginalised Areas Identification and Prioritisation

B1.2.1 Informal settlements

Informal settlements within BCMM are all different and generalizations cannot be made about them. However, one constant factor in their formation is that they typically provide an initial point of access into the urban environment for incoming migrants, or for those moving from other parts of the city. Research in Buffalo City Metro shows that there were high levels of circular migration between a distinct band of rural areas and the Metro itself as well as movement between more established residential areas and those informal settlements which are located close to work opportunities.

B1.2.1.1 Urban Informal Settlements

The key findings of the Informal Settlement Study (2010) are as follows:

- Total of 154 informal settlements within the Urban Edge
- Total of approx. 41,238 informal dwellings (excludes backyards dwellings)
- Duncan Village – Approx. 20,000 informal dwellings
- East London KWT – 13,352 informal dwellings
- Mdantsane – 7,886 informal dwellings
- Population: ±155,080 in informal settlements(Excluding back yards dwellings)

Settlement Planning

The Informal Settlement Study classified the urban settlements into 3 Categories:

- Settlements for full relocation
- Settlements for partial relocation

- Settlements for in situ upgrading

Based on the above priorities, within the last 3 years township establishment for the following informal settlements has been initiated and or completed and approved:

No	Name of Settlement	No.	Name of Settlement
1	Duncan Village C Section	**12**	East Bank Restitution
2	Duncan Village D-Hostel	**13**	Mzamomhle Phase III
3	Duncan Village Proper	**14**	Hani Park
4	Braelyn Extension 10 North	**15**	Hlalani
5	Ford Msimango I&II	**16**	Phola Park
6	N2 Road Reserve/Haven Hills	**17**	Z Soga 1
7	Cambridge West I and II	**18**	Berlin / Lingelitsha Phase I
8	Emlilisweni	**19**	Berlin / Lingelitsha Phase II
9	Khayelitsha	**20**	Dacawa
10	Matsheni Park	**21**	Masibulele
11	Z Soga 2		

The first five layouts are part of the Duncan Village Redevelopment programme. More detail relating to the upgrading of Duncan Village is provided under the Townships Section that follows.

All of these settlements except the 2 phases of Lingelitsha/Berlin are situated within the Primary Integration Zone and all the settlements are all within 1km of a public transport route.

In addition to the above and in recognition that resources for full upgrading of informal settlements is expensive and time consuming BCMM has partnered with the Dept of Human Settlements on the NUSP programme. NUSP involves the formalisation of various informal settlements categorised in the Informal Settlement Study as suitable for in-situ upgrading.

The BCMM NUSP project has identified 32 of those settlements already identified for in-situ upgrading, for further planning which is currently in process. Both USDG and HSDG funding provision has been made in the MTREF budget for these informal settlement areas. All the NUSP Settlements are situated within the Primary Integration Zone and are served by public transport.

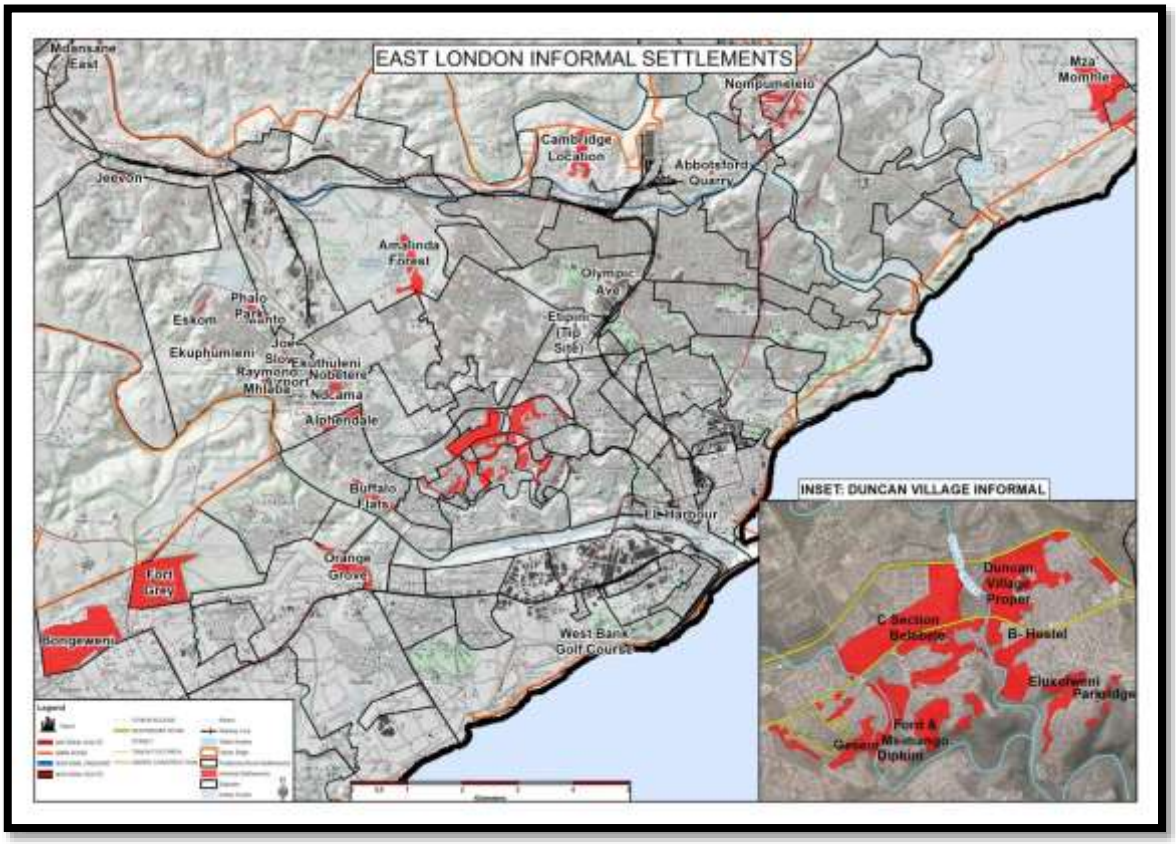


Figure 11: East London Urban Settlements

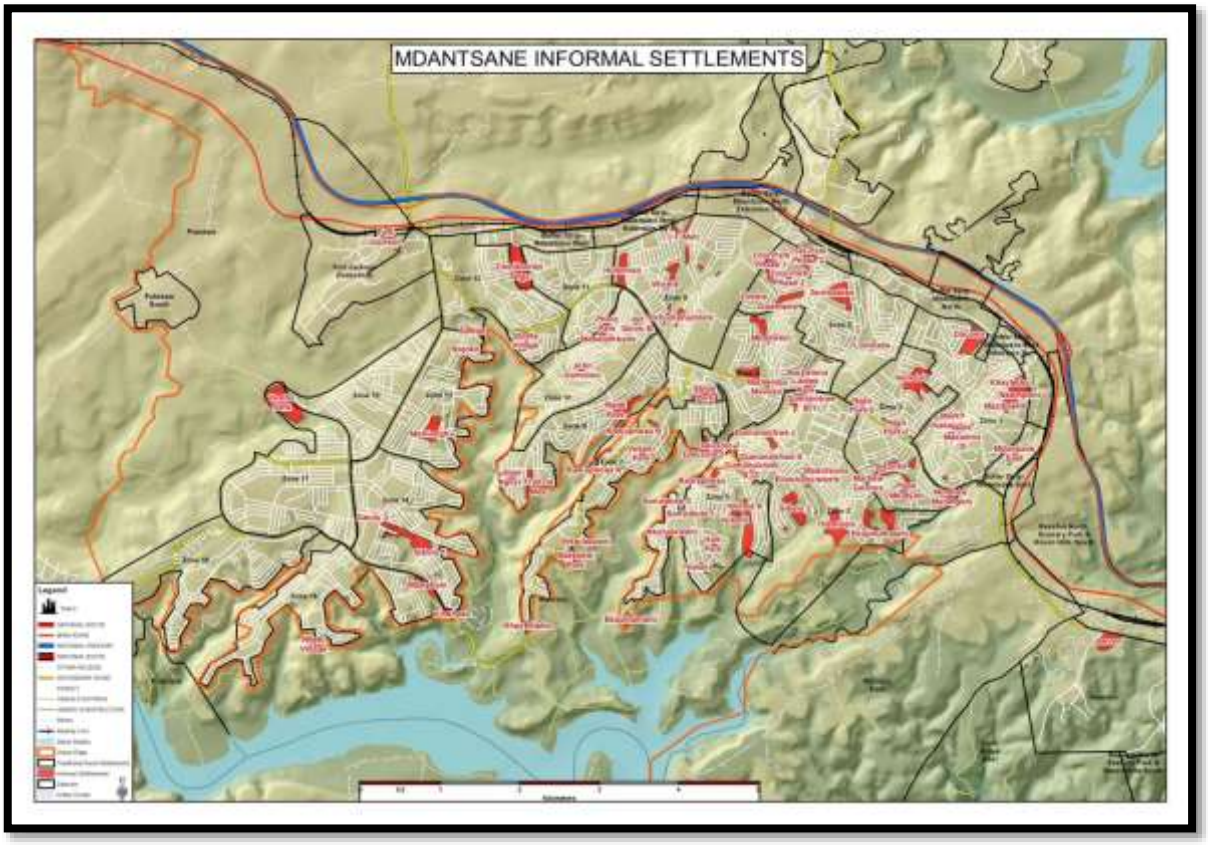


Figure B.12b: Mdantsane Urban Settlements

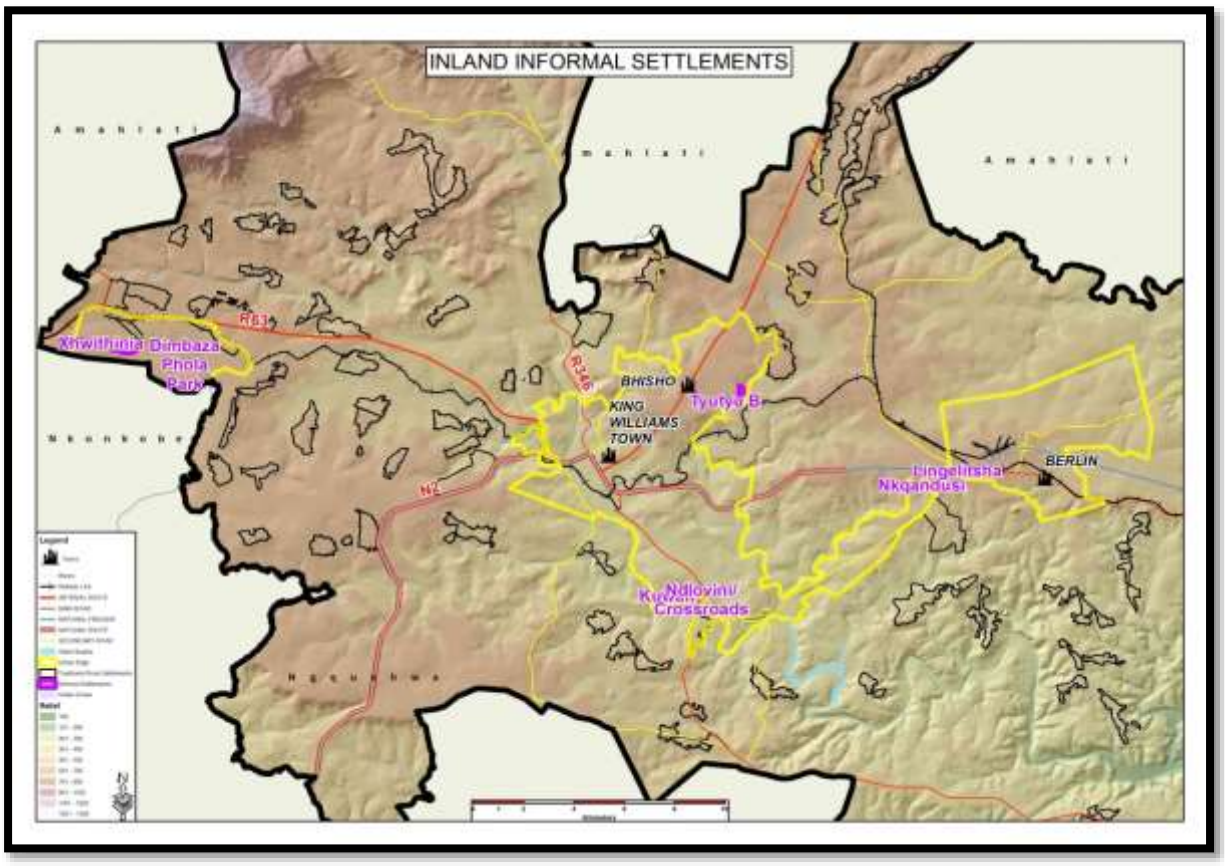


Figure B.12c: KWT and Dimbaza Urban Settlements

B1.3. Informal Settlement Upgrading Policy and Strategy

Buffalo City has developed an Informal settlement policy and strategy that is summarised as follows:

B1.3.1 Incremental settlement areas

The municipality must designate identified informal settlements that it wants to recognise as being part of its upgrading plans, as Incremental Settlement Areas (ISA‘s). ISA‘s build on the Spatial Planning and Land Use Management Act (SPLUMA) No. 16 of 2013 which states that municipalities, in its Spatial Development Framework plans, should —identify the designation of areas in the municipality where incremental upgrading approaches to development and regulation will be applicable.

The municipality should not designate an informal settlement as an incremental settlement area if it plans to or is in the processes of removing the settlement.

The recognition of tenure in informal settlements follows the following phased or step by step approach:

- **Step 1:** Establish incremental settlement areas where basic rules are set out for how tenure is to be managed in these areas, and what land use and building controls will apply.
- **Step 2:** Rezone from existing land use to Public Housing 1A or 1B for those informal settlements for which the necessary environmental and other approvals are obtained and for which a basic plot layout has been developed. The tenure rules applicable to ISA‘s will continue to apply but the land use and zoning rules will be applicable to land use zoning 1A.
- **Step 3:** Rezone from 1A to zone 1B and/or another appropriate zoning category where a formal layout with registered erven is created for houses, schools, road reserves, public open space etc. Unless tenure is converted to individual ownership, rental or some other tenure system, the tenure rules applicable to ISA will still apply.

B1.3.4 Draft Guidelines

Identify shacks to be relocated

a) Mark shacks for relocation that are on steep slopes (unless terracing and other interventions will be introduced), and are within flood lines of streams and rivers, and are in other environmentally sensitive areas.
b) Mark shacks for relocation that are within existing and proposed future road reserves and engineering and other servitudes (e.g. water and sewer lines and electricity power lines)
c) Mark shacks for relocation that are in areas where community facilities etc will be located.

Identify new plots

a) Mark out areas where new plots can be created, ensuring that the implications of such spaces are taken into account in terms of access to these and other plots.

Access

a) Ensure that all parts of the settlement are within 90 meters of a main road access point. Introduce new access routes into the settlement if the 90 meters is not achieved to all shacks. This is to ensure that fire trucks can get to within 90 meters of any shack with 90 meters being the distance that fire hoses can reliably access a burning shack.
b) If an access road cannot be provided for whatever reason (e.g. The land is too steep), provide a fire hydrant within 100 meters of all shacks so that multiple fire hoses can be connected to these fire hydrants. All fire hydrants to be accessible by fire truck.

c) If cull de sacs are used, ensure there are adequate turning circles. The cul de sac needs to be larger for areas where the road is longer.

d) Ensure that access points to informal settlements from existing municipal road networks take into account minimum sight lines according the applicable road‘s designs speed and road gradients to a maximum of 10% for turning into a road network

e) At lower densities where able to demarcate plots boundaries around shacks, ensure that all plots have a vehicular/ pedestrian access point.

f) At higher densities where it is harder to demarcate plot boundaries around shacks, aim to provide at least a broad pedestrian network within the settlement that is accessible to a large proportion of the shacks, but for the finer grained pedestrian network that reaches every shack, leave the demarcation of these internal pedestrian routes to the community to determine on site.

g) Provide pedestrian bridges at stream and storm water crossings

h) Use the following guidelines for width of access routes described above

i) Ensure that all storm and grey water is channelled away from shacks.

j) Consider creating areas where storm water and grey water can be retained and detained within and adjacent to the settlement so as to reduce the influence of peak storm water flows into the existing storm water system.

Household Clusters

a) Create clusters of between 20 and 30 households, so that these clusters can serve as a local social and physical organisational framework to manage and maintain any collective interventions, including communal toilets (see next point).

Ablution facilities and services

a) Allocate at least one set of ablution facilities per cluster, where an ablution facility includes:
b) Toilets (male and female)
c) Water taps (accessible with bucket)
d) Laundry facilities
e) Showers
f) Grey water soak-aways or retention sumps accessible by sewer waste removal trucks where waterborne sewerage is not available
g) Fencing where management and maintenance is a concern
h) Consider location of ablution facilities taking into account:
i) Ease of access to the facilities for all households within the cluster
j) Privacy considerations of households adjacent to the facility.
k) Suitable position for the provision of water and sewer services.

Play areas

a) Consider the creation of one play space per cluster or group of clusters, ensure surrounding households face onto and overlook play spaces. (Drawing on the defensible space concept)
b) Consider linking such play spaces to local crèches, even moving existing crèches so they adjacent to such spaces.

Vehicular pick up points

a) At accessible places where vehicular and pedestrian spaces intersect, create a taxi pick up/drop off point with adequate pedestrian access and waiting space; as well as parking space for emergency services (fire, ambulance, police etc.) and mobile facilities (mobile clinic, mobile library, etc.)

Electricity

a) Aim to have street and public lights at least at main intersections, access points and at main community spaces and facilities (e.g. ablution blocks).
b) Locate electricity poles servicing pre-payment electricity meters internal to group of shacks so that they can service a maximum of 8 shacks from one pole; and that these poles are positioned away from any potential future road reserves and path alignments thereby minimising potential for relocation of poles in future phases.
c) Place public lighting on top of electricity poles servicing pre-payment electricity meters.

Refuse collection/pick-up nod:

a) Provide adequate refuse collection points located at suitable positions throughout then settlements at sites accessible by the community and municipal refuse collection trucks.

Community halls

a) Create a central community space where the community can gather for meetings and other social events, and where possible allocate a plot adjacent to this space for a community hall or office
b) Consider building these community halls in a phased and incremental manner starting with, for example a basic roof on poles structure that can be upgraded over time.
c) Provide for notice boards, public pay phones, post boxes, lockable storage units, and other facilities as required and appropriate to be located at, within and around this social space.

Defensible space

Use above interventions to help create defensible space and a sense of place and community, such as:

a) create gateways to settlements,

b) plant clusters of trees along main routes and around main spaces and facilities,

c) provide different ground surfaces in semi-public spaces compared to public spaces

d) cluster households around a common space so main living areas of houses face onto these spaces

e) Provide signage that helps give settlement a sense of place.

B1.4 Rural Settlements

The following Spatial Policy has been formulated for all the rural settlement clusters with the extensive rural area of BCMM:

Yellowwoods Kei Road Zone Plan	Mount Coke Dimbaza LSDF
Needs Camp Zone Plan	Kwelera LSDF
Fort Jackson to Berlin Zone Plan	Newlands LSDF
West Bank LSDF	

The Rural Strategy undertaken in 2012 consolidates the settlement planning data and proposals from the above studies which is summarised as follows:

- Total of 132 rural settlements.
- 68311 rural dwellings
- Total of rural population of 204,935

The Rural Strategy has classified the rural settlements into two categories for implementation purposes:

- Settlements where settlement planning is required
- Settlements where housing is required.

