



CITY OF CAPE TOWN  
ISIXEKO SASEKAPA  
STAD KAAPSTAD

## CESA Annual Indaba

Infrastructure Project Pipeline and Spend for the City of Cape Town  
(short, medium and long-term)

Making progress possible. **Together.**

# Introduction

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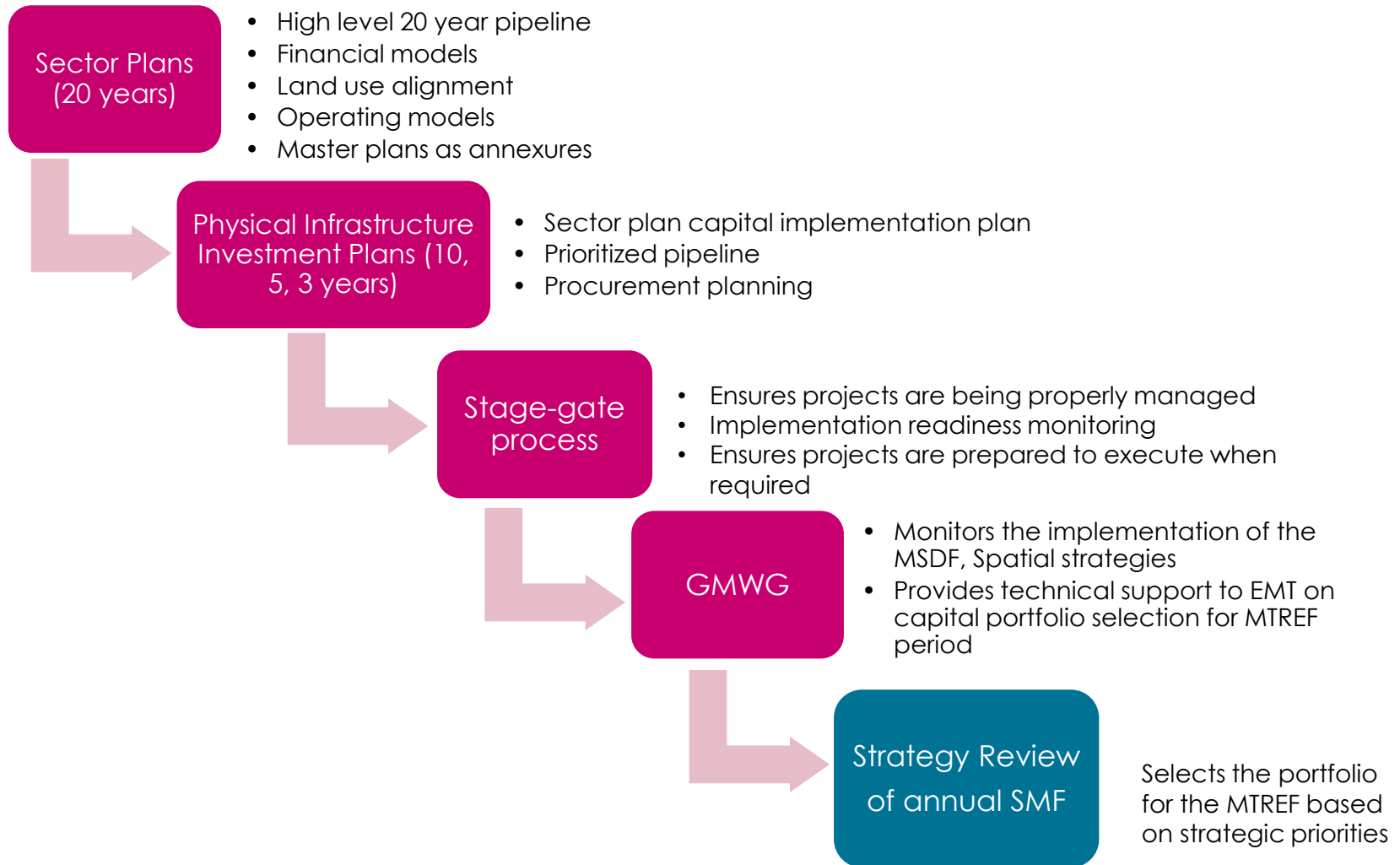
Presentation Outline

