



Comprehensive Infrastructure Plans

Principles & points of departure

1 February 2008

Scope

- Institutional Framework
- Vision
- Anticipated Outcomes
- Contextual Framework
- Benefits
- Prerequisites for service delivery
- Scope of CIP's: High level
- Implementation Methodology
- Responsibilities
- Issues to be expanded

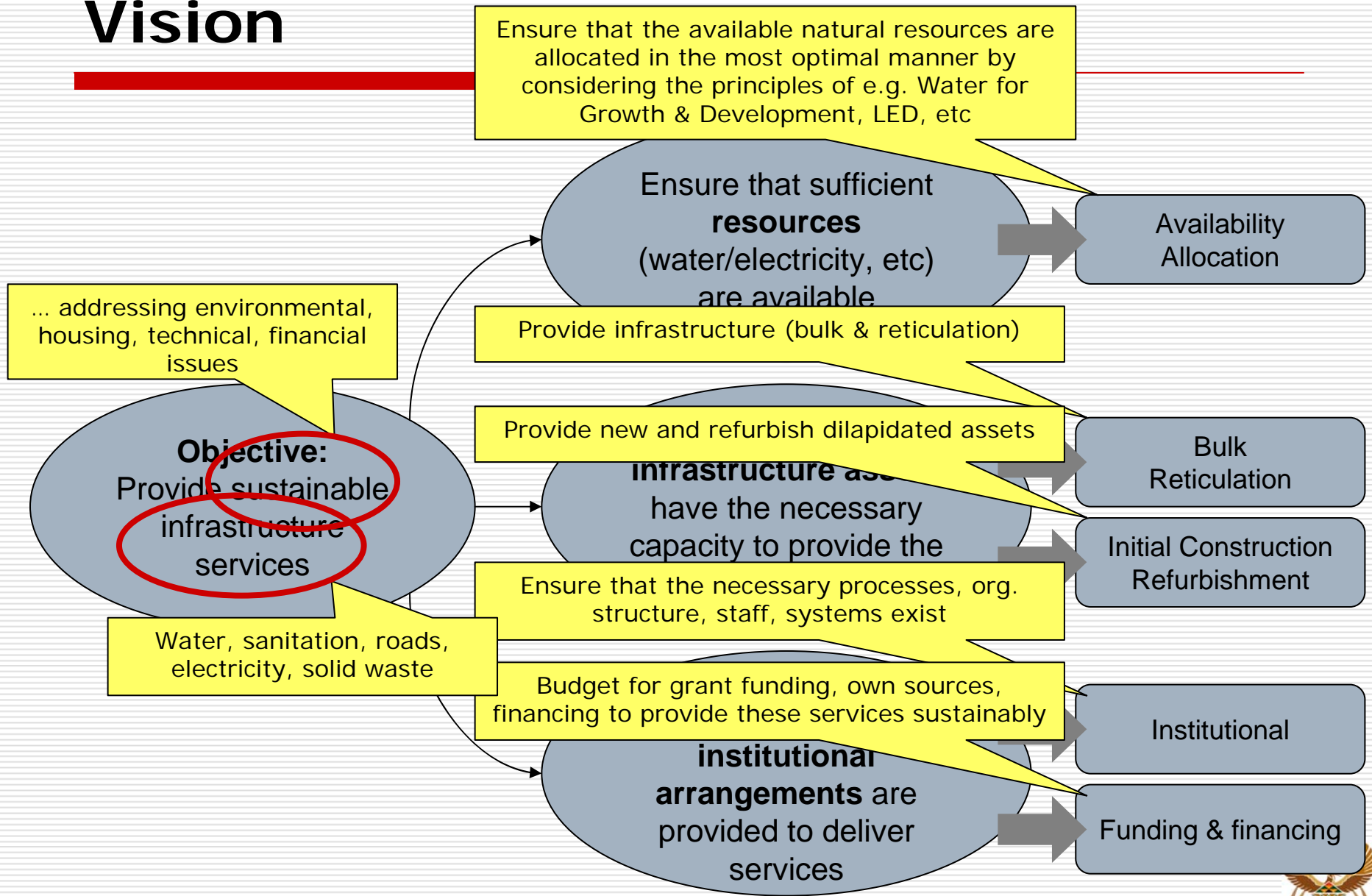


Institutional Framework

- **Municipalities** are responsible for planning and implementing municipal infrastructure
 - *Programme based and project based activities*
 - *Roles of districts vs local municipalities*
- **Dplg** is leader, custodian of municipal sector and municipal infrastructure
 - *Overall municipal infrastructure policy making and implementation coordination role*
- National sector departments define policy, regulate municipal infrastructure
 - *Sector policy, set norms and standards, sector planning oversight role, sector development plan, KPI, monitor*
- **National Treasury** coordinate financial support
 - *Manage government's funding of municipal infrastructure, monitoring financial reporting, compliance with MFMA*