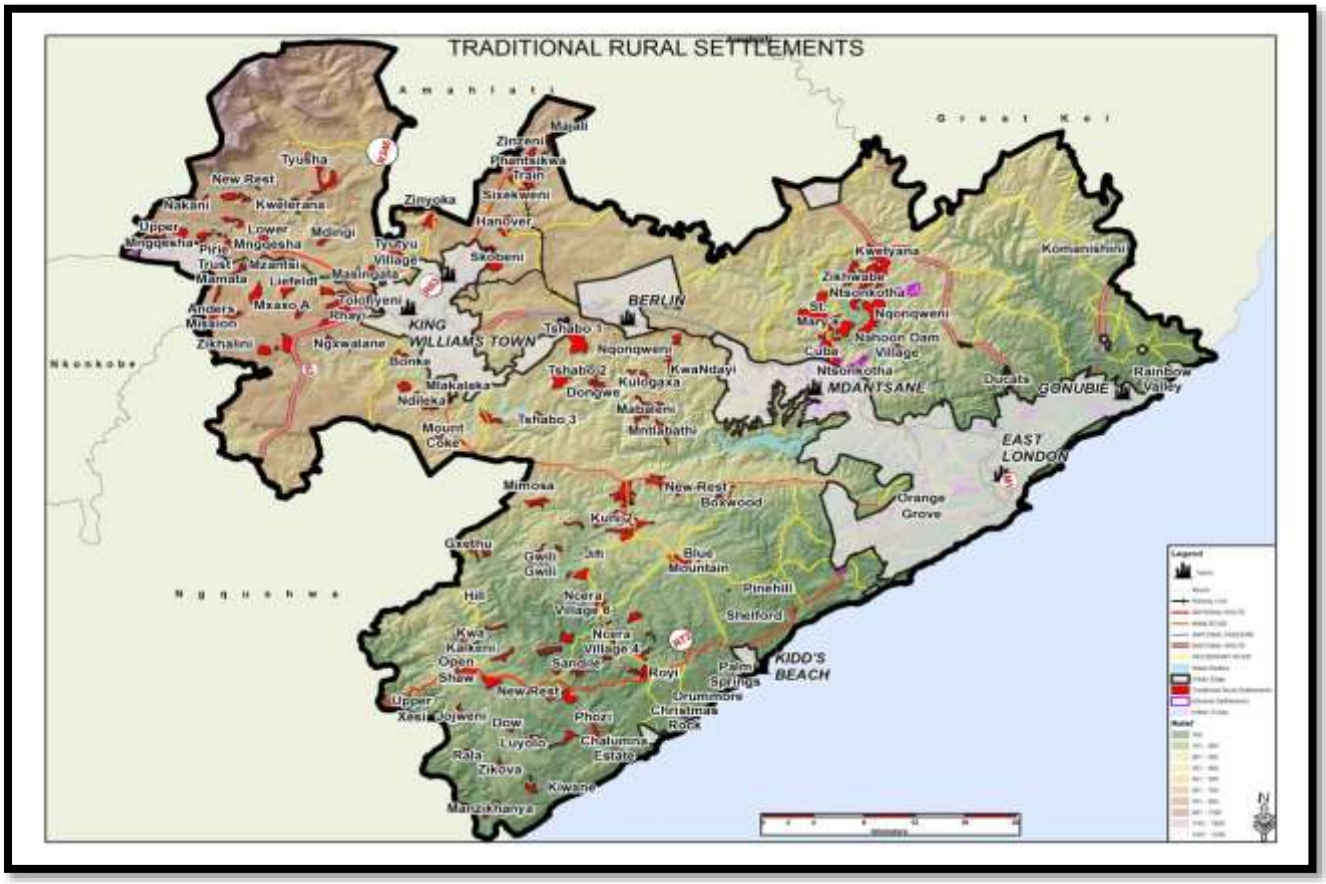


Figure B.13: BCMM Rural Settlements

B1.5. TOWNSHIPS

The BCMM Growth and Development Strategy has prioritized the following seven townships as part of the Township Revitalisation initiative:

Township	**Relevant Spatial Policy Plan**
Mdantsane	Mdantsane LSDF (2013)
Duncan Village	Duncan Village LSDF (2009)
Zwelitsha	Bhisho KWT LSDF (2013)
Ginsberg	Bhisho KWT LSDF (2013)
Dimbaza	Bhisho KWT LSDF (2013)

Ilitha	Bhisho KWT LSDF (2013)
Phakamisa	Bhisho KWT LSDF (2013)

B1.5.1. Duncan Village Redevelopment Initiative

Duncan Village is an area where demand for temporary and permanent residential accommodation is exceptionally high. This fact can be considered a key aspect of the strategic importance of Duncan Village in the broader urban network within Buffalo City Metropolitan. Duncan Village is further prioritized by numerous extremely dense informal settlements; and as a result of the existing high residential densities prevalent in Duncan Village, disasters have a devastating impact on a large number of residents, when they do occur. The redevelopment of Duncan Village is therefore considered a high priority for the Buffalo City Metropolitan Municipality (BCMM).

Duncan Village can further be considered to be optimally located for many residents of Buffalo City Metropolitan, due to its close proximity to the East London CBD and the various industrial areas in and around East London. This represents an opportunity for the development of Duncan Village to meet the needs of its inhabitants, through addressing de-densification/densification and urban renewal within Duncan Village.

The project requires the redevelopment of the entire Duncan Village i.e. residential units to be constructed, social amenities, recreational facilities, public transport, pedestrian movement, small & micro economic activities, informal trading of the area supporting infrastructure and economic job opportunities.

In response to the enormous challenges posed by the task of transforming the precinct of Duncan Village into a healthy living environment that caters for the varying needs of its

residents and that provides viable opportunities for people to establish a sustainable lifestyle in the city, the Buffalo City Metropolitan has embarked on the ambitious project known as the Duncan Village Redevelopment Initiative (DVRI). The project has been identified as a Mega Project by the National Department of Human Settlements.

Implementation of this project has been slow but the first high density housing pilot project undertaken to demonstrate what denser formal living in Duncan Village could be like are underway. The pilot housing erven are 80m² which represents a significant departure from the standard 200-300m² product previously on offer and the construction phase is complete.

The National Minister of Human settlements identified the need for strategic and integrated planning and the identification of Mega Projects located in priority areas. **The Duncan Village Redevelopment Project has been identified as meeting the requirements of a mega project in the Metro**

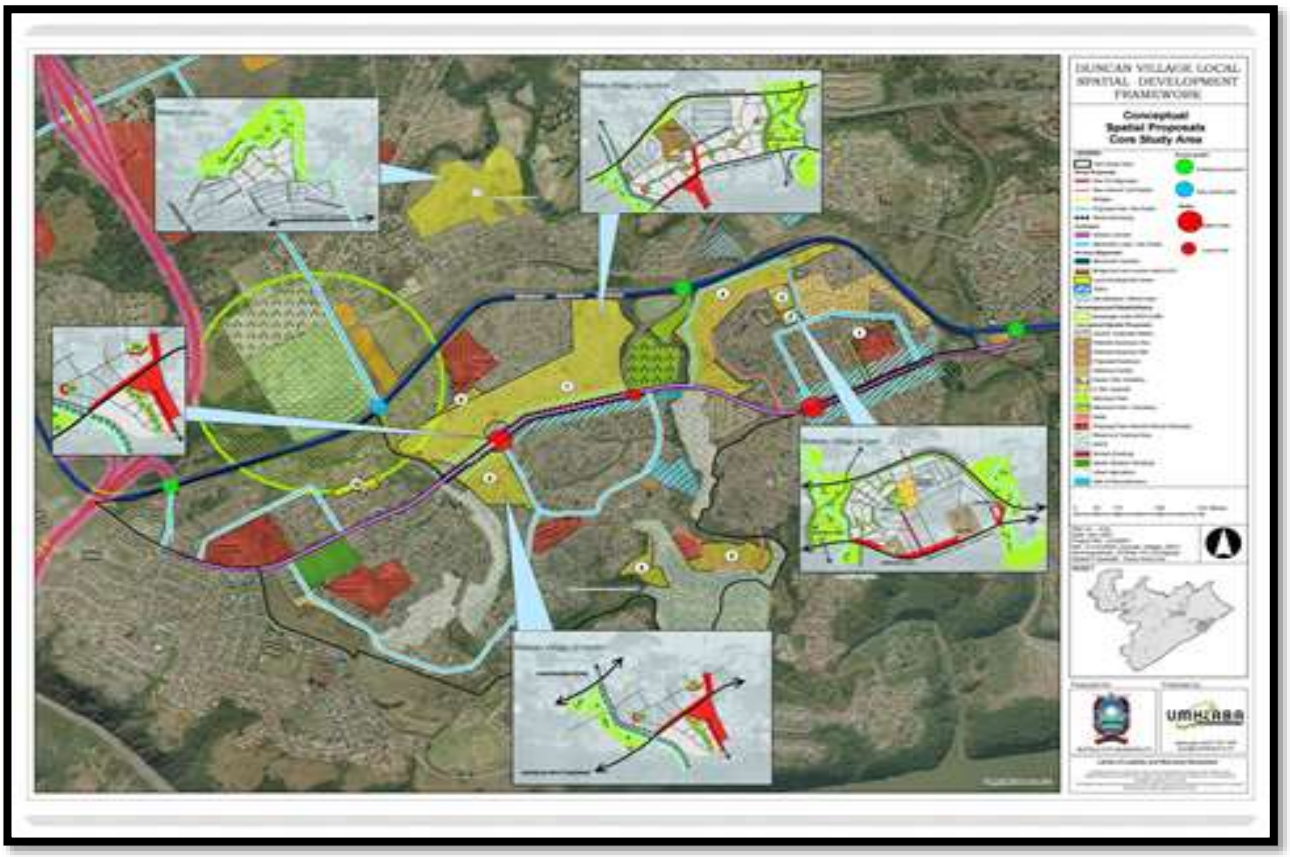


Figure B.14: Duncan Village LSDF – Spatial Proposals

B1.5.2. Mdantsane Urban Renewal

The major development nodes identified in the Mdantsane LSDF include the Mdantsane CBD (Highway) and the immediate area surrounding the Mount Ruth station. The areas surrounding the stations of Fort Jackson, Mdantsane and Mtsotso, were classified as minor nodes. Additionally the area (effectively Zones 4 and 6) in between Highway and the Mount Ruth station was identified for intensification and mixed land uses including higher density residential land uses.

Upgrading of the Mdantsane CBD was identified as a catalytic intervention that would boost the economy of the surrounding township of Mdantsane. The Mdantsane CBD is an existing mass regional transit node and will be further development with the support of the Neighbourhood Partnership Development Grant CBD multi-user focal area

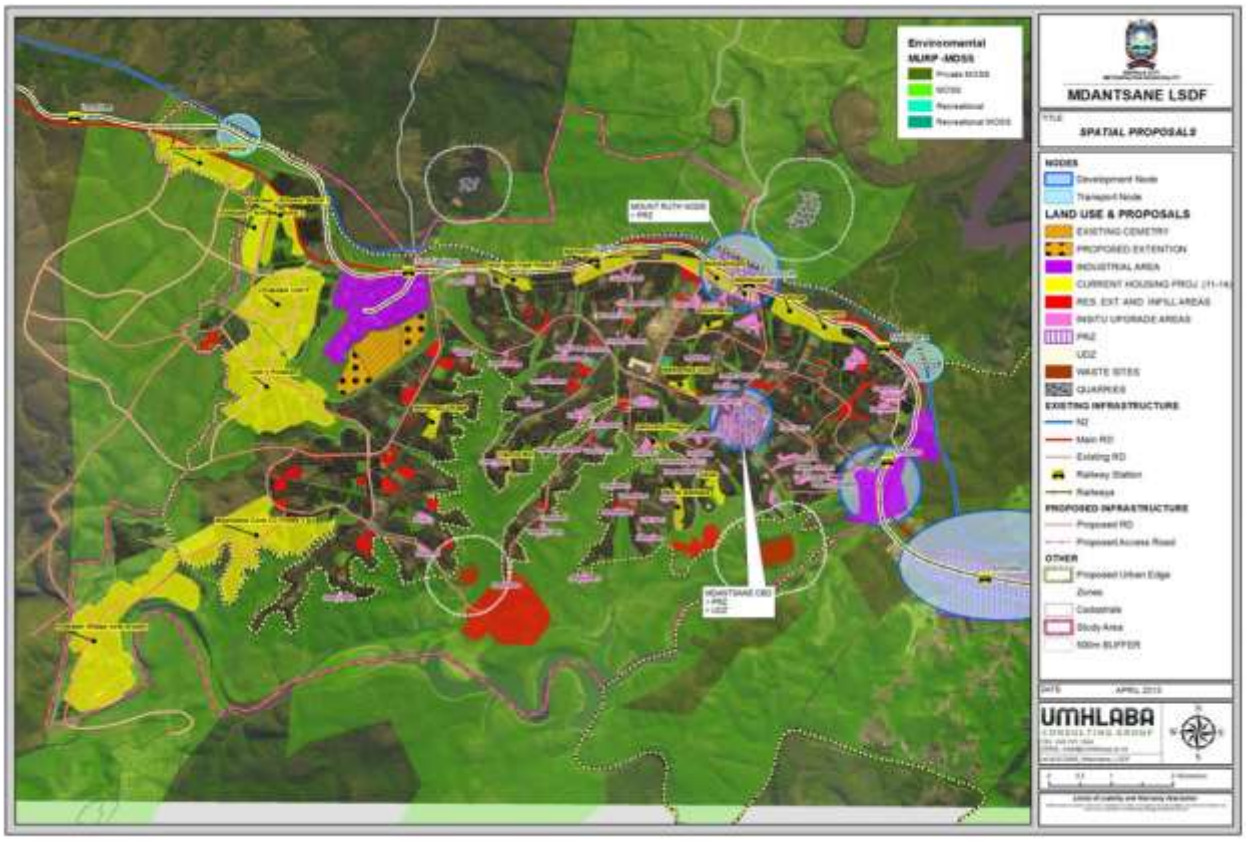


Figure B.15: Mdantsane Township: Spatial Proposals

B1.6. INNER CITY AREAS

Council has identified Inner City Regeneration as a Catalytic Project. The BCMM SDF has identified the following Inner City Areas as priorities for development:

Inner City Area	**Relevant Spatial Policy Plan**
EL CBD and Sleeper site	Sleeper Site Framework Plan (2016)
Mdantsane CBD	Mdantsane Hub Framework Plan (2016)
Quigney	Beach Front LSDF (2010)
Southernwood and Belgravia	Policy plan currently underway

B1.6.1 East London CBD and Sleeper Site

The Sleeper Site Framework Plan was approved by Council in December 2016 and contains a comprehensive Implementation Plan. See Section B.2 LOCAL AREA PLANNING.

B1.6.2 Mdantsane Hub Urban Framework

The Mdantsane Urban Hub Framework was approved by Council in December 2016 and contains a comprehensive Implementation Plan. See Section B.2 LOCAL AREA PLANNING.

B1.6.3. Southernwood and Belgravia

The BCMM SDF has identified Inner City areas of Southernwood, Belgravia and Quigney as Urban Renewal Areas. These areas have good access to transport routes and are areas with existing high density development.

Southernwood and Belgravia may be described as composite areas comprising non-residential land uses, including offices and commercial/retail complexes (largely located

west of Gately Street), and a variety of residential dwellings, ranging from high density, multi-storey dwellings to single residential dwellings (mainly located east of Gately Street).

Given its strategic location relative to the East London CBD and the burgeoning Commercial/Office district of Vincent/Berea, these areas are identified as having good potential for urban renewal, specifically aimed at prioritizing its residential component. These areas have been identified as PRZ's in the BCMM SDF.

The rationale behind such a move would be to use existing infrastructure to create an improved urban environment that has the potential to house people at relatively high densities in an inner city location. This would contribute towards meeting the strategic goal of prioritising the CBD area, but is also likely to lead to other positive outcomes, including: -

- Increasing operating thresholds for business in the surrounding areas of the CBD and Vincent/Berea;
- Provide relatively high density housing areas for people seeking well-located accommodation with good access to areas of opportunity by maximising the use of existing buildings (including high-rise buildings) in need of rehabilitation;
- A Partnership Approach between the Buffalo City Metropolitan Municipality and local land owners/landlords in the area, which could set a precedent for further such partnerships in other parts of the Metropolitan Municipality.

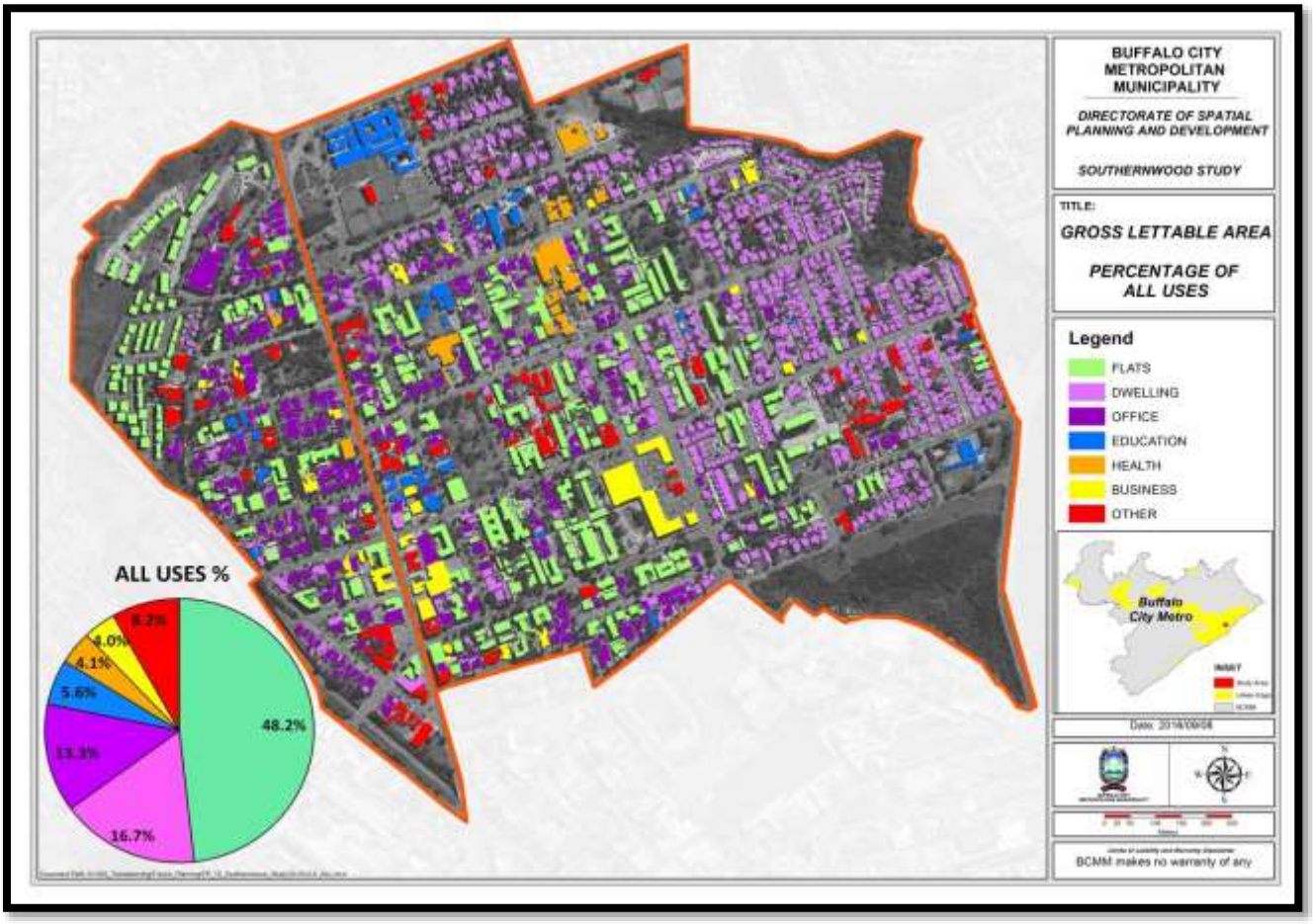


Figure B.16: Southernwood, Belgravia Inner city land use plan

B1.7 Growth nodes

B1. 7.1. Commercial nodes

The spatial distribution of economic activities in Buffalo City has tended to be nodal in nature. East London is experiencing a trend similar to many other cities, where there is a movement of many corporate offices out of the city centres to decentralized office nodes. Letting of office space in the central business district is still fairly active and is supported by public sector demand for space. Retail trade in the central business district area of East London and King William's Town is very strong, due to the high volume of foot traffic.

Beacon Bay has seen a great deal of interest from potential tenants, as well as the Vincent Office Park, where there is currently no vacant office space. There is vacant office space in

the central business district, where tenants have found more attractive decentralized office space to relocate to. Other areas that have shown growth in the office sector are Bhisho and the Southernwood/Arcadia areas.

The following two Local Spatial Development Frameworks have been approved to guide and manage the office and retail growth:

- Vincent Berea LSDF
- Bonza Bay Road LSDF

The Vincent Berea LSDF is situated on the Rail component of the MELD Corridor and contains policy to encourage mixed uses and densification. Generally the informal sector activities occur predominantly in two forms:

- As enterprises operating from within the home (e.g. Spaza shops, shebeens).
- As informal sector activities occurring outside major transport termini (e.g. Highway Taxi terminus in Mdantsane), outside high-visibility buildings (major supermarkets or public buildings), areas of high density in terms of captive population (the CBD), and recognised daily or occasional markets (e.g. craft and fresh produce markets).

B1.7.2. Industrial nodes

Industrial property activity in Buffalo City is mainly concentrated on the West Bank and further out at Wilsonia, Berlin, Zwelitsha, King William's Town and Dimbaza. There are 20 industrial areas in BCMM

Most of the industrial developments in East London are developed in proximity to the main railway system that provides links to outlying areas such as King Williams Town. The main industrial nodes are Gately and Woodbrook. Daimler Chrysler is currently located in Gately.

The Daimler Chrysler plant has made a major contribution to industrial property take-up in East London and continues to underpin demand for companies supplying the company. This includes attracting automotive suppliers and related service providers, which have taken up industrial space in areas such as Arcadia, North End, Wilsonia and Braelynn. Another industrial cluster is found in the areas that are located off the East London CBD to the North of the CBD; these are Arcadia, North End and Braelynn. There are signs of older properties in need of refurbishment and industrial activity in typified by light manufacturing and warehousing.

Decentralised industrial areas include Wilsonia, which is located north west of the CBD and the Port. Over the years, light industrial properties and show rooms have also been developed to the North East of the City in the Beacon Bay / Gonubie area and Adjacent to the East London Airport.

