PRESENTATION OUTLINE

• Overview on KZN Provincial Strategic Planning
  – KZN Priorities (PGDS)
  – Provincial Spatial Economic Development Strategy (PSEDS)
  – PGDS & PSEDS linkages to the Small Town Rehabilitation & Corridor Development Programmes
• Key Challenges and Current Support
• KZN COGTA Municipal LED Support Programmes
• Some Achievements on Small Town Rehabilitation Programme and Corridor Development Programme
• Outcomes of the Programmes
• Challenges and lessons Learnt
OVERVIEW OF KZN STRATEGIC PLANNING : KWAZULU-NATAL GOVT PRIORITIES

1. Rural Development and Agrarian Reform
2. Fighting Crime and Creating Safer Communities
3. Education and Skills for all
4. Health for all
5. Creating Decent Work and Ensuring Economic Growth
6. Nation Building and Good Governance
7. Social and Economic Infrastructure
8. Cohesive and Sustainable Communities
9. International Co-operation
10. Sustainable Resource Management
The PSEDS recognises that:
- Social & economic development is never uniformly distributed
- Apartheid created an unnatural distortion of development
- This distortion must be addressed through an interventionist approach

The PSEDS is intended to answer the fundamental question of ‘where’ economic development should take place and how government should focus its resources to “ensure sustainable and maximum impact”.

Classification of Economic Potential
- The economic sector has identified four key sectors as drivers of economic growth in the KZN Province. These sectors are:
  - The Agricultural sector (including agri-processing)
  - The Industrial sector
  - The Tourism sector
  - The Service sector (including government services)
<table>
<thead>
<tr>
<th>PSEDS CLASSIFICATION: Priority Corridors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Connecting corridors: Existing Infrastructure</strong></td>
</tr>
<tr>
<td>• Economic activity corridors linking the 1st order economic nodes, situated around or adjacent to road infrastructure</td>
</tr>
<tr>
<td><strong>Connecting corridors: Inexistent or incomplete infrastructure</strong></td>
</tr>
<tr>
<td>• Economic activity corridors linking the 1st order economic nodes, but with poor transport infrastructure</td>
</tr>
<tr>
<td><strong>Strategic gateway corridors</strong></td>
</tr>
<tr>
<td>• Corridors of economic activity leading into or out of the Province</td>
</tr>
<tr>
<td><strong>Sector specific corridors</strong></td>
</tr>
<tr>
<td>• Economic activity corridors of a defined sector-type, i.e. tourism corridor; agricultural corridor.</td>
</tr>
</tbody>
</table>
PSEDS CLASSIFICATION: Priority Nodes

1st Order: Economies of Scale
- Has a large population and an economy which contributes more than 1.5% to KZN GDP
- Services the provincial, national or international economy
- High levels of development; diversified production

2nd Order: High Growth/Strategic
- Services the regional or wider provincial economy
- Strong population and economic growth
- Strategic position for future economic growth

3rd Order: Poverty Intervention
- Large populations
- Spatial isolation from economic opportunities
- High levels of poverty and low levels of employment

Local Priorities

4th Order: Local influence
- Important district and municipal nodes
- Services the local district or municipal economy
A long term economic development agenda and dialogue for growth

Ambitious unconstrained growth prospects for the Corridors

Exploration of options for a collaborative economy

Long term aspirations
## Strategic Corridors in Kwazulu-Natal outlined in the PGDS

<table>
<thead>
<tr>
<th>Code</th>
<th>Corridor</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>PC1</td>
<td>eThekwini – Umhlatuze</td>
<td>Primary corridor (Completed)</td>
</tr>
<tr>
<td>PC2</td>
<td>eThekwini – Msunduzi – uMngeni</td>
<td>Primary corridor (Completed)</td>
</tr>
<tr>
<td>PC3</td>
<td>Ethekweni - Ugu</td>
<td>Primary corridor (In progress)</td>
</tr>
<tr>
<td>SC1</td>
<td>Umhlatuze – Ulundi - Vryheid</td>
<td>Secondary corridor (Completed)</td>
</tr>
<tr>
<td>SC2</td>
<td>Kokstad – Umzimkulu – Msunduzi</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC3</td>
<td>Msunduzi – Nkandla - Ulundi</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC4</td>
<td>Ulundi – Nongoma – Pongola</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC5</td>
<td>Lebombo SDI – Maputo</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC6</td>
<td>Port Shepstone – St Faiths - Ixopo</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC7</td>
<td>Maphumulo – Ndwedwe - Dube</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC8</td>
<td>Okhahlamba corridor</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC9</td>
<td>Weenen – Nkandla – Eshowe</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC10</td>
<td>Manguzi – Swaziland</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC11</td>
<td>Makhatini flats corridor</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC12</td>
<td>Greytown – Msinga – Madadeni</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC13</td>
<td>Nkandla – Nqutu – Vryheid</td>
<td>Secondary corridor</td>
</tr>
<tr>
<td>SC14</td>
<td>Mtubathuba – Nongoma</td>
<td>Secondary corridor</td>
</tr>
</tbody>
</table>
PGDS & PSEDS linkages to the Corridor Development Programme