Vision

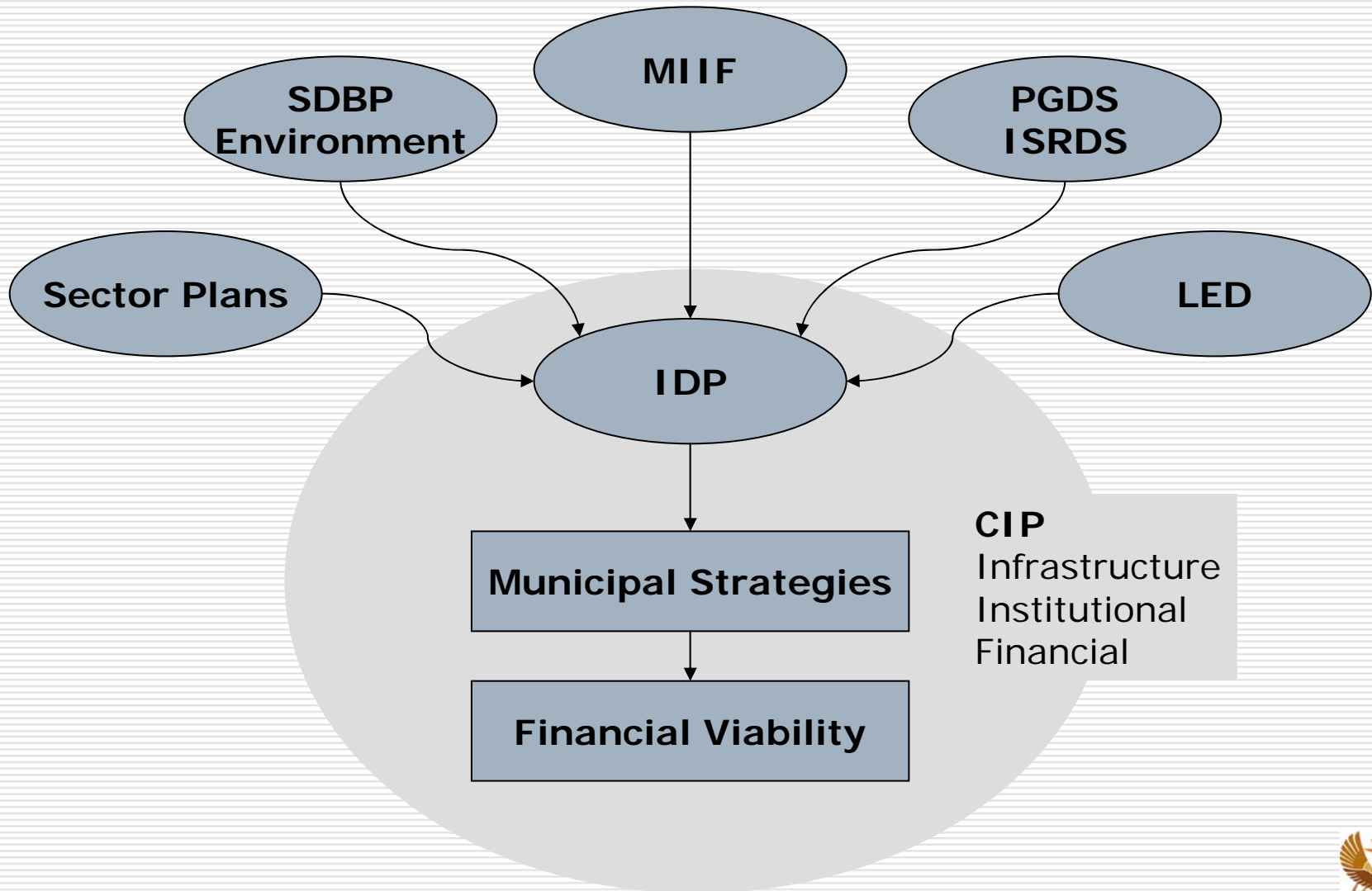


Anticipated Outcomes

- Consolidated Infrastructure Plans aim at
 - *Providing a business case for ensuring sustainable & affordable infrastructure service provision*
 - What needs to be provided where?
 - How will it be sustained institutionally?
 - How can it be afforded financially?
 - How can it be used to create opportunities for development?
- Integrated service delivery approach & coordination
 - *Address infrastructure provision, operations & maintenance*
 - *Coordinate with housing and other sectors*
 - *Ensure sufficient bulk supply*
- Provide unified direction & framework