# Introduction

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- Project Pipeline
  - Sector Plans
  - PIIPs
  - Stage Gates
  - Changed Service Delivery Environment
- Planned Spend

# How it all fits together



# Sector Plans

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# Sector Plans

**Why?** - Sector Plans must be included in the IDP i.t.o the Municipal Systems Act

**What?** - 20 year development plans for each large capital sector.

**Implementers?**



**The sector plans form a critical link between long-term planning, the IDP, SDF and MTREF and are therefore critical to the annual SMF.**

Sector Plans will be used as the major technical informant, and serve as the basis of credible, implementable programmes and projects, in the new term of office IDP.

# Master Plans and Sector Plans Compared

## Master Plans

- Very detailed network plans
- Contains all future projects measured against a land use model
- Lists of network infrastructure projects
- Modelled requirements for future development
- Are an annexure/key informant of Sector Plans



## Sector Plans

- Strategic imperatives to implement MSDP
- Plans for the future and also consider alternatives
- Summary of all infrastructure projects in the Master Plan with planning horizons
- Contains all other capital projects not derived from master plans
- Inform Operating Model
- Inform Long Term Financial Model
- Asset Management and Maintenance
- Intergovernmental project integration
- Facilitate Procurement Planning
- Inform annual strategic choices
- Manage risk

# Key Components for Sector Plans

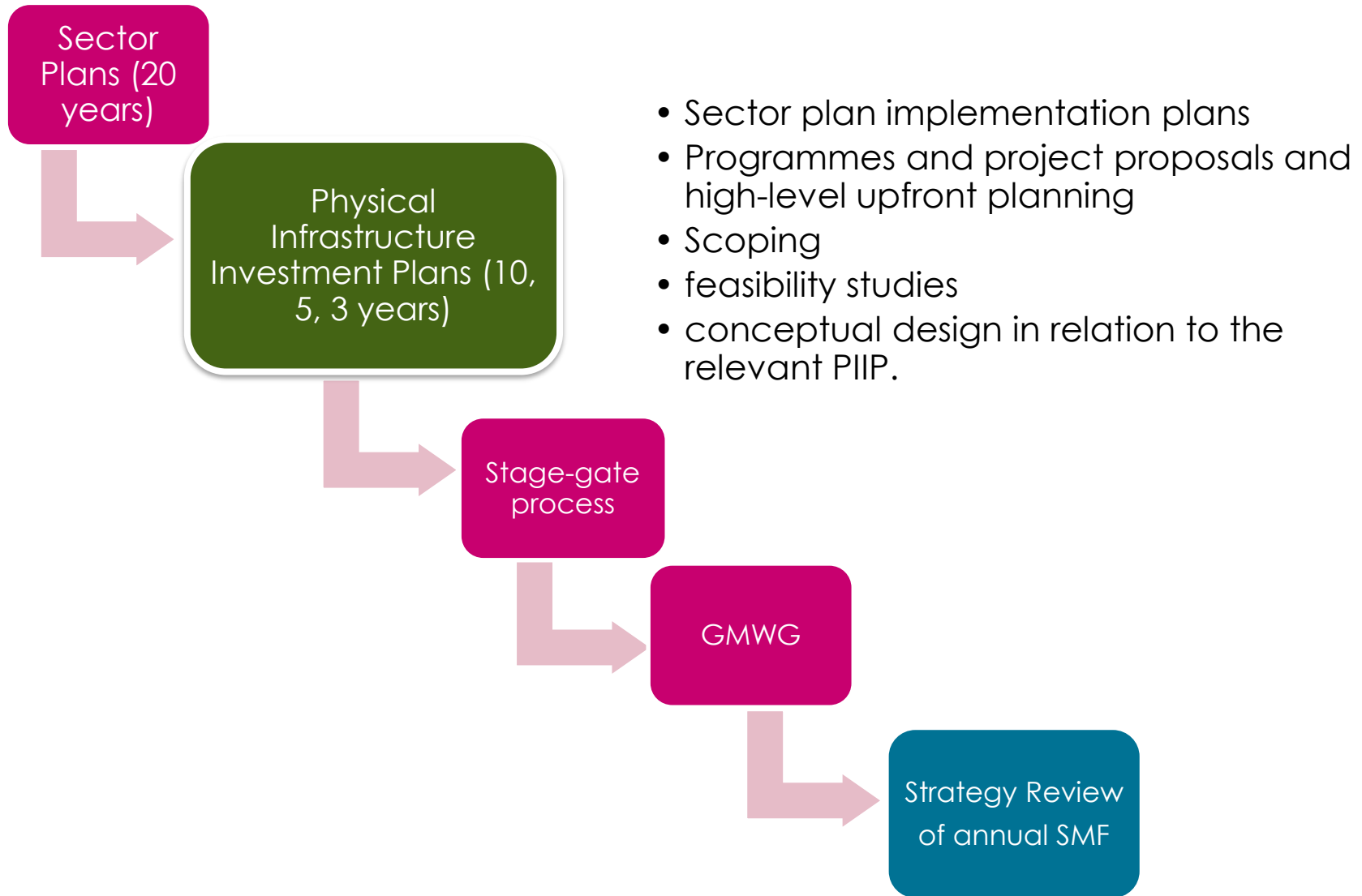
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- Strategic Intent/Objective
- State of Assessment (as is, current demands, backlogs etc.)
- MSDF, Strategic Imperatives, Land Use Model and other factors
- Development/modelling of Project Pipelines (incl. development of alternatives, co-ordination and integration with other sector plans etc.)
- Planning to Operationalise Pipelines (resources, risk, etc.)