- The Corridor Development Programme is a technical support and funding mechanism through which towns located along major activity corridors are supported (as identified in the PSEDS).

- Emphasis on support to towns classified mainly as:
  
  1st Order: Economies of Scale

- These are towns which have a Provincial-wide influence and at the centre of increasing challenges of urbanisation, particularly high rates of rural-urban migration.
The Small Town Rehabilitation Programme is a technical support and funding mechanism through which small and rural towns are supported (as identified in the PSEDS).

**Emphasis on support to towns classified either as:**

- 2nd Order: High Growth/Strategic
- 3rd Order: Poverty Intervention
- 4th Order: Local influence

These are towns which have a regional or local influence to the hinterlands and are also experiencing the marginal challenges of urbanisation, deteriorating infrastructure and growth of the informal economy.
# Key Challenges and Current Support for LED in KwaZulu-Natal

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Current Support</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Limited funding for LED</strong>&lt;br&gt;LED is often considered an unfunded mandate based on how it has been perceived which is contrary to legislative prescripts. Municipal LED Strategies implementation have lagged behind other priorities in the municipalities.</td>
<td>COGTA Programmes, Small Town Rehabilitation and Corridor Development are geared towards the implementation of project in the municipal LED Plans. Support is also provided by COGTA officials in aligning municipalities with funding agencies and in preparation of business plans.</td>
</tr>
<tr>
<td><strong>Lack of resources to prepare detailed plans</strong>&lt;br&gt;The lack of appropriate plans to guide development of small towns</td>
<td>The Department provides support for the preparation of Urban regeneration and precinct plans to provide a cohesive and integrated approach to the small town development.</td>
</tr>
<tr>
<td><strong>Capacity Constraints</strong>&lt;br&gt;Until recently, LED was not accorded adequate attention which has reflected in either the non-existence of Staff or Staff with inappropriate skills and qualifications</td>
<td>COGTA’s Capacity building support through ad hoc training and LED professional qualification at NQF level 4/5 (partnership with University of Joburg) and feeding into the DEDTEA Programme that focuses on NQF Level 6 and above.</td>
</tr>
<tr>
<td>CHALLENGE</td>
<td>CURRENT SUPPORT</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Limited Revenue Base</strong></td>
<td>The inability for small towns to generate adequate revenue to fund implementation and maintenance of projects that will drive economic development. Revenue enhancement initiatives have been undertaken to improve and provide a sustainable revenue base for small towns whilst also, bringing services closer to people (Construction of Traffic Department Units Buildings, Umzimkhulu, Richmond and Bergville).</td>
</tr>
<tr>
<td><strong>Inability to manage activities in the CBD</strong></td>
<td>The haphazard nature of Informal trading have impacted negatively on the visual outlook of many small towns. Projects to this effect include the reconstruction of Taxi ranks and trading facilities (Ixopo, Manguzi, Maphumulo) for such to operate in an orderly manner, achieve functional integration and improve the visual outlook of small towns.</td>
</tr>
</tbody>
</table>
COGTA MUNICIPAL LED SUPPORT PROGRAMMES

– District Development Agencies
– Corridor Development (Planning and Implementation)
– Small Town Rehabilitation (Planning and Implementation)
– Community Work Programme
– Expanded Public Works Programme (EPWP)
– Community Service Centres (former Thusong and Traditional Courts)
FOCUS ON SMALL TOWN REHABILITATION AND CORRIDOR DEVELOPMENT PROGRAMMES AS MEANS OF SUPPORT TO LED IN KWAZULU-NATAL