Contextual framework

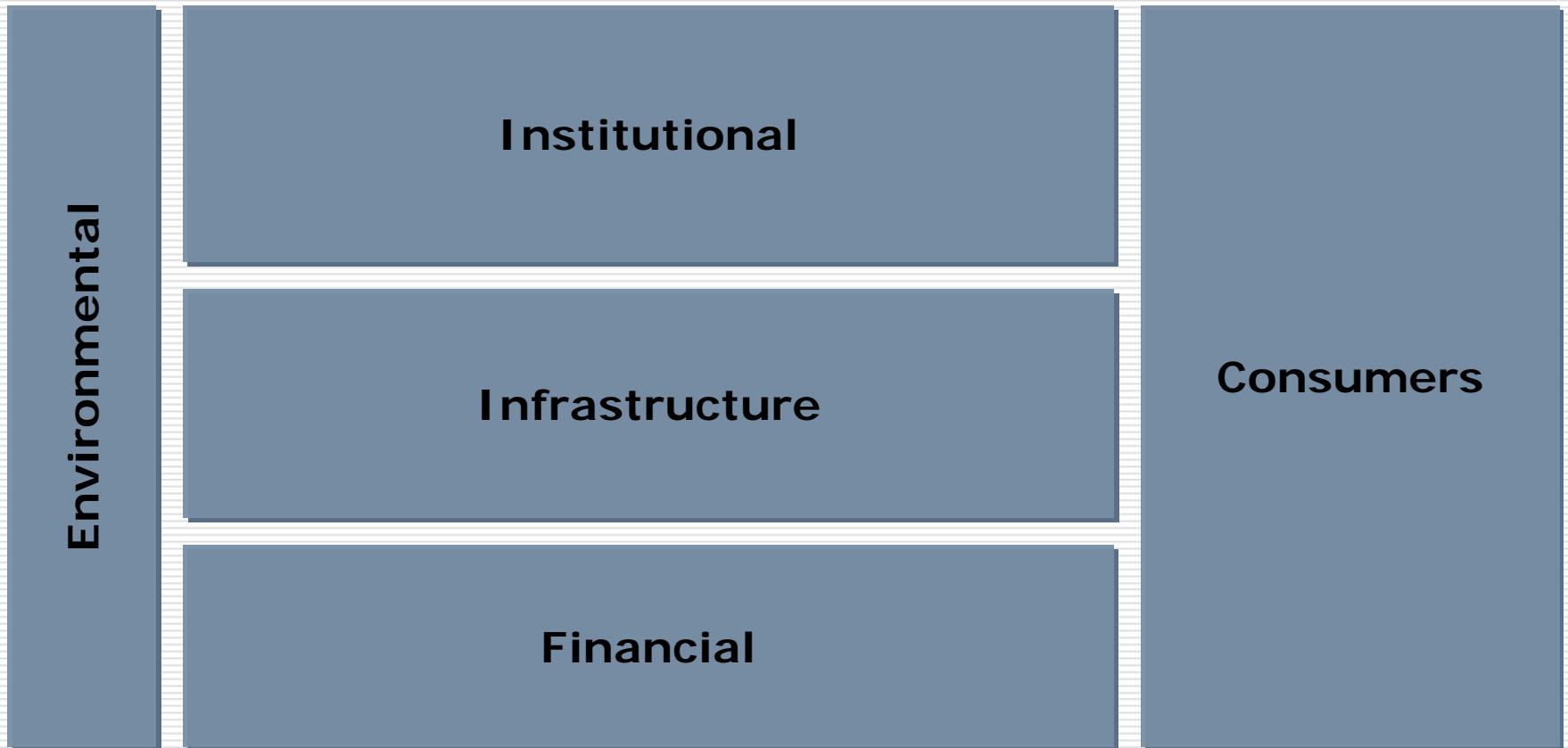


Benefits

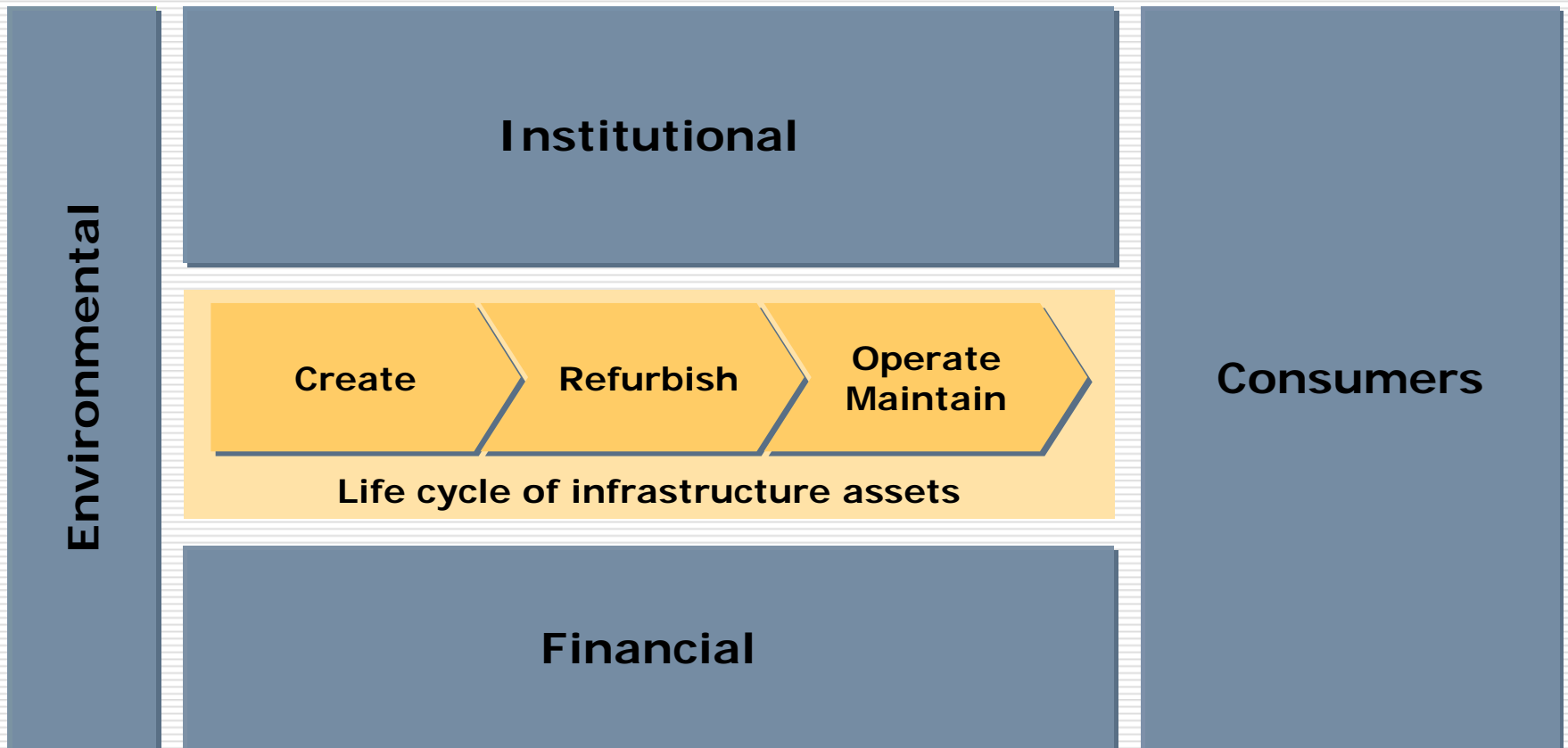
- Bridging gap between municipal strategy vs. sector strategies
- Driven by municipalities, supported by sectors & dplg
- Create conducive IGR & cooperative government environment
- Creates a business model for balancing costs and revenues for service delivery
 - *Taking cognizance of actual costs for services balancing affordability versus appropriateness*



