Application of the Consolidated Infrastructure Plan

10th National Municipal Managers Forum

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What would municipalities like to achieve?

Focus for the client

- Achieve the goal of economic development and social upliftment – enabling infrastructure investment
- Facilitate intergovernmental cooperation
- Assist with capacitating municipalities to plan and prioritise limited budgets
The Local Government Environment

**Challenges**

- Migration of people to the urban area increasing need
- Current infrastructure needs investment to keep working
- Institutional complexity that makes infrastructure coordination difficult
- What baseline do we plan from?
Putting policy into action

- A dialogue to realise the vision of the Integrated Urban Development Framework
- Inclusive solutions through a partnership to bring private and public sectors closer with support from civil society and academia
- CIP is an important enabler for planning integrated infrastructure and intergovernmental and private collaboration
Overall Approach

Conceptual Model

Understand the strategic direction

Development Strategy

Strategic Objectives

Economic development

Economy activities

Social services

Socio-Economic Forecast

Sector Planning

Infrastructure planning

Asset Management

Enabling Infrastructure Requirement

Institutional Modeling

Staff Composition

Projected Institutional Structure

Financial Modeling

Project Prioritisation & Budgets

Financing Options

Budget requirement & Financing options

Economy activities

Social services

Asset Management

Enabling Infrastructure Requirement

Project Prioritisation & Budgets

Financing Options

Budget requirement & Financing options
Understanding the development strategy

Process:
• Unifies and focusses the development direction
• Guides policy
• Directs development
• Directs budget allocation

Output:
• Provides guideline from development strategy
• Structured developments on a spatial level

Directs future development priorities
Economic and socio-economic development

Process:
- Estimates based on historic trends and future growth scenarios
- Modelling the population and economic growth
- Providing take-up rates of individual developments

Output:
- Size, rate and timeline for economic developments
- Current population size per income group
- Projected growth over a 10-year period
- Land use take-up over a 10-year period

Baseline for economic and socio-economic development potential
Socio-economic development output

City of Johannesburg Total Population 2014

City of Johannesburg Total Population 2030
Sector Master Planning

Process:
- Sector integration through integrated planning
- New projects; New developments - projected growth in economic and potential population figures
- Refurbishment projects; Requirement for the upkeep and replacement of outdated or worn out infrastructure

Output:
- Project list per sector over a 10 year timeline
- Location of projects and interdependencies
- Cost per project over the 10 year timeline

Required enabling infrastructure projects to invest into the developments future
Sector Master Planning modeling

Bulk water infrastructure

Bulk sanitation infrastructure
Sector Master Planning output

Output:

- Project list per sector over a 10 year timeline
- Location of projects and interdependencies
- Cost per project over the 10 year timeline

Required enabling infrastructure projects to facilitate economic growth and income for the City of Johannesburg
Infrastructure investment optimisation strategy

Purpose:
- Identify potential saving in refurbishment cost
- Analyse the extent of overlap between refurbishment and capital projects

Output:
- Saving in refurbishment costs

IIOS comparative bulk cost saving

- Water 36%
- Electricity 32%
- Sanitation 32%

Saving for re-investment of funding
Project prioritisation

Process:
- Facilitate and integrate the developments planning process
- Effect project prioritisation and budget allocation to align to developments Strategic Priorities
- Integrate with the clients current system/s to improve implementation management and management reporting
- Establish Monitoring and Evaluation to improve project progress tracking and budget spending

Output:
- Prioritisation of projects and as a result; budgets
- Integrated planning, project management, reporting and M&E tool

Planning, management, prioritisation and reporting tool for the client
City project life cycle

Planning
- Backlog
- New infrastructure
- Renewal needs

Budgeting
- MTEF

Execution

Capture
Prioritise
Budget fit
Monitoring
System scorecard structure

- Project maturity
  - Scope
  - Cost
  - Works location
  - Readiness

- Mayoral priorities
  - Spatial priority areas
  - Priority portfolios

- Financial
  - ROI

- Spatial Transformation

- Triple bottom line

- Delivery
  - ComDev
  - Infrastructure

- Infrastructure
  - Sector rating
    - Departmental / MOE view
  - Capacity hotspots
  - Renewal hotspots
  - Impact
    - Type of project
    - Number of residents / jobs affected
System development and project prioritisation

Process:

- Facilitate and integrate the City’s planning process
- Improve on the current system to adhere to user requirements
- Effect project prioritisation and budget allocation to align to City’s Strategic Priorities
- Integrate with the City’s current system/s, e.g. SAP, to improve implementation management and management reporting
- Establish Monitoring and Evaluation to improve project progress tracking and budget spending

Planning, management and reporting tool for the City
Institutional assessment

Institutional Modeling

Staff Composition

Projected Institutional Structure

Process
- Status quo assessment of the staff composition for management, technical and support levels
- Development of an ideal future model according to the projected sector projects
- Gap analysis and development of an Institutional Plan to grow towards the future model

Output
- Analysis on current staff composition per sector department
- Future institutional picture in line with the required sector plans
- Recommendations on how to close the gap between the status quo and future plan

Improved infrastructure delivery and management through institutional effectiveness
Institutional assessment

- Analysis of staff composition per organization
- Analysis of internal staff composition per level
- Indicate Gap
- Provide strategy to improve staff composition
Financial Modeling

Process
• Consolidation of sector project financial requirements
• Indicates available funding per source
• Financial smoothing of projects over the 10 year timeline according to available funding

Output
• Cash flow forecast per year for the next 10 years
• Financial model to reconfigure cash flow according to available funding
• Scientific basis to discuss infrastructures investment requirements with external role players

Infrastructure investment plan for the next 10 years
Infrastructure investment analysis
Infrastructure investment output

Requirement for funding analysed per funding scenario

Budget Gap: Requirement versus Actual Available Budget
Infrastructure investment output

Analysis of committed budget for MTEF

Uncommitted budget availability assumptions projected beyond 2015/16 - 2017/18 MTEF

Scenario planning and funding allocation analysis
User Experience

Ensure that the children projects have all their exceptions cleared.

Project Budget Plans
- Progress & Planning
- 2017/18: R 297 050 000

Scope
- Outcomes and Risks
- Scoring: 29.7

Entity
- Service Areas
- No Data Available

Health

Service Areas

Project Details

Uploaded: 0
Is this for me?

Integrate demographic and financial figures

Baseline for sector planning

Economic development potential
How much will this cost?

Proposed partnership to assist municipalities

- DBSA – Funding agent
- Aurecon – Technical partner
Development and infrastructure space is a complex environment:

- CIP process fits into the annual municipal planning cycle
- Provides direction on the required institutional capacity
- Provides guidance on financial capex constraints
For more information

Johan.VanDenBerg@aurecongroup.com