• Both programmes are implemented through grant funding for:
  – Project conceptualisation, packaging and detailed business planning
  – Capital funding for implementation
    • Construction
    • Refurbishment, upgrading, or extension
    • Projects are implemented using EPWP principles

Municipalities are required to commit to funding the Operations and Management aspects of projects.
5 STRATEGIC PILLARS OF SUPPORT

Small Town Rehabilitation Strategic Thrusts

Urban Management
(includes by law enforcement, management of informal trading and safety in the small town including surveillance cameras, waste management)

Infrastructure Upgrade
(includes maintenance of roads and storm-water, street signs, robots, power networks and waste collection points)

Support to Economic Sectors
(includes assessment of those sectors with a potential to grow the economy and contribute to the GGP. Clear strategies to promote growth of these sectors in line with PSEDS should be identified informed by the area strength and competitive advantage)

Address dilapidated buildings
(involves implementation of building controls and rehabilitation of disused buildings. This requires investment incentives and tax rebates.)

Ripple Effect Investment
(as catalysts for investor confidence. This involves anchor developments that will result in the attraction of other investment opportunities.)

Well managed and inclusive small town
SOME ACHIEVEMENTS
Small Town Rehabilitation Programme
SMALL TOWN REHABILITATION PROGRAMME

STR TOTAL INVESTMENT PER DISTRICT MUNICIPALITY

Amajuba: R54,925,000.00
Uthukela: R114,286,000.00
Umzinyathi: R45,675,566.00
Umzinyathi: R53,955,000.00
Zululand: R29,400,000.00
King Cetshwayo: R58,500,000.00
Umkhanyakude: R53,560,000.00
Ilembe: R34,729,000.00
Harry Gwala: R90,763,000.00
Ugu: R34,597,752.00
Weenen is a small town in Inkosi Langalibalele Local Municipality. The town have benefitted in projects like Hawkers Stalls, Road Infrastructure Upgrade, Upgrade and extension of the Taxi rank, Estcourt and Weenen Solar Street lighting, Sidewalks and storm water drainage.

This has attracted OK Mini shopping center in this town. Hawkers stalls project and the taxi rank have assisted in promoting orderly development which provide security and dignity for the informal traders, attract investors and contributes to economic growth of this secondary node.
Weenen CBD Status Before
Weenen Informal Traders Stalls
Weenen Taxi Rank
OFFICE BLOCK AND ABLUTION FACILITIES FOR MARKET STALLS
Weenen Roads After
Ixopo is a small town in Ubuhlebezwe Local Municipality. The town have benefitted in projects like Storm water infrastructure in Ixopo Town Roads, Waste Management, Street names and lighting in CBD, Ixopo Taxi, Bus Rank and Hawkers Market, Rehabilitation of the Dilapidated Old Library Building, Street Lighting along R612 and R56, Upgrading of Centenary and Grant roads, Purchase of land and Development of a Precinct thereof.

The taxi rank have assisted in promoting orderly development which provide security and dignity for the informal traders, with upgrading of CBD roads, Waste Management and storm water management creating a clean and healthy environment in the CBD.

This has improved the conditions in the town resulting to several investments:

• A new shopping centre that house chain stores like Shoprite, PEP, Debonairs, e.c.t
• Middle Income category housing project along R56
• Hawkers stalls project co-funded by World Vision
• New Office Buildings in the CBD by government Departments
UBUHLEBEZWELM (IXOPO TOWN ROADS AND STREET LIGHTS)

Before

After
Ixopo Taxi and bus Rank (Before and After)
Purchase of Land and Precinct for Town Expansion
HOUSING DEVELOPMENT ALONG R56 AND INFORMAL TRADING STALLS

Housing Development along R56

Informal Traders Stalls along Margaret Street
Before intervention, the Municipality was characterised by poor/dilapidated infrastructure, non-existence of land administration and land use systems, high levels of unemployment and poverty, non-existence of social and health care facilities etc. The Umzimkhulu town could not provide the basic needed for commercial activities.