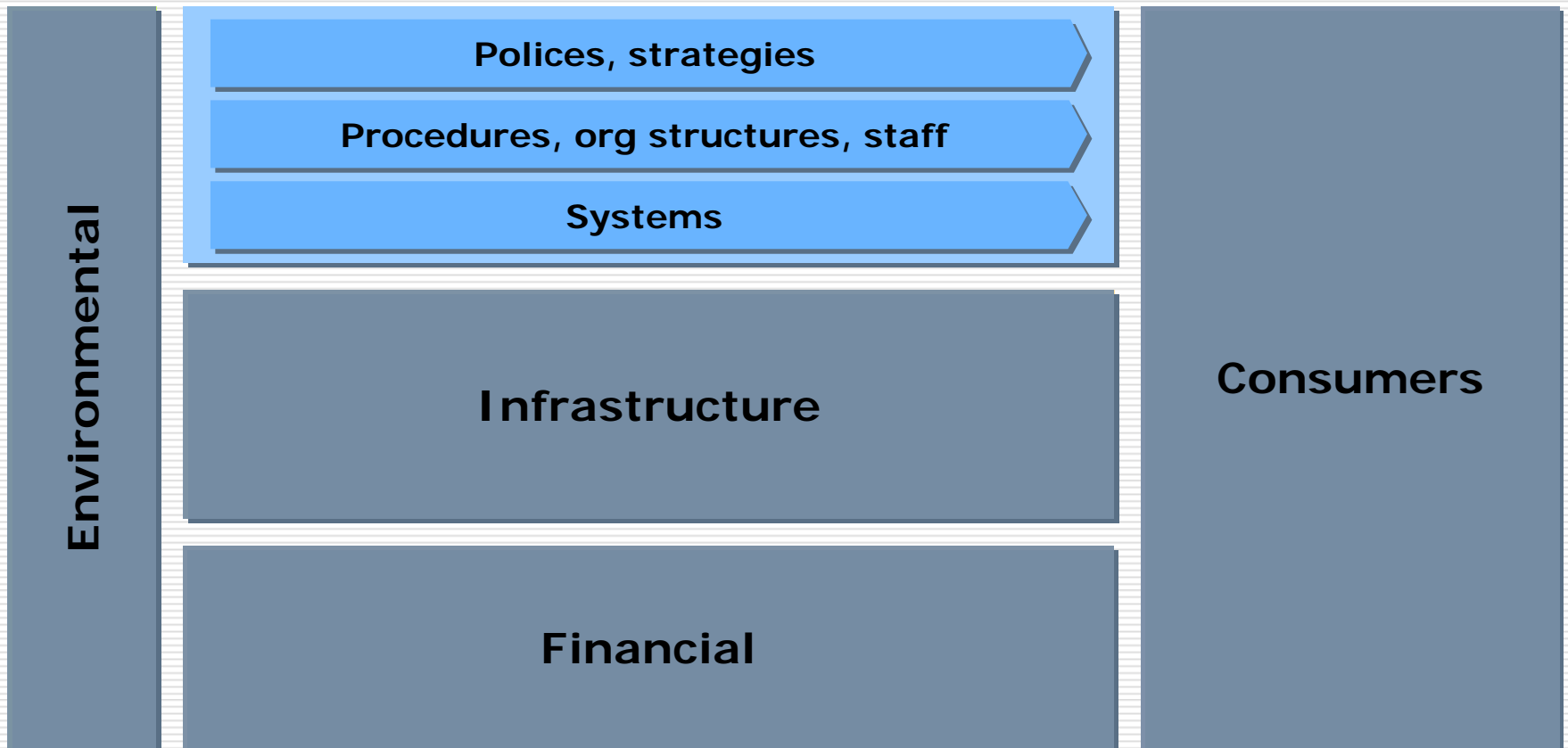
Prerequisites for service delivery



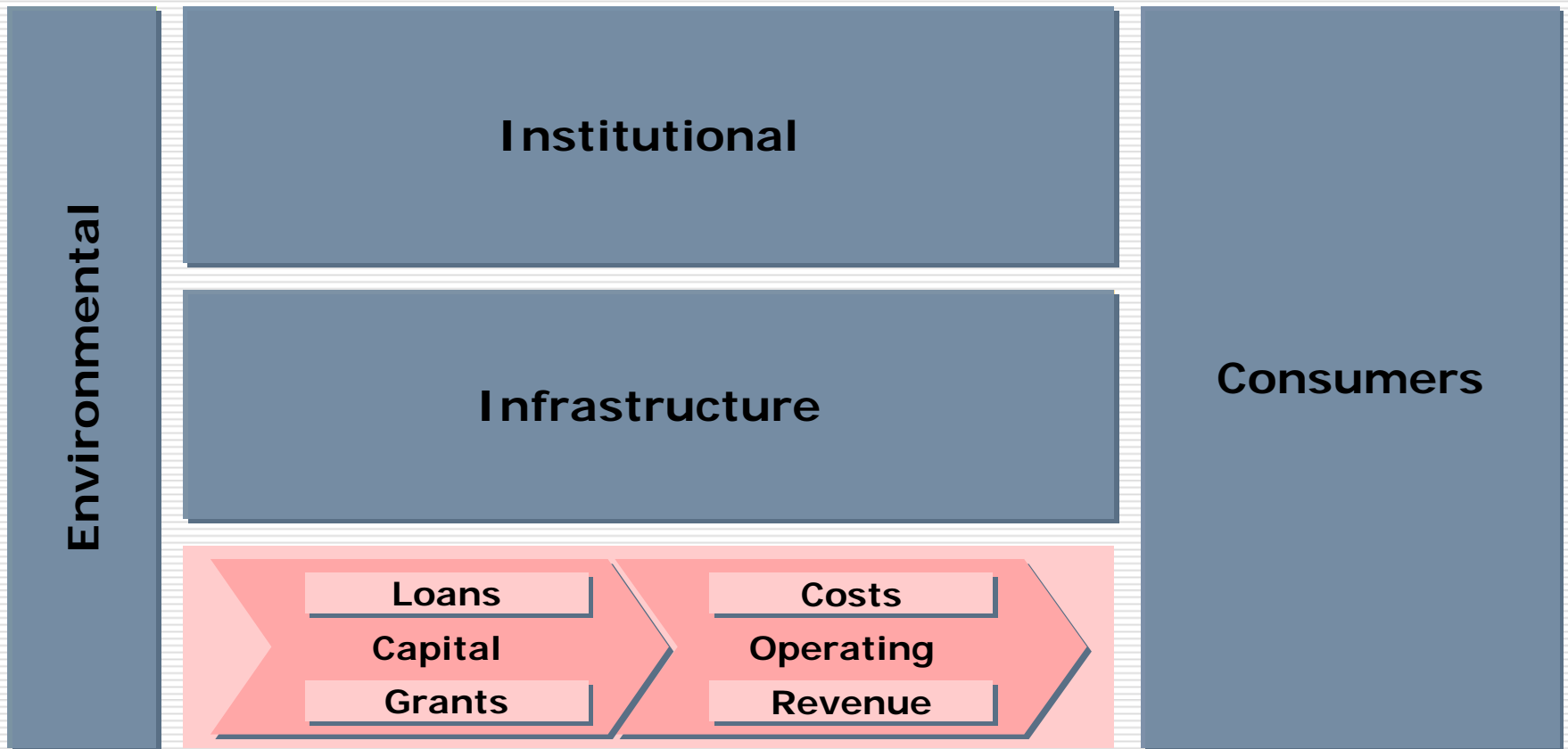
Prerequisites for service delivery



