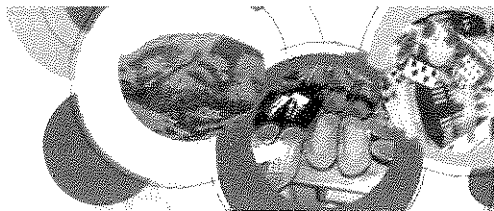




Local Municipality

Ndwedwe

Umkhondlo Kamasipala



NDWEDWE LOCAL MUNICIPALITY

NDWEDWE TOWN DEVELOPMENT BUSINESS PLAN

VOLUME 1

SEPTEMBER 2009

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OTHER RELATED DOCUMENTS

VOLUME 2: PROJECT FINANCIAL INFORMATION

VOLUME 3: PROJECT LOCALITY MAPS, PROJECT INFORMATION SHEETS & GHANN CHARTS

1. PROJECT DESCRIPTION

1.1. PURPOSE OF DOCUMENT

This document presents a Business Plan for the re-development of Ndwedwe Village developed through extensive research and stakeholder consultation over a period of six months. It is the culmination of the work done in terms of the appointment of Linda Masinga and Associates (supported by StratPlan) to prepare a "Development Feasibility and Partnership Development Proposal" for the Ndwedwe Village redevelopment project. This appointment essentially covers Stage 1 (Concept), Stage 2 (Pre-feasibility), Stage 3 (Detailed Investigation) and the framework for Stage 4 (Business Planning). This Business Plan does not present a detailed business case as detailed design was not part of the appointment.

The township layout on which this Business Plan is based was developed in a parallel process. This was done as part of a separate initiative aimed at obtaining DFA approval for the proposed formalisation of Ndwedwe Village. All development proposals reflected in this document is dependent on DFA approval being obtained (*refer to township layout attached as annexure 1*).

1.2. THE BUSINESS PLANNING PROCESS

The Project focuses on developing business plans for three aspects relating to the future development of Ndwedwe Village, viz.

- The economic potential
- Need identification and stakeholder engagement
- Institutional audit

It is the intention of this project to:

- **Assess the status quo** relating to each of the above aspects
- **Develop a strategy** for dealing with each of the above aspects in the development of Ndwedwe Village
- **Prepare a business plan** for the implementation of the strategy

THE PROJECT PROCESS: APPROACH AND OUTPUTS		
PHASE	APPROACH	OUTPUT
<p>PHASE 1</p> <p>STATUS QUO ASSESSMENT</p>	<p>Information for the Status Quo Assessment was obtained through:</p> <ul style="list-style-type: none"> • Interviews • Questionnaires (community, business and government departments) • Literature survey • Engagement with stakeholders through project forums 	<p>The Status Quo Assessment provides a thorough understanding of the economic, social, physical and institutional environment within which future development of Ndwedwe Village will take place. It serves as the basis for the strategy development process.</p>
<p>PHASE 2</p> <p>STRATEGY DEVELOPMENT</p>	<p>Status Quo findings were presented and workshopped with stakeholders. Focus group sessions with conducted with key stakeholders and the strategies were presented to stakeholders through project forums.</p>	<p>A strategy document based on Status Quo findings reflecting:</p> <p>Vision</p> <p>Objectives (6 overall objectives)</p> <p>Strategies (unpacked in detail)</p> <p>The Strategy Document is comprehensive in nature and covers all aspects to be addressed in the development of Ndwedwe Village, not only NDPG funded projects.</p>
<p>PHASE 3</p> <p>BUSINESS PLAN</p>	<p>Private sector stakeholders were engaged to determine their requirements. Initial project lists was presented and discussed with Ndwedwe Municipality, the DFA Team, and National Treasury. Project clusters were established and unpacked using the NDPG Toolkit as a guideline.</p>	<p>The business plan reflects, motivates and unpacks six project clusters viewed as essential for attracting private sector investment to be implemented using primarily NDP Grant funding. These projects clusters are viewed within the context of the strategy as reflected in the strategy document.</p>

1.3. THE FOCUS OF THE BUSINESS PLAN

Various stakeholders were consulted during the business planning process to determine the requirements thus ensuring that future plans are aligned to their needs. After the consultation process a project list was developed, presented and discussed with the Ndwedwe Municipality, DFA Team and the National Treasury. Six project clusters were established. These clusters contain several projects which are viewed as essential for attracting private sector investment and the development of the Ndwedwe Village. The business plan reflects, motivates and unpacks the project clusters. Below is the table containing the six clusters and their respective projects.

TABLE 1: NDWEDWE VILLAGE: PROJECT CLUSTERS AND COMPONENTS

NO	PROJECT	COMP NO	PROJECT COMPONENTS
1	Engineering Services Provision Cluster	1	Water Reticulation Network
		2	Electricity Infrastructure Network
		3	Sewerage Network
		4	Village Link Roads
		5	Ndwedwe Village Street Lighting
2	Business Development	6	Small Business Incubator
		7	Informal Sector Stalls in Road Reserves
		8	Village Market Place
		9	New Bus and Taxi Rank for Ndwedwe Village
		10	Land Lease From Ingonyama Trust
3	Civic Cluster Development	12	Public Information Center
		13	Village Square (with open air amphitheatre)
		14	Public Ablution Facilities
		15	Development of Central Park
4	Public Environment	16	Entrance Feature

NO	PROJECT	COMP NO	PROJECT COMPONENTS
	Improvements	17	Residential Play Parks
		18	Village Landscaping
		19	Village Street Furniture
5	Redevelop and Expand (other codes) Existing Sport Facility	20	Outdoor sports complex
		21	Ndwedwe Swimming Pool
6	Transport and Access Improvements	22	Ndwedwe and Ndwedwe Village Road Signage Project
		23	Traffic Circles and Pedestrian Crossings on the P100

TABLE 2: NDWEDWE VILLAGE: PROJECTS OUTSIDE OF THE NDPG FUNDING

NO	PROJECT	COMP NO	PROJECT COMPONENTS
7	Civic Cluster	24	Municipal Building Extension
	Sports Development Cluster	25	Multipurpose Training Facility
	Transport and Access Improvements	26	Upgrade of Access Roads
	Transport and Access Improvements	27	Establish North South Link
	Business Cluster	28	Retail Development
	Civic Cluster	29	GAP/ Social Housing Development

2. SITUATIONAL ANALYSIS

2.1. BACKGROUND

Phase 1 of this initiative was aimed at developing a comprehensive understanding of the status quo on which business planning is to be based. As limited information, relating to the Village specifically, was available substantial effort was made to obtain new and relevant information. This included discussions and interviews with key stakeholders, surveys in business, community and government sectors, as well as focus group discussions. The Status Quo Assessment included three components:

- An economic status quo assessment;
- Need identification and stakeholder engagement; and
- An institutional audit.

An overview of key findings from these assessments are reflected below followed with a SWOT analysis reflecting the Strengths, Weaknesses, Opportunities and Threats for the re-development of Ndwedwe Village. The same section also provides an overview of the comparative / competitive advantages for the redevelopment of Ndwedwe Village

2.2. FINDINGS FROM ECONOMIC STATUS QUO ASSESSMENT

Pre-1994 and to date, Ndwedwe Village could not attract any substantial private sector investment, this despite the fact of substantial government investment in the area. This makes the Village unique if compared with other bustling trading zones in rural towns such as Nongoma and Jozini. It is suggested that a number of issues impacted on economic development in Ndwedwe Village to date, including:

- The proximity of the Village and the municipality to eThekweni and the much wider range of retail and other services on offer in centres such as Verulam, that present competition.
- The lack of infrastructure serving the municipality, with specifically transport infrastructure being blamed, for the limited access to the Village (especially during adverse weather conditions).
- Getting access to land has historically been just about impossible due to landownership issues.

There is some focus now on addressing specifically the latter two issues and it is anticipated that this will have a major impact on the development of the Village. It is hoped that with basic obstacles to development removed, Ndwedwe Village can start to fulfil its role as a Municipal Centre for between 150 000 to 200 000 people, as well as its role as a residential area for low to middle income earners of the municipality. The surveys conducted for this initiative reflected the strong external and internal support for the development of the Village and this will contribute to success.

NDWEDWE VILLAGE DEVELOPMENT BUSINESS PLAN

Economic activity in other rural centres of KwaZulu-Natal alone (removed from added opportunities offered by eThekweni and coast) should be a good indication of the potential that exists in Ndwedwe Village and stakeholders should now proceed with planning the most appropriate approaches for unleashing this potential. Below are photos of some of the businesses located in Ndwedwe Village:



Photo 1: Ndwedwe Viva Discount Store

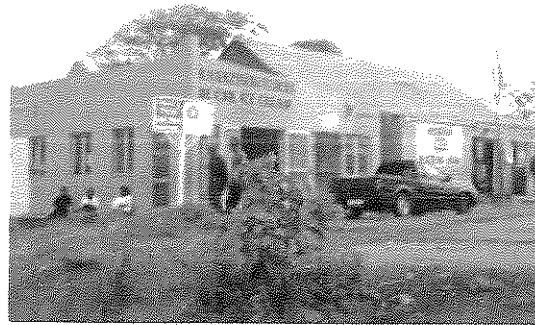


Photo 2: Khanzini Butchery/ BE Cool Ice Cream



Photo 3: Ndwedwe Discount Store

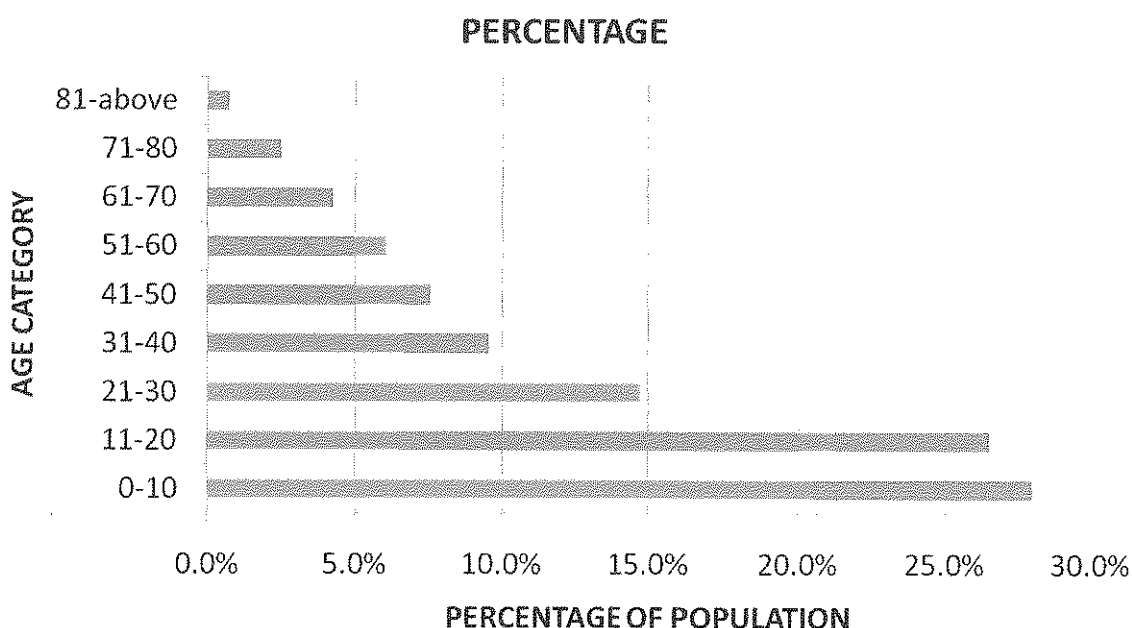


Photo 4: Cbongile's Pies

2.3. FINDINGS FROM NEED IDENTIFICATION AND STAKEHOLDER ENGAGEMENT

Very few residents of Ndwedwe (approximately 10%) have Grade 12 while 39,2% of the population has no education. Coupled with this there is a predominance of young people within the municipality. Therefore, if no careful Human Resource Planning is done by different stakeholders within the municipality (e.g. The FET College and unemployed residents) - job opportunities presented by the development of the Ndwedwe Village will be taken largely by people who live outside of the municipality.

GRAPH 1: AGE DISTRIBUTION OF THE POPULATION OF NDWEDWE VILLAGE



Source: StatsSA 2001

Job opportunities within Ndwedwe: The lack of requisite skill for the development of Ndwedwe Village can be turned into a unique opportunity where these young people are trained by the nearby FET College to take advantage of job opportunities presented by the development of the village. This should however not be at the exclusion of the other age groups.

Job opportunities provided by the housing development component alone include brick laying, plastering, painting, roofing, glazing, plumbing or pipe fitting, carpentry and basic mechanical or electrical skills. The same skills will be required for the development of the retail, commercial and industrial sections of the layout plan.

Therefore, the development of the village provides a win-win situation for all stakeholders, especially those who live within the municipality. Learners will save on transport costs because they do not have to travel long distances to get the relevant skills. The college will also have a sustainable long-term clientele. Training can also be provided after hours or during weekends for the working population which wants to take advantage of these job opportunities.

Job opportunities outside Ndwedwe: Approximately 20 minutes away from the municipality, there is another wave of job opportunities which is being presented by the construction of the King Shaka International Airport (KSIA) and shortly thereafter - the Dube Trade Port (DTP). The FET College can thus position itself as a Centre of Excellence and provide training courses for skills which will be needed by the airport and the trade port. For example the Dube Trade Port will have the cold storage facilities, freight forwarding, etc. which means that a range of skills such as driving of trucks, forklifts etc. will be needed. The College as well as local residents must start positioning themselves to take advantage of these job opportunities.