The East London IDZ comprises some 1,500 ha of land, which is divided into five development zones, located between the R72 and the Indian Ocean. The ELIDZ is located on Buffalo City's West Bank adjacent to the port of East London and the East London Airport. The East London Industrial Development Zone (Pty) Ltd who market the land manages the development. The development will be developed in a phased approach. In this regard, a number of functional zones have been created offering different marketing potentials.

Fort Jackson remains attractive for industrialist seeking large spaces located in close proximity to a semi-skilled workforce. In King Williams Town, industrial properties are located in close vicinity to the station and generally serve the needs of the local market.

The Dimbaza industrial node, which has suffered high levels of urban decay, has, over the past few decades largely become functionally obsolete. However, the node offers significant infrastructure and the question remains whether the node could not be retrofitted to provide

housing opportunities with a component of industrial use. Council has identified two industrial areas as Catalytic Projects:

- Revitalisation of the West Bank Industrial area. This area includes the IDZ and the Automotive Cluster
- Berlin Green Energy Hub

In addition the Council is supporting initiatives to revitalise the Fort Jackson and Dimbaza industrial areas.

The East London Industrial Development Zone established a **Science and Technology Park (STP)**. It is an innovation hub aimed at speeding up the pace of economic development in the Eastern Cape by increasing the competitiveness, efficiency and effectiveness of local industry. The ELIDZ STP is the only park of its kind in the country which is linked to an IDZ and was conceived as a catalyst for growth, collaboration.

The East London Industrial Development Zone will offer significant development potential in the medium term, which would create opportunities for the development of urban settlement extensions in that part of the East London city area (West Bank). There is a projected R14.4 billion investment in the IDZ for the next 3 – 5 years.

Buffalo City needs to further diversify the local economy especially within the manufacturing sector. This would also imply the diversification of markets for manufactured products and services. It is important to invest in intellectual capital, creativity and technical capabilities of the labour force through skills development. More private and public investment is required to accelerate the production of all economic sectors.

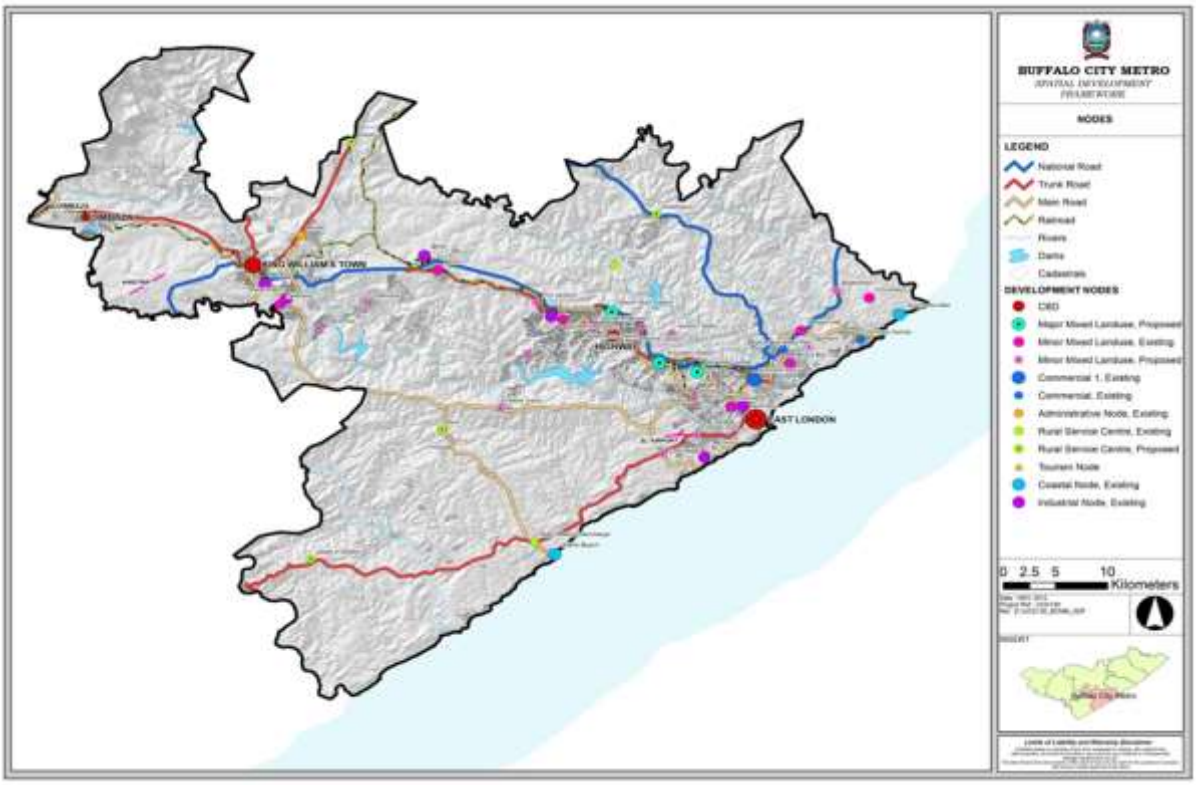


Figure B.17: Current and proposed Commercial and Industrial Nodes

B.2. LOCAL AREA PLANNING

The following precinct plans have been identified and more detailed planning undertaken in the respective areas.

B2.1 Central Business District (CBD)

Metropolitan or Primary Nodes are nodes that are of such significance in terms of scale, location, diversity and agglomeration of function (facilities, services and economic activities), that they impact on the metropolitan region as a whole (or have potential to do so in the context of the SDF). The Urban Network Strategy identifies the East London CBD as the primary CBD for the Buffalo City Metropolitan Area.

1.0 Sleeper Site Framework Plan

The following developmental **objectives** were identified:

a) Build an inner city that is functional and liveable
b) To improve the aesthetics and the built environment i.e. through improved lighting and landscaping, cleanliness and safety (including the perception of personal safety) and the optimisation of the use of existing facilities by redefining their hierarchy and role within the CBD.
c) To enable integration, accessibility and connectivity of the East London CBD and into the wider surrounding inner city areas particularly the Sleeper Site, Beach Front and Quigney.
d) Establish a walkable network in the inner core that conveniently connects public transportation in a legible and effective way.
e) To promote economic sustainability and high intensity activity all year round;
f) To promote economic sustainability and high intensity activity all year round;
g) A framework for engaging the various stakeholders in the CBD along with a CBD management model to ensure and oversee the transformation of streetscapes and to manage maintenance activities and promotion of the CBD

The Council approved the **Sleeper Site Framework Plan** in December 2017. The implementation Plan includes the following:

a) That Council engage over a sustained period with a wide range of stakeholders to develop and maintain clarity of vision and purpose for the Sleeper Site development as well as the CBD and surrounds. These stakeholders to include tertiary education institutions;

PRASA; and other interested and affected parties (organised business, SAPOA, private sector property developers, civic organisations, residents' associations, public transport operators etc.).

b) That Council initiate steps to proceed with the conceptualisation, design and implementation of the envisaged **Civic Centre** and related civic/social facilities.

c) Council investigate the establishment an **appropriate institutional vehicle** to manage over a sustained period of time the variety of transactions that will be required **for the implementation of property developments on the Sleeper Site** as well as in the CBD and surrounds, in response to property market dynamics and the trajectory of social and economic development in the central East London area.

d) Responsible Directorates implement of all necessary detailed **infrastructure and road network development** studies as well as oversee the implementation of infrastructure and road network improvements over an extended period of time as detailed in the Implementation Plan.

e) Council set in place the conditions that enable a sustained effort to revitalise and upgrade the East London CBD and surrounds, including facilitating the establishment of an **appropriate institutional vehicle** for the **City Improvement District** that will address:

    i) Safety and Security

    ii) Cleansing

    iii) Other relevant Precinct Management issues

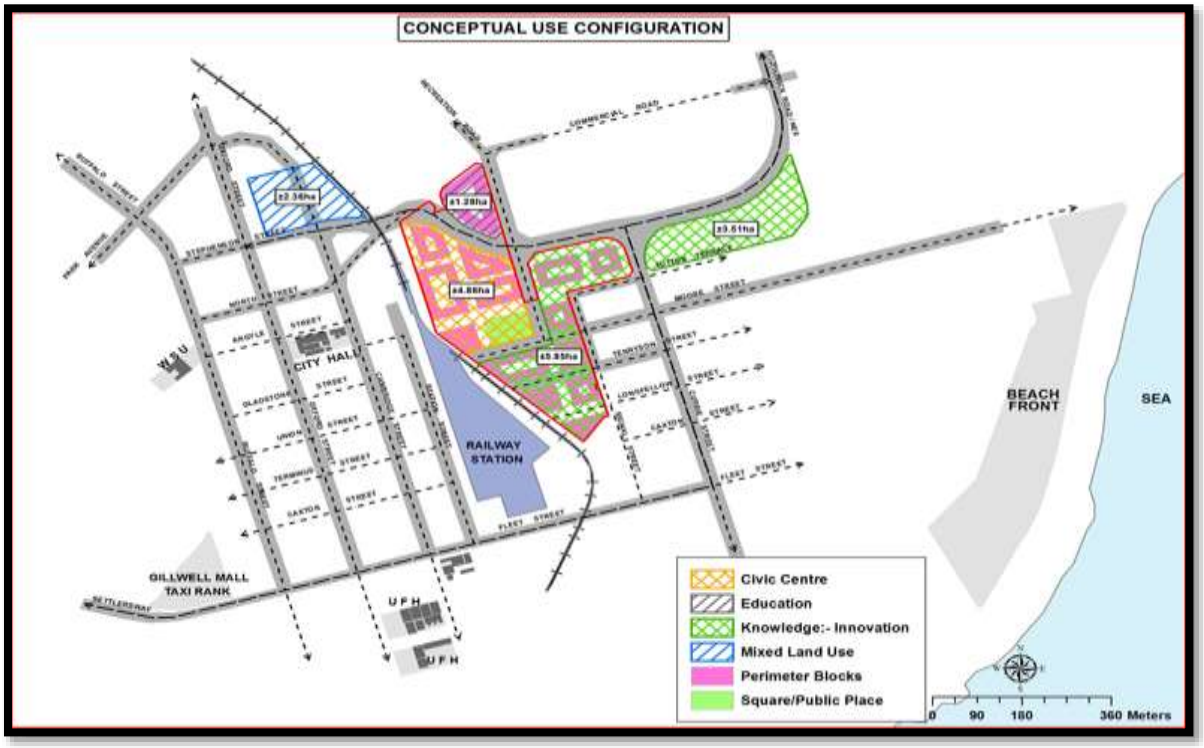


Figure B.16: Sleeper Site Conceptual Framework

B2.2 Mdantsane Urban Hub

The Urban Network Strategy identifies the Mdantsane CBD as the Urban Hub within the Primary Integration Zone for the Buffalo City Metropolitan Area.

2.0 Precinct Plan for the Mdantsane Urban Hub

The Mdantsane CBD can be classified as a high opportunity, low performance urban area. It is important that interventions in urban areas need to be based on and address the underling drivers and causes (including types of market failures) of urban development trends (including property market performance, investment, dis-investment etc.).

The greatest challenge in the CBD is arguably to re-establish a sense of order, cleanliness, safety and security in the area as well as to improve the quality of the environment so that

people will be encouraged to live, work and visit the CBD. The heart of, and reason for the existence of the CBD is undoubtedly the Public Transport Interchange.

All significant formal and informal retail activity is spatially linked to the taxi interchange precinct. The other key activity areas in the CBD are linked to certain anchors such as the Youth / Cultural Centres, the Department of Home Affairs and the Checkers Shopping Mall on the R308 as well as the Sisa Dukashe Stadium on event days. These anchors currently exist as disconnected and discreet areas, which are poorly connected to each other. It is important that the character of each of these areas are reinforced and given a new positive identity.

The following **Vision** for the Mdantsane CBD was identified:

- *A self-sustaining, attractive and vibrant economic hub*
- *A place that celebrates the creative arts, culture, history and identity of Mdantsane*
- *A place that cultivates sports and sports development as a youth & community builder*
- *A place of learning & skills development*
- *A place that show cases quality urban life and urban living*
- A well managed precinct.

The **objectives** of the Urban Design Framework are therefore to:

- Reinforce and improve the CBD's existing attractions and destinations, in particular the Taxi Interchange Sub-Precinct, the Cultural Sub-Precinct, the Shopping Sub-Precinct well as the Sisa Dukashe Stadium Precinct.
- To introduce new anchors and areas of activity to expand and improve the functionality of the CBD.
- Create a clear hierarchy of public urban spaces linked through a well-connected network of routes for pedestrians
- To improve general access and connectivity through the area.
- Upgrade and improve buildings and features of cultural / historic significance and value in order to create a strong identity for the area.
- Encourage a high standard of urban design that places significance on the public realm and relationships between buildings and streets.
- Create an urban form that assists in creating a safer and pedestrian friendly environment.

The study calculated that there was opportunity to develop:

- 2040 Social Housing Units
- 1279 High Density Hosing units
- 50000m2 of Retail and Commercial Space

The Council approved the **Precinct Plan for the Mdantsane Urban Hub** in December 2017. The implementation Plan includes the following:

- Upgrading and improving access and movement to and within the CBD.
- Upgrading of the Public Realm

- Mixed Use and High Density Housing Development Projects
- Urban Design Guidelines
- Local economic development initiatives
- Infrastructure upgrading projects
- Rectifying Cadastral and Property Registration issues
- Establishment of an **appropriate institutional vehicle** to undertake Precinct Management that will address:
    a) Safety and Security
    b) Cleansing
    c) Management Informal traders
    d) Coordination private sector development
    e) Assist with fast-tracking of building plans
    f) Engaging with local community and stakeholders

Complementary to both of the above CBD's is the ICT project (identified as a Catalytic Project) that is extending broadband internet access throughout the city.

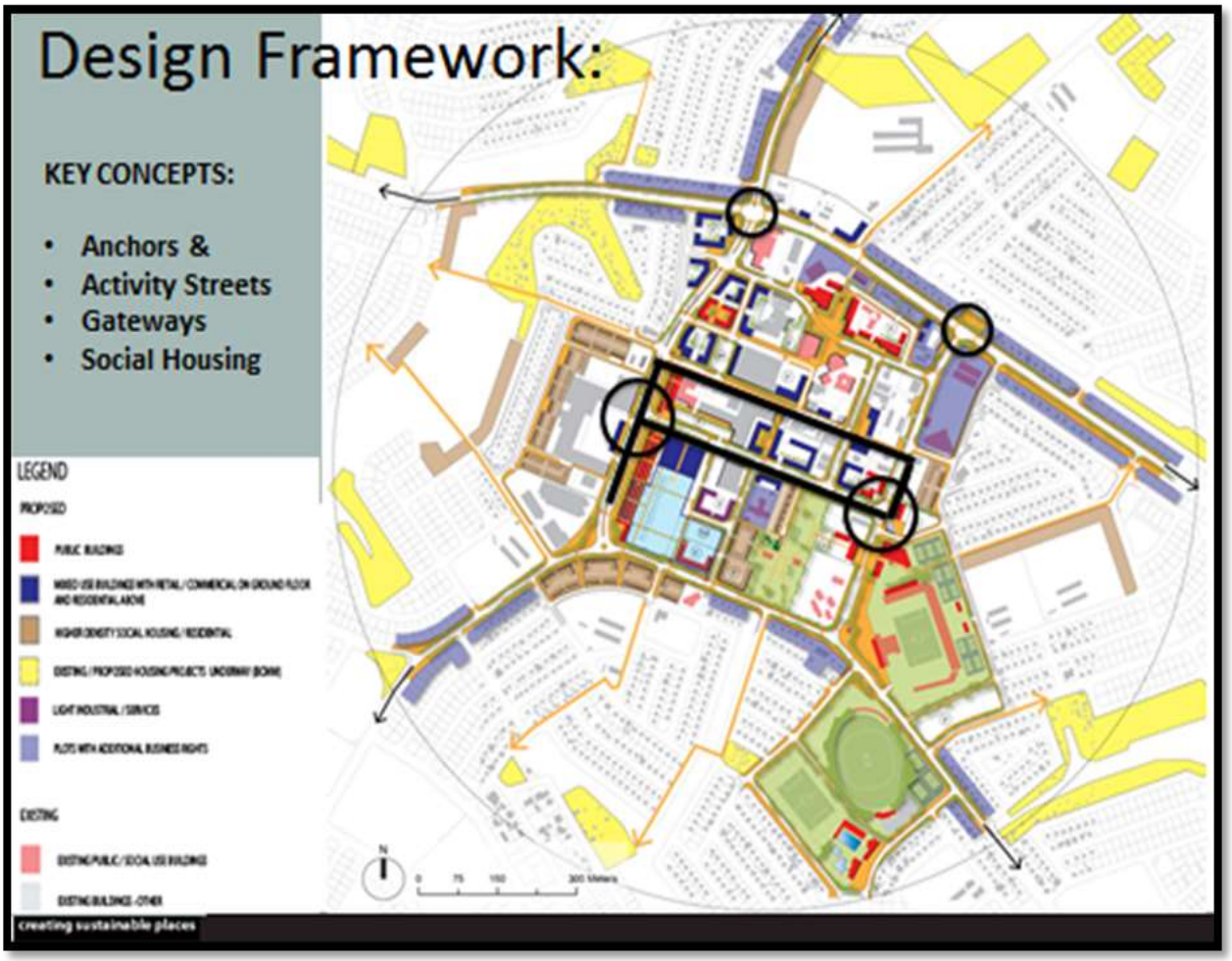


Figure B.17: Mdantsane Hub Urban Design Hub

B.3.PROJECT PREPARATION

B3.1. Mdantsane Urban Hub

In December 2017 the BCMM Council adopted the Mdantsane Urban Hub precinct plan. Section 11 of the report, includes the Precinct Implementation Framework, which discusses implementation processes and pre-requisites as well as a series of actions and project interventions related to the precinct as a whole and the various focus areas. High-level costs of identified projects & project packages, key role players and roles in the project delivery process are also identified. In the case of Mdantsane, in order for the vision and implementation of the proposed precinct plan to be realized, a number of concurrent processes need to unfold:

B3.1.1 Project implementation framework

1. LAND PREPARATION PROCESSES

    a) Registration of all properties in the CBD

    b) Rectifying of cadastral information

    c) Rectifying of zoning information

2. LEAD ACTIONS NECESSARY TO FACILITATE INTEGRATED DEVELOPMENT

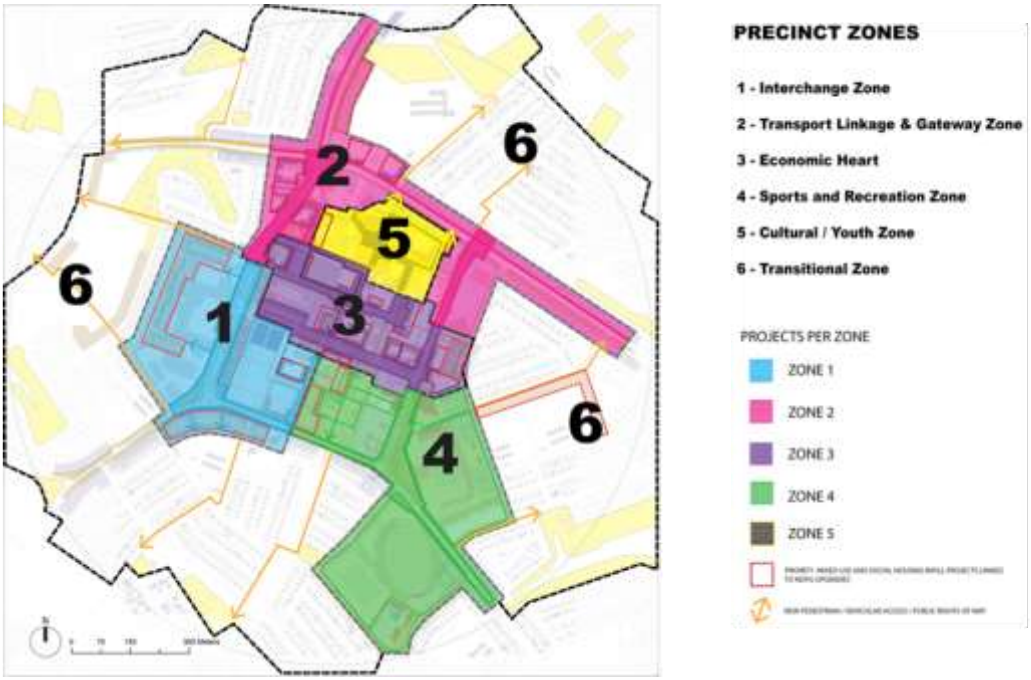
    a) Stakeholder Management

    b) Sound Project Preparation and Urban Design Guidance

3. PRECINCT MANAGEMENT

4. UNLOCKING OF INFRASTRUCTURE

Various project implementation zones are identified in order to plan, package and prioritize projects corresponding to common themes and stakeholder groupings. Hence they closely follow the projects aligned to each node. Implementation of projects in each node may take place concurrently or sequentially, based on the coordination of lead actions and mobilisation of funding from various sources. For purposes of kick-starting implementation, public sector led projects that would have maximum economic impact as well as maximum impact in addressing some of the access challenges in the CBD are prioritised. Zones1, 2 and 3 are therefore seen as key areas for immediate intervention.