Main challenges:

- Poor Stormwater Management: Flooded CBD after rains. The Department played a huge role in the formalization of Umzimkhulu LM- the old CBD is located within the 100 year flood line.
- Umzimkhulu Urban Regeneration Study, 2006 suggested the re-planning and relocation of the CBD.
- In 2008 the new township layout was developed and was approved.
- Infrastructure development includes new roads, storm water drainage systems, new power lines & water systems
Umzimkhulu Town before intervention

Typical flooding of the CBD on rainy days

Stagnant water due to non-functional storm water drainage system
ROADS UNDER CONSTRUCTION
• R56
• re-alignment of P601 and P749

NDPG YEAR 1 FUNDING
• 3 roads to be surfaced and
• stormwater provided
• Pavement provided

SMALL TOWN FUNDING
• Stormwater management
• Balance of the roads for the CBD
• CBD street lighting
Umzimkhulu CBD Roads and storm water funded by KZN COGTA AND KZN DOT
UMZIMKHULU PUBLIC ABLUTION FACILITY AND PAVING

Before

After
Umzimkhulu Traffic Department
An Investment attraction: Umzimkhulu Mall
Manguzi is a small town in Umkhanyakude District Municipality which is the last town 30km from Mozambique. The Department assisted with the development of Urban Design Framework, upgrade of CBD Roads, Construction of Market Stalls to assist informal traders and Installation of Solar Street light.

The infrastructure developed has assisted with the proper outlook of the town and attraction of investment (Shopping Center).
• Manguzi is a notable economic and social hub;
• Its inception is traced as far as 1940s;
• 10km to Mozambique Border Post;
• It is developed along R22;
• Falls within Tembe Tribal Council;
• Organic growth;
• Identified as the Primary Node of the municipality; and
• Urban Scheme has been developed for the area.
Informal Trading in Manguzi Town before Intervention
Manguzi Town after Intervention

Market stalls Operational with 120 beneficiaries

Street Lights
SOME OF PRIVATE INVESTMENT AFTER INTERVENTION
The Bergville Town, within the Okhahlamba Local Municipality is strategically located in a key tourism and agricultural zone and has the potential to evolve into a leading town both in terms of providing high order facilities in the conferencing, sporting, agricultural, recreational, and educational and community service arena.

The current challenges facing the Bergville Town is the lack of conducive rental space for government and non-government services. This contributes to the reluctance of new potential service providers not considering Bergville as a service point. This deprives the local community of key services normally accessed within a functional town.

The current development is part of a holistic precinct development with the Disaster Management Centre, Traffic Inspectorate Testing Centre and Fresh Produce Market. The Department supported funding towards the inclusion of CSC within the existing precinct development. Phase 2 of the development included the construction of a Multipurpose Hall inclusive of conferencing facilities and indoor sporting facility. Future phases will include a swimming pool, athletics track, open gym, park and library facilities.
Bergville Urban Design Framework
Bergville Fresh Produce Distribution Centre
Bergville Vehicle Testing Centre, Licensing & Disaster Centre
Current Progress

CSC Foundation readiness

Multi-purpose sports complex
SUCCESS STORIES
Corridor Development Programme
Apart from Strategic Corridor and Nodal Plans Development, COGTA provided financial support to municipalities for different projects in line with the PGDS and Provincial Corridor Plan e.g. Tourism initiatives and Agricultural projects like Construction of Fresh Produce Agrihubs.
Msunduzi is the capital of KwaZulu-Natal and home to a number of historic buildings and gateway to the Midlands Meander tourism route. The Department assisted with

✓ The construction of an Ultra-modern Tourism Hub building and upgrades to the main road abutting the City Hall and Tourism Hub.
✓ Youth Enterprise Park

The Tourism Hub building has assisted with providing a befitting tourism centre and space for supporting economic activities in the CBD. Mandela Capture Site Precinct is still under implementation and the main aim of the project is a facility with an Apartheid Museum of an international standard.
The Department conceptualised the Youth Enterprise Parks concept and is currently being piloted in Edendale under Umsunduzi Municipality. This will provide decent working space for youth entrepreneurs and also boost income-generating activities in the area.