# Physical Infrastructure Investment Plans (PIIPs)

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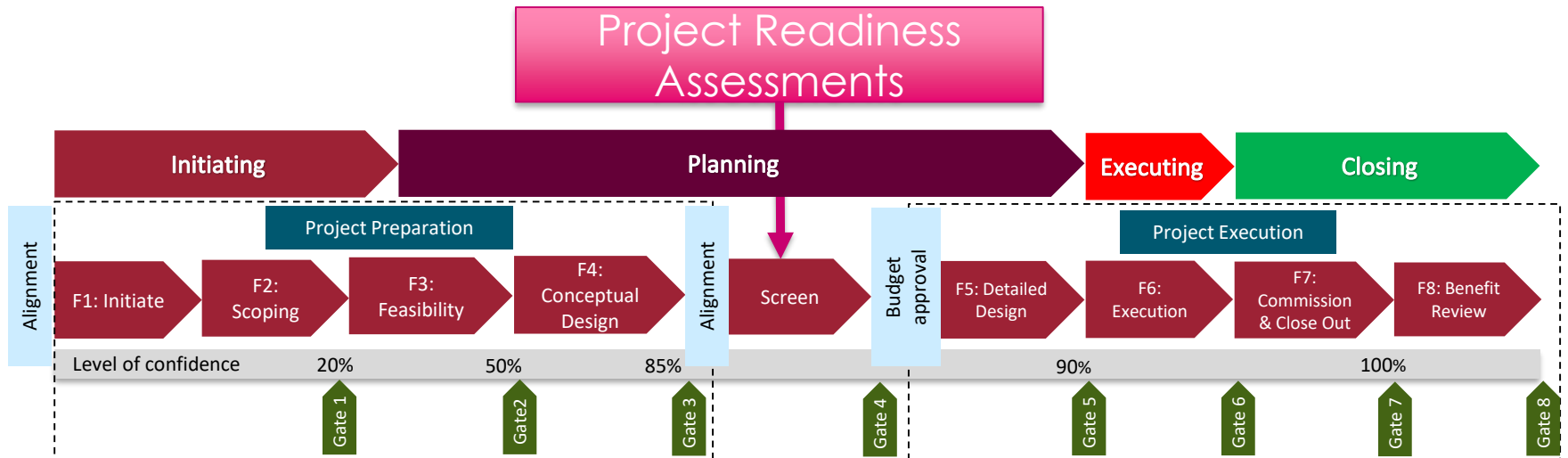


# Stage Gates

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# Purpose of a Gate Review

A **Gate Review** is carried out on a programme or project at critical stages in its lifecycle to provide assurance that it can progress successfully to the next stage.