Implementation zones

B.3.1.1. Actions & projects per zone

The project implementation for Mdantsane urban hub is schedules in terms of lead actions and capital Implementation projects per zone

B.4. INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

The National Treasury Guidance Note is very clear on the intention of better alignment both horizontal in the institutional but also vertically between the spheres of government and State Owned Enterprises. It states that the alignment of provincial infrastructure to metropolitan priorities will be done via the relevant Provincial Treasuries who co-ordinate the IDP's and IDMS with guidance from National Treasury.

The other spheres of government and SOCs have been part of the BEPP process to date but with varying degrees of participation and commitment and generally with a typical top-down approach rather than genuinely being part of an interactive, joint planning and budgeting process that respects the boundaries of spheres and functions in terms of the Constitution.

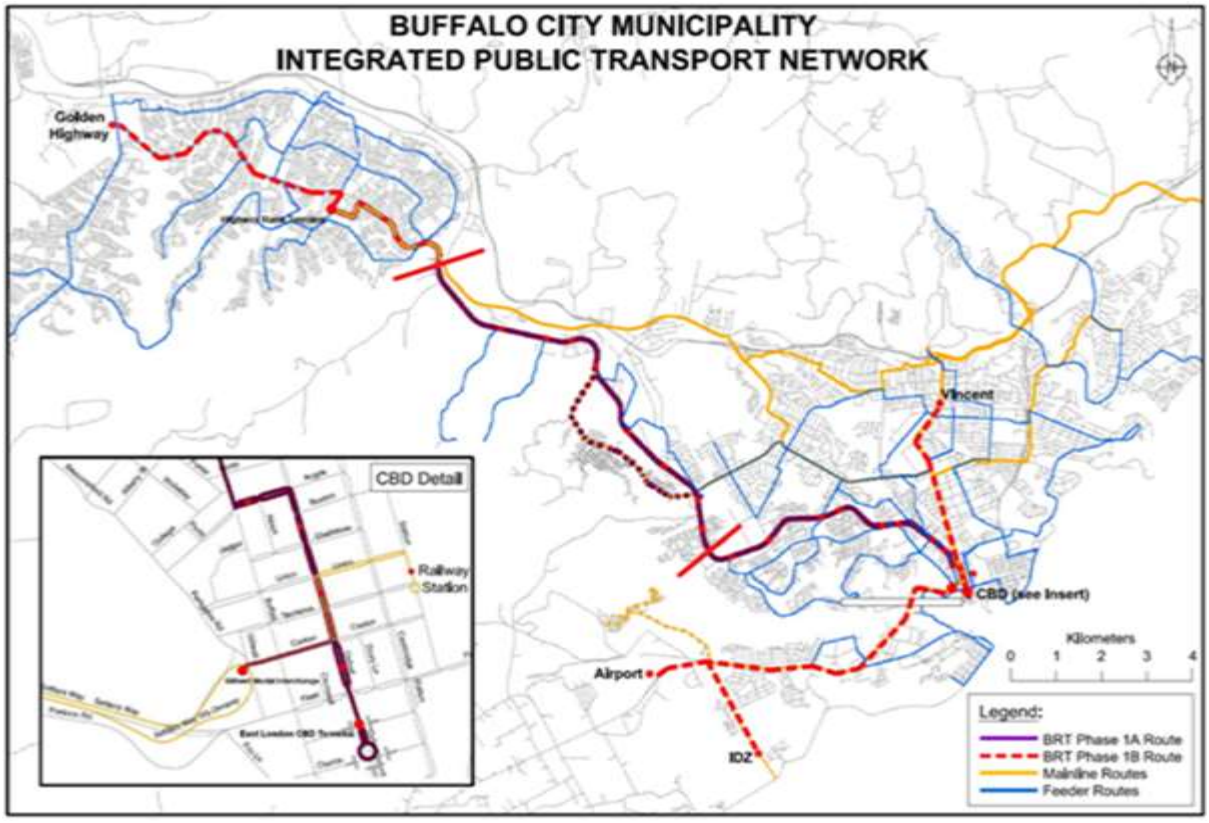
BCMM foresee that this aspect of integration and cooperation will require further support, development and refinement during the course of the year when IDP's and budgeting in the institution is undertaken to be closer aligned with the BEPP.

SECTION C : INTERGOVERNMENTAL PROJECT PIPELINE

C.1INTERGOVERNMENTAL PIPELINE

The following is a summary of the Integovernmental Project Pipiline for the BCMM Integration Zone

Duncan Village Redevelopment (Human Settlement – upgrading of informal settlement) – The densities and land are considered constraints with this project. Infrastructure is required in order to allow for housing top structures. Operating budget is required in terms of the maintenance required on the infrastructure as well as the depreciation impact of the capital infrastructure spend.



MELD Corridor (Public Transport) – This is associated with the road expansion from single to dual roadway. The short term operational budget impact is the depreciation associated with

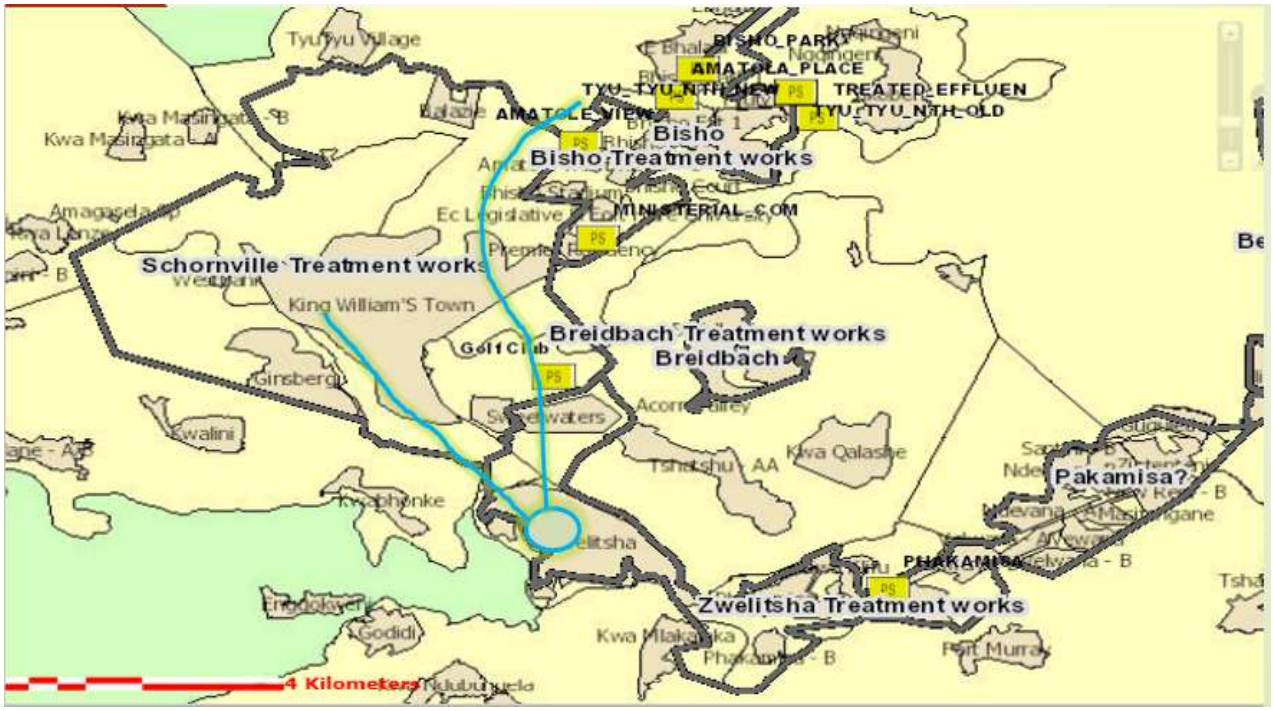
the road. A financial modelling project will be undertaken to assess the financial viability of public transport on this road. This could only be implemented in 2018/19 which may require the purchase of buses with hiring additional drivers. It is currently too early to assess the operational impact of the public transport.

EL CBD & Sleeper Site (CBD & Mixed land use) – The Sleeper Site requires a complete financial assessment. Early suggestions are that this will be implemented through a build operate and transfer model however the total project needs to be costed and project phase implementation assessed prior to embarking on the funding model. The operational impact will be the rental associated with the building and future infrastructure depreciation. Oxford street pedestrian and public transport project is one of the projects that are identified for the inner city areas. This project will involve transforming between Commissioner Street and Stephenson Street into a pedestrian and public transport oriented road, with limited access

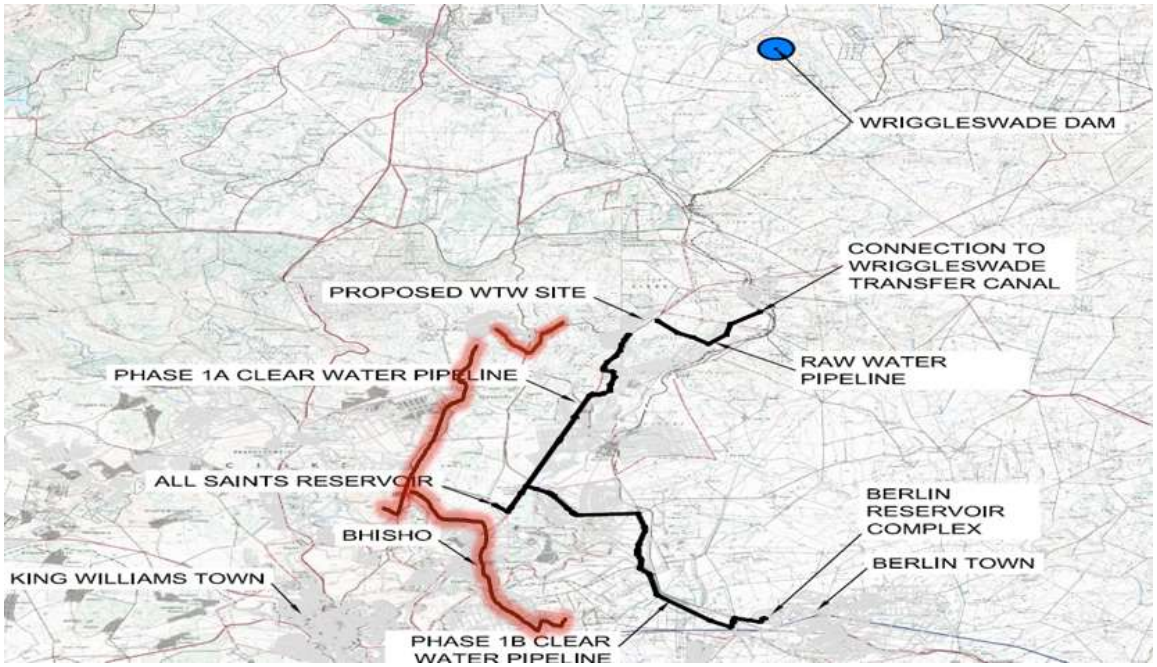
and loading areas for goods vehicles. The measures are intended to make the CBD more attractive by providing exclusive public transport lanes and facilities, including facilitating pedestrian movement on wider sidewalks. Another project is the Rehabilitation of Fleet Street which includes the upgrading of Fleet Street to accommodate the effect of the BRT and other associated projects within the CBD of East London. The objective of the City to Sea Boulevard to link pedestrian movement / mobility from the CBD to the Sea side. Understanding pedestrian movement is vital to guiding regeneration, promoting sustainable travel and sustaining the life of a city. It must be therefore be borne in mind that the road network costed here serves a broader objective of improving overall traffic management and prioritize pedestrian movement in the city than only that of providing access to the undeveloped portions of the sleeper site.

Mdantsane Urban Hub – The CBD of Mdantsane has been identified in the Urban Network Strategy as the Urban Hub for the metro. Funding for the preparation of a design concept

plan has been made available from the NDPG. Capital funds for project implementation in the CBD has been Gazetted



Zwelitsha Regional Bulk Sewage Scheme(Bulk infrastructure project) – This will require some repairs and maintenance expenditure however as this is a gravity fed sanitation pipeline the repairs and treatment works expansion. The project is required in order to create more capacity within the existing central urban areas such as Breidbach, Zwelitsha, Bhisho, Schornville, Phakamisa and Ilitha unlocking of the mixed housing development in the Bhisho/King Williams Town area.



Kei Road to Bhisho Bulk Water Scheme – This will require some repairs and maintenance expenditure however as this is a gravity water pipeline and new treatment works in Kei road as well Bulk Storage Reservoirs. The project is required in order to create more capacity within the existing Bhisho and King Williams town As well as surrounding peri-urban areas of Berlin, Zinyoka, Ttyutyu, etc.

SECTION D : CAPITAL FUNDING

D.1. Spatial budget mix

The methodology to identify budgets is linked to spatial types, where based on the general locality of the project and knowledge of the type of land use and settlements found in these areas.

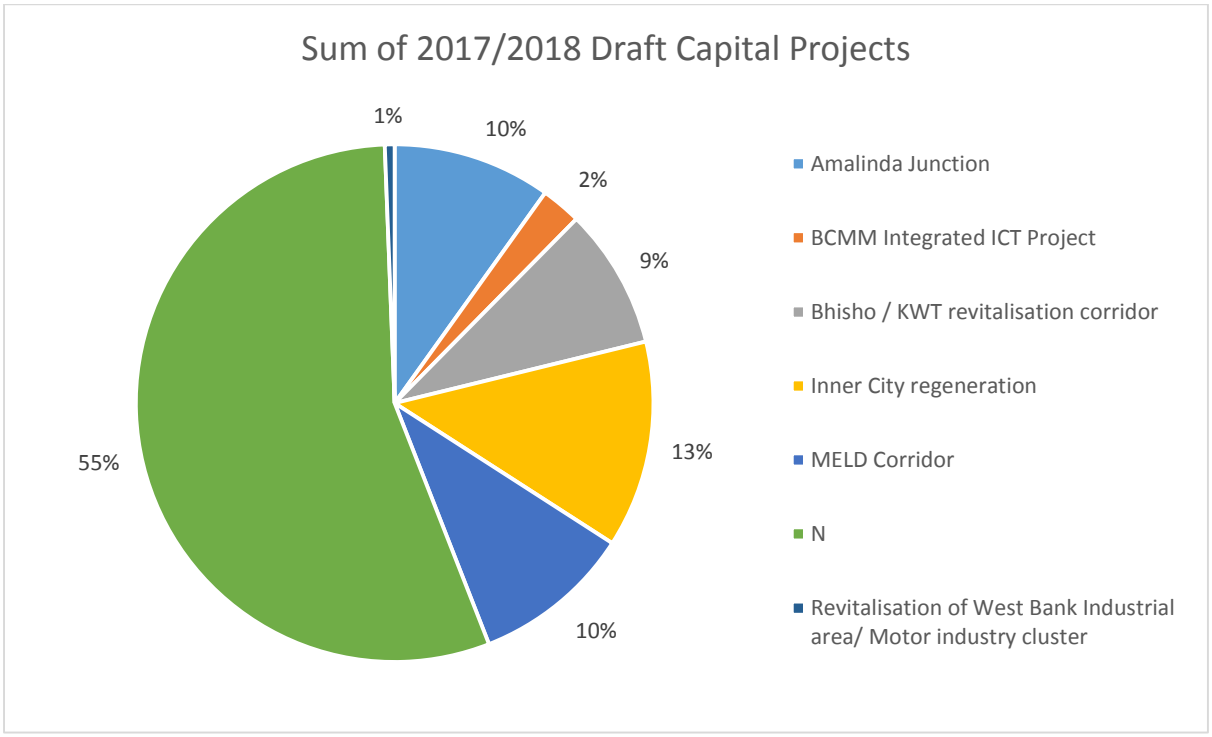
Catalytic Project (Y/N) - If yes then which project?	Funding Source	F	2017/2018 Draft Capital Projects	2018/2019 Draft Capital Projects	2019/2020 Draft Capital Projects
Amalinda Junction	LOAN	East London Sewer Diversion : Central WWTW To Reeston WWTW : Phase 2 : Tunnel and Civil Works	69 000 000	189 000 000	176 000 000
	LOAN Total		69 000 000	189 000 000	176 000 000
	Own Funds	Revitalisation of Industrial Area (Dimbaza, Westbank, Wilsonia & Zwelitsha)	3 000 000	5 000 000	1 000 000
	Own Funds Total		3 000 000	5 000 000	1 000 000
	USDG	Bulk Water Provision - Programme	55 000 000	60 000 000	65 000 000
		Reeston Bulk Sewer	35 000 000	0	0
	USDG Total		90 000 000	60 000 000	65 000 000
Amalinda Junction Total			162 000 000	254 000 000	242 000 000
BCMM Integrated ICT Project	FMG	Computers (Interns)	100 000	100 000	100 000
	FMG Total		100 000	100 000	100 000
	Own Funds	Acquire ERP System	5 000 000	50 000 000	75 000 000
		Disaster Recovery Enhancement	3 000 000	2 000 000	1 000 000
		Fibre Network	5 000 000	5 000 000	5 000 000
		Fully Integrated Asset Management System	15 000 000	10 000 000	15 000 000
		LTE Infrastructure	12 000 000	8 000 000	5 000 000
		Procurement of ICT Equipment	1 000 000	1 000 000	1 000 000
	Own Funds Total		41 000 000	76 000 000	102 000 000
BCMM Integrated ICT Project Total			41 100 000	76 100 000	102 100 000

Bhisho / KWT revitalisation corridor	Own Funds	KWT Public Transport Facility	0	40 000 000	40 000 000
		Market Square Bus Rank	8 000 000	2 000 000	0
		Market Square Taxi Rank	12 000 000	20 000 000	26 500 000
		Mary Street	0	7 000 000	8 500 000
		Road Network within Taxi Facilities	0	0	18 000 000
		Taxi City Taxi Rank	20 000 000	18 000 000	13 500 000
	Own Funds Total		40 000 000	87 000 000	106 500 000
	USDG	Bhisho, KWT and Zwelitsha Bulk Regional Sewerage Scheme - Phase 2 Zwelitsha WWTW	77 817 520	88 294 290	67 348 450
		Canary Cres, Dove Drv	2 500 000	0	0
		Construction of New KWT Traffic Centre	10 900 000	0	0
		Eals Rd, Lonsdale Rd, Kings Rd	3 500 000	0	0
		Gould St	2 500 000	0	0
		KWT Roads		20 000 000	30 000 000
		Reserve Rd	4 500 000	0	0
		Victoria St	2 000 000	0	0
	USDG Total		103 717 520	108 294 290	97 348 450
Bhisho / KWT revitalisation corridor Total			143 717 520	195 294 290	203 848 450
Inner City regeneration	ICDG	Integrated City Development Grant	6 956 000	11 457 000	12 099 000
	ICDG Total		6 956 000	11 457 000	12 099 000
	Own Funds	Bulk Electricity Infrastructure Upgrade - Replacing Existing Infrastructure	40 000 000	40 000 000	40 000 000
		Bulk Sanitation Provision - Replacing Existing Infrastructure	40 000 000	80 000 000	70 000 000

		Bulk Water Provision Replacing of Existing Infrastructure	40 000 000	80 000 000	80 000 000
		Closed Circuit Television Network - CCTV	3 500 000	2 000 000	0
		Construction and Rehabilitation of Waste Cells	40 000 000	40 000 000	40 000 000
		Fire Engine	9 000 000	7 500 000	9 000 000
		Fire Equipment	1 000 000	0	0
		New Air-conditioner (Replacement - Shoprite Caxton Street)	1 800 000	3 000 000	0
		Orient Theatre refurbishment	0	1 000 000	1 000 000
		Radio Network	800 000	800 000	0
		Traffic and Law Enforcement Equipment	600 000	600 000	1 000 000
	Own Funds Total		176 700 000	254 900 000	241 000 000
	USDG	Bedding Pipes	0	1 500 000	3 500 000
		Chipping Machines	500 000	0	0
		Construction of guard house	420 440	0	0
		Construction of Leachate Treatment Plant	0	5 000 000	20 000 000
		Construction of Material Recovery Facility (MRF)	0	6 552 360	22 900 000
		Construction of offices guard house and ablution facilities	1 500 000	0	0
		Construction of ramp and installation of walking floor system	8 000 000	0	0
		Earthworks (Roads & subgrade)	0	3 000 000	5 000 000
		Earthworks (pipe trenches)	26 200	2 500 000	5 000 000
		Fencing central transfer station palisade	3 000 000	0	0

		Gabions and Pitching	0	2 000 000	4 000 000
		Geosythetic Clay Liner (GCL)	0	6 300 000	6 500 000
		Haul truck	2 500 000	0	0
		Inspection camera	100 000	0	0
		Installation of Cameras	300 000	100 000	100 000
		Installation of Geomebrane Liner	2 300 000	3 000 000	4 500 000
		Medium Pressure Pipes	0	2 000 000	4 000 000
		Printers and Computers	15 000	0	0
		Storage Containers	500 000	0	0
		Storm water drainage	0	2 500 000	4 500 000
		Street Lighting and Highmasts within BCMM Areas of Supply	5 000 000	5 000 000	10 000 000
		Tools and Equipment	2 000 000	1 000 000	1 000 000
		Waste transport containers 72m3	2 000 000	0	0
	USDG Total		28 161 640	40 452 360	91 000 000
Inner City regeneration Total			211 817 640	306 809 360	344 099 000
MELD Corridor	LOAN	Sleeper Site(City to Sea)	30 000 000	60 000 000	60 000 000
	LOAN Total		30 000 000	60 000 000	60 000 000
	PTIG	Mdantsane Access Road	2 167 000	5 000 000	43 500 000
		Qumza Highway Phase 7 - Phase 1	46 000 000	43 732 000	0
		Qumza Highway Phase 7 - Phase 2	0	100 000 000	63 530 000
	PTIG Total		48 167 000	148 732 000	107 030 000
	USDG	Mdantsane Bufferstrip	15 000 000	19 000 000	5 000 000
		Sleeper Site/Civic Centre	10 000 000	25 000 000	16 000 000
		Upgrading of Mdantsane Roads - Cluster 1	60 000 000	90 000 000	120 000 000

	USDG Total		85 000 000	134 000 000	141 000 000
MELD Corridor Total			163 167 000	342 732 000	308 030 000
Revitalisation of West Bank Industrial area/ Motor industry cluster	USDG	Hood Point Marine Outfall Sewer and Ancillary Works	10 000 000	126 900 000	140 000 000
	USDG Total		10 000 000	126 900 000	140 000 000
Revitalisation of West Bank Industrial area/ Motor industry cluster Total			10 000 000	126 900 000	140 000 000
Grand Total			731 802 160	1 301 835 650	1 340 077 450


Sum of 2017/2018 Draft Capital Projects
1%
10%
2%
9%
13%
10%
55%
Amalinda Junction
BCMM Integrated ICT Project
Bhisho / KWT revitalisation corridor
Inner City regeneration
MELD Corridor
N
Revitalisation of West Bank Industrial area/ Motor industry cluster

D.2 INVESTMENT STRATEGY

The Buffalo City Metropolitan Municipality has to direct its programmes and activities to position the metro as a competitive city with a vibrant, sustainable economy. For the BCMM economy to thrive and attract investment, the city has to create a conducive and enabling business environment.