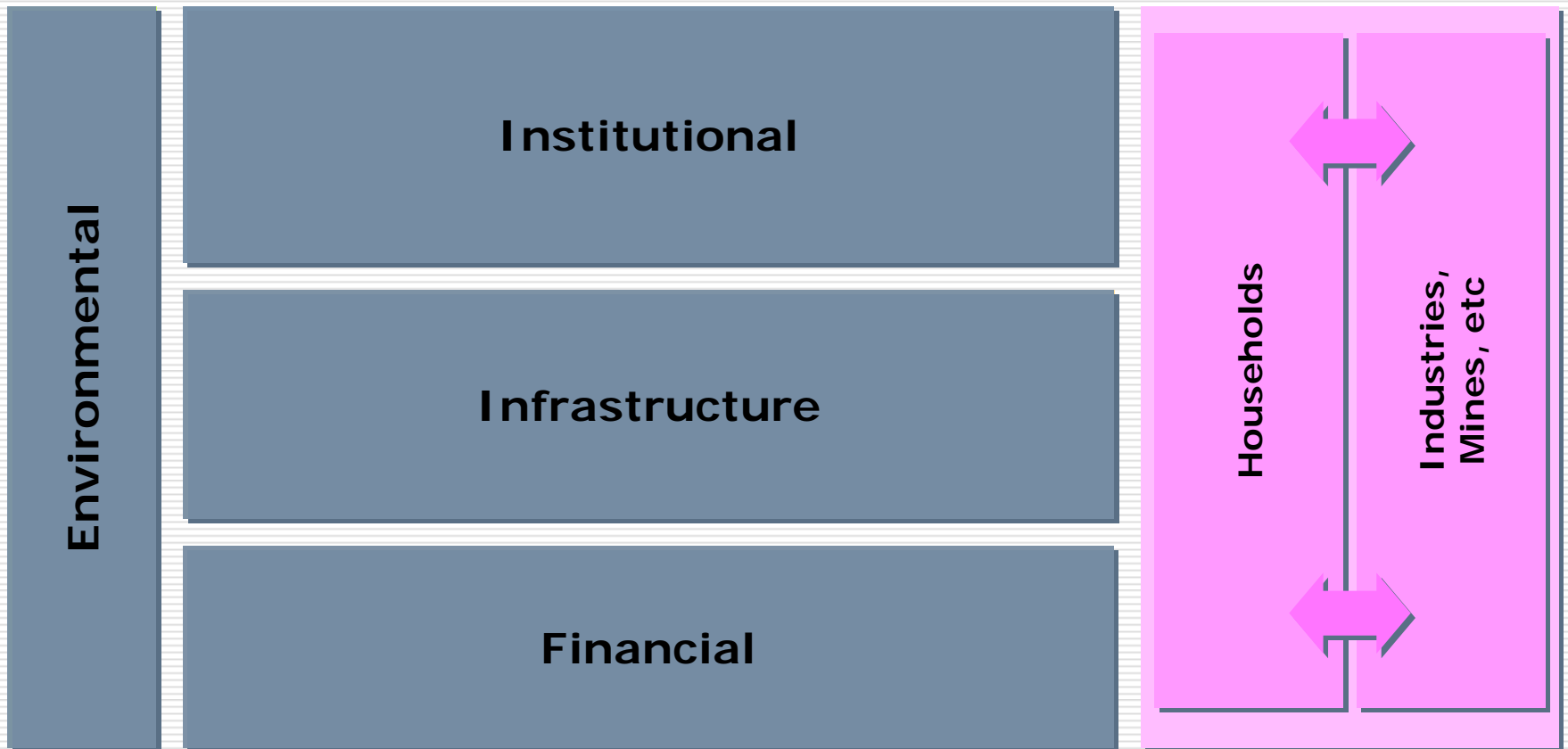
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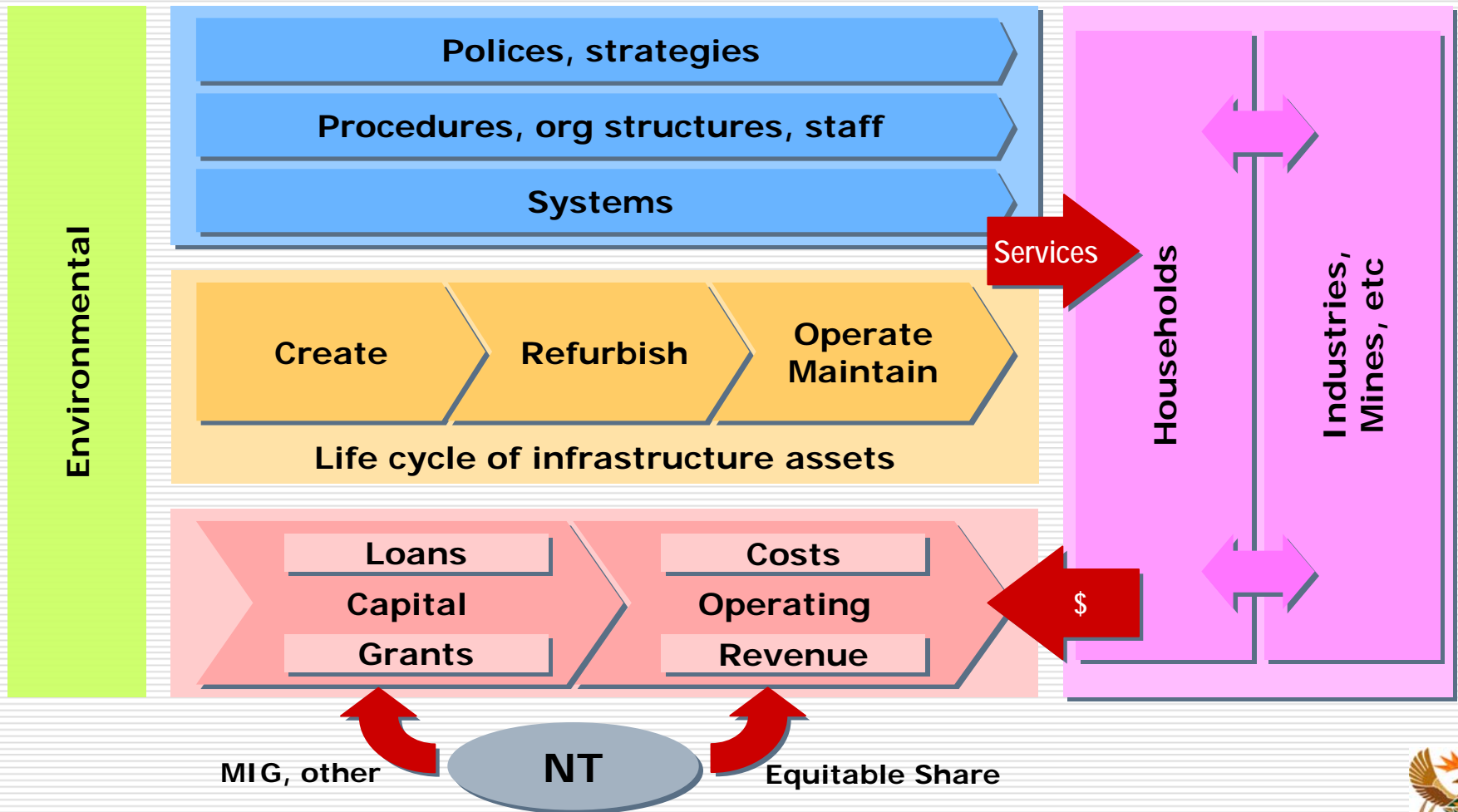