Other unique opportunities presented by KSIA & DTP are the provision of fresh produce for local supply; for exporting to other parts of South Africa and overseas. Ndwedwe has a competitive advantage of large and fertile tracks of land with small scale farmers. These small scale farmers can be co-ordinated into co-ops which must take advantage of these markets.

2.4. FINDINGS FROM INSTITUTIONAL AUDIT

The implementation of the Business Plan will be successful if the Ndwedwe Local Municipality has sufficient capacity to meet the economic opportunities outlined above. The first major challenge of the municipality is the perceived political instability, directly related to the replacement of Municipal Managers during the year. The issue of stability has to be addressed as a matter of urgency as this could discourage investors.

Secondly, the capacity to deliver on the infrastructure required for roads, sewer and water, housing, commercial, retail and industrial sites could be severely hampered. Currently, the municipality does not have a qualified engineer with requisite experience in the built environment. Bulk infrastructure must be in place or a plan must be in place to be able to attract investors to be involved in the development of Ndwedwe. Should funding for the development realise, an in-house engineer will be required to give proper briefs to consulting engineers for the construction of this bulk infrastructure.

Thirdly, the municipality does not have a Housing Manager whereas the study area indicates a potential yield of over 350 freehold houses which form part of the development of Ndwedwe Village. There is additional land which has also been identified for medium density residential buildings. Without a Housing Manager, it will be difficult for the municipality to implement and manage the implementation of the Housing Development Plan.

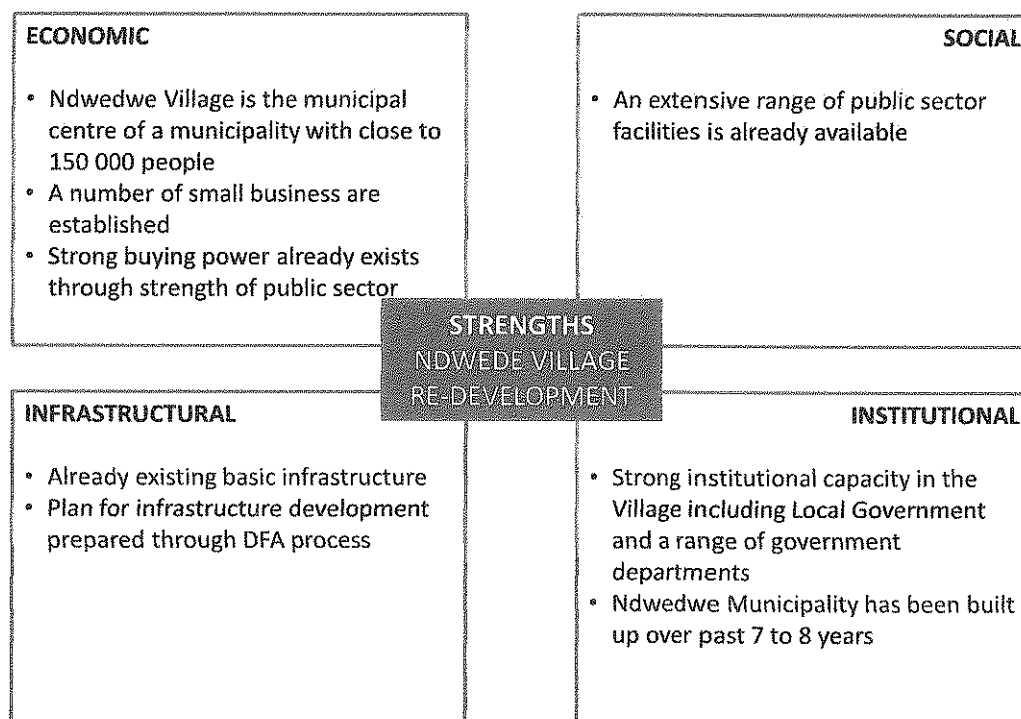
2.5. SWOT ANALYSIS AND COMPARATIVE / COMPETITIVE ADVANTAGES

2.5.1. SWOT ANALYSIS

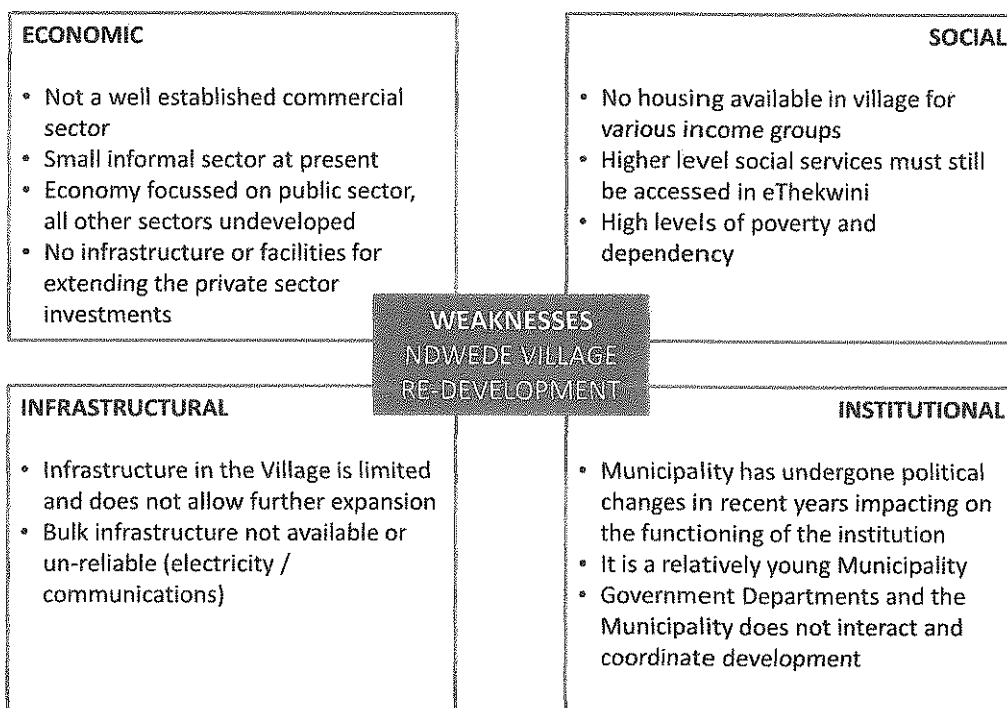
As a synopsis to the Status Quo assessment, this section reflects a SWOT (Strength, Weaknesses, Opportunities, Threats) Analysis for the future development of the Village. The SWOT analysis reflected in the diagrams focus on:

- The economy
- The infrastructure
- The social needs / situation
- The institutional environment

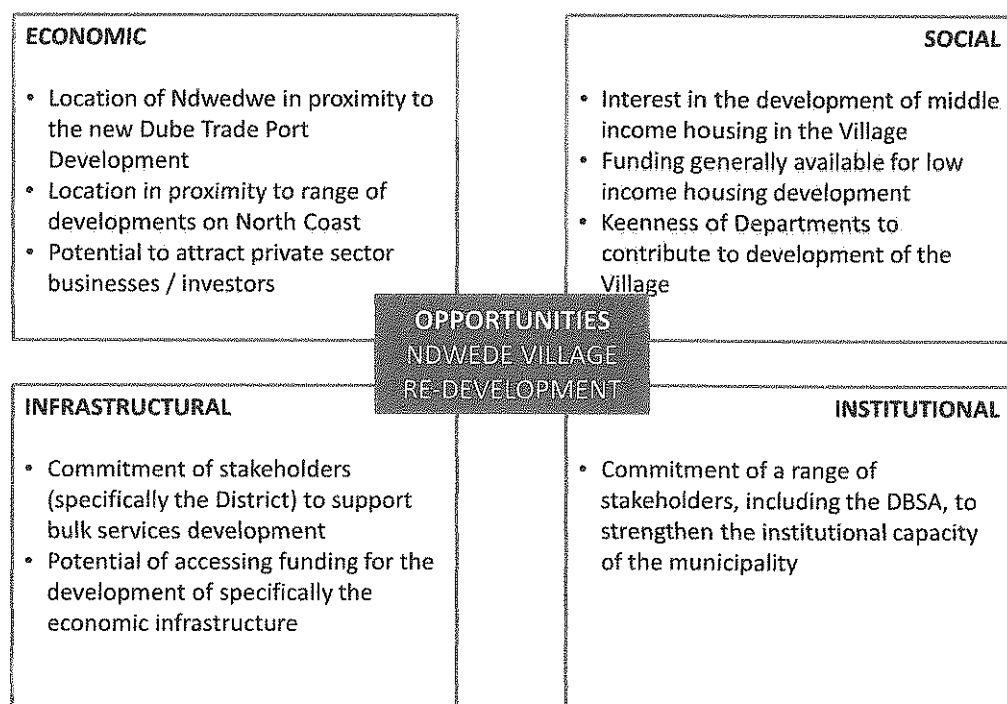
STRENGTHS



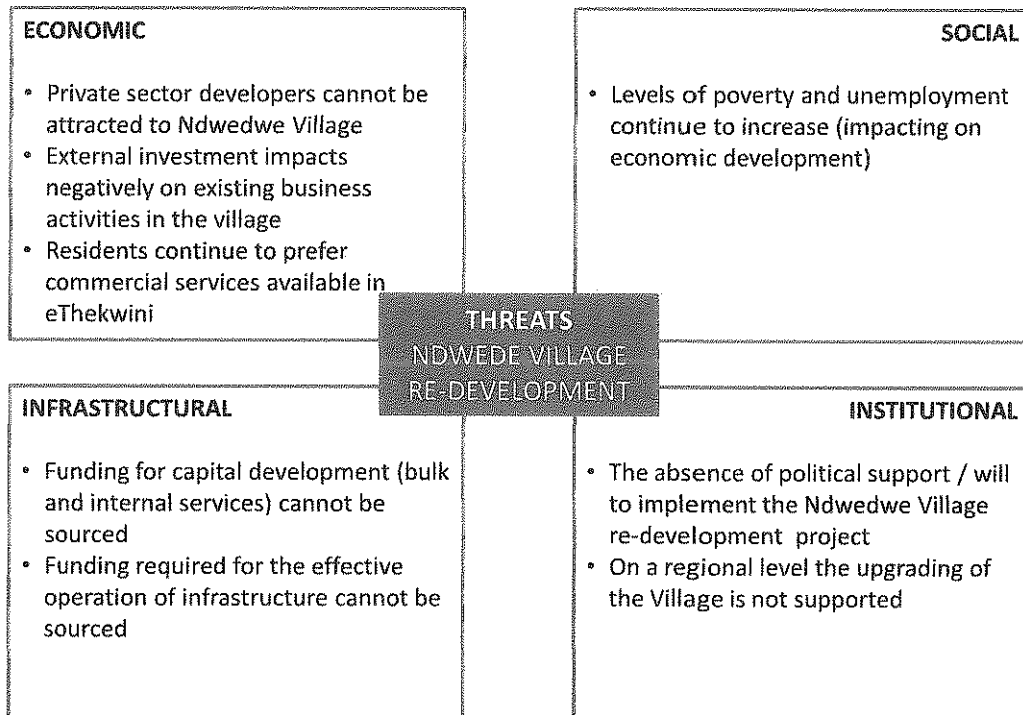
WEAKNESSES



OPPORTUNITIES



THREATS



2.5.2. COMPETITIVE AND COMPARATIVE ADVANTAGES

Following the assessment a key issue to be responded to is “Why development on the level envisaged through the NDPG programme should be focused in Ndwedwe Village?” i.e. what is the comparative and competitive advantages of Ndwedwe Village over neighbouring and regional nodes. To contribute to developing an understanding of the comparative and competitive advantages Table 2.1 overleaf provides an overview of the various nodes in terms of which the comparative and competitive advantages of Ndwedwe Village was considered.

The key advantages of developing Ndwedwe Village can be summarized as follows:

- Ndwedwe is the accepted Municipal Centre for the Ndwedwe Municipality and the Spatial Development Framework that has been developed and refined over the past 10 years acknowledges this role.
- The largest concentration of government services in the region is already located within Ndwedwe Village and no other nodes offer this level of service. The range of services available in the Village is even more comprehensive than what can be found in most urban nodes in eThekweni.

- Through the surfacing of the P100 Ndwedwe Village is now easily accessed from the eThekweni Municipality.
- The Village, although not in the Centre of the Municipality, is located in such a way that should road conditions be improved the Village will be accessed easily from most of the Ndwedwe Municipality.
- The Ndwedwe Municipality has a population of nearly 150 000 people and therefore a substantial local market that can support commercial and social services development.
- Land for development is now available as a result of the Title Deed obtained by the municipality. Land in other urban nodes such as Verulam, Inanda and Tongaat is extremely scarce.
- Land for development is available in the immediate vicinity of Ndwedwe Village as this land is currently only developed at low densities. This land will, however, have to be accessed through discussions with the relevant Traditional Councils.
- The development of Ndwedwe Village has the support of most local stakeholders in the process.

