

CSP2 Overview

The Cities Support Programme (CSP) is a programme managed by National Treasury's Intergovernmental Relations (IGR) division. Following an external evaluation of CSP1 (2012-2018), CSP2 is the second 5-year phase of the CSP and started in 2019. The CSP aims to catalyse city and intergovernmental improvements in South Africa's 8 metropolitan municipalities to enhance spatial transformation and inclusive economic growth.

Year 1's solid foundation helped overcome challenges in Year 2

Year 1's highlights included securing a new team of experts to manage CSP2, an approved Business Case, 4-year SECO funding, completed detailed planning of institution-alisation and other projects, and approved City Support Implementation Plans. The team initiated almost all economic development support projects including Township Economic Development support in 6 metros and strengthened planning and reporting reforms for metros with COGTA and DPME.

Despite Year 2's domination by the COVID-19 pandemic, the CSP managed to adapt and produce good results. The pandemic pushed the team to build resilience and accelerate innovative ways of working within the CSP, the metros and in the intergovernmental arena. CSP2 focused on supporting the national economic recovery agenda with metros and linked its metro water and energy reforms work to Operation Vulindlela's economic growth initiatives.

DASHBOARD

Economic Development

- Landed all economic development projects
- Convened the bi-weekly **City Economic Development Managers Forum** (CEDMF), a valued platform for the broader economic development community
 - Launched the **CEDMF Report** with the Deputy Minister in April 2021
 - Completed 5 **township situational reports**
- Completed 4 **Business Retention and Expansion surveys** for industrial park revitalisation sites (Babelegi-COT, Devland-COJ, Wadeville-Ekurhuleni, Jacobs-ETH)
 - Completed 8 draft metro **spatialised economic data** reports
- Initiated 2 **innovative procurement pilots** with COJ and ETH focused on waste management through integration of SMMEs and waste pickers
- Co-designed and piloted an **SMME ecosystem support model** with DSB and SEDA

Climate Resilience

- Provided **metro water business diagnostics** appreciated by metros and water sector and continued support
- Metros pitched for project preparation support for **13 climate resilience capital projects** to World Bank and DFIs due to the CSP's Capital Investment Planning workshop and training provided in December 2020
- President's Weekly Newsletter and others recognised CSP's contribution to Operation Vulindlela's support of **priority water and energy reforms** for economic growth
 - CSP leveraged considerable **additional resources** for climate resilience
- Started analysing gaps and mapping applicable legal and regulatory frameworks and processes needed, overseen by a broad intergovernmental reference group, for metros to competitively procure new **clean or renewable energy generation capacity** including from Independent Power Producers
 - Started a **Cost of Energy supply study** guided by Eskom and SALGA
- Reconvened the **City Water Managers Forum**, with SALGA, as mandated by the metros in March 2021, as a learning, leadership-building and advocacy platform to inform water policy

CSP Annual Report
CSP2 Year 2 Achievements (1 April 2020—31 March 2021)

2021-10-29



Public Transport

- Collaborated effectively with the Department of Transport on **public transport funding reform** successfully, as guided by Treasury's Public Finance
- Supported strengthening the planning, designing, operating and budgeting of sustainable and spatially transformative **Integrated Public Transport Networks** started in metros of Ekurhuleni, Mangaung, Buffalo City and Nelson Mandela Bay
- Supported metros to plan and **assess readiness for devolution of provincial bus functions**, starting in Cape Town, eThekweni and Johannesburg
- Delivered the **Mini-Bus-Taxi subsidisation discussion document** for inclusion into the Taxi Lekgotla held in October 2020
- Supported COJ to investigate **modal integration between commuter rail and Bus Rapid Transit** services to im-

Human Settlements

- Finalised the **rental housing programme concept** for piloting in 2 townships
- Generated **Residential Property Market reports** and held **Community of Practice** sessions with metros to discuss and launch reports

Governance and Fiscal

- Developed guidelines for the **Cities Investment Programme and Project Preparation Facility** and the Repurposing grant frameworks (**Integrated City Development Grant**); provided technical support to establish the authorising environment and to feasibility and project preparation with the PPP unit, including workshops, assessments and engagements with 4 cities
- Started procurement for **City Infrastructure and Delivery Management System (CIDMS)** technical support to cities through the World Bank; planned readiness assessments in 5 metros and appointed CIDMS coordinator to engage metros on the CIDMS approach and facilitate the landing of the technical support
 - Made progress on **institutionalising planning, budgeting and reporting reforms**
- Set up a panel of expert **coaches and facilitators**; produced local content for **Transversal Management and Change Management** training that started in March 2021
- Completed **Long Term Financial Strategy (LTFS)** pilots in 3 metros (CoT, NMBM, eThekweni) and finalised evaluations; started contracts for Long Term Financial Model (LTFM) and LTFS development in the other 5 metros; started developing the LTFM implementation strategy for all metros
- Undertook multiple **Land-Value Capture** land financing activities including a case study, webinar series, technical support to 3 metros (COCT, eThekweni, COT), a National Dialogue, Technical Reference Group, publishing legal research on Inclusionary Housing
 - Finalised a case study on Treasury's **Municipal Borrowing** team

City Advisory

- Participated in the **Gauteng Commission of Inquiry** (established by MEC for Human Settlements, Urban Planning and Cooperative Governance and Traditional Affairs, Lebogang Maile) on the **state of Local Government** and the impact of support to the Gauteng provincial government
- Convened engagements between metro leadership and DDG: IGR on post-COVID-19 **metro economic recovery**, which informed the updating of City Support Implementation Plans
- Participated in eThekweni's technical hub to influence the **District Development Model's** adoption of a differentiated approach to the metro, and use of its City Support Implementation Plan, especially catalytic development projects to focus the Model
 - Advised the **City Budget Forum** on ideas and best practices in the fight against COVID-19
- Contributed to the strategic focus of **benchmarking engagements and mid-year reviews** led by IGR's Provincial and Local Government Infrastructure team, including the discourse on the state of metro water businesses and COVID-19-related economic recovery

Programme Management

- Convened **bi-weekly City Budget Forum (CBF)** sessions, chaired by DDG: IGR to support metros with COVID-19 economic recovery planning and monitoring and other departmental engagements with metros
- Reactivated the **Integrated Urban Development Framework forum** through regular engagements with the former Deputy Minister of COGTA (Parks Tau)
- Completed and signed off **43 project charters**, and produced 8 City Support Implementation Plans and the CSP's **5-year Strategic Plan**, Annual Performance Plan and monthly, quarterly and annual **Reports***
 - Produced an **institutionalisation maturity model** for Treasury and the metros and tracked progress