Prerequisites for service delivery



Comprehensive Infrastructure Plans

Intervention plan towards sustainability



Scope of CIP's: High level

- Demography, development opportunities, growth
- Infrastructure needs, assets, conditions
 - *Water Services*
 - *Sanitation and Waste Water*
 - *Solid waste*
 - *Electricity*
 - *Access roads & transport*
- Institutional Arrangements for Infrastructure Management
- Financial resources
 - *Income and Sustainability*
- Intervention Plan



Scope of CIP's

- Demography, development opportunities, growth
 - *Current population distribution, future growth (10-year)*
 - *Spatial development framework, LED, etc*
 - *Housing plans*
- Infrastructure needs, assets, conditions
 - *Water Services*
 - *Sanitation and Waste Water*
 - *Solid waste*
 - *Electricity*
 - *Access roads & transport*

Resource availability (water, energy)
Current levels of service
Asset registers
Condition assessments & refurbishment
Backlogs
O&M, loss & demand management
Projects & funding needs



Scope of CIP's

□ Institutional Arrangements for Infrastructure Management

- *Policies & strategies*
- *Processes, structure, etc*
- *Staffing*
- *Outsourcing*

Ensure that projects can be launched, services sustained in the long term

- Consultants, contractors, SMME's

□ Financial resources

- *Revenue (tariffs, billing, collection)*
- *Cost structure (O&M, capital redemption, etc)*
- *Balance sheet (assets, debtors, etc)*
- *Lending and access to loans*

□ Intervention Plan towards Sustainability

- *Projects to address backlogs, refurbishment*
- *Institutional support, development*
- *Revenue improvement to sustain financing, loans*



Planning in CIP's

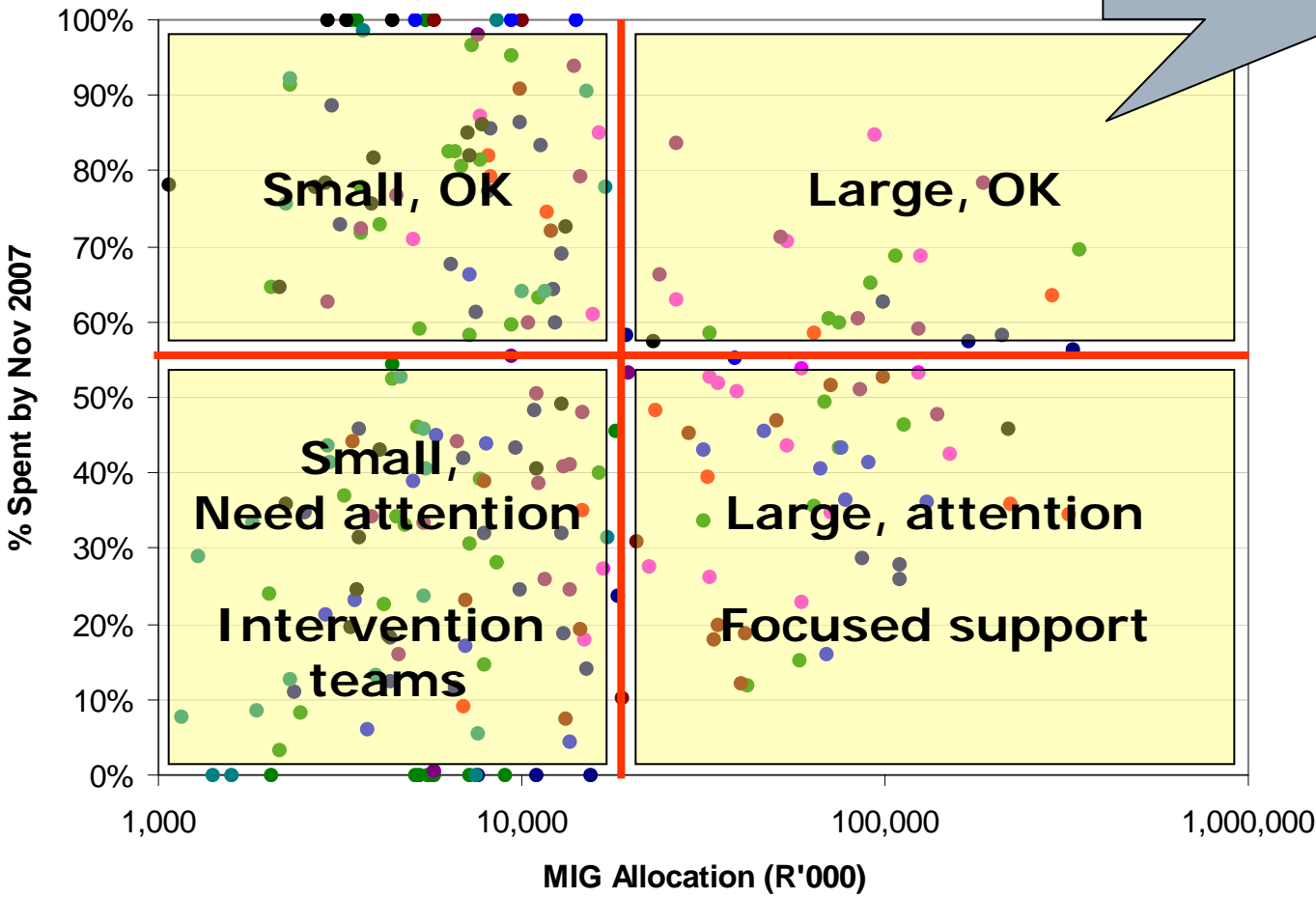
- Programmatic approach
 - *Define a framework for development & management*
 - *Planning*
 - CIP, integrated with sector plans
 - *Organising*
 - Aligning & linking to sector plans
 - *Leading*
 - Adherence to policy framework
 - *Controlling*
 - M&E, KPI, benchmarking, etc
 - *Address sustainability*
- Project approach
 - *Identify projects to eradicate backlogs in phased manner taking cognisance integrated needs*