In general no other nodes have been identified that can serve as the municipal service centre, as well as the commercial and social service centre, for the Ndwedwe Municipality. The only other alternative to consider would be for Ndwedwe residents to continue accessing services in the eThekweni Municipality in nodes, such as Verulam, Tongaat and the CBD. This is, however, not viewed as acceptable due to costs involved, the flow of money out of the local municipality and the time/effort that it takes Ndwedwe residents to access such nodes.

Below are photos of some of the government departments that are already established in Ndwedwe.



Photo 5: Department of Home Affairs

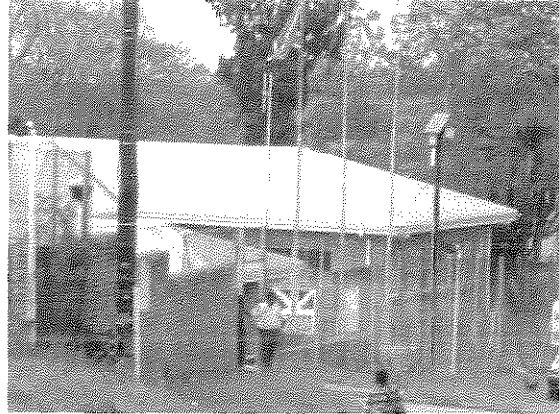


Photo 6: Ndwedwe Police Station

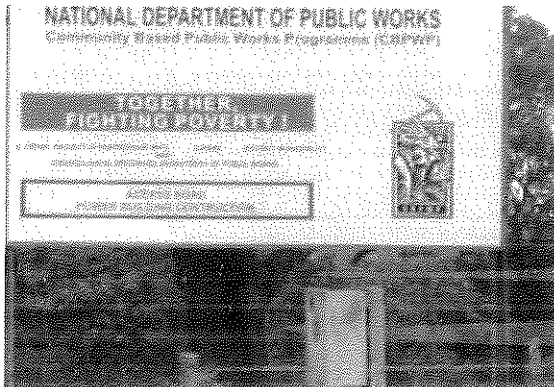


Photo 7: Department of Public Works

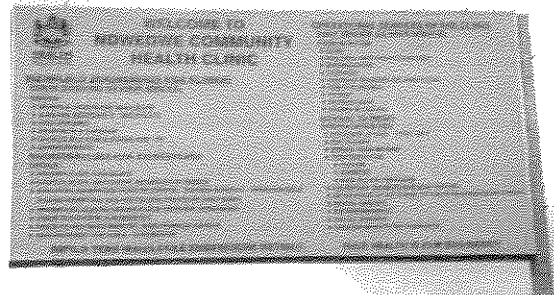


Photo 8: Ndwedwe Community Health Clinic

NDWEDWE VILLAGE DEVELOPMENT BUSINESS PLAN

NDWEDWE VILLAGE – COMPETITIVE AND COMPARATIVE ADVANTAGES

	NDWEDWE VILLAGE	BAMSHELA	MONTEBELLO	VERULAM	TONGAAT	DURBAN / PIETERMARITZBURG
Description	Limited in size, but the village hosts at least 10 government departments	Very lively and rural node. Substantial economic activity. Busy taxi industry yet no formal taxi rank infrastructure.	Major rural hospital located in Bhamshela / Appelsboch area	Major urban node serving the town of Verulam itself and rural areas to the north of eThekweni	Major urban node serving the town of Tongaat itself and rural areas to the north of eThekweni	Various nodes offering a wide range of commercial and social services
Size of Node	Small node. Although it has government departments (services), it has limited economic activity	Relatively small in size, but has numerous businesses. There is a vibrant taxi industry especially serving local routes.	Other than hospital not much activity	Formal town with well defined CBD. Very vibrant business activity. Can be classified as a district shopping node with limited industries.	Formal town with well defined CBD. Very vibrant business activity. Can be classified as a district shopping node with some industries.	Major CBD
Commercial Sector Facilities	Informal limited infrastructure (shelter with Electricity and communal tap for H2O; Informal without infrastructure;	Lots of retail shops of various kinds including a “Chinese Shop”, photocopying facility, hair salons, petrol service etc. Although no formal Taxi Rank, busy and	Other than a small tuck shop there are no commercial facilities in the node.	Very formal well serviced business infrastructure with informal traders mainly at the mini bus taxi rank.	Very formal well serviced business infrastructure.	Full range of commercial opportunities from informal sector to large national chain stores (several levels in between)

NDWEDWE VILLAGE DEVELOPMENT BUSINESS PLAN

	NDWEDWE VILLAGE	BAMSHELA	MONTEBELLO	VERULAM	TONGAAT	DURBAN PIETERMARITZBURG
	Formal with formal brick buildings, H2O, electricity;	booming mini bus taxi service. Relatively more formal businesses than informal traders.				
Public Sector / Facilities / Services	Justice; Transport; Agriculture; Safety and Security; Social Development; Education; Health	None could be identified	Other than the hospital and the Catholic School, there are no other facilities.	Home Affairs and Social Services, Police Service	Home Affairs, Social Services, Police Service and Justice	Full range of services available
Access Route	P100 (only black top surface)	P714 to Ndwedwe R614 to Pmb and Tongaat.	P102 from Ndwedwe	P100	P715	
Taxi cost to travel from Ndwedwe Village to Node		R 28	R 20	R 10	R 20	R 25
Taxi cost to travel from other areas of Municipality to Node	R7	R7	R8		R17	
Infrastructure Availability	Erratic Water and electricity supply; Bad road access to	Erratic Water and electricity supply. No refuse removal		Generally freehold land	Well serviced Infrastructure including refuse	Well serviced Infrastructure including refuse

NDWEDWE VILLAGE DEVELOPMENT BUSINESS PLAN

	NDWEDWE VILLAGE	BAMSHELA	MONTEBELLO	VERULAM	TONGAAT	DURBAN / PIETERMARITZBURG
	the village esp. on wet seasons	service provided			removal.	removal.
Land availability (accessibility)	The land forming the business plan study area is in the ownership of the municipality making it attractive to the private sector.	Stringent (Ingonyama Trust) tribal poses a serious challenge to business sector.	Stringent (Ingonyama Trust) tribal poses a serious challenge to business sector.	Generally freehold land	Generally freehold land	Generally freehold land
Existing housing	Surrounded by traditional settlement	Surrounded by traditional settlement	Surrounded by traditional settlement	Formal housing in Verulam. Also informal housing in surrounding areas.	Formal housing in Tongaat. Also informal housing in surrounding areas.	Various

3. RATIONALE AND OBJECTIVES

3.1. THE STRATEGIC FRAMEWORK

3.1.1. OVERVIEW

The Strategic Framework provides guidance for the future development of the Ndwedwe Village and was developed based on the comprehensive understanding of the status quo developed (as discussed in Section 2). The extensive consultation during the Assessment Phase, including focus groups, works sessions, structured and unstructured interviews with residents, workers and managers informed the development of the Strategic Framework. It essentially establishes the development parameters ensuring that all stakeholders work together to achieve common objectives and ultimately a common vision for the development of the village.

The Strategic Framework has a number of components. The components are:

- The Vision that sets out the long term vision for the development of the Village, i.e. what will the Village appear at a future date.
- The Objectives identifies specifically what needs to be achieved in order to realise the vision.
- The Strategies relate directly to the objectives and indicates what is to be done in order to achieve the objectives.

Following the development of the strategic framework the Activities / Projects identifies what must be done in order to implement the strategic framework. Projects and activities relate directly to strategies and each one should make a contribution to achieving the set objectives.

3.1.2. THE VISION

From discussion with stakeholders the following Vision for the development of Ndwedwe Village has been developed:

"TO ESTABLISH NDWEDWE VILLAGE AS A SELF SUSTAINABLE AND VIBRANT COMMERCIAL AND RESIDENTIAL NODE, OFFERING A RANGE OF PRIVATE AND PUBLIC SECTOR SERVICES, CONTRIBUTING TO IMPROVING THE QUALITY OF LIFE OF NDWEDWE RESIDENTS"

This Vision has to date been supported by all stakeholders in the Planning Process.

3.1.3. THE OBJECTIVES

In order to achieve the above vision the following objectives (or long term goals) have been set.

- **Objective 1:** To establish Ndwedwe Village as the municipal service centre for the Ndwedwe Municipality.
- **Objective 2:** To ensure direct benefits for the people of Ndwedwe from the redevelopment of the Village.
- **Objective 3:** To establish a vibrant economic centre in Ndwedwe with a diversified / balanced economy.
- **Objective 4:** To establish stable income earning and generating neighbourhoods in Ndwedwe Village.
- **Objective 5:** To establish / build linkages with other areas of Ndwedwe and create an integrated economy.
- **Objective 6:** Address unemployment through the development of Ndwedwe Village.

An overview of each of the objectives is provided, followed with a statement in italics of which project clusters (discussed in detail in later sections) relate to the specific objective.

OBJECTIVE 1: TO ESTABLISH NDWEDWE VILLAGE AS THE MUNICIPAL SERVICE CENTRE FOR THE NDWEDWE MUNICIPALITY

Observing the current movement of people in Ndwedwe it is evident that Ndwedwe Village is not viewed or used as a Municipal Service Centre. This is attributed to a number of reasons including the accessibility of the node, the internal linkages between residential areas and the Village, the limited commercial facilities in the node and the established movement patterns of people. In order for the development of Ndwedwe Village to be sustainable the node will have to be established as the Service Centre for the Municipality.

(The Transport and Access Improvement and Redevelopment, Expansion of Existing Sport Facilities and Civic clusters of projects in this Business Plan relates directly to this objective)

OBJECTIVE 2: TO ENSURE DIRECT BENEFITS FOR THE PEOPLE OF NDWEDWE FROM THE REDEVELOPMENT OF THE VILLAGE

From discussions to date it appears as if financial institutions and developers view the development of Ndwedwe Village as an opportunity. It is essential that this interest, however, be translated into opportunities and benefits for the local people. This will require attracting appropriate businesses to the area, integrating local business people with new opportunities, offering entrepreneurship development courses and business skills development and establishing some form of oversight in order

to ensure that such benefits do accrue to Ndwedwe residents. Should this not occur, the investment of millions and millions of rands in infrastructure and facility development would be without meaning.

OBJECTIVE 3: TO ESTABLISH A VIBRANT ECONOMIC CENTRE IN NDWEDWE WITH A DIVERSIFIED / BALANCED ECONOMY

Private sector businesses, be it national chains or more local entrepreneurs, have no exposure to Ndwedwe and the potential of the Village. In order to attract businesses to the municipality substantial effort will have to be made to ensure that the conditions for the establishment of a vibrant economic centre are right. These conditions will include ensuring that serviced land for commercial sector development is available as well as ensuring that local procurement / buying by all is encouraged.

(The Business and Engineering Services Provision clusters, as well as the Public Improvement cluster, of projects in this Business Plan relates to this objective)

OBJECTIVE 4: TO ESTABLISH STABLE INCOME EARNING AND GENERATING NEIGHBOURHOODS IN NDWEDWE VILLAGE

At present there is no housing of note in Ndwedwe Village. It will be important for future development to ensure that stable residential communities are established in Ndwedwe. The new residential development will contribute towards the sustainability of the village.

(The Public Environment Improvement cluster relates to this objective)

OBJECTIVE 5: TO ESTABLISH / BUILD LINKAGES WITH OTHER AREAS OF NDWEDWE AND CREATE AND INTEGRATED ECONOMY

While the construction of P100 has made Ndwedwe Village relatively accessible, the poor conditions of link roads from deeper rural areas of Ndwedwe make it difficult for the local residents to access the Village. The poor physical infrastructure results in poor economic linkages.

(The Transport and Access improvement Cluster relates to this objective)

3.1.4. OVERVIEW OF THE STRATEGIES

The Strategies identified as part of the Strategic Framework relates directly to the Objectives as reflected in previous sections. Each strategy identified, when implemented, will make a contribution to achieving the set objectives. Table 4.1 overleaf reflects how the strategies relate to the four or five objectives established. The table also relates the strategies to the specific "sectors", viz.

- Economy
- Housing
- Social
- Infrastructure
- Skills Development
- Stakeholder Engagement
- Institutional Development

The relationship of strategies with objectives and “sectors” is not always clear cut, but Table 3.1 does provide a sense of how the Strategic Framework for the development of Ndwedwe Village fits together.