- 3, 5 and 10 year projects implementation plan
- Loaded on PPM in the pipeline
- projects that are not contained in Sector Plans will require additional motivation and consideration.
- Procurement planning
- Informs the stage-gate processes applied to projects at various stages in their lifecycle

# Gate Review Deliverables

The Gate Review Committee must have access to sufficient information to make an **informed decision** on whether a project is ready to move successfully to the next stage

Deliverables  
have been  
categorised  
into 7 Cases

## The 7 CASES

Strategy

Social & Economic Impact

Procurement

Commercial & Regulatory

Financial

Project Management

Technical & Engineering

# Feedback to the Project Team

1. Feedback to the Project Team within a week
2. Cases scored (issues + corrective actions noted)
3. Average score calculated project and recommendation on way forward

Score	Assessment	Recommendation
0	Not applicable	Case is not applicable to this project stage
1	Complete	Progress to next stage
2	Minor deficiencies	Progress to next stage: present additional work at next Gate Review
3	Deficiencies of concern	Address deficiencies and present at a follow-up Gate Review meeting
4	Serious deficiencies	Address deficiencies and present at a follow-up Gate Review meeting
5	Many serious deficiencies	Address deficiencies and present at a follow-up Gate Review meeting

# Project Team – Responding to the feedback

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Three main outcomes:

Progress to  
next Stage

Address issues  
and corrective  
actions (if any)

Include in  
presentation  
for next Gate  
Review (next  
stage)

Don't progress  
to next Stage

Address issues  
and corrective  
actions

Present at a  
follow-up Gate  
Review for  
same stage

Project is  
recommende  
d to be  
cancelled

(e.g. fatal flaw  
in business  
case)