Focus

Consider ways to prioritize municipalities in a differentiated approach focusing on critical matters for water targets: use MIG spending as an indicator for institutional capacity

Ability to Spend



- EASTERN CAPE
- FREE STATE
- GAUTENG
- KWAZULU-NATAL
- LIMPOPO
- MPUMALANGA
- NORTHERN CAPE
- NORTH WEST
- WESTERN CAPE



Conceptual timeline

Planning Jan & Feb '08	Assessment & CIP Mar - Aug '08		Urgent Intervention Apr '08 onwards	Medium Term Intervention Aug – Dec '08	Long Term Intervention Jan '09 onwards
<ul style="list-style-type: none"> • Define scope of plans • Establish common understanding between all sector depts, NT • Establish common vision with Provinces, Municipalities • Share with other stakeholders • Create common reference framework • Define support programme & partners • Define template 	<p>Mar '08</p> <ul style="list-style-type: none"> • Categorize municipalities per size (backlogs) & ability to spend • Confirm split between 'housing' & formal areas • Assess institutional capacity, backlogs, housing programme • Plan urgent interventions <p>Apr – Aug '08</p> <ul style="list-style-type: none"> • Prepare high level CIP per municipality 	<p>Small, low capacity</p>	<ul style="list-style-type: none"> • Create regional PMU for project delivery • Fund small backlogs 	<ul style="list-style-type: none"> • Support regional PMU • Build internal capacity • Fund small backlogs 	<ul style="list-style-type: none"> • Consider regionalization of services • Improve processes
		<p>Large, low capacity</p>	<ul style="list-style-type: none"> • Second staff into the PMU for project delivery 	<ul style="list-style-type: none"> • Second staff into the PMU for project delivery • Refine CIP 	<ul style="list-style-type: none"> • Improve processes, build capacity • Sect 78 assessments • Update CIP
		<p>High capacity</p>		<ul style="list-style-type: none"> • Support capacity development • Revenue improvement • Complete CIP 	<ul style="list-style-type: none"> • Resource conservation • Arrange financing • Mentoring of others