Despite the local economic development programmes being in place, the metro still experiences high levels of unemployment and low economic growth. The relative decline in economic activity in the non-automotive manufacturing sector has also contributed towards increased unemployment in the region.

BCMMs economic realities can be summarised as follows:

a) Immaterial economic growth
b) High unemployment resulting in an increase in bad debts
c) High percentage of losses (Electricity and water)
d) Small revenue base (dependent on household consumers
e) Urbanisation effect and rural effect
f) Aging infrastructure, directly impacting the flow of investors
g) Collection rate at 31 January 2017 is 85.68%
h) Electricity (12%) and water losses (37%) as at 31 January 2017

SECTION E : IMPLEMENTATION

E.1 LAND RELEASE STRATEGY

The Buffalo City Metropolitan Municipality's Land Release Programme is the central driving force for Urban and Rural Regeneration. Such a programme aims to redress effectively the injustices of forced removals and the historical denial of access to land. It aims to ensure security of tenure for rural dwellers and in implementing the programme and through the provision of support services, the municipality will build the economy, provide housing, increase rural incomes and eliminate overcrowding.

Access to land is a prerequisite for a successful urban and rural development programme.

The objectives of the Land Release Programme are:

a) Support the Spatial Transformation objectives of the BCMM SDF Densification programme.

b) Redress effectively the injustices of forced removals and the historical denial of access to land.

c) Increase revenue for the city

d) To provide an appropriate choice of land and housing options and assist in the provision of affordable housing

e) Provide people with access to land so that they can participate in and boost the economy

f) The promotion of social development and integrate communities

g) To promote and support economic growth as well as industrial development

h) Ensure security of tenure for rural dwellers

i) In implementing the programme and through the provision of support services, the municipality will build the economy, provide housing, increase rural incomes and eliminate overcrowding.

Land Release Programme

The following Catalytic projects or sub projects require release of BCMM land as part of the implementation process:

a) Amalinda Junction Precinct

b) Sleepersite

c) Mdantsane Urban Hub Precinct

d) KWT/Bhisho Corridor

e) Duncan Village Redevopment

f) Berlin Green Energy Hub

Further well located land within the integration zones will be identified. The city will evaluate the economic potentional of each land parcel and determine the future land uses.

Land Disposal Policy

In support of the Land Release Programme BCMM has adopted a land disposal policy whereby municipal land will only be disposed if its not required for basic service delivery

needs. The BCM and/or its Municipal Entities shall only transfer ownership as a result of a sale or other transaction or otherwise dispose of any of its immovable capital assets in compliance with the provisions of, inter alia, Sections 14 and 90, read with Chapter 11 Part 1 of the MFMA and this policy after the Council of the BCM, in a meeting open to the public:

a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic services; and

b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the immovable capital asset. (Section 14(2) and Section 90(2) MFMA).

Land Restitition

With regard to *restitution of land rights*, there are three projects namely:,

a) East Bank

b) West Bank

c) Macleantown

Land Acquisition Programme

The Land Acquisition Programme is focussed on acquiring bulk land parcels such as the Sleeper Site so that the land can be made available for development in support of the objectives of the Land Release Programme. The Land Acquisition Programme being

implemented is coordinated with land required from National and Provincial Departments. HDA and the Premiers Office have been institituted to facilitate this process.

The following Catalytic Project or sub projects require and that is to be acquired from the State so that it can be released:

a) Mount Ruth Precinct

b) Arnoldton Nodal Framework Precinct

c) Duncan Village Redevelopment

Obtaining State land for proposed/future developments has been problematic and Buffalo City Metropolitan Municipality has been proactive and requested the assistance of the HDA. The HDA is currently working on an extensive list of land supplied by BCMM some of which is required for the implementation of Catalytic Projects.

E.2 PROCUREMENT APPROACH

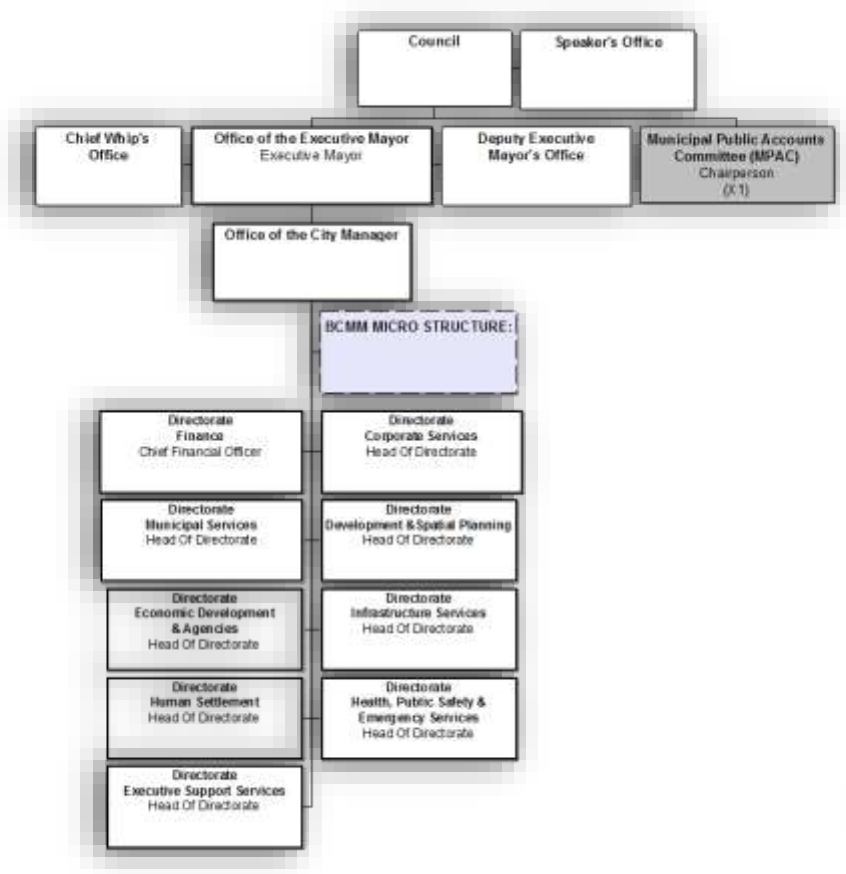
Normal procurement processes apply to all projects.

For multi-year projects Section 116 of the MFMA is applicable.

"116. (1) A contract or agreement procured through the supply chain management system of a municipality or municipal entity must— (a) be in writing; (b) stipulate the terms and conditions of the contract or agreement, which must include provisions providing for— (i) the termination of the contract or agreement in the case of non- or underperformance; (ii) dispute resolution mechanisms to settle disputes between the parties; (iii) a periodic review of the

contract or agreement once every three years in the case of a contract or agreement for longer than three years; and (iv) any other matters that may be prescribed"

E.3INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET



ANNEXURE A

Current Forums in BCMM with other Departments:

- Transport Forum attended by BCMM coordinated by Public Works
- Water and Sanitation Provincial Forum
- Amathola Reconsiliation Strategy headed National Department of Water and Sanitation

- AMEU Department of Energy and Metro Electrification Forum
- Rep forum as part of the IDP
- MGDS Workstreams
- Youth Council
- HIV Forum
- IGR
- Disabled Forum
- Government Communicators Forum
- Capital Spending Committee

Limited IGR coordination and alignment needs to be coordinated institutationally

E4. RISK MITIGATION

Risk Commitee meets on a quarterly basis chaired by Chief Risk Officer and departments report on progress made using the Risk Register.

SECTION F

PRIORITISING ECONOMIC DEVELOPMENT

Coordinated urban planning, urban management and economic development is central to the growth of any economy. This is promoted by the view that the economy of the city involves infrastructure services that promote economic activities, good regulatory and administrative perfomance, promotive and nurturing private investment, specific economic development initiatives, implementing partnerships with the private sector and strong intergovermental coordination.

Adminstrative strategies and policies.

BCMM 2030 Metro Growth Development Strategy

Citing the pressure that is experienced by the national fiscus, the City adopted its Metro Growth and Development Strategy (MGDS) to stimulate growth in line with the National Development Plan (NDP) and Provincial Development Plan (PDP).

The MGDS outlines the priorities that must be achieved by 2030, *inter alia*:

- Maintain Inclusive and Sustainable economic growth
- Address energy backlogs and invest in human capital
- Enhance land productivity through sustainable agriculture land-use skills development
- Provide incentives to boost investment and business competitiveness
- Strengthen multi-stake holder forums
- Township business are developed and integrated into the mainstream economy
- Promote economic activities in rural areas
- Infrastructure investment to support development in the ocean economy

Private Sector partnerships

The Border-Kei Chamber in collaboration with the Local Economic Development Department of the Buffalo City Metropolitan Municipality, the East London Industrial Development Zone and the 21 Eastern Cape Development Corporation have already in 2009 identified the need to jointly market the city as an investment destination. There is a need to have one coordinated initiative to market Buffalo City as an attractive location to do business and to collectively prepare and share possible investment opportunities. This led to the formation of the Invest Buffalo City Initiative. More than just being focused on doing business, Invest Buffalo City builds upon the lifestyle potential of the city, being an attractive place to invest, work, live and play.

In 2010 the concept obtained funding from the Thina Sinko LED EU Fund and was managed by the Border-Kei Chamber of Business. The initiative has gained new momentum in 2015 when the Chamber received technical assistance by GIZ to Invest Buffalo City. In a stakeholder engagement meeting on the 18th of August 2015 all parties agreed that the initiative is well needed and that the Border-Kei Chamber should be driving the initiative on behalf of all partners, certainly in close collaboration. This requires Invest Buffalo City to be adequately resourced with managerial and research skills as well as funds to undertake appropriate marketing initiatives and to deliver associated campaigns such as turning around the general perception of Buffalo City.

Economic Development initiatives

Ocean Economy

The East London Port is strategically located and serves many vitally important commodities such as fuel, grain and maize. It also serves the automotive sector, importing and exporting thousands of cars manufactured in BCMM. Transnet plans to spend R2,4 million in investments on the following projects between 2014 and 2020:

- Deepening and widening of the Port Entrance Channel
- Coal Terminal Land Preparation
- Replacement of Buffalo Bridge
- Foreshore Protection
- Expansion of the port capacity for marine industrial & shipbuilding and repair activities

The metro has established a Maritime Cluster – forum for interested parties to engage in Maritime matters. This will present BCMM with the opportunity to establish the Blue Economy under the umbrella of the Ocean's economy. Phakisa focuses on interests including aquaculture, ship repairs, maritime learning, skills development and tourism.

Enterprise Development

BCMM has also embarked on a joint project with BKCOB in the Clean and Green City Program which aims to roll out school and community recycling programmes within the BCMM area.

The Call to Action Campaign, is a call to declare war on waste littering and decay which was prevalent in the business sector.

Tourism

Tourism is one of the key growth economic sectors of the municipal economy. Despite the recession it has continued to show prospects of job creation, skills development and marketing of the Buffalo City Metropolitan Municipality as a tourism destination.

BCMM has signed a 20 year lease with Motorsport which will generate 1800 direct employment opportunities, over the 3-5 year period of construction and 3000 indirect employment opportunities over the next 6 -

Mdantsane Precinct Management Model

Objectives of Mdantsane Precinct Management Model

The objective of the proposed Mdantsane Precinct Management Project would thus be to develop a suitable precinct (urban) management approach that sets a sound basis to:

- create a catalytic precinct that is liveable, secure and provides a conducive urban environment for its users,
- create enabling conditions for new investments through sound urban management,
- ensure the sustainability of existing and new public assets by supplementing the normal municipal urban management services, and
- Contribute to “Place-making” and the creation of a strong neighbourhood identity.

Why Precinct Management is Important for Mdantsane

The Phase II report concludes that there is no overall BCMM Management System for the Mdantsane Hub currently. The BCMM Departments rendering services in the area do not coordinate their activities through: -

- Building consensus amongst the various departments and stakeholders,
- Conducting regular assessments of the situation
- Working out a common vision for the hub,
- Formulating joint policies, strategies and actions for the hub across Departmental boundaries and areas of responsibility
- Co-operating on budget allocation, management and implementation, and
- Co-operating on monitoring and evaluating performance of overall municipal and respective departmental service delivery in the node.

The Mdantsane Node is considered to be a good candidate for the implementation of a Precinct Management Approach for the following reasons:

- Clear and demonstrated need for major infrastructure upgrades and development in the area
- Urban Decay and Incidence of crime and grime already been prioritised by all stakeholders
- Fragmented land ownership and land tenure patterns
- The need for a highly efficient and co-ordinated approach to planning, infrastructure delivery, including bye-law enforcement and licencing, in order to have immediate impactis evident and is supported by a whole range of stakeholders
- The need to promote development at scale in order to offset development costs against additional bulk and floor space and thus attract additional private sector investment into the area
- Need for a long-term commitment over an extended time to address significant urban decay problems.

- The need to create opportunities for flexibility over time in response to changing market conditions
- Unlock land- mostly public but also private land through a “carrot and stick” policy that ensures relocation and rationalisation of current uses that impact the node negatively

Stakeholder engagement for precinct management

The engagements with the broader stakeholders in Greater Mdantsane, local stakeholders and businesses in the Mdantsane Hub, the Ward and Constituency Councillors and /or some of the Departments in the BCMM, by way of workshops, walk-abouts, questionnaires and written responses, face to face discussions and meetings undertaken during this study have revealed the following general observations:

- General consensus is that the Mdantsane Hub requires special attention and management due to its history, current role in the Mdantsane area and potential for attracting significant investment, that could change the face of Mdantsane for the future generations,
- The node is unattractive and dirty. There is a need for a rapid clean-up of the area as a catalyst for future investment and for continued management to discourage dumping and further damage to infrastructure,
- Lack of management has resulted in overcrowding, congestion, vehicular and pedestrian conflicts and inadequate implementation of by-laws and controls,
- The repair and maintenance of infrastructure needs to be speeded up as it is impeding the day to day operations in the node and potentially impacts negatively on investment attraction,

- The levels of crime and grime are unacceptably high to the extent that the node is perceived as a “no-go” area after close of business,
- The nature of the management system to be introduced must involve BCMM Municipality to ensure that control and management is not totally handed over exclusively to the private sector. Continued Council involvement is viewed as a guarantee against the potential marginalisation and exclusion of the vibrant informal sector that currently operates without regulations, access to basic services, including trading facilities and without active institutional support, and
- The BCMM should preferably continue to play a role in the hub either in funding the operational costs and activities of the proposed structure in addition to the infrastructure projects within the node for a while longer until the business receives reliable and well maintained services.
- The views of stakeholders engaged with during the Research on the proposed Precinct Management Model for Mdantsane including BCMM Departments, Councillors Forum, stakeholders from the Greater Mdantsane area and from within the Mdantsane Hub that are summarised below, are also covered in more detail set out in

Proposed Model for Mdantsane Urban Hub

The analysis has highlighted a graded series of approaches, which vary in both their complexity and the levels of public sector involvement. All of them rely on private sector participation and they can be distinguished by the initial and final levels of private sector participation.

Due to the severity of the urban degradation in the Mdantsane Hub and the relatively low levels of private sector land ownership, it appears that the initial lead for the precinct

management model to be used will need to come from the public sector, with private sector representation for all decision making. Over time the private sector will need to take a more active role in the precinct management as the fundamental service delivery and place making initiatives are implemented.

The preliminary stakeholder analysis also indicated overwhelming support for the implementation of a precinct management model of some sort within the Mdantsane Hub, both from the public and private sectors, with active participation in the precinct management model being indicated. The Stakeholder responses show a preference for a Community Trust arrangement that will be an integral part of the Precinct Management Model.

The hybrid model that is ultimately introduced has to:

- Be appropriate for the conditions prevailing in the Mdantsane Hub at present but also respond to future growth opportunities.
- Comply with legislative provisions relating to Management Entities within Municipal jurisdictions, in particular, the MFMA and MSA 2000 and other associated legislation.
- Comply with BCMM by-laws relating to management of entities.
- Address the expectations of stakeholders engaged with in the process of Precinct Model Development.
- Be capable of being up-scaled so that over time the private sector is able to assume a more active role in precinct management, in line with lessons gleaned from precedent and case studies on successful and sustainable precinct management approaches.

The Proposed Precinct Management Model to be adopted

The Mdantsane Precinct Management Model Phases

#	Phase or Stage of Development	Actions and Responsibilities	Role-player's & Stakeholders
1	**Pre-Establishment Phase:-** ▪ Funded by BCMM, National Treasury only	▪ City Manager to champion PMM ▪ Canvass and obtain Council mandate ▪ Develop and agree roles and responsibilities ▪ Agree on focus areas ▪ Finalise delegated powers ▪ Agree on consultative structure & purpose ▪ Agree on guidelines for future engagement	▪ City Manager, ▪ National Treasury, ▪ Technical committee, ▪ Steering committee, ▪ Transaction Advisor.
2	**Precinct Management Authority:-** ▪ Funded by BCMM, National Treasury and Donors	▪ Roll out of Public led precinct management with Steering Committee acting as BOD ▪ Appoint Precinct Manager and key staff based on high level skill set requirements ▪ Develop implementation plan following from mandated actions.	▪ Precinct Manager, ▪ City Manager, ▪ Steering Committee: - Community, - Private sector, - BCMM.
3	**Purpose Built Entity:-** ▪ Funded by BCMM, ▪ National Treasury, ▪ Private sector, ▪ Value capture projects, ▪ Donors.	▪ Precinct Management entity with BOD ▪ Setup Special Purpose Vehicle (SPV), ▪ Special Rating Area (SRA) or Urban Improvement District (UID) structure.	▪ Precinct Manager, ▪ Board of Directors.

The Team recommends a phased approach, as follows:

- **Short Term 2017-2018**: Pre-establishment phase with BCMM the City Manager taking the lead
- **Medium Term (2019-2021)** : Precinct Management Authority led and set up by BCMM
- **Long Term (Post 2021):** Purpose Built Vehicle for Mdantsane Hub led largely by the Private Sector

The phased approach and philosophy for Mdantsane PMM is based on the following principles and expectations:

- Allow for a gradual consolidation and consensus building process on the importance and role that a PMM can play in Mdantsane Hub

- The PMM approach for Mdantsane is best able to succeed if the public funding is utilised to create the necessary pre-conditions to attract significant private sector investment
- The PMM approach initially led by BCMM as the Local Authority in line with a clear Council mandate is more likely to ensure that all the stakeholders are taken on board
- Gives the BCMM sufficient time to develop guidelines and principles for the role of the City in the PMM as the node develops, and in order to ensure that all constitutional and legislative processes are followed
- Despite the support of private sector for the proposed PMM, gleaned from workshops and plenary discussions during the consultation processes to date, it has not been possible to set out concrete plans and commitments by the private sector in the node, regarding the nature and extent of contributions they are either willing, and/or can make to the establishment and management of the node

Despite broad support for the PMM approach to solving the problems in Mdantsane, as demonstrated in the various workshops and engagements with stakeholders, it is telling that there has been no ground swell by a voluntary association of local businesses, to forge ahead with a community driven PMM initiative for Mdantsane. Some of the reasons for this are seen to be:

- The logistics of establishing such a model by a largely disadvantaged community as is found in Mdantsane would be huge and quite daunting,
- The lack of significant financial and administrative resources within the community would make it difficult to sustain the Community model without significant state assistance, financially and in terms of technical and human resource support, and
- The conditions for a fully private sector driven model have been found not to exist now.