# Changed Service Delivery Environment

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Presentation Outline

# Changed Service Delivery Environment

## Construction Industry Performance:

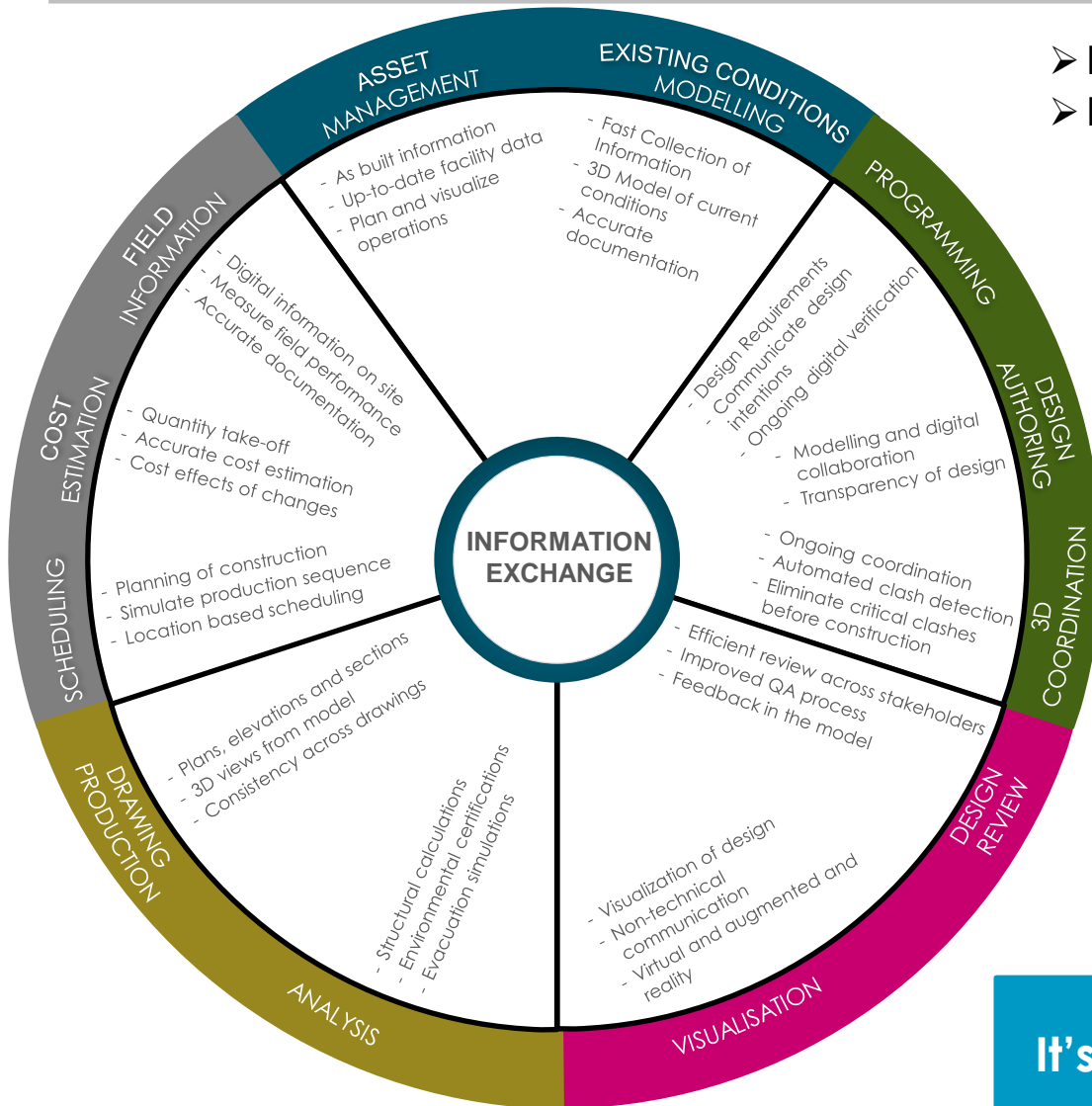
- An overly litigious, high risk industry
- Emphasis on risk avoidance, to the detriment of collaboration
- Not a sustainable way of doing business

## Results

- **Scope Definition and Application** = Not building what is required by the Contract & Not building useful infrastructure;
- **BoQs** = Inaccurate, Not to Drawing, Re-measure, Verification of Actual Quantities = Contingency Use & Cost Over-runs;
- **VOs** = Open-ended, Not formally Approved, Exceeding Amounts of Variation, Justification, Difference in Description, Wasteful and Fruitless Expenditure; Deviations, Extensions
- **EOTs** = Standing time (regulatory, lack of collaboration), Time-bars, Design Changes, Inaccurate Site Information, Employer's Requirements; Wasteful and Fruitless Expenditure, Deviations, Extensions
- **Quality** = Poor, Rebuilds, Hand-over Delays, Wasteful and Fruitless Expenditure;
- **Out of Contract** = Expenditure post end of Contract, Works not included;
- **Not following SCM Process and Record Retention** = Non-compliance, Lack of Site Records

**= Poor Engineering and Project Management**

# Changed Service Delivery Environment



- Improved Governance
- Improved Service Delivery
  - Improved engineering maturity (Design development, focus on specs, BOQ, Schedules etc.)
  - Improved Upfront and detailed Planning (aligned with strategy)
  - Rigorous monitoring of execution
  - Performance Management (Internal, External, Consultants, Contractors)
  - Benefits Management (Output, Outcome, Impact, Value for Money)

Assistance required from Industry  
**It's about Team Work to make the Dream Work!!!**