Responsibilities



Execution



CIP Phase 1



Support, policy

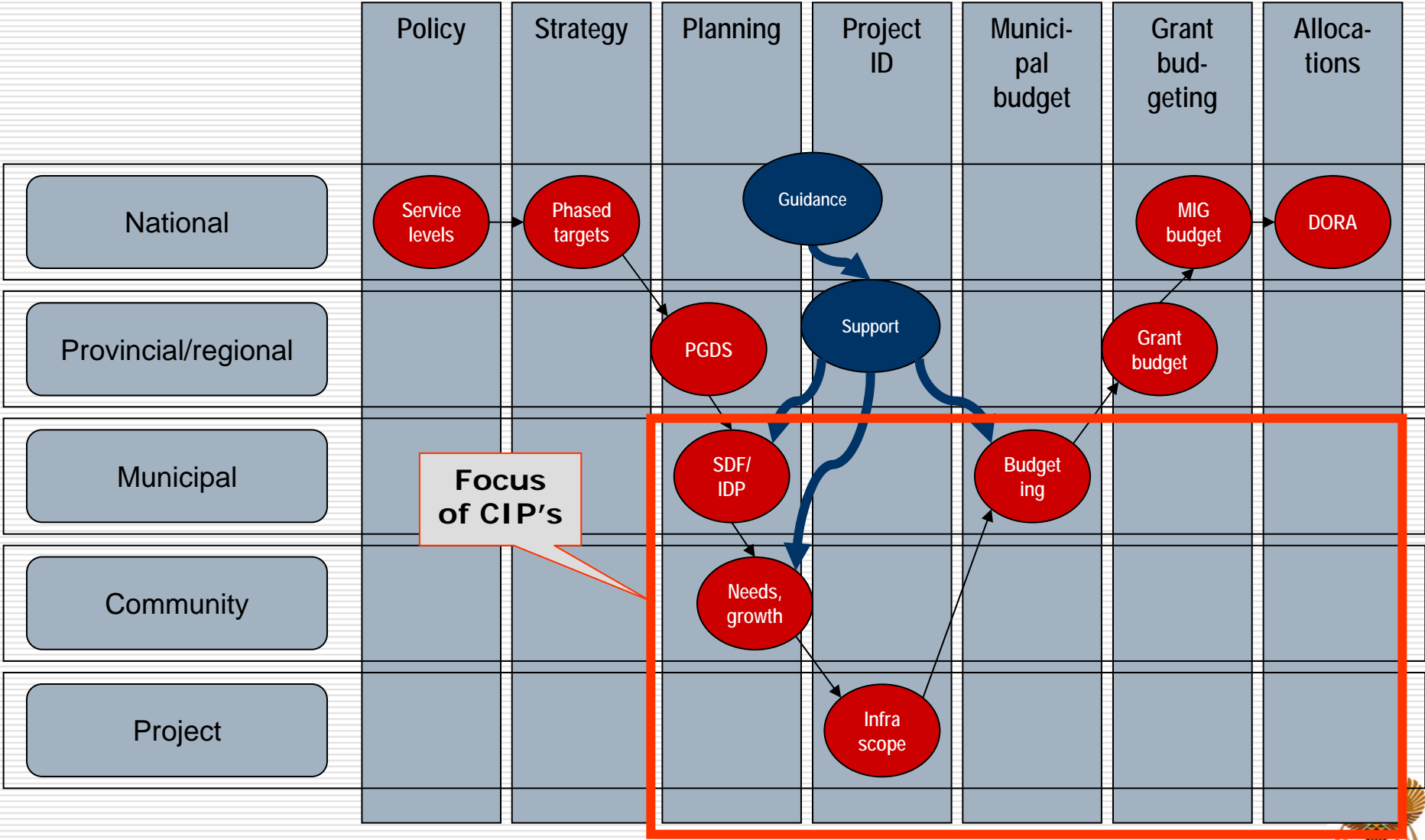


CIP Phase 2

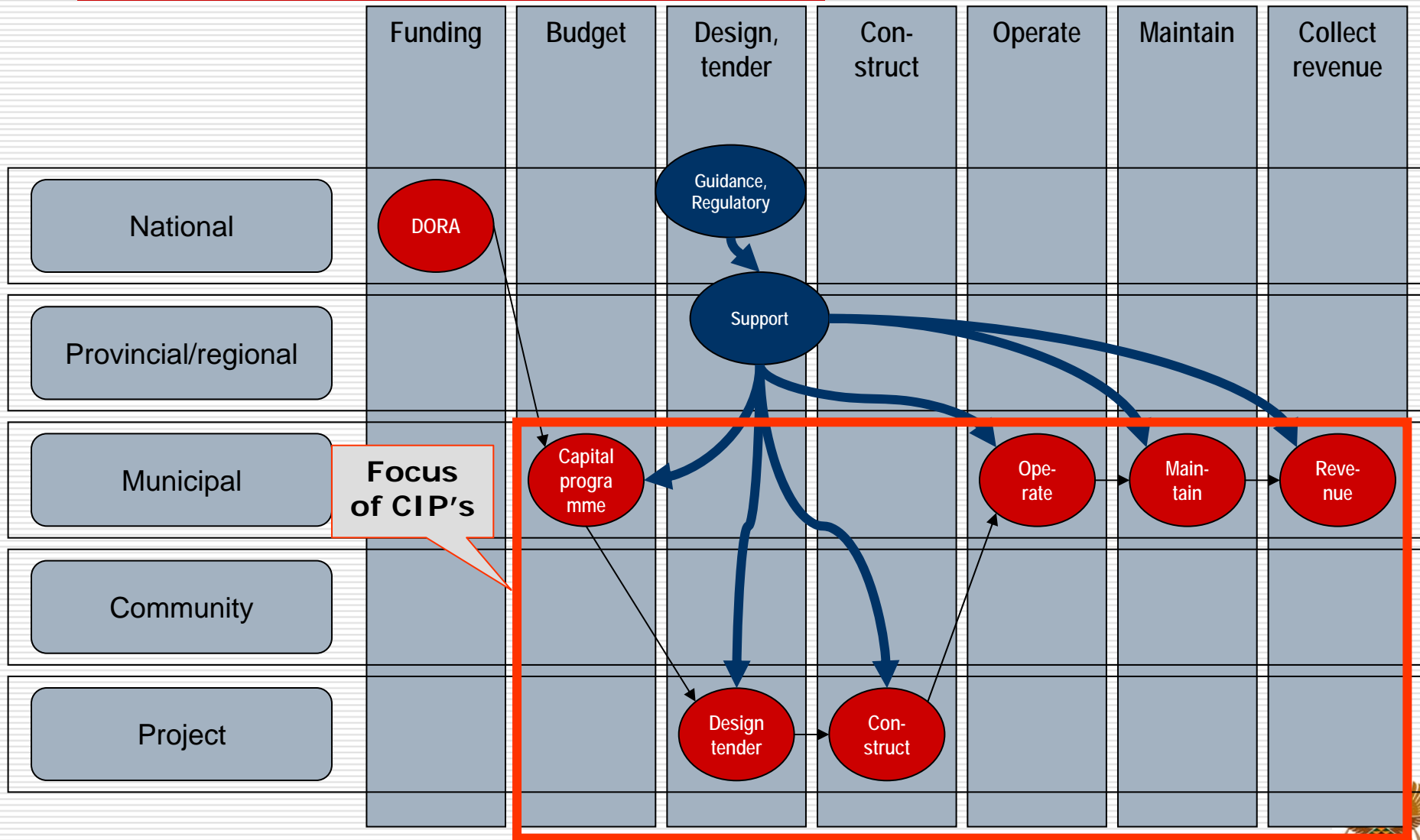
	dplg	dwaf	CMA	Water Boards	Munics	NT	doh
Availability Allocation							
Bulk Reticulation							
Refurbishment							
Institutional							
Funding & financing							



Planning & budgeting



Implementation life cycle



Issues to be expanded

- Finalise CIP Strategy Document
- Confirmation of approach
 - *Clarify information availability from DWAF, StatsSA, others*
- Update Scope of CIP
 - *Confirm current framework*
 - *Get sector inputs*
- Other issues
 - *Funding & financing options*
 - *Project implementation at scale: consider additional options*
 - *Coordinate initiatives with other programmes*
 - Siyenza Manje, PC, etc
 - *Learn from other infrastructure programmes*
 - IDIP, etc