It is recommended therefore that the Precinct Management Model for Mdantsane starts with a public (municipal) entity with private sector representation for all decision making, for an initial period of up to 5 years. It is hoped that this model is to be called the Mdantsane Precinct Management Authority (PMA), would ultimately transcend into a Purpose-Built Vehicle(PBV), where the private sector takes a more active and direct role.

Infrastructure that enables economic development.

The relationship between the provision of basic services, infrastructure and economic development has been our key focus in economic development. Buffalo City Metropolitan Municipality recognises the fact that in order for development to flourish, there needs to be proper infrastructure to attract and retain investment, this is evident in our budgeting. There is a high rate of infrastructure backlogs within the city with most needing to be upgrades and other infrastructure need to be replaced. The BCMM spatial development framework indicated that there are challenges with implementing complex projects and infrastructure network upgrades, this situation led to even an more complex situation where there remains significant issues to be dealt with in regard to the management and formalisation of informal settlements in Buffalo City; the improvement of the range, type and quality of state-assisted housing opportunities in the area; the development of appropriate forms of land uses at appropriate levels of density and intensifying key strategic land areas; and the development of enabling infrastructure and social services to underpin the spatial transformation of Buffalo City.

Studies have shown that there are generally three channels through which infrastructure can positively impact economic growth:

- Infrastructure can be viewed as a factor of production: Power generating infrastructure (Electricity) is a factor of production in that it is an input in the processes for both goods

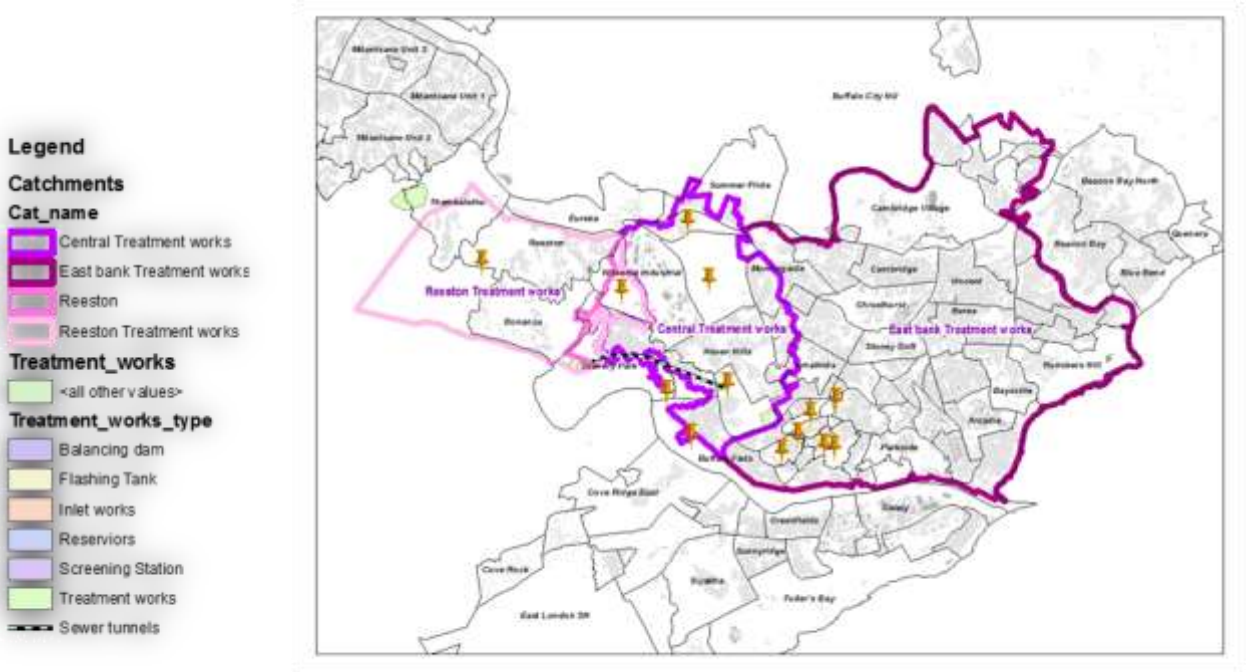
and services. This therefore means that the reliability on electricity can render these goods and services affordable or expensive.

- Infrastructure can be a complement to other factor: Upgrading infrastructure can lower the cost of production because firms incur additional cost while developing contingency plans in preparation for alternative in case of infrastructural failures.
- Infrastructure to stimulate factor accumulation: Each factor of production in an economic process is an outcome of another production process. The provision of water, sanitation, roads and school infrastructure is an important factor of human capital.

The Tunnel Project: Diversion of sewer from central East London CBD to Reeston

The programme sets out to alleviate the housing shortage within BCMM by diverting existing effluent from Central WWTW to the Reeston Regional WWTW.DWAF placed a moratorium on development within the Central drainage zone as the capacity of Central WWTW had been exceeded and the WWTW did not meet environmental specifications. The diversion of effluent from Central WWTW to Reeston WWTW opens up the Amalinda Junction and environs area for development. This area is sought after as it is close to amenities such as schools, shops, transport etc. In June 2012 a mixed land use development plan, for Amalinda Junction and environs, was approved by the Public Steering Committee, ward councillors and various stakeholders

In June 2015 an assessment was completed on the Tunnel Project. The purpose of the assessment was to consider the growth of the City in relation to the strategic direction the institution would like, consider the impact of the Tunnel project on unlocking land opportunities for development and Assess the financial viability of the Tunnel Project and Assess the financial viability of the Tunnel Project.



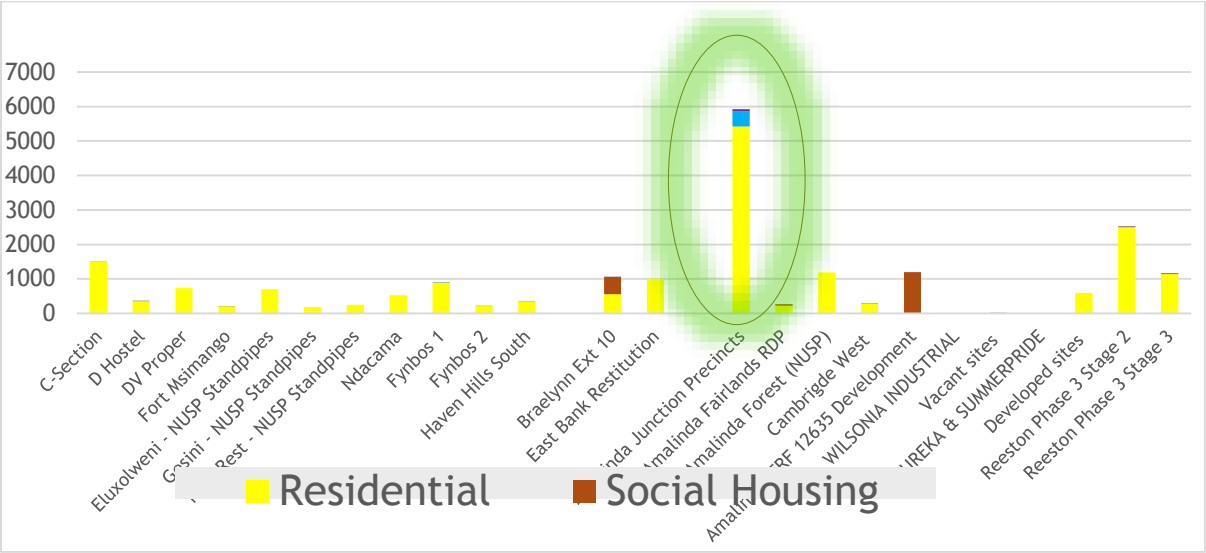
The tunnel will benefit the Eastern part of the MELD Corridor and directly impacts the Amalinda Junction, Duncan Village, Scenery Park, Braelyn, Wilsonia Industrial, Eureka, Summerpride, and Reeston.

CENTRAL TREATMENT WORKS TO REESTON - TUNNEL 08 June 2015

SETTLEMENT AFFECTED BY TUNNEL DEVELOPMENT	Planned Number of Erven						Revenue Categories / Tariffs (Total Revenue Per Annum)						Total (Annually Fully Developed)
	Residential	Social Housing	Business	Industrial	nstitutional	Total	Rates	Water	Electricity	Sewerage	Refuse	Fire	
DUNCAN VILLAGE						0							
C-Section	1493				11	1504	3 490 143	4 549 174	6 894 761	5 234 080	3 212 544	605 852	23 986 554
D Hostel	356		4		2	362	2 680 570	1 112 131	1 759 299	1 289 321	779 200	154 290	7 774 812
DV Proper	731					731	480 998	2 128 087	3 122 832	2 493 353	1 575 924	292 371	10 093 565
Fort Msimango	199				1	200	358 919	597 761	897 098	691 641	427 200	80 384	3 053 003
Eluxolweni - NUSP Standpipes	701					701							0
Gesini - NUSP Standpipes	185					185							0
New Rest - NUSP Standpipes	250					250							0
SCENERY PARK													0
Ndacama	524					524	344 792	1 525 469	2 238 528	1 787 301	1 119 264	209 579	7 224 933
Fynbos 1	892		1		6	899	2 452 391	2 717 102	4 128 573	3 132 085	1 932 637	364 096	14 726 885
Fynbos 2	211				1	212	366 815	632 695	948 362	732 572	452 832	85 184	3 218 459
Haven Hills South	352		0	0	4	356	1 143 525	1 098 470	1 691 622	1 252 134	760 416	143 954	6 090 121
													0
BRAELYNN						0							0
Braelynn Ext 10	556	500			6	1062	365 848	2 385 965	2 658 494	2 708 108	2 118 910	423 190	10 660 515
East Bank Restitution	1000					1000	658 000	2 911 200	4 272 000	3 410 880	2 136 000	399 960	13 788 040
													0
AMALINDA JUNCTION						0							0
Amalinda Junction Precincts	5422		444	56		5922	35 472 080	28 594 886	374 950 217	34 710 520	11 868 369	3 459 228	489 055 301
Amalinda Fairlands RDP	218	55				273	143 444	1 291 387	944 429	1 112 672	1 384 126	113 510	4 989 569
Amalinda Forest (NUSP)	1184					1184							0
Cambrigde West	275		1		3	279	180 950	800 580	1 174 800	937 992	587 400	109 989	3 791 711
Amalinda ERF 12635 Development		1200				1200	0	656 746	722 338	5 017 912	918 478	470 545	7 786 019
WILSONIA INDUSTRIAL													0
Vacant sites				14		14	3 191 681	2 114 231	88 318 225	2 674 279	203 112	36 120	96 537 648
						0							
EUREKA & SUMMERPRIDE						0							0
Vacant sites	356					356	234 248	1 036 387	1 520 832	1 214 273	760 416	142 386	4 908 542
						0							
REESTON													0
Reeston Phase 3 Stage 2	2500		4	21.5		2526	1 645 000	7 278 000	10 680 000	8 527 200	5 340 000	999 900	34 470 100
Reeston Phase 3 Stage 3	1137		3	21.5		1162	748 146	3 310 034	4 857 264	3 878 171	2 428 632	454 755	15 677 001
TOTAL	**18542**	**1755**	**457**	**113**	**34**	**20901**	**53 957 551**	**64 740 306**	**511 779 675**	**80 804 495**	**38 005 460**	**8 545 292**	**757 832 780**
Assumed Gross Profit Percentage							100%	30%	29%	100%	50%	100%	
Contribution to Fixed Costs						**28%**	**53 957 551**	**19 422 092**	**148 416 106**	**80 804 495**	**19 002 730**	**8 545 292**	**330 148 266**
Total Additional Contribution Assuming a Collection Ration of				**92%**			**49 640 947**	**17 868 325**	**136 542 817**	**74 340 135**	**17 482 512**	**7 861 669**	**303 736 405**

Fig: Financial Analysis of the settlements affected by the treatment works.

These are areas with potential for development but most are residential while Amalinda Junction can provides potential for residential, industrial and business development. Once fully developed the Amalinda Junction could generate revenue of R505 622 700 annually.



Investment Approach for the Central to Reeston Sewer Diversio

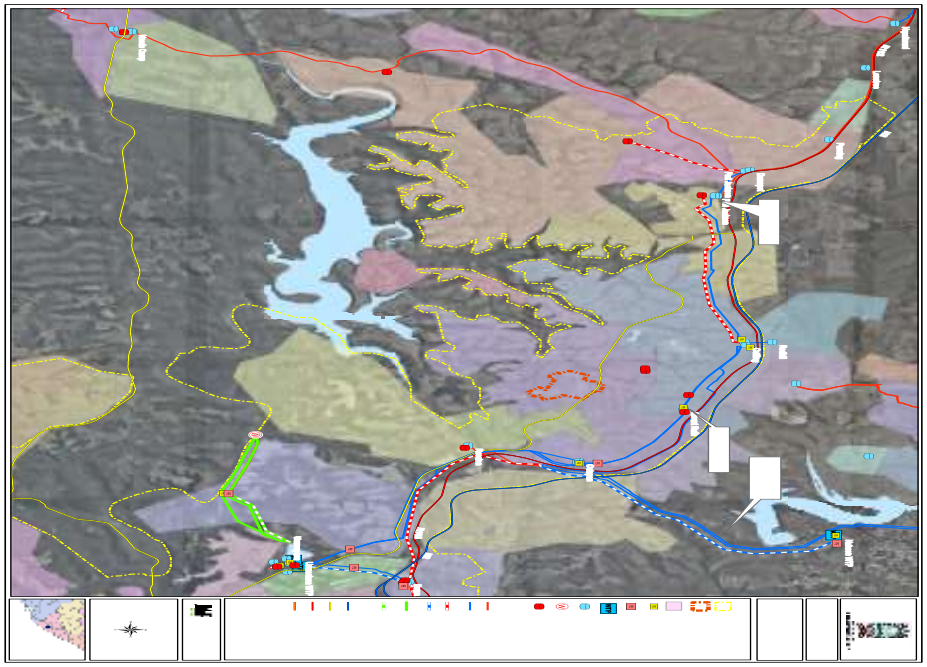
UMzonyana Water Treatment Works

BCMM has identified significant housing development for the Mdantsane area, particularly to the west of Mdantsane in the Potsdam area. There is also development planned for the buffer zone area immediately to the south of the N2, as well as in-fill housing within the Mdantsane urban areas. In order to address current water supply constraints, as well as to accommodate future development, the following water supply projects are either planned by BCMM or are on-going:

- Development of the Border Post Treatment Plant (augments supply to Damspot);
- Upgrade of the Umzonyana WTP;
- Upgrade of the Mdantsane pump station at the Umzonyana WTP; and
- Three new sub-zone reservoirs within the Mount Ruth supply zone.

Amatola Water are currently investigating the following:

- Upgrade of the Nahoon WTP; and
- Refurbishment and upgrade of the Reeston pumping main



Existing water infrastructure in Mdantsane

Electricity

Bhisho/King Williams Town/ Zwelitsha

The Bhisho/King Williams Town/ Zwelitsha area is currently being supplied by Eskom at 66kV from Pembroke Substation. Existing Eskom supply in the KWT/Bhisho Integration Zone. A summary of the existing maximum demand for the Inland supply is as shown in the table below:

Point of Supply	**Supply Voltage**	**Max Demand**
KING WILLIAM'S TOWN	11 KV	20.5 MVA
DIMBAZA	11 KV	4.4 MVA
Ilitha	11 KV	1 MVA
Bisho	11 KV	7.7 MVA

Phakamisa	11 KV	2.6MVA
Zwelitsha	11 KV	4.2 MVA
Kemba	66 KV	4.6 MVA

Table: BCMM inland supply points maximum demand

List of Proposed Projects

The load flow study suggests the projects as tabulated in Table iii be constructed. The table also provides the date whereby the project is required.

Number	***Project Name***	**Start Date**	**End Date**
1	Substation Land and Servitude Acquisition	2016	2018
2	Proposed Pembroke-Inland 66kV line	2018	2020
3	Construction of Inland Substation	2018	2020
4	11kV Supply to Bisho	2019	2020
5	11kV Supply to King Williams Town	2021	2022
6	Complete 11kV ring	2023	2023

Proposed inland projects

The Mdantsane Area

The Mdantsane area is currently being supplied by Eskom at 66kV from Pembroke, Potsdam and Buffalo Substations. A 66kV ring between Reeston-Embekweni-Fort Jackson and Mount Ruth provides a secure supply to the region as depicted in Fig i below.

The overall forecast has been divided into the individual substations and plotted over 25 years for the realistic growth scenario as shown in Figure iv below.

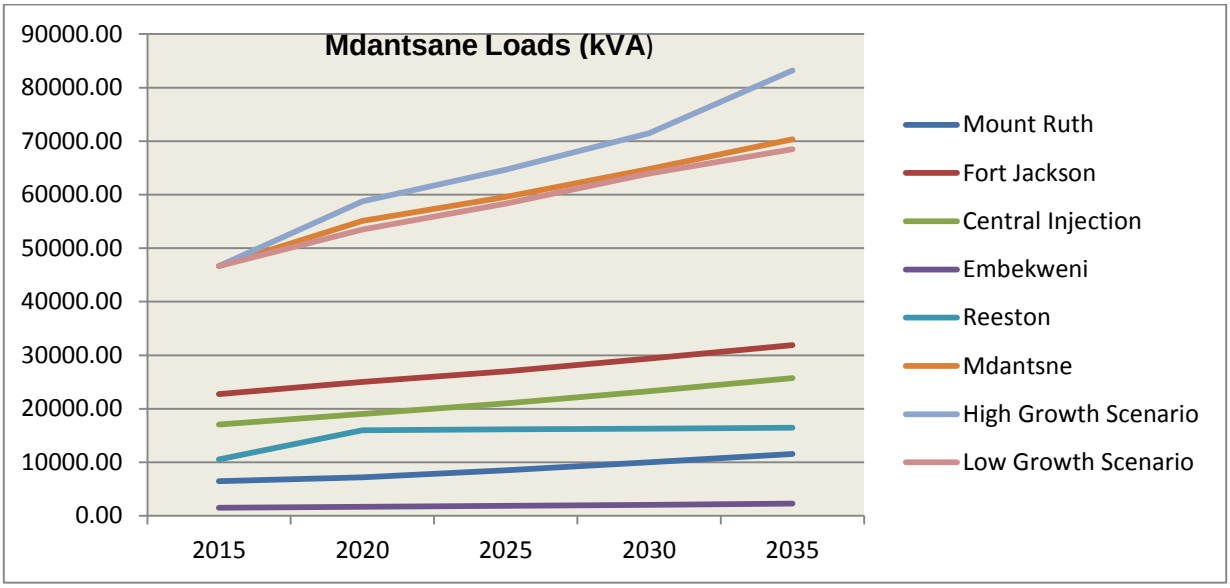
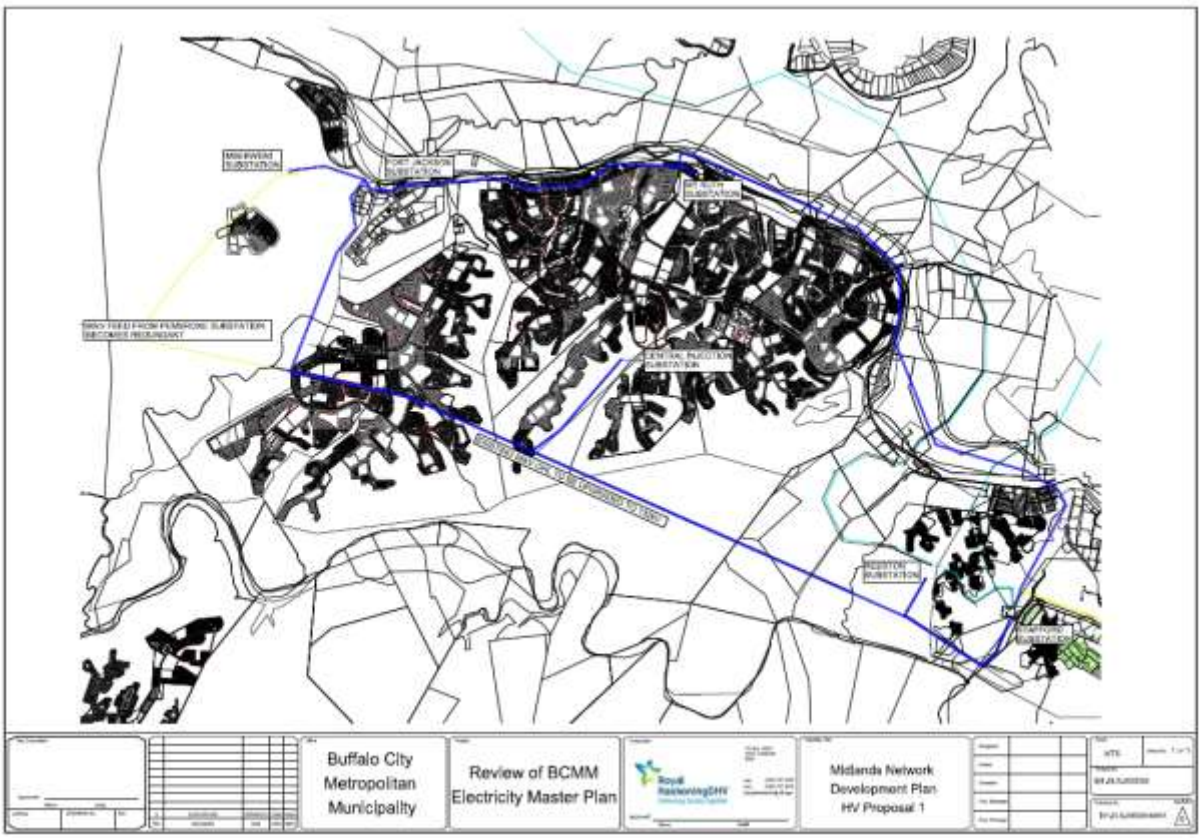


Fig iv Mdantsane individual substation loads for the Realistic Growth Scenario

Analysis of future network models

A new 132kV ring has been proposed which is depicted in the figure below.