3.1.5. OVERVIEW OF THE PROJECT CLUSTERS

TABLE 3.1: NDWEDWE VILLAGE: PROJECT CLUSTERS AND COMPONENTS

NO	PROJECT	COMP NO	PROJECT COMPONENTS	PHASE
1	Engineering Services Provision Cluster	1	Water Reticulation Network	Phase 1
		2	Electricity Infrastructure Network	Phase 1
		3	Sewerage Network (business and civic cluster)	Phase 1
		4	Village Link Roads	Phase 1
		5	Ndwedwe Village Street Lighting	Phase 1
2	Business Development	6	Small Business Incubator	Phase 2
		7	Informal Sector Stalls in Road Reserves	Phase 2
		8	Village Market Place	Phase 2
		9	New Bus and Taxi Rank for Ndwedwe Village	Phase 3
		10	Land Lease From Ingonyama Trust	Phase 1
3	Civic Cluster Development	12	Public Information Center	Phase 1
		13	Village Square (with open air amphitheatre)	Phase 1
		14	Public Ablution Facilities	Phase 2

NO	PROJECT	COMP NO	PROJECT COMPONENTS	PHASE
		15	Development of Central Park	Phase 2
4	Public Environment Improvements	16	Entrance Feature	Phase 1
		17	Residential Play Parks	Phase 3
		18	Village Landscaping	Phase 3
		19	Village Street Furniture	Phase 3
5	Redevelop and Expand (other codes) Existing Sport Facility	20	Outdoor Sports Complex	Phase 2
		21	Ndwedwe Swimming Pool	Phase 2
6	Transport and Access Improvements	22	Ndwedwe and Ndwedwe Village Road Signage Project	Phase 1
		23	Traffic Circles and Pedestrian Crossings on the P100	Phase 1

TABLE 3.2: NDWEDWE VILLAGE: PROJECTS OUTSIDE OF THE NDPG FUNDING

NO	PROJECT	COMP NO	PROJECT COMPONENTS	PHASE
7	Civic Cluster	24	Municipal Building Extension	Phase 1
	Sports Development Cluster	25	Multipurpose Training Facility	Phase 2
	Transport and Access Improvements	26	Upgrade of Access Roads	Phase 3
	Transport and Access Improvements	27	Establish North South Link	Phase 3
	Business Cluster	28	Retail Development	Phase 2
	Civic Cluster	29	GAP/ Social Housing Development	Phase 2

3.2. CLUSTER RATIONALE AND MOTIVATION

3.2.1. MOTIVATION: ENGINEERING SERVICES CLUSTER

CURRENT SITUATION

The planning of Ndwedwe Village has seen the preparation of a new layout plan that proposes a significant amount of new development. The implementation of this new development would require the provision of engineering infrastructure such as water, sewer, electricity and roads.

Roads

The provincial road known as P100 remains the main and the only access route to the Ndwedwe Village. The layout proposes three collector roads which join P100 thus providing strong linkages between residential component of the village and the economic and civic clusters. The construction of these collector roads rests with the Ndwedwe Local Municipality. This business plan motivates for the funding of these collector roads through the NDPG.

Further to the collector roads which serve both the residential and economic activity strip of the village, internal roads servicing the economic and civic clusters are essential in realising the economic spin offs expected from the development of the village. These proposed internal roads should also be funded through the NDPG. Without these access roads, the business and community facilities sites will not be viable.

Sewer

Currently the Village has no waterborne sewer. Existing properties are either connected to the septic tank or VIP system. The municipal building is connected to the septic tank.

Water-borne sewer reticulation is proposed with individual erf connections, and a package plant treatment works constructed.

Ilembe District Municipality has agreed to provide all bulk and link sewerage reticulation at the point on the boundary of the development providing connection to the internal services. In this respect, the Services Agreement requires that Ndwedwe Municipality pay a developer's contribution and the actual cost of link service.

Water

Bulk water is available to service the project area. Currently residential properties are serviced by water standpipes. The municipal building has a full water pressure system.

Ilembe District Municipality has undertaken to provide and supply bulk and link water reticulation at a point, on the boundary of the development providing connection to the internal services. In terms of the Services Agreement, Ndwedwe Local Municipality will be responsible for payment of developer's contribution towards bulk water and the actual cost of all link services.

Electricity

It was stated in the Status Quo report that even before the load shedding started, the provision of electricity in Ndwedwe has always been very erratic. According to Census 2001, approximately 8000 households had access to electricity while 20 000 households used candles.

Ndwedwe Village is currently being supplied by a 2,5MVA 33/22kV transformer at Driefontein Substation located near Tongaat. According Eskom this substation is loaded to nearly full capacity. Due to this inadequate supply of electricity, as a short term solution, Eskom has undertaken to upgrade the transformer to 5MVA which should be completed by the end of March 2009. This would provide limited additional capacity of approximately 300KVA at Ndwedwe Town.

As a long term solution, Eskom is planning to construct a new 20 MVA 132/22KV substation from which electricity can be distributed. The proposed new substation will be located in Sonkombu.

Eskom has appointed consultants to prepare an Environmental Impact Assessment (EIA) for the construction of the new substation. A Record of Decision (ROD) has been issued and preliminary design of the substation has been completed. There is however, disagreement between Department of Agriculture and Environmental Affairs (DAEA) and Eskom regarding the route of the overhead power line.

The construction of the substation together with a 20km overhead power line is scheduled to commence in September 2009 and completed in March 2010. This programme is subject to the Department of Mineral and Energy (DME) providing funding as well as the environmental approval for the preferred 132 kV line route.

Given this commitment by Eskom, Ndwedwe Village should have adequate access to electricity supply by April 2010, provided that the municipality has financial resources to link to the bulk electricity.

While Eskom has undertaken to upgrade the bulk electricity infrastructure, the cost of internal reticulation remains the responsibility of the local municipality. This business plan requests the funding of the internal reticulation of electricity in the business and civic clusters. Such internal reticulation could only happen once the capacity of the bulk infrastructure has been increased through the construction of the substation and establishment of a 20km long 132kv power line.

MOTIVATION FOR THE CLUSTER

This section provides a brief motivation as to why the NDP Grant should fund the engineering cluster projects.

The engineering services cluster forms the backbone of this development. Without the provision of this infrastructure, the development is unlikely to proceed. A Services Agreement has already been concluded between the District and the Local Municipality. In terms of the Services Agreement entered into by Ilembe District Municipality and Ndwedwe Local Municipality, the district has committed itself to the provision of bulk water and sewer services.

Furthermore, Ilembe District has also undertaken to provide link services relating to water and sewer. The District will provide these services subject to the Ndwedwe Municipality paying a developer's contribution and payment of actual cost for link services to Ilembe District Municipality.

With respect to electricity, Eskom has completed an Environmental Impact Assessment (EIA) for the construction of a new substation to supply Ndwedwe Village.

3.2.2. MOTIVATION: BUSINESS CLUSTER DEVELOPMENT

CURRENT SITUATION

Ndwedwe Municipality has a population of approximately 150 000 people. Only a small percentage of the population makes use of business facilities in Ndwedwe Village on a regular basis, this despite a number of government departments (and specifically a well utilised Community Health Centre) being located there. Through investigations it was determined that the limited use of business facilities in Ndwedwe Village can be attributed to a number of factors:

- There is no high density residential development in Ndwedwe Village (usually the primary catchment for specifically retail businesses);
- There is only a limited range of retail facilities and commercial / financial services, including banks and ATMs, are totally absent;
- Linked to the above, the informal sector is not well-developed in Ndwedwe Village;

- Public transport is geared towards taking people to eThekweni rather than taking people to Ndwedwe Village;
- The road transport network is not well-developed in Ndwedwe often contributing to people travelling to outside the area for retail and wholesale shopping activities;

Concern has specifically been expressed about drawing major retailers to the area and the further negative impact this may have on developing the local economy.

UNDERSTANDING THE REQUIREMENT OF THE RETAIL SECTOR

A detailed assessment has been undertaken of the interest of businesses / investors to locate in Ndwedwe Village. This must be considered when undertaking any planning related to the Business Cluster. Although most retailers are keen to further investigate the opportunity it was generally acknowledged that this would be premature as infrastructure still needs to be developed.

Retailers interested in further investigating the opportunity included Shoprite, Spar, Pep Stores, Ellerines and others. The size of the catchments required by these retailers vary between 40 000 to 80 000 people.

Importantly, most of the retailers will not develop their own facilities, but would be interested in renting a business premises. The approach is then generally for a developer to identify the opportunity and to then link up with retailers that may be interested in the specific area.

Information obtained from retailers reflected below are indicative of their views of development opportunities in Ndwedwe Village and should serve as guidelines for planning and future engagement. It should be noted that the information reflected is the interpretation of StratPlan of the telephonic discussion and information cannot be assumed to be factual without further verification.

MOTIVATION FOR THE CLUSTER

The development of the Business Cluster is therefore motivated from a number of perspectives, viz.

- Establishing basic facilities in Ndwedwe Village that will attract users to the area;
- Increasing the number of users in order for Ndwedwe Village to attract major retailers, wholesalers and developers to the area;
- Building the capacity of Ndwedwe businesses and entrepreneurs to benefit from opportunities offered in the Village;

- Through the development of the Retail / Business sector contributing to the development of the Ndwedwe Municipality.

Each of the above is discussed in more detail below.

Establishing basic facilities in Ndwedwe Village that will attract users to the area (ultimately attracting major retailers, wholesaler and developers to the area): An important factor determining the ability of Ndwedwe Village to attract private sector investment will be the extent of the “users” attracted to the Village. A starting point for increasing the number of users in the Village will be to broaden the retail / commercial services available in the Village and also to improve the transport facilities (i.e. the taxi and bus rank). This will have to go hand in hand with reorganising the transport services available to the people of Ndwedwe, moving away from a focus on transport between Ndwedwe and eThekweni to an internal focus, i.e. moving people from other areas of Ndwedwe Municipality to Ndwedwe Village.

Building the capacity of Ndwedwe businesses and entrepreneurs to benefit from opportunities offered in the Village: From initial phases of this assessment concern has been expressed by local businesses as to their potential future involvement in the development of Ndwedwe Village. The inability of local businesses to compete against major retailers and wholesalers was specifically mentioned as an issue. This is a real concern and in light thereof it is important that opportunities be made available to local entrepreneurs / businesses to also benefit from the redevelopment of the Village. The proposal is therefore to make adequate space provision, not only for the informal sector, but also for small emerging businesses requiring formal premises. The impact of this will be further extended through the provision of business administration and support services linked to such facilities. Through the development of the Retail / Business sector contributing to general economic development in the Ndwedwe Municipality: The development of the retail sector in Ndwedwe will contribute in a number of ways to the overall development of the area. It will amongst other things:

- provide the local population with access to a wide range of retailers;
- reduce the expenditure of Ndwedwe households on travel related expenses;
- reduce the time spent on travelling to areas such as eThekweni substantially;
- create job opportunities for local residents in Ndwedwe; and
- directly and indirectly create investment / business opportunities for local people (e.g. a stronger retail sector will also contribute to the development of the informal business sector).

Importantly, developing the retail sector in Ndwedwe will substantially strengthen the position of Ndwedwe Village as the Municipal Centre and open the door for other forms of investment.

3.2.3. MOTIVATION: CIVIC CLUSTER

CURRENT SITUATION

The Ndwedwe Municipality is a newly established local government entity. Eighty percent of the area is characterised by traditional settlement. In the remaining areas the focus is on commercial farming. Although the Municipality has approximately 150 000 residents Ndwedwe Village has the only real concentration of civic and limited commercial facilities in the Municipality. Generally civic and commercial facilities in neighbouring eThekweni, e.g. Verulam, Tongaat and Inanda, are accessed maximising income leakage from the area.

Ndwedwe Village has developed as a series of fenced in and isolated government buildings with no integration of the public environment. Government buildings function independently and are fenced in with high security fences. This generally detracts from the public environment.

At present public facilities, including specifically the municipal buildings and community hall, lack capacity.

MOTIVATION FOR THE CLUSTER

The development of the Civic Cluster is motivated from a number of perspectives:

- Establishing an environment conducive to private sector investment;
- Attracting people to the Village in order to maximise the potential for private sector development; and
- Improving the ability of the Ndwedwe Municipality to service its customers, including future investors.

Each of the above is discussed in more detail below.

An environment conducive to private sector investment: It is generally accepted that private investors will only be attracted to a locality if the commitment of the public sector to the development of the area is apparent. There is no better way to ensure that the commitment of the public sector to the development of Ndwedwe is visible than through improvements to civic facilities and spaces. This will provide a much stronger basis from which to market the opportunities available in the Town.

Attracting people to the Village: The various components of the Civic Cluster will specifically be aimed at attracting more people to the Village. The availability of improved facilities will ensure that (1) public

sector meetings / gatherings are conducted more efficiently and (2) private sector organisations and individuals will start using Ndwedwe Village as a basis for functions and ceremonies (retaining income in the area and creating opportunities for local businesses).

Improving the ability of the Municipality to service customers: Quality public sector and specifically municipal service delivery is essential to attract private sector investors to the area. Applications of investors must be processed professionally or they will lose confidence in Ndwedwe as an investment destination. Key to improving service delivery will be to improve the quality of facilities available to Municipal staff. At present the majority of the Technical Services Department of the Ndwedwe Municipality, the Department most likely to deal with private sector investors and developers, is housed in temporary pre-fabricated buildings behind the main building.

It is suggested that extending the existing municipal buildings will make a direct impact on improving investor confidence.

3.2.4. MOTIVATION: PUBLIC ENVIRONMENT CLUSTER

CURRENT SITUATION

The current public environment could be described as derelict as no investment has ever been made to improve the public environment. As such there are no parks, playlots or any other space that contributes to the improvement of the public environment.

Entrance Features

The anticipated development of Ndwedwe is likely to transform the project area from being a village to being a recognisable town with a wide range of facilities and sustainable economic activity. Furthermore, Ndwedwe Village is located along P100 which is categorised as a high order road which encourages traffic to simply pass through the area without forcing it to stop. Currently there is no entrance feature or a “*Welcome To Ndwedwe*” sign.

In order to create this recognition of the town, it is essential that entrance features be constructed at the entrances of the village. The construction of the entrance features should begin to create a sense of arrival and recognition of the village.