# Current Project Portfolio

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# Planned Spend

Directorate	Adjustments Budget 2019/20 Jan	Actual (10 Mar)	Commitment (10 Mar)	Adjustments Budget 2020/21 Jan	Adjustments Budget 2021/22 Jan
<b>Community Services &amp; Health</b>	374 140 467	99 133 510	124 463 654	356 383 952	375 056 926
<b>Corporate Services</b>	187 210 282	54 486 741	70 162 715	218 360 679	101 329 286
<b>Economic Opportunities &amp; Asset Management</b>	478 519 622	187 919 600	248 802 535	449 036 282	254 814 087
<b>Energy &amp; Climate Change</b>	871 137 206	428 042 290	192 467 904	1 031 549 850	1 375 032 403
<b>Finance</b>	108 720 594	16 902 974	17 517 614	245 279 063	91 351 295
<b>Human Settlements</b>	1 052 544 195	412 053 455	314 612 613	954 700 501	861 500 473
<b>Office of the City Manager</b>	1 709 744	755 595	438 746	838 846	910 360
<b>Safety &amp; Security</b>	552 514 601	192 455 848	306 575 930	258 427 131	77 331 745
<b>Spatial Planning &amp; Environment</b>	86 809 855	20 642 600	33 037 523	140 503 306	162 936 954
<b>Transport</b>	1 275 142 757	552 822 685	239 738 376	1 902 776 939	2 357 765 507
<b>Urban Management</b>	106 990 973	14 885 239	42 182 467	111 466 662	145 029 617
<b>Water &amp; Waste</b>	2 784 308 963	1 325 927 577	959 668 054	3 238 019 293	3 725 038 304
<b>Grand Total</b>	<b>7 879 749 259</b>	<b>3 306 028 115</b>	<b>2 549 668 132</b>	<b>8 907 342 504</b>	<b>9 528 096 957</b>

# FY19/20 - Cum Actuals to Date vs Budget

Cumulative	2020	2019	2018	2017	2016	2015	2014
Period 1	31 155 673	37 292 198	91 966 178	63 236 951	99 708 282	38 963 844	52 400 750
Period 2	290 206 208	289 329 460	399 771 839	358 493 586	386 852 586	241 785 712	250 425 754
Period 3	682 239 131	594 936 502	765 252 517	765 362 694	735 280 318	568 959 087	506 160 394
Period 4	1 176 810 878	1 026 977 181	1 172 254 824	1 204 884 711	1 050 431 695	965 431 803	790 995 051
Period 5	1 759 442 797	1 444 782 514	1 626 075 224	1 675 764 359	1 445 564 239	1 396 877 015	1 132 973 504
Period 6	2 470 421 267	1 842 119 430	2 153 727 776	2 191 503 389	1 892 205 115	1 787 557 340	1 623 282 570
Period 7	2 748 830 230	2 044 946 147	2 324 550 109	2 400 395 245	2 033 174 879	1 906 476 775	1 686 621 056
<b>Period 8*</b>	<b>3 172 695 009</b>	<b>2 329 943 574</b>	<b>2 652 436 565</b>	<b>2 757 459 713</b>	<b>2 365 544 831</b>	<b>2 163 787 702</b>	<b>1 969 572 937</b>
Period 9		2 689 520 304	3 082 364 843	3 448 245 211	2 747 292 817	2 521 884 115	2 350 052 192
Period 10		3 222 499 897	3 544 278 222	3 890 218 739	3 141 742 868	2 946 282 787	2 728 825 123
Period 11		3 887 283 587	4 112 981 661	4 603 021 840	3 841 888 368	3 437 438 071	3 184 898 566
Period 12		5 316 289 861	5 603 619 162	5 904 621 076	5 489 833 656	5 251 741 923	4 502 293 038
<b>Total Budget</b>	<b>7 879 749 259</b>	<b>6 636 132 038</b>	<b>7 681 003 239</b>	<b>6 359 406 908</b>	<b>6 129 094 187</b>	<b>6 128 220 448</b>	<b>5 611 642 302</b>
	<b>40.3%</b>	<b>80.1%</b>	<b>73.0%</b>	<b>92.8%</b>	<b>89.6%</b>	<b>85.7%</b>	<b>80.2%</b>

\* For Period 8 of FY2020, Actual Spend as at 29 February 2020



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**Thank You**

Making progress possible. Together.