Proposed the Mdantsane Area 132kV route

The Substation future loading is tabulated in Table ii below.

SUBSTATION	**CONTINGENCY CAPACITY**	**FORECAST LOADING**		
		HG	**RG**	**LG**
Reeston	30MVA	18 MVA	16.5 MVA	15 MVA
Central Injection	20 MVA	30.1 MVA	24 MVA	18.3 MVA
Mount Ruth	20 MVA	20 MVA	12 MVA	9.8 MVA
Fort Jackson	20 MVA	38 MVA	32 MVA	27 MVA
Embekweni	10 MVA	2.1 MVA	2.3 MVA	2.7 MVA.

BCMM Midlands ultimate transformer loading

East London Inner City Integration Zone

In the East London area, Queens Park Substation has been completed with electrical loads from other areas being transferred to the new 132/11kV 3 x 40MVA substation. The existing 33kV network supplied from Arcadia substation would be decommissioned. Growth in electricity demand is likely to continue at just below 1 % per annum resulting in the Municipality's combined demand increasing from approximately 157 MVA to 215 MVA over the 20-year forecast period. High growth and low growth scenarios provide a range of approximately 192 MVA to 258 MVA in 2035.

Electricity growth in the industrial sector is primarily targeted within the East London Industrial Development Zone. The ELIDZ consistently strives to attract industrial investors to the city. Renewable energy projects are seen as a strategic investment given the shortage of electrical supply on a national level.

Analysis of the BCMM tariff structures suggests that significant monthly savings could be generated by consolidating to a 132kV point of supply as opposed to the existing 11kV supply option. It has been proposed that the municipality consolidate supply options in the Beacon Bay and Gonubie areas with a new 132/11kV Quenera Substation proposed. The areas are currently supplied at 11kV from Royston and Greenacres substations respectively. These substations are owned by Eskom Eastern Cape Operating Unit and are configured as 66/11kV substations with Buffalo City Metropolitan Municipality the sole consumer. The existing electricity network is depicted in below.Substation Capacities are as follows:

- Progress – 3 x 20 MVA 132/11kV,
- Stoney Drift – 2 x 90MVA 132/33kV,
- Chiselhurst – 3 x 16MVA 33/11kV, and
- Arcadia - 3 x 20MVA 33/11kV.

The 132kV networks are relatively lightly loaded with no voltage or capacity problems expected in the near future. A snap shot of the existing 132kV load requirements is shown in the table i and ii below.

No	Line	Conductor-Type	Capacity	Loading (2015)	Percentage Loaded
1	Stafford-Stoney Drift 1 Tee	WOLF	107.5 MVA	94 MVA	87.4%
2	Stafford- Stoney Drift 2 Tee	WOLF	107.5 MVA	78 MVA	72.6%
3	Stafford-Stoney Drift 3 Tee	WOLF	107.5 MVA	23 MVA	21.4%
4	Stafford- Progress 1	WOLF	107.5 MVA	0 MVA	0%
5	Stafford- Progress 2	WOLF	107.5 MVA	19 MVA	17.3%
6	Stafford- Progress 3	WOLF	107.5 MVA	23 MVA	21.4%

Table i – HV Feeder Loads

No	Line	Conductor-Type	Capacity	Loading (2015)	Percentage Loaded
1	Woodbrook-West Bank 1	CHICKADEE	121.2 MVA	12 MVA	9.9%
2	Woodbrook-West Bank 2	CHICKADEE	121.2 MVA	12 MVA	9.9%

3	Woodbrook- Queens Park 1	CHICKADEE	121.2 MVA	19 MVA	8.3%
4	Woodbrook- Queens Park 2	CHICKADEE	121.2 MVA	19 MVA	8.3%

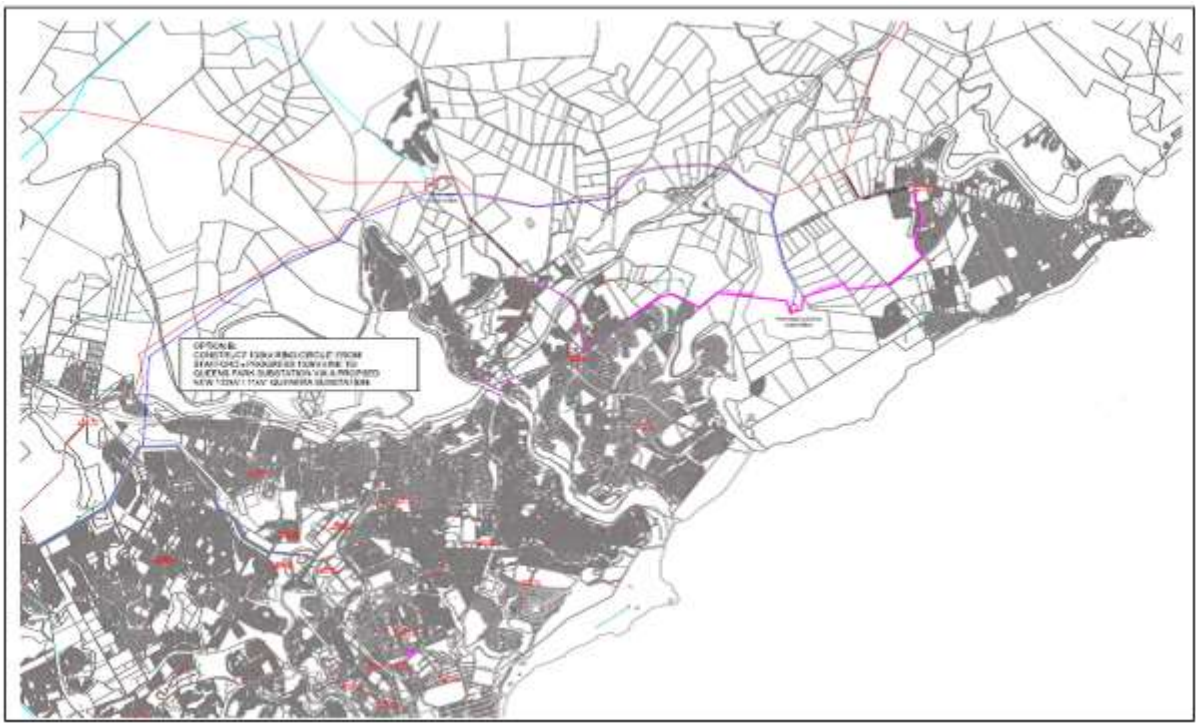
Table ii – HV Feeder Loads

The existing HV/MV transformer loading is shown in the tables iii below.

SUBSTATION	**CONTINGENCY CAPACITY (N-1)**	**CURRENT LOADING**
Progress	40 MVA	38.0 MVA
Stoney Drift	90 MVA	37 MVA
Woodbrook	40 MVA	24 MVA
West Bank	30 MVA	25 MVA
Queens Park	80 MVA	39 MVA

Table iii – Transformer Loading

It is evident that Progress Substation would require upgrading as it is running out of firm capacity.



Proposed HV line in Quenera

City Wide Urban Management Operations

SOLID WASTE MANAGEMENT

As part of urban development, Buffalo City Metropolitan Municipality (BCMM) is providing comprehensive Solid Waste Management Services. This includes street sweeping, refuse removal, transport of refuse to waste disposal facilities for environmentally sound disposal. BCMM provides a waste management service in the urban at least once a week to the residential areas and business premises. The waste management service is not provided to rural areas yet.

BCMM provides all households with waste collection receptacles. BCMM is providing is providing street sweeping and servicing street bins in the urban areas of the municipality and in particular the Central Business Districts (CBD's). BCMM is in a process of procuring additional street bins in order to improve this service. The City also has a challenge of growing illegal dumping of waste despite the provision of the waste management service. These are

being attended to and communities are encouraged to adopt the spots in their communities to ensure minimising of the waste illegal dumping. BCMM has two permitted waste disposal sites (landfill sites) namely; King William's Town and Roundhill Landfill sites in Berlin to ensure environmentally sound disposal of waste.

In ensuring compliance with waste management legislation, BCMM developed the Integrated Waste Management Plan (IWMP) that will guide all waste management programmes of the municipality and also guide future plans and programmes. Issues in the IWMP are included in the City's IDP.

ROADS AND STORMWATER MANAGEMENT

In 2012 BCMM undertook the updating of the Pavement management system. The purpose of the pavement management system is to :

- Determine road condition
- Identify road maintenance & upgrading requirements & priorities
- Identify cost-effective maintenance procedures
- Maximize use of available funds
- Predict the long-term implication of decisions taken now
- Integrated data management

The road network and pavement assessment investigates the general condition of the road as well as assessing the structure, surfacing and functional conditions.

TRANSPORT MANAGEMENT

The following initiatives are undertaken by BCMM Transport Management to ensure proper urban management:

- Traffic intersections are analyzed to see if there is a need to do intersection control measures in terms of reviewing the control and adding traffic circle or signalizing the intersection.
- Public transport operators are engaged on a quarterly basis to discuss the issues of additional embayment within the city and also discuss their operational needs in terms of public transport facilities refurbishments.
- Our traffic signals are also monitored in terms of reviewing the timings based on traffic congestion of each intersection.

F.2 STRENGTHENING ALIGNMENT OF PUBLIC TRANSPORT AND HOUSING PLANS

In terms of the National Land Transport Act, cities are required to prepare Integrated Transport Plans, covering a range of areas, including public transport, arterial roads, traffic safety and freight. It is the responsibility for cities to plan for public transport infrastructure and services, and ultimately enter into contracts with public transport operators

The Buffalo City Metropolitan Municipality is the process of updating its Comprehensive Integrated Transport Plan. These key planning documents are currently being reviewed by BCMM and can be summarised as follows:

Review of Operational and Business Plan for the IRPTN – The Plan is used to provide guidance to the city in terms of the best approach to achieve an efficient and affordable public transport. The required infrastructure includes public transport routes, modal interchange

facilities, pedestrian facilities and other associated facilities. The plan is expected to be implement in the 2017/18 financial year and will costs around R12m.Elements of the plan, as guided by the Department of Transport include (but not limited to) the following:

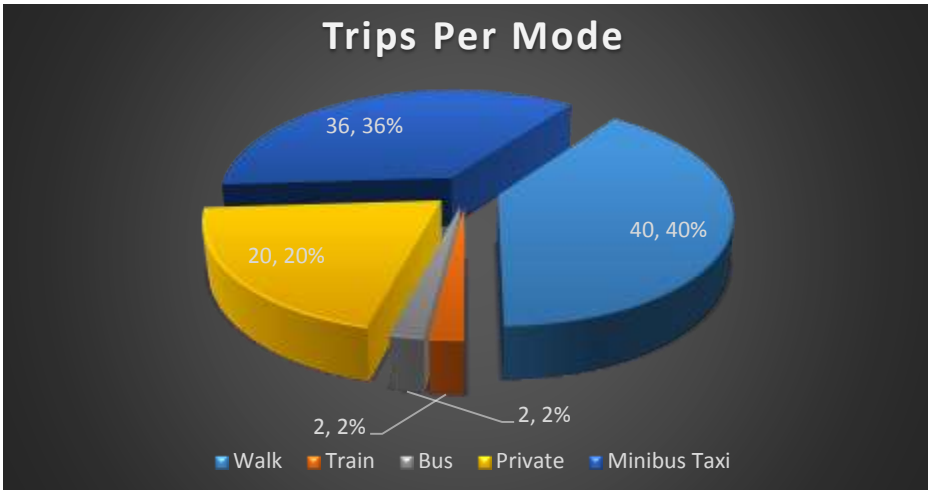
- Business Structure
- Institutional Plan
- Industry Transition Plan
- Operator Contracts
- Finance Plan

Transport register – Transport Register assists the city with gathering data on all public transport operators within the city and also all operators. This include all Public Transport Operators (Taxis, Buses, Trains, and ACSA etc.). The volume that is available at each Public transport facility and the destination of each. The project started in October 2016 and will be completed in December 2017 at a cost of R 4m.

Traffic Safety Plan - The study provides an analysis of the city in terms of safety and advises the city of which areas need urgent intervention in terms of safety. It covers safety of commuters especially on intersection control, speed humps needs, non-motorised transport (Sidewalks) and also pedestrian safety within the road reserve. The study will be implemented in the 2017/18 financial year at an estimated costs of R 4m.

For citizens of Buffalo City, access to transport is, like for most other cities of South Africa, characterized by a high car usage amongst the economically well-off population, while people with low income have to rely on public transport or must walk. As per the figure below, public transport accounts for 40% of trips within the city and therefore this mode of transport must be catered for to ensure safety and comfort for users. Majority of the population use non-

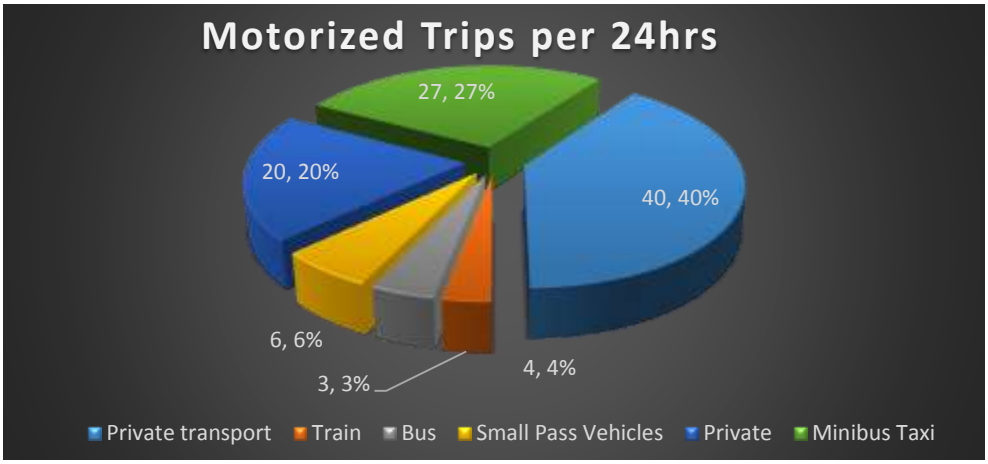
motorised (walk) to their destinations and this is high in areas that are close to areas of employment.



There is a crucial need to redevelop a quality formal public transport system in order to contain the growth of private traffic and also to provide accessibility for all citizens, and thereby facilitate the socio-economic development of the City. For the most part, people resident in areas where access to opportunities is poorest are most reliant on public transportation. The spatial pattern and concentrations of development in these areas, however, have not historically favoured the sustainability of most modes of mass-based public transport. As per the figure below, minibus taxi type services account for approximately 85% of public transport trips within the city. The breakdown in the public transport is as follows:

- Minibus Taxis – provide transport on the main corridors as the major supply within the city. This is operated by Quantum's and Avanza.
    - Small Passenger Vehicle – These are used as feeder services to the main corridor and also serve areas were minibus taxis do not operate on (Quigney, Southernwood, etc.)
    - Bus Services – only limited to Mayibuye Transport that operates route between Mdantsane and East London and the rural areas are provided by AB 350 in the KWT area.

- Train – provide service from Berlin to East London CBD. They operate on the periphery of the city and run parallel to the main corridor



MELD (IRPTN)

The Operational Plan that was produced in 2009 is currently being reviewed after discussion with National Treasury and Department of Transport that funding for the PTISG grant will resume at BCMM. The municipality is proposing the development of the business plan; financial modelling of it's the Mdantsane to East London Corridor (MELD) as priority number one and associated feeder routes.

MELD Feeder Route (10km)

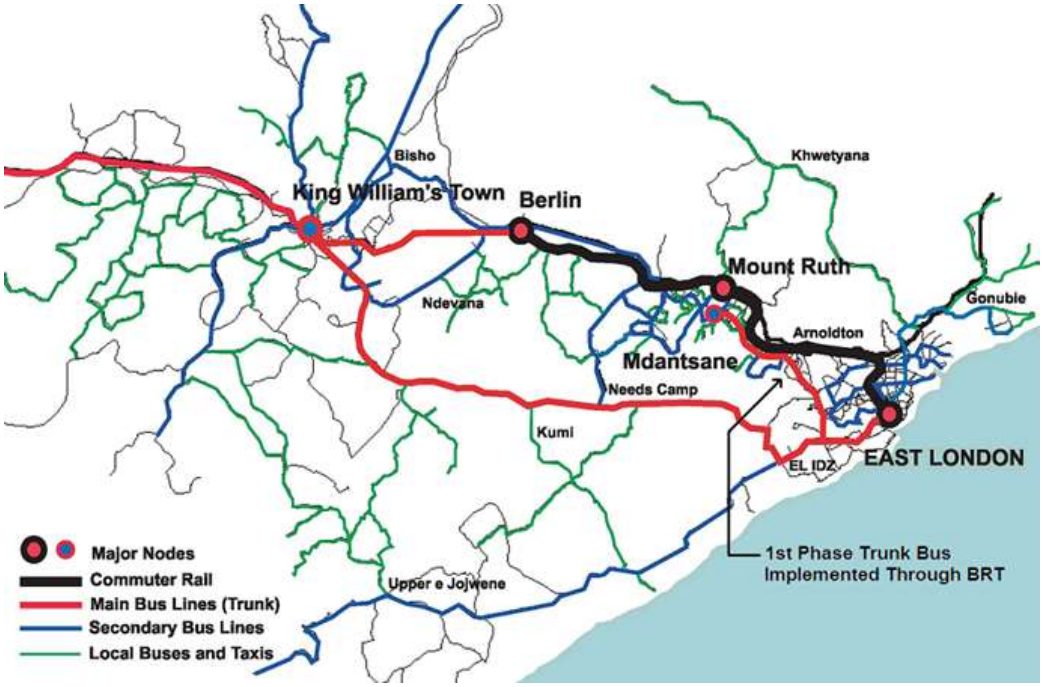
The MELD is 20km long with 10km being a dual carriageway and the remainder a single carriageway that requires upgrading. The municipality is proposing a two stage upgrading, with first upgrading the road to a dual carriageway in order to improve safety and reduce travelling time and the last stage would be related to the outcomes of the business plan, financial modelling of this route. 2017/18 financial would be earmarked for the design stage and implementation in the 2018/19 financial year.

The MELD is one of the city most integration zone as it provides access from the East London Central Business and Mdantsane CBD. It also provide access to projects that are

implemented by BCMM Housing as they are positioning within the MELD corridor. Development of the Corridor provides needed linkage to Human Settlement as majority of BCMM Housing Projects (Reeston) are aligned within this Corridor. The figure below shows connectivity between main transport routes and Housing Projects.

The walking distance between the commuters and also the Main Corridors for Public Transport is usually less than 1km. Feeder serves are available within 150m of residential areas within the Catalytic areas and the whole city. Reeston residents have the main Corridor and also the train station with 200m of the Main Public Transport Corridor hence the choice of which type of service rests with the commuters.

The Bufferstrip Housing Project is situated near the railway line and Public Transport is provided through feeder routes to the main Highway taxi facility. Qumza Highway is the main corridor within the Mdantsane area.



- Provides Safety – has sufficient space on its road reserve for widening
- Reduces Travel Times – average travel time in route currently –
- It has potential for contracting – after 10 years it can be a contacted Scheduled service
- Qumza Highway: MELD Feeder Route (5km)

The feeder route along the Qumza Highway between Golden Highway and Highway Taxi rank has a 5km section that is a single carriageway that requires to be upgraded to have dropping off lane for the public transport in order to improve traffic congestion. The construction for the first phase of the

Public Transport Facilities

The City has 21 Formal Public Transport Facilities with 4 being Privately Owned. Highway Taxi Rank being the biggest facility of them all. The Facilities are broken down per region and are as follows:

(KWT area) has seven formal Public transport facilities namely:

- Taxi City
- Market Square
- Bhisho
- Ndevana
- Zwelitsha
- Ginsberg
- Dimbaza
- Med life Mall (Private)

The Midlands area (Mdantsane & surroundings) has five Public Transports Facilities namely:

- Highway
- Berlin
- Cecilia Makiwane
- Mdantsane City (Private)

- Nu13 Rank (Private)

The Coastal area has ten Public Transport Facilities, namely:

- Gillwell
- Ebuhlanti (Beaconsfield Road)
- Oriental Plaza
- Beacon Bay
- Gonubie
- Mzamomhle
- Boxer (Private)
- Hemingway (Private)

The municipal bus service

The municipality is currently operating six buses. The municipality is busy with a section 78 study that will guide the municipality whether it is visible for BCMM to operate a Bus Service and whether the fleet of Buses needs to be extended to other areas that had the service reduced. The study is expected to be completed in June 2017.