Residential Play Parks

Attached to the proposed development of the Ndwedwe Village, is the residential component of the town. Currently the village has very few residential dwellings that are located inside the project area. One of the principles behind the layout plan for Ndwedwe Village is the notion of increasing residential

development in the village thus increasing the number of people that live and work in the village. In this regard the layout plan which is the subject of the DFA approval proposes 278 residential sites plus 4 high density residential blocks. It is for this reason that facilities that support the creation of sustainable human settlement should be encouraged.

The proposed residential play parks are some of the facilities that would support the creation of a sustainable human settlement. The existing residential area has no play parks. The layout plan proposes 5 such facilities. These facilities are proposed throughout the residential area and are evenly spread to ensure equitable access by the residents.

Village Landscaping and Village Street Furniture

The beautification of the village is, without a doubt, one of the elements that would attract both business and private individuals. In this respect the landscaping of the village is a key feature to improving the public environment of the area.

In the current status there is no evidence of any landscaping of the public space. The proposed landscaping will be done along road verges and other public open spaces. The landscaping project will require a preparation of a detailed landscaping plan which should be prepared by a landscape architect.

The street furniture will be positioned in strategic areas of active and passive open spaces. It will include concrete benches, waste bins and other street furniture.

MOTIVATION FOR THE CLUSTER

While the Public Environment Improvement Cluster of projects have been discussed above, it is essential to explain and motivate why the NDP Grant should fund such projects. The following section provides a brief motivation in this respect.

The key elements in assessing whether a project qualifies for an NDP Grant include the following:

- Does the project contribute to the township regeneration?
- Does the project contribute to the local economic development?
- Does it enhance property values?
- Does it impact on large number of population?
- Does it have any investment leverage potential?

Given the fact that this motivation relates to the cluster and not individual projects, the above questions will be dealt with in relation to the cluster.

Township Regeneration

All projects (namely; street lighting, entrance features, residential play parks, village landscaping and street furniture) identified in this cluster individually and collectively contribute towards the township regeneration. The implementation of these projects will revive the area and create an environment that would give birth to the transformation of the village to a town.

Contribution to Local Economic Development

The contribution to local economic development is likely to emanate from the procurement of contractors that will implement these projects. In this regard, the business plan recommends that Ndwedwe Municipality should try as far as possible to procure local contractors to implement projects. In cases where local contractors have no capacity to deliver, joint ventures with outside contractors should be encouraged.

Enhance Property Values

Without a doubt an improved public environment goes a long way in enhancing property values. A landscaped township with street lighting and street furniture has more value than town that has none of the above.

Impact on large number of population

Ndwedwe Local Municipality has a total population of 150 000. The development of the Ndwedwe Village into a town will benefit the total population of the Ndwedwe Municipality. It is the view of this business plan that the implementation of the Public Environment Improvement Cluster will contribute significantly to the development of the Ndwedwe Village thus benefitting the people of Ndwedwe.

Investment Leverage Potential

Apart from the construction of P100 by the Provincial Department of Transport, there has not been any other major investment in the village in the last few years. The implementation of the cluster will help to unlock the development of 278 residential sites which could be sold at R30 000 each bringing an investment of R8 340 000 to the municipality. It will further unlock the development of 15 mixed use and commercial sites.

3.2.5. MOTIVATION: SPORT DEVELOPMENT CLUSTER

CURRENT SITUATION

Fifty five percent of Ndwedwe Municipality's population falls within the ages of 0 – 20. This exerts pressure to the Municipality in providing necessary amenities for this age group including education facilities, employment opportunities and other social development interventions. The status quo assessment established that there is a limited range of sport facilities in Ndwedwe. It also identified that there is limited capacity for the maintenance of sports fields that were provided in the rural areas of Ndwedwe Municipality.

MOTIVATION FOR PROJECT

The sport development cluster is motivated for from a number of perspectives:

- Provision of high order sports facilities: The high order sports facilities generally serve the entire municipal area. These facilities are provided at the primary and secondary nodes. As such a regional sport field is situated at the Ndwedwe Village. The location of such facilities in the Village will ensure accessibility to the greatest number of people.
- Provision of a range of sport and recreation facilities: Given the scale of the proposed development in the Ndwedwe Village and the provision of different sporting codes for the Greater Ndwedwe area, the project area is ideal for the location of a sport facility that encompasses various sporting codes serving the municipality as a whole.

3.2.6. MOTIVATION: TRANSPORT AND ACCESS IMPROVEMENT CLUSTER

CURRENT SITUATION

Ndwedwe Village has the potential to serve in the social and commercial service needs in excess of 150 000 people (or 30 000 households). At present the difficulties in accessing the village divert people to areas such as Verulam, Tongaat, Dalton and even Pietermaritzburg.

The accessibility of Ndwedwe Village is impacted on by the condition of roads, the public transport system (bus and taxi systems), the lack of private transport and distance issues. The planning of an integrated transport system will be important in the quest to make Ndwedwe more accessible.

MOTIVATION FOR PROJECT

Transport and access improvement is motivated for from a number of perspectives:

- **Providing all weather access:** At present access to Ndwedwe Village is substantially reduced when inclement weather conditions are experienced. The lack of all weather access therefore impacts directly on the potential of the Village to attract regular users, which in turn impacts on the potential for the establishment of private sector businesses. Providing all weather access to Ndwedwe Village will ensure a consistent flow of people to public and private sector facilities.
- **Increasing levels of disposable income:** Transport costs from the Ndwedwe Municipality to Verulam range between R20, R40 and above for a round trip. Transport therefore makes a major dent in disposable household income. By providing residents with access to a full range of public and private sector facilities unnecessary trips to other (more expensive) destinations will be minimised therefore impacting directly on disposable household income.
- **Reduce time devoted to commuting:** By improving access to the Village and new and improved retail, wholesale and public sector services provided it will be ensured that commuting to further destinations will be minimised. This will directly impact on commuting time and will provide Ndwedwe residents with opportunities to devote more time to other activities, including economic development activities.

4. MARKET ASSESSMENT

4.1. OPTIONS AND VIABILITY ASSESSMENT: ENGINEERING SERVICES

Various options have been considered with regard to the provision of engineering services. The first set of options relates to the level of services whether to provide a low level or high level of services. The table below presents the type of services with their rating and indicate whether they fall under a high level or low level of service

OPTIONS ON LEVEL OF SERVICES

TYPE OF SERVICE	LOW LEVEL OF SERVICE	HIGH LEVEL OF SERVICE
Sewer	VIP and Sceptic Tank	Water-borne sewer
Water	Communal Standpipes	Water connection to each erf
Roads	Gravel Roads	Surfaced Roads

While both low and high levels of service options were considered during the development of the layout plan, in particular the cost implications for each level of service, the Ndwedwe Municipality opted for the high level of service. The option of high level of service is in keeping with the requirements of Ilembe District Municipality and in line with the Services Agreement.

While the cost of constructing the low level of service is much lower, the maintenance cost of services such as gravel roads is much higher. It is therefore argued that maintenance of low level of services is not financially viable in the long run.

The second component of weighing options relates to the question of whether to implement the engineering cluster or not. The two options are discussed further in the following section.

Making no effort to implement the engineering cluster: This option suggests the current status quo persists without any changes. Elsewhere in this report we have argued that the engineering infrastructure forms the backbone of this development. Failure to provide these services will result in a situation where no private investor would be attracted to invest in the area. It will further mean that very little, if any, development could proceed. The option is therefore not recommended.

Provision of engineering services: This will have an opposite of the foregoing option in that it will enable development of the business and civic clusters to proceed. Furthermore, the development of infrastructure will improve the quality of life of the people of Ndwedwe providing employment opportunities to the local residents.

4.2. OPTIONS AND VIABILITY ASSESSMENTS: BUSINESS CLUSTER

A number of alternatives to establishing the Business Cluster in Ndwedwe Village have been considered and the impacts of these have been assessed. This includes:

- Making no effort to initiate the development of a Business Cluster; and
- Locating and developing the Business Cluster elsewhere in the Municipality.

The above options and their viability are briefly discussed below.

- **Making no effort to initiate the development of a Business Cluster:** This option implies maintaining the status quo. In terms of the status quo Ndwedwe Village is home to a number of government departments with the ability to attract people. It is, however, evident that government departments only attract a small proportion of the population and that in order to grow Ndwedwe Village a broader range of commercial services will have to be offered. Should the status quo remain people will continue to use Verulam and the eThekweni Municipality for gaining access to business and retail services and the development of these sectors in Ndwedwe will then be slow. Ndwedwe residents will also continue to spend substantial financial resources on paying for transport and waste time on unnecessary transport.
- **Locating and developing the Business Cluster elsewhere in the Municipality:** The option of locating the business cluster elsewhere in the Municipality is not viable as substantial investment has already been made in establishing the offices of ten government departments in the Municipality. Relocation of these departments does not appear to be an option. The decentralisation of business support services and informal sector facilities may be an option, but it is suggested that it would be more beneficial if the core is strengthened before this type of service is decentralised.

The assessment of the alternatives clearly illustrates the importance of the projects included in the Business Cluster and the location thereof in Ndwedwe Village project.

4.3. OPTIONS AND VIABILITY ASSESSMENT: CIVIC CLUSTER

A number of alternatives to improving the Civic Cluster in Ndwedwe Village have been considered and the impacts of these have been assessed. This includes:

- Locating and developing civic facilities in a central location elsewhere
- Locating and developing civic facilities in decentralised locations
- Not improving civic facilities in Ndwedwe Village

The above options and their viability are briefly discussed below.

Locating and developing civic facilities in a central location elsewhere: At least ten government departments including the Department of Health, the Department of Justice, the SAPS and others have made substantial investments in the development of facilities in Ndwedwe Village to date. The only location that provides a foundation for the development of a Civic cluster would be Bhamshela, which is not accessible at all from large parts of the Ndwedwe Municipality. All other secondary and tertiary nodes in the Municipality provide limited access to facilities and infrastructure at present.

Locating and developing civic facilities in decentralised locations: Decentralising public sector facilities is not viewed as an option at this stage, although in the future it will be a reality. It is suggested that spending on civic facilities should be centralised in order to ensure that at least one node within Ndwedwe offers the full range of facilities. Once this is achieved there should be a gradual upgrading of civic facilities in secondary and tertiary nodes of the Municipality.

Not improving civic facilities in Ndwedwe Village: Should civic facilities in Ndwedwe Village not be improved it will impact on development in two ways. Private sector investors will lose confidence in the management of the Village by the Municipality and will be reluctant to invest in the area. Also, the users of the services and facilities in Ndwedwe will rather visit areas where higher quality civic facilities are available, e.g. Verulam and other areas within eThekweni.

The assessment of the alternatives clearly illustrates the importance of the projects included in the Civic Cluster project.

4.4. OPTIONS AND VIABILITY ASSESSMENT: PUBLIC ENVIRONMENT CLUSTER

Essentially there are two options relating to this cluster. The first option relates to the implementation of the cluster and the impact this will have on the viability of the project. The second option talks to the non implementation of the cluster and the consequences of this option relating to the viability of the project.

Implementation of the Cluster and Viability: The Public Environment Improvement Cluster is largely about the beautification of the Ndwedwe Village. Given the nature of the project in this cluster, it is difficult to quantify the monetary value that the implementation of the cluster would create. However, what we know is that without the implementation of this cluster the area is likely to remain less attractive to individuals and probably investors.

Non Implementation of the Cluster: As already alluded above, the non implementation of this cluster would have considerable amount of negative results and may contribute towards the continued degradation of the area.

4.5. OPTIONS AND VIABILITY ASSESSMENT: SPORT DEVELOPMENT CLUSTER

A number of alternatives to improving the Sport Development Cluster in Ndwedwe Village have been considered. These include:

- Developing sport facilities in decentralised locations
- Not improving sport facilities in Ndwedwe Village

The above options and their viability are briefly discussed below.

Developing sport facilities in decentralised locations: Decentralising regional sport facilities is not viewed as an option at this stage, although in the future it will be a reality. It is suggested that spending on sport facilities should be centralised in order to ensure that the primary node of Ndwedwe offers a wide range of sport and recreation facilities. Once this is achieved there should be a steady upgrading and maintenance of sport and recreation facilities in other areas within the Municipality.

Not providing sport facilities in Ndwedwe Village: Should sport and recreation facilities not be provided in Ndwedwe Village, there will be a further decline in the population figures of Ndwedwe Municipality as more people especially the youth will continue to relocate to other urban areas where they will have access to a range of sport and recreation facilities.

4.6. OPTIONS AND VIABILITY ASSESSMENTS: TRANSPORT AND ACCESS IMPROVEMENT CLUSTER

Improving access to Ndwedwe Village is viewed as a non-negotiable for successful redevelopment. Without improved access the viability of a number of other interventions will have to be questioned.

The improvement of access is, however, viewed as a longer term project and strategic decisions must be taken to establish the phasing of road upgrading activities. This will have to be done in close consultation with the Department of Transport.

5. PROJECT SPECIFICATION

5.1. PROJECT SPECIFICATION: THE ENGINEERING SERVICES CLUSTER

The following section provides a summary description of each project. The specifications for each project are taken from the Engineering Report prepared for the DFA application by Nelson Allopi and Associates dated June 2008.