The YEP proposal is essentially to develop a self-contained precinct that consists of 30 to 50 containers. The precinct will accommodate a range of various uses that are necessary for the YEP to provide, these can include:

- Training rooms
- Retail space
- Skate park / Other sports facilities
- IT Café
- Offices
- Ablution blocks
ARTISTIC EXPRESSION OF A YOUTH ENTERPRISE PARK

DEPARTMENT:
Cooperative Governance and Traditional Affairs
PROVINCE OF KWAZULU-NATAL

GENERIC ENTRY LEVEL

HIGH-END APPLICATION
Msunduzi Youth Enterprise Park Artistic Expression of the Designs
Pietermaritzburg CBD

STATUS BEFORE INTERVENTION
Pietermaritzburg CBD

Msunduzi Tourism Hub - Operational
(Tenants: Seda, Pmb Tourism, Umgungundlovu Radio Station And Food Outlet)

CBD Rehabilitation
Umngeni is one of the Local Municipalities under Umgungundlovu District Municipality. The municipality’s focus on Tourism includes the development of the Mandela Monument Site Development Concept Plan in line with the broader objectives of the KZN Midlands Meander. The Department supported the municipality in achieving the following in line with this Concept Plan:

- The purchasing of the site and the erection of the sculpture,
- The establishment of the museum in the existing farm shed, a restaurant, conference center and shops.
- Construction of Nelson Mandela Multipurpose Centre
- Installation and fitting all components of the Apartheid Museum Exhibition which is currently in progress

Mandela Capture Site Precinct in still under implementation and the main aim of the project is establishing Apartheid Museum of an international standard.
MANDELA CAPTURE SITE UPGRADE

IMAGE OF ORIGINAL MONUMENT

IMAGE OF SCULPTURE
MANDEAL CAPTURE SITE UPGRADE

ENTRANCE ELEVATION

VIEW OF EXHIBITION
Productive and inclusive towns

- Municipalities that serve and support the growth all sectors of the economy, especially the ones that were disadvantaged by original designs of towns.
  - Taxi ranks and informal trading space (Ixopo, KwaMaphumulo, Weenen, Vryheid)
  - Roads and storm water projects (Ixopo, Umzimkhulu, Harding, Kokstad, KwaDukuza)
  - Street lighting and landscaping (Kokstad, Ixopo, Winterton)
  - Upgrade of Public Realm through rehabilitation of town roads, paving of walkways and parks development (Vryheid, Mooi River, Umzimkhulu, Ladysmith)
  - Fresh Produce markets (Bergville, Jozini, Uthungulu-Mhlathuze, Newcastle)
  - Tourism Infrastructure (Umsunduzi, Umngeni)
OUTCOMES OF THE PROGRAMME

• **Improved Local Planning for Economic Development**
  Development of local plans to effectively coordinate and drive planning
  – KwaMbonambi Urban Development Framework and project precinct
  – Extension of the industrial area in Dannhauser
  – Ogle Farm Precinct at UbuHlebezwe
  – Manguzi Precinct Plan
  – Facilitation of new mall development in Harding
  – Mtubatuba Regeneration Plan
SOME OF THE CHALLENGES EXPERIENCED DURING PROJECTS IMPLEMENTATION

- Some nodes are not yet formalised and hence require intense consultation with ITB to release land or agree on formal approach to town management.
- The resolution of land legal matters (availability of land for CDB extension, land title adjustment on farms, finalisation of the vesting).
- Slow progress in Municipal SCM processes leading to delays in commencing with project implementation.
- Delays in implementation of projects which results in cost escalation, dissatisfaction by beneficiaries leading to community unrest and damages to parts of the infrastructure already developed.
- Non-compliance with the MoA between the municipalities and COGTA, especially reporting, leading to the withdrawal of grant by the Department.
- Alignment of connections for critical services i.e. water, sanitation, electricity, etc. Such will include capacity which inhibit new development, delayed implementation of projects that will need to be finalized for the LED project to be functional by District municipalities, Eskom as well as other Provincial Departments.
LESSONS LEARNT

• The critical role that the municipality needs to play in the implementation of the Programmes
  – Commitment by management in packaging Business Plans and compliance to conditions of the MoA with the Department as the funder.
  – Ensuring maintenance of infrastructure post construction
  – Ensuring that all Departments within the municipality are involved in the implementation of the Programme

• Conceptualisations of projects to ensure sustainability and development of a clearly outlined and costed operational plan

• Integrated approach by all government departments (e.g. Current collaborative approach to LED support by COGTA, EDTEA and SALGA)

• Ensuring that ownership of the project by beneficiaries is dealt with throughout the project lifetime

• Onward support by relevant Department according their mandates in line with the Municipal Integrated Development Plan.
Thank you
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