The taxi industry

It is a well-known that the taxis are one of the key stakeholders in the public transport and the municipality is currently having meetings with them on operational issues and would further engage them on future IRPTN route/s. The municipality is in the process of forming Transport Forum that will discuss issues that relates to the industry and also their operation plans within the city. There are currently 13 Taxi Associations within the BCMM area.

Bus operators

The municipality has a number of bus operators within the city with majority being long distance buses. The Mayibuye Bus Service is also operating on different routes to the

municipal bus service. The public transport would integrate all modes of transport and would determine future integration.

The rail service

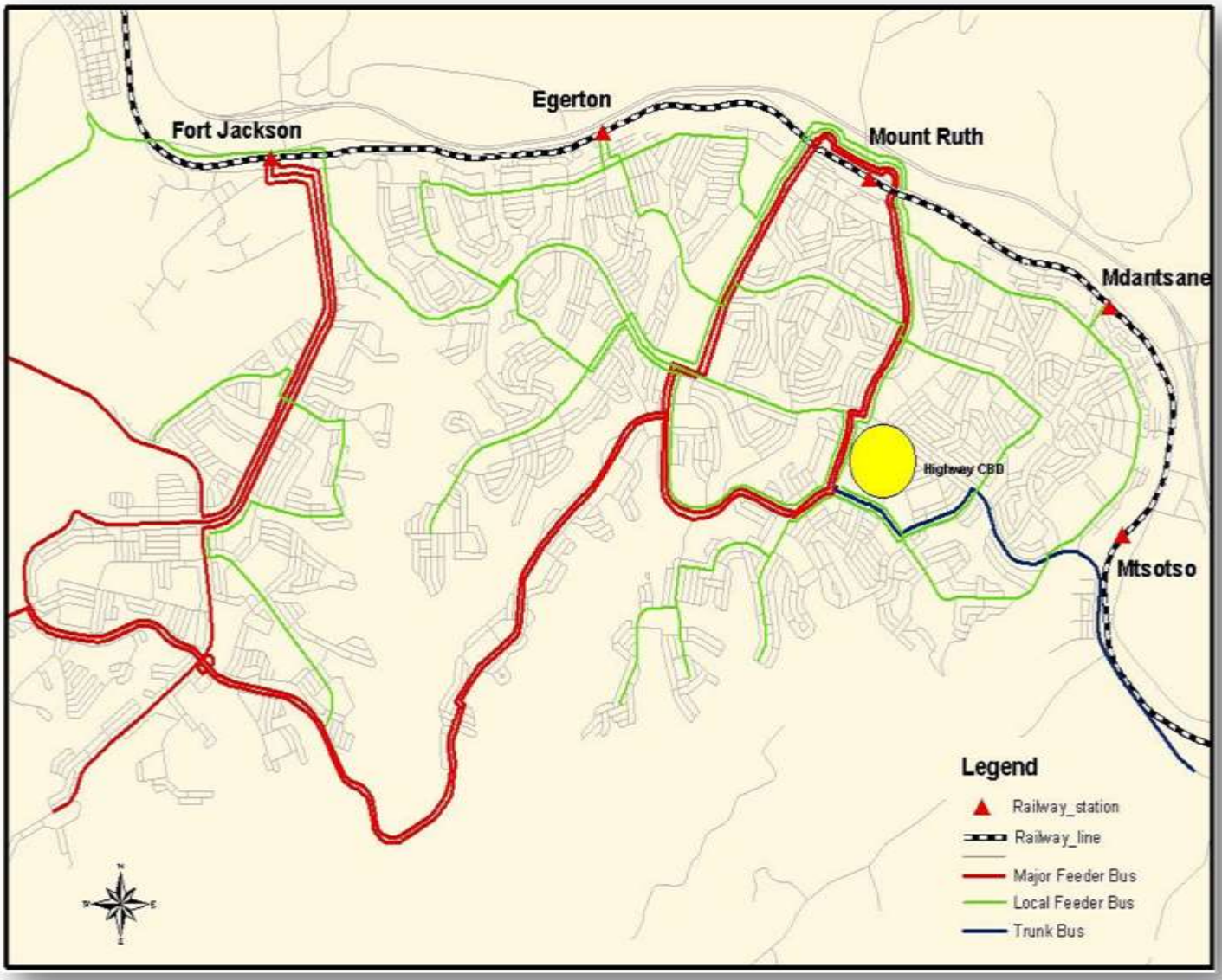
Buffalo City in its ITP identified that the public transport system will consist of a better passenger rail service between Mdantsane and East London, as well as the upgrading of some key railway stations – Mount Ruth, Vincent and East London stations. These stations would be important transfer stations between new feeder bus services and the rail.

The trains still carry a huge number of commuters that stay along the rail corridor. The basic operating mandate of PRASA is to expand passenger carrying capacity and service. PRASA seeks to achieve this primarily, through its commuter and inter-city rail services and supplement these with its bus operating subsidiary. The plans are to renew the commuter rail fleet to new high-capacity rolling stock, supported by an infrastructure modernisation programme.

Buffalo City has a large and potentially rapidly growing manufacturing sector, which depends on an efficient and reliable freight transport system. The improved co-ordination with PRASA on metro transport planning and implementation is needed.

The proposed projects for Buffalo City are:-

- The rail route between Mdantsane and East London CBD to be upgraded for increased passenger usage as part of the public transport plan for the metro.
- Upgrade and extension of the commuter rail services between Berlin and King William's Town
- Revive the rail service between East London and Westbank



Integration between Rail and Public Transport

Taxi ranks provided by BCMM at Ft Jackson and Mount Ruth

CBD Regeneration Project

The Buffalo City Metropolitan Municipality (BCMM) is working towards regenerating the CBD of East London & KWT by making movement by vehicle and pedestrianization a friendly priority. The CBD in EL is the historical core of the city, with Quigney to the east and the Buffalo River and the sea to the south. Fleet Street brings traffic through the CBD via the R72. Oxford Street connects Fleet Street with the N2 which bypasses the city to the north. Buffalo Street provides access to Mdantsane to the north-west.

While the project was initially focussed on the need to develop Oxford Street as a pedestrian dominant transit mall, given the provision of the IRPTN route along Oxford Street, the project also impacts on the streets parallel and perpendicular to Oxford Street in the CBD. The study area therefore includes the greater CBD's area & linkage to the sleeper site area (Quigney)

The King Williams Town CBD is congested with high volume of pedestrian movements combined with high volume vehicles movements. The aim is to provide a safer CBD with pedestrian movement and also look at issues of providing some streets as one way streets.

RURAL PROJECTS

Needs Camp is a residential area south of Potsdam and Mdantsane on the opposite side of the Buffalo River and there is no formal river crossing linking the two areas. The need has therefore been identified to link the two communities by providing a river crossing in an optimal location. This will reduce the travelling time and distance between the two areas as they had to travel an additional 40km to access each other but the distance between them was 5km due to the issue of being no connectivity linking them and were separated by the Buffalo River.

The bridge to be constructed measures 80m long and 12 m wide and height from the river is 10m high with 1.2km of roadworks. The attached drawings show the extent of the land to be utilised for the bridge and roadworks. The construction is expected to start in May 2017 and be completed within 18 months. The Need scamp/Potsdam Bridge is valued at R 80m.

Kwatshatshu/Qalashe Pedestrian Bridge is at Award Stage valued at over R3.5m that will provide ever needed access over the river between the two communities. The project started in March 2017 and completion is October 2017.

Transport Strategy

Buffalo City Metropolitan Municipality has completed a Comprehensive Integrated Transport Plan which is required to be reviewed annually and updated every five years. This plan considers a vision and a strategy for all modes of transport within the City and all the aspects related to successfully implementation of the visions and strategies.

The Public Transport Plan which is a key component of this plan features a new public transport strategy to restore scheduled public transport services in the City which will lead to a customer-based planned and regulated system. BCMM has prioritised the upgrading of the all Public Transport Facilities within its area of operations. A budget of R 120m over three year period has been made available for the Upgrading Of King Williams Town Public Transport Facility namely Market Square Bus and Taxi Facility, Taxi City Taxi Rank as a first phase of the upgrade due to the high numbers of commuters that utilise these facilities on a daily basis.

Where the people of Buffalo City Metropolitan Municipality (BCMM) do not have the means to use private cars or public transport for daily transport to gain access to work, education and other activities the various forms of Non – Motorised Transport (NMT) become their only mode of transport. Non-motorised Transport facilities are currently being provided in Buffalo City. Rural areas and low income areas, where pedestrian facilities are needed the most, are generally currently being rolled out. Some of the projects that will be undertaken in the 2017/18 financial year under the NMT are as follows:

- Construction of Need scamp/Potsdam Bridge valued at over R 80m that will link the Potsdam area with Needscamp area.
- Programme on the Implementation of Sidewalks, Traffic calming Measures as part of the Non-motorised Transport within the bigger BCMM area.
- Designs for the Sleeper Site Project

- Construction of Taxi/Bus Embayment’s
- Construction of Traffic Calming Measures and Traffic Signals

The economy of a City is somewhat dependent on a reliable and accessible freight transport system. Buffalo City has a large and potentially rapidly growing manufacturing sector, which relies on an efficient and reliable freight transport system. All sectors of the economy depend on the incoming and outgoing movements of goods by road, rail, sea and air. The infrastructure to support the movements by these modes must be assessed and where necessary upgraded to keep pace with the needs.

The current situation by which freight is transported in Buffalo City is influenced by the condition and availability of road versus rail transport infrastructure. A key determinant of the use of road over rail today is the lack of regulation applied to road transport. The consequent transport of heavy goods predominantly by road places a significant structural load on the road system, requiring a greater level of maintenance than would otherwise be required.

Freight traffic flow through the urban areas of Buffalo City Metropolitan Municipality creates unnecessary congestion and noise pollution on existing routes not designed for these types of vehicles. The transport of freight by road also has a significant negative impact on the environment compared with rail, contributing more to air pollution and the depletion of scarce fuel resources.

As part of the Comprehensive Integrated Transport Plan it is necessary to undertake a Freight Transport Plan to understand the current freight transport system within the City and make recommendations for implementation that will assist the City in achieving its visions and strategies.

SANRAL ENGAGEMENTS

Buffalo City Metropolitan Municipality has been having engagements with the South African National Roads Agency (SANRAL) about projects within the BCMM area. Some of the projects are as follows:

N2R72 Alignment

A spatial distribution and layout of road (and rail) networks mainly running along spurs and ridgelines, with few cross-river linkages inhibits cross-town mobility in the greater East London area. Present proposals for bridge crossings of Buffalo River and the linkage of the N2 and coastal routes (R72) would facilitate improved mobility of people resident in the Mdantsane/Reeston/Duncan Village areas to areas of opportunity in the West Bank area of the city. The additional bridge will also provide an alternative route for heavy trucks, which currently have to navigate through the East London CBD when traveling from Nelson Mandela Bay via the R72 to the N2 to Durban. These heavy vehicles cause significant damage to the City's road network, and although the damage is caused by regional traffic, maintenance of the affected roads is done at a cost to Buffalo City. The proposed upgrade of the N2 between Buffalo City and Durban by SANRAL will see an increase in national traffic through the city centre, making the provision of the second Buffalo Bridge an even higher priority.

BCMM wants SANRAL to assist the municipality by doing a bypass of the Central Business District to vehicles that are going through the R72 route and airport area. This is due that these vehicle go through the CBD and cause congestions within the CBD and also the heavy trucks are causing a lot of damage to the CBD roads. SANRAL has proposed that BCMM enters into a service level agreement with them so that they can take over the projects and

also include it as part of the projects plan. SANRAL is currently busy undertaking a study of the proposed route to assess if the issue of traffic volumes is feasible.

MOUNT RUTH NODE

Mount Ruth was specifically identified in the MELD study as an area with very high potential for development as a mixed land use node, based on its proximity to the rail line and station, it's direct connection with the Mdantsane CBD as well as its potential linkages with the N2 and N6. This highlighted the need for a more detailed nodal development plan for Mount Ruth and resulted in the preparation of the Mount Ruth Nodal Precinct Development Plan.

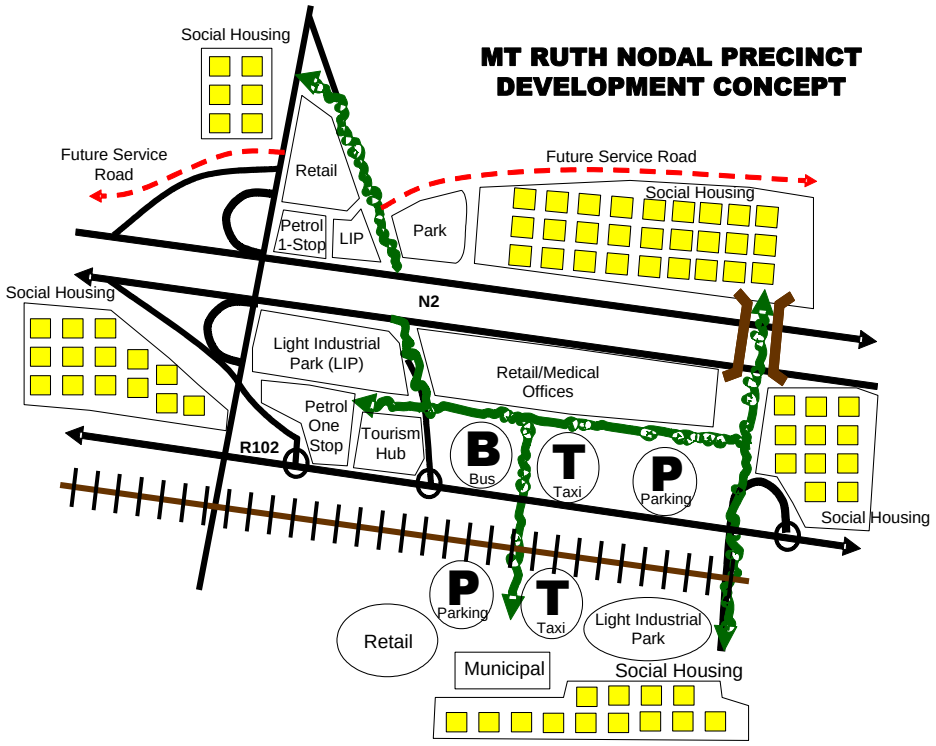
This plan took cognisance of the BCM and Mdantsane Draft Public Transport Plans that were being prepared at the same time but also considered future private transport linkages to Mdantsane via Mount Ruth as well as infrastructure requirements to support Mount Ruth as a development node.

Mdantsane has limited access to the N2 freeway system. This lack of accessibility impacts negatively on the area, particularly with respect to attracting investment. At the same time it was recognised that there were important linkages missing from the transport network as a whole if the logic of a hierarchical road system is to apply. In order to attract investment through improved accessibility, it was proposed that a road interchange be provided on the N2 which connects with the M16 (Billie Road), which will improve access to the Highway Town Centre and the Newlands access road to the north. The connection to the Newlands access road will ultimately result in connection to the N6 an important National Route to the north.

Various options for the freeway interchange were assessed in terms of their operational characteristics and benefits as well as implementation costs. It is also proposed to link

Toyana Road with the R102 across the rail line to provide additional linkages between Mdantsane to the south east and the Newlands area via Mount Ruth.

The proposed road improvements to support development of the Mount Ruth Node were described as “Key Strategy” in the Mount Ruth Nodal Precinct Development Plan. The municipality highlighted the importance of the interchange as it would provide connectivity to Cecilia Makiwane hospital, N6 and also provide a third connection into Mdantsane. After deliberations, SANRAL supported the construction of the interchange at the expense of the municipality.



N2 (King Williams Town bypass)

SANRAL has started the projects on the Designs of a bypass of the King Williams Town CBD area and the project is at advanced Planning stages.

F.3 INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

Service delivery is currently undertaken by the respective municipal departments. There is no estalbished precinct management structures in the Metro aside form the Buffalo City Development Agency yet. Their mandate and area of operations is currnetly only focussing on economic development. An interdepartmental team, comprised of multidisciplinary departments, Finace, Engineering, City Planning and Land Development, Economic Development, Transport Planning, Municipal Services and EPMO. This team has been identified by BCMM to drive the reforms and has been institutionalised. BCMM has, for implementation purposes, subdivided the city into five precincts, namely:

Precinct	Operational Area
King Williams Town – Bisho – Berlin Precinct	Inland Area
Mdantsane Precinct	Midland Area
Duncan Village Precinct, Inner City Precinct, West Bank Precinct	Coastal Area

In terms of the management of the precints, the city has proposed the appointment of precinct managers to oversee coordination and implementation of the precincts.

SECTION G : INSTITUTIONAL ARRANGEMENTS AND OPERATING BUDGET

Institutional clusters for the IDP has been established and relates to Infrastructure & Spatial, Socio Economical and Institutational and Financial issues.

G1. Cross Cutting Institutional Arrangements

Bepp Section	Institutional Arrangements	Implications
Spatial Planning & Project Prioritisation	City Planning Infrastructure Services IDP Human Settlements City Managers Office Public Safety Municipal Services	Spatial Development Framework IDP Clusters Project Prioritization methodology needs to be developed and adopted. Fiscal impact tool

Spatial Targetting **Intergration Zone Prioritization**	IDP Spatial Planning and Development Economic Development	Urban Network Strategy Methodology to be approved to prioritize integration zones
Urban Management **Precinct Planning Models for CBD's (Mdantsane Urban Hub /East London CBD/KWT CBD)**	City Managers Office GIZ CSP Murp/DVRI City Planning Finance BCMDA Community services	Neigbourhood Development Partnership Unit Inner City Development Grant UDZ Special Rating Zones Precinct Plans Precinct Models
Project Preparation for selected key catalytic urban	City Managers Office LED	Memorandiums of understand to

development projects (leverageof investment throught partnerships)	DBSA BCMDA	facilitate project preparation.
Intergovernmental Planning and Sector Alignment **How to achieve interactive joint planning and budgeting ito alignment planning and delivery of provincial, national infrastructure**	IGR – Executive Support Services IDP/ Budget and Treasury City Managers Office City Support Programme	IGR Forums Business Chambers IDZ SOE's Provincial National Departments IGR Strategy towards Project Implementation. MDGS – Forums
Capital Funding **Long term financing and strategy for**	Finance LED	Investment strategy

spatial transformation.	City Managers Office Asset Management	Capital investment plan Long Term Financial Strategy Asset Management Plans
Implementation of capital projects . **Procurement Approach** **Risk Mitigation** **Implementation Arrangements**	Supply Chain Management City Managers Office Risk Management Office (CM) Performance Management PIU Risk Officer BCMDA	Procurement Plans for capital projects Monthly project monitoring and management with Project Tracker Implementation strategies Public Private Partnerships Implementation Agencies
Cross cutting institutional arrangements	IDP Clusters MGDS EPMO	Integration of BEPP into the IDP.

Reporting and Evalution **BEPP Indicators**	EPMO Budget Office Performance Management Unit	BEPP indicators Institutional Scorecards SDBIP

G.2 CONSOLIDATED OPERATING BUDGET

Operating Budget per Service

Functional Classification Description	**2017/18 Medium Term Revenue & Expenditure Framework**		
	Budget Year 2017/18	**Budget Year +1 2018/19**	**Budget Year +2 2019/20**
Expenditure - Functional			
Governance and administration	1 138 919 807	1 235 821 418	1 329 395 151
Executive and council	287 702 570	302 546 628	321 391 870
Finance and administration	837 325 389	918 193 284	991 885 128
Internal audit	13 891 848	15 081 506	16 118 153
Community and public safety	500 120 967	553 995 820	585 066 235
Community and social services	129 437 134	142 447 254	153 022 993
Sport and recreation	74 235 687	81 616 856	87 796 077
Public safety	120 739 881	133 162 087	142 946 485
Housing	136 024 589	153 702 660	154 361 468
Health	39 683 677	43 066 963	46 939 212
Economic and environmental services	1 240 480 182	1 350 917 652	1 454 494 749
Planning and development	313 934 489	340 487 373	362 761 334

Road transport	805 102 040	876 699 609	947 883 805
Environmental protection	121 443 653	133 730 669	143 849 610
Trading services	3 342 642 269	3 514 081 845	3 676 441 311
Energy sources	1 865 062 466	1 903 824 848	1 941 454 951
Water management	643 255 509	692 850 485	742 603 967
Waste water management	482 745 244	539 672 791	564 661 491
Waste management	351 579 050	377 733 721	427 720 901
Other	29 215 753	32 111 445	34 515 897
Total Expenditure - Functional	6 251 378 979	6 686 928 180	7 079 913 342