PROJECTS	DESCRIPTION	SPECIFICATIONS
Water Reticulation	Provision of internal water reticulation to individual erven in the business and civic clusters.	
Electricity Network	Provision of internal electricity reticulation to individual erven in business and civic clusters.	
Sewerage Network	Provision of water-borne sewer to individual erven in the business and civic clusters.	Pipes – 160mm diameter class HDUPVC. Manholes – 1050mm diameter precast ring manholes. House connections – 160x110mm diameter junction to sewer main
Village Link (collector) Roads	Construction of 4 collector roads (or link roads) linking the residential component of the village with the activity node. Each link road is 16m wide. The combined collector roads make the total of total of 3.2km.	9.5m road reserve. 4.5m surfaced width with full width development. Maximum grade 16.5% Minimum grade 1%. Design speed 30km/hr Minimum 1.5m gravel wide sidewalks on both sides of road.
Ndwedwe Village Street Lighting	The installation of street lighting throughout Ndwedwe Village in line with the new the new approved layout plan.	

5.2. PROJECT SPECIFICATION: BUSINESS DEVELOPMENT CLUSTER

PROJECT COMPONENT	DESCRIPTION
Small / Emerging Business Incubator	A centrally located facility providing at least twelve 40 square meters demarcated spaces for rental to small emerging businesses are to be developed. Each tenant will have access to a full range of business services and appropriate utilities. Other than space the centre will offer basic business services to the leaseholders as well as to the larger business community in Ndwedwe.
Informal Sector Stalls in Road Reserves	The provision of informal sector stalls in road reserves throughout Ndwedwe Village at strategic locations (i.e. at road crossings and along pedestrian routes). Sheltered space for at least 10 traders at three different locations in the village.
Village Market Place	Develop a village market place in the form of a large informal market place along the P100. Level of facilities to be provided at market place to be determined.
New Bus and Taxi Rank For Ndwedwe Village	A new bus and taxi rank located in close proximity to the commercial centre and sports grounds will be developed. As a first step in this project the land for this will have to be secured as it falls outside of the existing Title Deed area.
Land Lease from Ingonyama Trust	Due to the limited availability of land in the area currently owned by the Municipality provision is made for the leasing of land from the Ingonyama Trust for strategic facilities to be provided.

5.3. PROJECT SPECIFICATION: CIVIC CLUSTER

PROJECTS	DESCRIPTION
Public Information Center (Civic Centre / Meeting Hall)	Redevelop the existing Town Hall to a standard that will accommodate the needs of the people of Ndwedwe for a venue where a range of events and functions can be held. The redevelopment should include the total redevelopment including the materials used (currently asbestos cement) for walls and roofs, finishing the floors, improved ablution facilities, provision of smaller meeting/function venues, upgrading (improvement) of kitchen facilities, provision of storage facilities, the installation of sound equipment and appropriate seating and tables.
Village Square (with open air amphitheatre)	The village square will link to and integrate other municipal facilities such as the Municipal Offices, the Town Hall and the Library. It will incorporate paved areas (also to be used for parking), an amphitheatre seating up to 500 people, appropriate landscaping and "street"

	furniture.
Public Ablution Facilities	Public ablution facilities are to be provided at key locations throughout Ndwedwe Village. The locations for such ablution facilities will be finalised in consultation with government departments, businesses and users. It is envisaged that at least three ablution facilities will be provided. Each facility will include a male and female section with appropriate fittings and fixtures for a public facility of this nature.
Development of Central Park	Landscaping of areas set aside as a public park in the centre of Ndwedwe Village across from the existing sportsfield. Landscaping in park will include street furniture, green landscaping and paving as per detailed architectural design.

5.4. PROJECT SPECIFICATION: PUBLIC ENVIRONMENT IMPROVEMENTS CLUSTER

PROJECTS	DESCRIPTION	SPECIFICATIONS/ ASSUMPTIONS
Entrance Features	Provision of two entrance features located on both entrances for the village along P100.	Concrete features with necessary layer works.
Residential Play Parks	Creation of 5 play parks located in the residential component of the village.	Play parks are assumed to be located on flat terrain. Amount of trees are assumed. Furniture comprises of concrete benches and tables and litter bins. Park equipment comprises of swing sets, see saws, jungle gyms, runabout and slides.
Village Landscaping	Provision of landscaping along P100 and all collector roads which. The total length of collector roads is approximately 3.6 km.	Area to be landscaped assumed to be flat natural ground. Landscape area to cover P100 and collector or village link roads. Includes planting of seeds in grass areas.
Village Street Furniture	Provision of street furniture along the roads and recreational areas.	Provision of 1 litter bin at every 10m distance. One concrete bench at every 20m distance.

5.5. PROJECT SPECIFICATION: SPORT DEVELOPMENT CLUSTER

PROJECTS	DESCRIPTION
Outdoor Sports Complex	The provision of multi-purpose sports facilities serving the Ndwedwe Municipality as a whole including the upgrading of the existing soccer pitch, change rooms and ablution facilities.
Ndwedwe Swimming Pool	A swimming pool will be provided at the sports complex. The overall size of the pool will be 200m ² .

5.6. PROJECT SPECIFICATION: TRANSPORT AND ACCESS IMPROVEMENT CLUSTER

PROJECTS	DESCRIPTION
Ndwedwe and Ndwedwe Village Road Signage Project	Based on a comprehensive signage plan for the Ndwedwe Municipality directional signage and signage indicating place names will be introduced. The primary aim will be to ensure that "all roads lead to Ndwedwe Village". A secondary aim will be to support the implementation of the Spatial Development Framework of the Municipality. The provision of signage will be done in terms of the Ndwedwe Signage Plan to be prepared.
Traffic Circles and Pedestrian Crossings	The P100 is the main surfaced road currently linking Ndwedwe Village with Verulam and the eThekweni Municipality. At present this is also the only surfaced road in Ndwedwe Village. As it is a link road the traffic on this route will continue to increase and if traffic calming measures and pedestrian crossing are not introduced it may lead to serious accidents and conflicts between pedestrians and vehicles. The introduction of traffic circles and pedestrian crossing at key locations are proposed through this initiative.

5.7. PROJECT SPECIFICATION: PROJECTS FALLING OUTSIDE OF NDPG FUNDING

PROJECTS	DESCRIPTION
Municipal Building Extension	Extensions to the existing municipal offices as per the original design of the building. The extensions will provide the following accommodations: Offices, Meeting Rooms, Ablution Facilities, etc. The extension will be done as per the specifications of the architectural drawings with the intention to ensure that this should link to the existing building.
Multipurpose Training	The provision of the appropriate facilities for tennis, netball and

Facility	<p>basketball facilities serving the Ndwedwe Municipality as a whole. Two additional tennis, netball and basketball courts will be provided. The size of these facilities will be as per the planning design guidelines which are as follows:</p> <p>Netball: 65m X 105m (6825m²)</p> <p>Tennis: 15m X 30m (450m²)</p> <p>Basketball: 14m X 26m (364m²)</p>
Upgrade of Access Roads	<p>Key roads linking Ndwedwe Village to the rest of the Municipality will be upgraded to ensure all weather access to the village. The most important routes will be the Main Roads P714, the P716, the P102 and the extension of the P100 to Inanda. District Road linkages also need to be identified. It is recommended that as a first phase only those portions of the route adversely affected by inclement weather be focused on.</p>
Establish North South Link Road	<p>The establishment of a link road between the P100 (in the vicinity of Ndwedwe Village) and the R614 has long been suggested as a key component of the spatial development framework of the Ndwedwe Municipality. Introducing this linkage will break the current isolation of Ndwedwe from neighbouring areas and will ensure that the Ndwedwe economy is opened up. This project is viewed as key to ridding Ndwedwe of the apartheid planning legacy.</p>
Retail Development	<p>Establishment of retail facilities in strategic areas of the village.</p>
GAP and Social Housing Development	<p>Introduction of GAP and social housing in the village.</p>

6. STRATEGY AND IMPLEMENTATION PLAN

6.1. IMPLEMENTATION PLAN: ENGINEERING SERVICES PROVISION CLUSTER

There are six main components relating to the implementation of this cluster. These are:

- DFA Application Approval
- Procurement of design/ implementation professional team
- Design and Tender Documentation
- *Procurement of Construction Work*
- Construction
- Post Construction – Institutional Arrangement

The above components relate to the overall cluster and are equally applicable to the individual projects already identified in the engineering cluster. The following section highlights in detail the approach to each component and the intended output expected for each component. The duration of each component is also highlighted.

6.1.1 DFA APPLICATION APPROVAL

The township establishment application prepared in terms of the Development Facilitation Act (DFA) was submitted in July 2009. The application covers the area of the village that is in the ownership of the Ndwedwe Municipality and is approximately 69 Hectares in extent.

The approval of the township establishment is a prerequisite for further development of the village. In essence, no development should take place prior to the approval of the DFA application.

The approval of the DFA is expected six months from the date of submission. It is therefore expected that the approval would be obtained by the end of December 2009. However given the holidays during the months of December and January, it would be more realistic to expect proclamation of the township end of February 2010. After which the proclamation of the township could take place two months later in April 2010.

In summary the expected output from the submission of the DFA application is to obtain approval of the township establishment leading to the proclamation of the township. Such approval will regularise existing development while providing planning guidance for future development.

6.1.2 PROCUREMENT OF DESIGN /IMPLEMENTATION PROFESSIONAL TEAM

While the DFA application must be approved prior to commencement of construction, nothing should prevent the municipality to proceed with the procurement of the design professional team once the business plan has been approved.

The appointment of the business plan consultants does not include the implementation phase. In this respect no detail design has been undertaken for any of the projects identified in this business plan. It is therefore proposed that the procurement of the design professional team which will be tasked with the implementation phase, should proceed immediately after the approval of the business plan.

Assuming approval of the business plan to be end of October 2009, procurement of the design/ implementation professional team should be completed by end of November 2009. The appointment of the design / implementation team will follow the municipality procurement policy and guidelines.

The expected output from this component is the appointment of a multidisciplinary team with expertise in civil and electrical engineering design, project and construction management.

6.1.3 DESIGN AND TENDER DOCUMENTATION

Following the procurement of the design/ implementation team, the actual design of all civil and electrical work will commence. The design work as per the projects in the engineering cluster will include following:

- Design of water reticulation network in the business and civic clusters
- Design of sewer reticulation network in the business and civic clusters
- Electricity distribution network in the business and civic clusters
- Design of collector roads
- Design of internal roads business and civic cluster only
- Design of the North South Link Road
- Design upgrade of access roads

Final designs should be ready soon after the approval of the DFA application. This will allow the design team to incorporate into the designs whatever conditions that the DFA Tribunal may recommend as part of the approval.

In essence final designs with tender documentation should be available end of June 2010.

The expected output in this phase is detailed designs of all engineering services projects with tender documentation.

6.1.4 PROCUREMENT OF CONSTRUCTION WORK

This component relates to the appointment of civil and electrical construction companies that will undertake the construction of the above mentioned services. The procurement of these companies will be undertaken by the design / implementation professional team using the Ndwedwe Municipality procurement policy.

The tender documentation should be issued beginning of July 2010 and close at the end of the same month. This will allow contractors four weeks to price all tender documents. The appointment of contractors should be concluded by end of August with construction commencing beginning of September 2010.

The expected output from this component of this cluster is the appointment of competent civil and electrical contractors.

6.1.5 CONSTRUCTION

This phase of the engineering cluster deals with the actual construction of all projects identified in this cluster. While the projects identified in this cluster constitute phase 1 of the overall business plan projects, proper coordination and alignment of implementation programmes (per project) during the construction is essential.

For example, construction of the roads in the civic and business clusters should not run parallel with installation of sewer and water reticulation, but rather should overlap with road construction coming behind the other services. This will avoid a situation where a newly constructed road gets damaged when digging for water, electricity and sewer services begins.

Once the road construction has been completed together with sidewalks, digging of tranches for installation of services should be avoided. In this regard we propose the surface of the road to be undertaken once all services that run along and across the roads have been installed.

In terms of this business plan the programme for construction commences on the beginning of September 2010 with completion end of August 2011. The programme for the construction of engineering services cluster is 12 months.

6.1.6 POST CONSTRUCTION – INSTITUTIONAL ARRANGEMENTS

This component outlines the institutional arrangement on completion of the construction of various projects in the engineering services cluster.

Once the construction of services has been completed, the contractor will hand over the services to the Ndwedwe Local Municipality. With respect to the maintenance of such services, Ilembe District Municipality and Ndwedwe Local Municipality have entered into a Services Agreement under which the former has undertaken to maintain all engineering services in the village at its own cost. The proposed programme for the implementation of the engineering cluster is outlined in the programme overleaf.

NDWEDWE VILLAGE DEVELOPMENT BUSINESS PLAN

ENGINEERING CLUSTER PROGRAMME

NO	PROJECT	COMP NO	PROJECT COMPONENTS	PHASE	START & FINISH DATE FOR DETAIL DESIGN & APPROVAL	START & FINISH DATE FOR PROCUREMENT OF CONTRACTORS	START & FINISH DATE FOR CONSTRUCTION PERIOD	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Business Plan Approved																					
	Appointment of Professional Team																					
	DFA Application Approved																					
	Township Proclamation																					
1	Engineering Services Provision	1	Water reticulation network (business and civic cluster)	Phase 1	JANUARY 2010 TO JUNE 2010	JULY 2010 TO AUGUST 2010	SEPTEMBER 2010 TO AUGUST 2011															
1	Engineering Services Provision	2	Electricity infrastructure network (business and civic cluster)	Phase 1	JANUARY 2010 TO JUNE 2010	JULY 2010 TO AUGUST 2010	SEPTEMBER 2010 TO AUGUST 2011															
1	Engineering Services Provision	3	Sewerage network (business and civic cluster)	Phase 1	January 2010 to June 2010	July 2010 to August 2010	September 2010 to August 2011															
1	Engineering Services Provision	4	Village Link Road	Phase 1	January 2010 to June 2010	July 2010 to August 2010	September 2010 to August 2011															
1	Engineering Services Provision	5	Ndvedwe Village Street Lighting	Phase 1	January 2010 to June 2010	July 2010 to August 2010	September 2010 to August 2011															

6.2. IMPLEMENTATION PLAN: BUSINESS DEVELOPMENT CLUSTER

The various components of the Business Cluster will be developed and maintained by the Ndwedwe Municipality. Some of the components will contribute to the development of income generating infrastructure. The management of these components may be outsourced either from initial phases or once the facilities have been established and are in operation. Implementation of the projects will be guided by a Business Cluster Project Steering Committee including representatives from the Council, the Government Departments, the Business Community, as well as the Users.

There are six main components relating to the implementation of this cluster. These are:

- DFA Application Approval
- Procurement of design/ implementation professional team
- Design and Tender Documentation
- Procurement of Construction Work
- Construction
- Post Construction – Institutional Arrangement

The above components relate to the overall cluster and are equally applicable to the individual projects already identified in the engineering cluster. The following section highlights in detail the approach to each component and the intended output expected for each component. The duration of each component is also highlighted.

6.2.1 DFA APPLICATION APPROVAL

As per Engineering Services Cluster

6.2.2 PROCUREMENT OF DESIGN /IMPLEMENTATION PROFESSIONAL TEAM

As per Engineering Services Cluster

6.2.3 DESIGN AND TENDER DOCUMENTATION

It is suggested that the design and implementation of the various components of the Business Cluster be delayed until such time as infrastructure installation has been substantially completed. The projects related to the Business Cluster will therefore relate to Phase 2 and 3 of the Village Development.

The key member of the Design Team to be responsible for the design of facilities for the Business Cluster will be the Architect / Landscape Architect who will do relevant designs in consultation with a Steering Committee established for this purpose. The design work as per the projects in the Business Cluster will include following:

- Small / emerging Business Incubator
- Informal Sector Stalls in Road Reserves
- Village Market Place
- New bus and taxi rank for Ndwedwe Village

In order to fully develop this cluster it will then also be necessary to obtain permission for the development of a new taxi rank on Ingonyama Trust land. This will in all likelihood require a long term lease to be entered into with the Ingonyama Trust Board. The process of securing such a lease should be initiated as early in Phase 1 as possible.

Final designs will have to be approved by the relevant Steering Committee and Council before implementation. The expected output in this step is detailed designs of proposed facilities with tender documentation.

6.2.4 PROCUREMENT OF CONSTRUCTION WORK

This component relates to the appointment of building and related contracting companies that will undertake the construction of the above mentioned facilities. The procurement of these companies will be undertaken by the design / implementation professional team using the Ndwedwe Municipality procurement policy.

The tender documentation for most of the projects should be issued beginning April 2011 and the tender process should be concluded by the end of May 2011.

The expected output from this component of this cluster is the appointment of competent building contractors.

6.2.5 CONSTRUCTION

This step deals with the actual construction of all projects identified in this cluster. Proper coordination and alignment of implementation programmes (per project) during the construction is essential.

For example, paved areas should not be developed if major construction vehicles must still access specific sites. This will avoid a situation where a newly constructed surface gets damaged.

In terms of this business plan the programme for construction commences in May 2011 and will in all probability continue till the end of Phase 3, December 2012.

6.2.6 POST CONSTRUCTION – INSTITUTIONAL ARRANGEMENTS

Once the construction of facilities has been completed, the contractor will hand over the facilities / public spaces to the Ndwedwe Local Municipality. As local authority it will then be the responsibility

of the Ndwedwe Municipality to manage the facilities and the spaces. The proposed programme for the implementation of the business cluster is outlined in the programme overleaf.

BUSINESS CLUSTER PROGRAMME

LINDA MASINGA & ASSOCIATES | STRATPLAN
SEPTEMBER 2009

6.3. IMPLEMENTATION PLAN: CIVIC CLUSTER DEVELOPMENT

The various project components will be developed and maintained by the Ndwedwe Municipality. Implementation of the project will be guided by a Civic Cluster Project Steering Committee including representatives from the Council, the Government Departments, the Business Community, as well as the Users.

The various components of the Business Cluster will be developed and maintained by the Ndwedwe Municipality. Some of the components will contribute to the development of income generating infrastructure. The management of these components may be outsourced either from initial phases or once the facilities have been established and are in operation. Implementation of the projects will be guided by a Civic Cluster Project Steering Committee including representatives from the Council, the Government Departments, the Business Community, as well as the Users.

There are six main components relating to the implementation of this cluster. These are:

- DFA Application Approval
- Procurement of design/ implementation professional team
- Design and Tender Documentation
- Procurement of Construction Work
- Construction
- Post Construction – Institutional Arrangement

The above components relate to the overall cluster and are equally applicable to the individual projects already identified in the engineering cluster. The following section highlights in detail the approach to each component and the intended output expected for each component. The duration of each component is also highlighted.

6.3.1 DFA APPLICATION APPROVAL

As per Engineering Services Cluster

6.3.2 PROCUREMENT OF DESIGN /IMPLEMENTATION PROFESSIONAL TEAM

As per Engineering Services Cluster

6.3.3 DESIGN AND TENDER DOCUMENTATION

It is suggested that the design and implementation of the various components of the Civic Cluster can run in parallel with infrastructure installation processes as these projects are confined to a specific area in the Village. The projects related to the Civic Cluster will therefore relate to Phase 1 and 2 of the Village Development.

The key member of the Design Team to be responsible for the design of facilities for the Civic Cluster will be the Architect / Landscape Architect who will do relevant designs in consultation with a Steering Committee established for this purpose. The design work as per the projects in the Civic Cluster will include following:

- Municipal Building Extension
- Public Information Centre
- Village Square (with open air amphitheatre)
- Public Ablution Facilities
- Development of Central Park

Final designs will have to be approved by the relevant Steering Committee and Council before implementation. The expected output in this step is detailed designs of proposed facilities with tender documentation.

6.3.4 PROCUREMENT OF CONSTRUCTION WORK

This component relates to the appointment of building and related contracting companies that will undertake the construction of the above mentioned facilities. The procurement of these companies will be undertaken by the design / implementation professional team using the Ndwedwe Municipality procurement policy.

The tender documentation for most of the projects should be issued beginning of July 2010 and the tender process should be concluded by the end of August 2010.

The expected output from this component of this cluster is the appointment of competent building contractors.

6.3.5 CONSTRUCTION

This step deals with the actual construction of all projects identified in this cluster. Proper coordination and alignment of implementation programmes (per project) during the construction is essential.

For example, paved areas should not be developed if major construction vehicles must still access specific sites. This will avoid a situation where a newly constructed surface gets damaged.

In terms of this business plan the programme for construction commences in September 2010 and completion in October 2011. The programme for construction in the civic cluster is 14 months.

6.3.6 POST CONSTRUCTION – INSTITUTIONAL ARRANGEMENTS

Once the construction of services has been completed, the contractor will hand over the facilities / public spaces to the Ndwedwe Local Municipality. As local authority it will then be the responsibility of the Ndwedwe Municipality to manage the facilities and the spaces. The proposed programme for the implementation of the civic cluster is outlined in the programme overleaf.

CIVIC CLUSTER PROGRAMME

LINDA MASINGA & ASSOCIATES | STRATPLAN
SEPTEMBER 2009

6.4. IMPLEMENTATION PLAN: PUBLIC ENVIRONMENT IMPROVEMENTS

For successful implementation of this cluster, it is essential to understand various components that constitute the Public Environment Improvement Cluster. The components relates to pre-construction, during and post-construction stages. The components are as follows:

- Business Plan Approval
- DFA Application Approval
- Procurement of Design / Implementation Professional Team
- Design and Tender Documentation
- Procurement of Construction Work
- Construction
- Post Construction – Institutional Arrangement

6.4.1 BUSINESS PLAN APPROVAL

The approval of this business plan is a first step towards the commencement of the implementation of the public environment improvement cluster or any other clusters included in this business plan. The approval of the business plan would indicate which projects within this cluster have been granted the NDPG funding.

The expected output at this stage of the project is the approval of the business plan by National Treasury thus making funds available. The expected date for approval of the business plan is end of October 2009.

6.4.2 DFA APPROVAL

The approval of the DFA application expected end of February 2010 is one of the key components of the projects within this cluster. In terms of the township establishment procedures, no construction should commence prior to the approval of the DFA application.

While some of the projects in this cluster (such as village landscaping, village street furniture, residential play parks) may not necessarily require DFA approval, physical establishment of the township such as construction of certain roads and subdivisions (which in turn require the DFA approval) will have to happen before such projects could be implemented.

Projects such as construction of the entrance feature and street lighting along existing roads could proceed without the DFA approval. The street lighting project also depends on the available bulk electricity supply.

The expected output from the DFA approval is adequately noted in the Engineering Services Cluster.

6.4.3 PROCUREMENT OF DESIGN / IMPLEMENTATION PROFESSIONAL TEAM

This phase of the cluster deals with the appointment of the professional team that will be responsible for the implementation of the public environment improvement cluster. As noted in the previous clusters, the appointment of such team should await the approval of the DFA. The key determinant as to whether to proceed with the procurement of the implementation team is the approval of the business plan. On approval of the business plan by National Treasury, the municipality should proceed with the procurement of the implementation team. For the purposes of the programme this document assumes approval of the business plan by end of October 2009. The procurement of the implementation team should be completed by end of January 2010.

The expected output from this component is the procurement of a multidisciplinary team with project and construction management, electrical engineering and landscape architect.

6.4.4 DESIGN AND TENDER DOCUMENTATION

Once the professional team tasked with the implementation of the project has been finalised, detailed design of all projects identified in the cluster should commence. The detail design must include the following:

- Design for street lighting
- Design of the entrance features
- Design overall landscaping plan for the village including play parks

All detailed designs should be ready soon after the approval of the DFA application. This will enable the implementation team together with the municipality to finalise all tender documentation by end of August 2011 as is the case with other clusters.

The expected output from this component of the cluster is detailed designs of all projects identified in the cluster together with tender documentation.

6.4.5 PROCUREMENT OF CONSTRUCTION WORK

Following completion of the preparation of all tender documents by the municipality assisted by the implementation professional team, the procurement of construction work will commence. This component of the cluster is expected to be completed by end of October 2011. Construction will commence in November 2011 and completion by December 2012.

6.4.6 POST CONSTRUCTION – INSTITUTIONAL ARRANGEMENTS

With the exception of street lighting all other projects in this cluster will be maintained by Ndwedwe Local Municipality. Maintenance of street lighting will be the responsibility of Eskom, however, the municipality should budget for the maintenance of street lighting. The proposed programme for the

implementation of the public environment improvement cluster is outlined in the programme overleaf.

NDWEDWE VILLAGE DEVELOPMENT BUSINESS PLAN

PUBLIC ENVIRONMENT IMPROVEMENT CLUSTER PROGRAMME

NO	PROJECT	COMP NO	PHASE	START & FINISH DATE FOR DETAIL DESIGN & APPROVAL	START & FINISH DATE FOR PROCUREMENT OF CONTRACTORS	START & FINISH DATE FOR CONSTRUCTION PERIOD	2009	2010	2011	2012
	Business Plan Approved									
	Appointment of Professional Team									
	DFA Application Approved									
	Township Proclamation									
4	Public Environment Improvements	16	Entrance Feature	December 2010 to May 2011	June 2011 to July 2011	August 2011 to July 2012				
4	Public Environment Improvements	17	Residential Play Parks	March 2011 to August 2011	September 2011 to October 2011	November 2011 to December 2012				
4	Public Environment Improvements	18	Village Landscaping	August 2011 to March 2012	September 2011 to October 2011	November 2011 to December 2012				
4	Public Environment Improvements	19	Village Street Furniture	March 2011 to August 2011	September 2011 to October 2011	November 2011 to December 2012				

6.5. IMPLEMENTATION PLAN: SPORT DEVELOPMENT CLUSTER

The various project components will be developed and maintained by the Ndwedwe Municipality. Implementation of the project will be guided by the sport development project steering committee including representatives from the Council, the Government Departments, sports associations, as well as the Users.

There are six main components to the implementation of the sport development cluster namely, the:

- DFA Application Approval
- Procurement of Design/ Implementation Professional Team
- Design and Tender Documentation
- Procurement of Construction Work
- Construction
- Institutional Arrangement (Post Construction)

The above components relate to the overall cluster and are equally applicable to the three projects identified in the sport development cluster. The following section highlights in detail the approach to each component, the intended output, and the duration of the component.

6.5.1 DFA APPLICATION APPROVAL

The township establishment application prepared in terms of the Development Facilitation Act (DFA) was submitted in July 2009. The approval of the township establishment is a prerequisite for further development of the village. In essence, no development should take place prior to the approval of the DFA application.

The approval of the DFA is expected four months from the date of submission. It is therefore expected that the approval would be obtained by the end of December 2009. However given the holidays during the months of December and January, it would be more realistic to expect approval by end of February 2010 after which the proclamation of the township could take place two months later in April 2010.

In summary, the expected output from the submission of the DFA application is to obtain approval of the township establishment leading to the proclamation of the township. Such approval will regularise existing development while providing planning guidance for future development.

6.5.2 PROCUREMENT OF DESIGN/ IMPLEMENTATION PROFESSIONAL TEAM

While the DFA application must be approved prior to commencement of construction, nothing should prevent the municipality from proceeding with the procurement of the design professional team once the business plan has been approved.

The appointment of the business plan consultants does not include the implementation phase. In this respect no detail design has been undertaken for any of the projects identified in this business plan. It is therefore proposed that the procurement of the design professional team which will be tasked with the implementation phase should proceed immediately after the approval of the business plan.

Assuming approval of the business plan to be end of October 2009, procurement of the design/ implementation professional team should be completed by end of November 2009. The appointment of the design/ implementation team will follow the municipality procurement policy and guidelines.

The expected output from this component is the appointment of a multidisciplinary team.

6.5.3 DESIGN AND TENDER DOCUMENTATION

The design and implementation of the various projects of the sport development cluster will commence on Phase 2 of the development. The design work as per the projects will include the following:

- Outdoor sporting complex,
- Swimming pool.

Final designs will have to be approved by the sport development committee and Council before implementation. In essence final designs with tender documentation should be available end of April 2011 giving the design team two months after the approval of the DFA to finalise all necessary documents.

The expected output in this phase is detailed designs of the proposed facilities with tender documentation.

6.5.6 PROCUREMENT OF CONSTRUCTION WORK

This component relates to the appointment of construction companies that will undertake the construction of the above mentioned facilities. The procurement of these companies will be undertaken by the design/ implementation professional team using the Ndwedwe Municipality procurement policy.

The tender documentation should be issued beginning of March 2011 and the tender process should be concluded by end of April 2011 with construction commencing beginning of May 2011.

The expected output from this component of the sport development cluster is the appointment of competent construction companies.

6.5.7 CONSTRUCTION

This phase of the sport development cluster deals with the actual construction of all projects identified in this cluster. Proper coordination and alignment of implementation programmes (per project) during the construction is essential.

In terms of the business plan the programme for construction commences at the beginning of May 2011 with completion end of April 2012. The programme for the construction of the facilities is 12 months.

6.5.8 INSTITUTIONAL ARRANGEMENT – POST CONSTRUCTION

This component outlines the institutional arrangement on completion of the construction of various projects in the sport development cluster.

Once the construction of the facilities has been completed, the contractor will hand over the facilities to the Ndwedwe Municipality. As a local authority it will then be the responsibility of the Ndwedwe Municipality to manage the facilities. The proposed programme for the implementation of the sport development cluster is outlined in the programme overleaf.

SPORTS DEVELOPMENT CLUSTER PROGRAMME

LINDA MASINGA & ASSOCIATES | STRATPLAN
SEPTEMBER 2009

6.6. IMPLEMENTATION PLAN: TRANSPORT AND ACCESS IMPROVEMENTS

It is not financially viable to re-surface all roads in Ndwedwe in the short to medium term. It is therefore proposed that a critical strategic assessment of the road infrastructure be conducted and that there should be a specific focus on upgrading and maintaining those sections that prevent access to Ndwedwe Village in adverse weather conditions.

Road infrastructure is however only one component of improving accessibility. The need for an integrated public transport system (possibly including buses and taxis) supporting the development of Ndwedwe Village is important. Not being able to divert public transport to Ndwedwe Village will impact negatively on the future development of the Village.

It is essential that each of the components of this Project Cluster be implemented with the full support and cooperation of the Department of Transport. The Department has been actively involved in upgrading specifically the P100 route in Ndwedwe and budgets are continuously being sought for the further upgrading of roads. In terms of programming substantial time has been allowed from the approval of the Business Plan to the project initiation date to allow for integrated planning related to road infrastructure to be undertaken.

There are six main components relating to the implementation of this cluster (please note that this project and its components will not be impacted on by the DFA approval). These are:

- Procurement of design/ implementation professional team
- Design and Tender Documentation
- Procurement of Construction Work
- Construction
- Post Construction – Institutional Arrangement

The above components relate to the overall cluster and are equally applicable to the individual projects already identified in the engineering cluster. The following section highlights in detail the approach to each component and the intended output expected for each component. The duration of each component is also highlighted.

6.6.1 PROCUREMENT OF DESIGN /IMPLEMENTATION PROFESSIONAL TEAM

As per Engineering Services Cluster. It should be noted that a period of between 9 months and 18 months is available between the appointment of the Implementation Team and the start dates for the various components of the transport and access improvement cluster. The Implementation Team will during this period have to engage with the Department of Transport in order to get their full support and cooperation in these projects.

6.6.2 DESIGN AND TENDER DOCUMENTATION

The key member of the Design Team to be responsible for the transport and access related projects will be the transport engineer. The transport engineer will have to ensure that the necessary linkages are established with the Department of Transport and other relevant stakeholders. The design work as per the projects in the Transport and Access Improvement Cluster will include following:

-
- Ndwedwe and Ndwedwe Village Road Signage Project
- Traffic Circles and Pedestrian Crossings

Final designs will have to be approved by the Department of Transport and the relevant Steering Committee before implementation. The expected output in this step is detailed designs of proposed signage and road improvements with tender documentation.

6.6.3 PROCUREMENT OF CONSTRUCTION WORK

This component relates to the appointment of signage and construction companies that will undertake the construction of the transport improvements. The procurement of these companies will be undertaken by the design / implementation professional team using the Ndwedwe Municipality procurement policy.

- The tender documentation for most of the projects will be issued during Phase 1 and Phase 3 respectively.
- The expected output from this step of this cluster is the appointment of competent construction companies.

6.6.4 CONSTRUCTION

This step deals with the actual construction of all projects identified in this cluster. Proper coordination and alignment of implementation programmes (per project) during the construction is essential.

In terms of this business plan the programme for construction commences in February 2011 and it is anticipated that this will continue till the end of Phase 3, December 2012.

6.6.5 POST CONSTRUCTION – INSTITUTIONAL ARRANGEMENTS

Once the construction of road infrastructure has been completed, the contractor will hand over these roads to the Department of Transport. As the roads referred to are not local roads it is anticipated that the Department of Transport will be responsible for the ongoing maintenance of this

infrastructure. The proposed programme for the implementation of the transport and access improvement cluster is outlined in the programme overleaf.

NDWEDWE VILLAGE DEVELOPMENT™ BUSINESS PLAN

TRANSPORT AND ACCESS IMPROVEMENT CLUSTER PROGRAMME

[illegible]

7. OPERATING POLICIES AND PROCEDURES

The institutional and operational plan presents an outline of how the operational aspects would impact on the institutional arrangement and vis versa. The plan talks to the institutional arrangement that needs to be in place and what type of realignment that may be necessary in order to implement the business plan.

7.1. SPHERES OF INSTITUTIONAL ENGAGEMENT

The institutional plan is based on the notion that there are two spheres of institutional engagement, namely, internal and external. Internal sphere refers to the institutional capacity within the local municipality itself while external refers to stakeholders outside of the municipality. Inside the local authority there are two components, namely, administrative and political. The administrative component which is comprised of municipal officials led by the municipal manager is responsible for service delivery or policy implementation. This is the component that is responsible for the implementation of the business plan. The political component is led by the Mayor and is responsible, mainly for policy formulation. The proposal institutional and operational plan talks to both spheres of engagement.

7.2. ADMINISTRATIVE COMPONENT AND OPERATIONAL CAPACITY

Currently, the organogram of the Ndwedwe Municipality has 82 positions. 73 of these positions are filled of which 9 are contract positions. During the preparation of this Business Plan which started in December 2007 to October 2008, Ndwedwe Municipality has had three municipal managers in a period of less than a year. The first two municipal managers were suspended. For investors this frequent change of municipal managers has created a lot of uncertainty.

It was mentioned in the Status Quo report that of the seven senior managers, four were new in their positions. The Financial Director started in January 2008; other three senior positions were filled in at the beginning of February 2008. These positions are those of the Human Resources Manager, Economic Development & Planning Director and the Integrated Development Manager. The municipality has some engineering expertise in the form of two engineering technicians and one engineering technologist. The municipality will still need technical expertise to directly implement the business plan.

7.3. IMPORTING TECHNICAL EXPERTISE

Given the lack of technical expertise from the municipality to implement the business plan, it is recommended that a multidisciplinary team should be appointed to drive the implementation of the project. The multidisciplinary team should consist of the following professionals:

- Project and Construction Management
- Civil and structural engineering

- Electrical engineering
- Quantity Surveyor
- Architect
- Landscape Architect

The purpose of the team would be to prepare a detailed design of all projects identified in the business plan and approved for funding by the National Treasury. This will include the preparation of tender documents. This implementation team will report to the current project manager made available by National Treasury through the technical assistance funding. This approach will allow the municipality to buy the skills that are required for the implementation of the business plan.

7.4. POLITICAL CHAMPION

At a political level, the development of Ndwedwe Village will be championed by the Mayor. This process has already started with the mayor launching the project in October 2008. The political champion would be responsible for lobbying of other senior politicians such as ministers and MECs to make funds available to implement projects that are not likely to be funded by the NDPG.

7.5. EXTERNAL STAKEHOLDERS

Throughout the preparation of the business plan, various stakeholders have been identified and consulted. The external stakeholders refer to interested and affected parties who are not part of the municipality. Two institutional structures have been established in order to create appropriate forums for external stakeholder engagement. These were Project Steering Committee and Stakeholder Forum.

The Project Steering Committee (PSC) comprised of Ndwedwe Municipal officials, provincial departments, namely, Housing, Local Government and Traditional Affairs, Economic Development, and many others. It is our recommendation that the PSC continue through the implementation of the project. Representatives from various governments departments would assist the implementation team in making sure that projects identified in the business plan are aligned with other work that government is doing.

The broader stakeholder forum on the other hand represents other stakeholders who are essential in the successful implementation of the business plan, such as formal and informal businesses, Amakhosi, councillors, housing developers, representatives from various government departments located in the village. The Stakeholder Forum is chaired by the mayor. It is also recommended that this Forum continue through the implementation and post implementation of the business plan.

8. FINANCIAL FEASIBILITY AND ARRANGEMENTS

8.1. PROJECT BUDGETING

8.1.1 ENGINEERING SERVICES CLUSTER

The total budget for this cluster is R 107,444,362.48. The breakdown of the budget is depicted in the table below:

ENGINEERING SERVICES CLUSTER			
PROJECTS	CONSTRUCTION EXPENDITURE	PROFESSIONAL EXPENDITURE	TOTAL EXPENDITURE
Water Reticulation Network	R 8,732,222.11	R 1,135,188.87	R 9,867,410.98
Electricity Infrastructure Network	R 11,042,052.99	R 1,435,466.89	R 12,477,519.88
Sewerage Network	R 8,325,712.42	R 1,082,342.61	R 9,408,055.03
Village Link Roads	R 50,694,743.11	R 6,590,316.60	R 57,285,059.71
Ndwedwe Village Street Lighting	R 16,288,776.00	R 2,117,540.88	R 18,406,316.88
GRAND TOTAL	R 95,083,506.63	R 12,360,855.85	R 107,444,362.48

8.1.2 BUSINESS CLUSTER

The total budget for the business cluster is R 60,184,218.23. The breakdown of the budget is depicted in the table below:

BUSINESS CLUSTER			
PROJECTS	CONSTRUCTION EXPENDITURE	PROFESSIONAL EXPENDITURE	TOTAL EXPENDITURE
Small Business Incubators	R 16,592,380.69	R 2,157,009.49	R 18,749,390.18
Informal Sector Stalls	R 2,512,091.23	R 314,741.96	R 2,838,663.09
Village Market Place	R 20,129,452.20	R 2,616,828.79	R 22,746,280.98
New Bus and Taxi Rank for Ndwedwe Village	R 14,026,446.00	R 1,823,437.98	R 15,849,883.98
Land Lease from Ingonyama Trust	-	-	-
GRAND TOTAL	R 53,260,370.12	R 6,912,018.22	R 60,184,218.23

8.1.6 TRANSPORT AND ACCESS IMPROVEMENT CLUSTER

The total budget for the transport and access improvement cluster is R 5,228,212.05. The breakdown of the budget is depicted in the table below:

TRANSPORT AND ACCESS IMPROVEMENT CLUSTER			
PROJECTS	CONSTRUCTION EXPENDITURE	PROFESSIONAL EXPENDITURE	TOTAL EXPENDITURE
Ndwedwe Village Road Signage Project	R 1,592,680.32	R 207,048.44	R 1,799,728.76
Traffic Circles and Pedestrian Crossing on the P100	R 3,034,056.01	R 394,427.28	R 3,428,483.29
GRAND TOTAL	R 4,626,736.33	R 601,475.72	R 5,228,212.05

8.1.7 PROJECT FALLING OUTSIDE OF NDPG FUNDING

There are six projects that fall outside of the NDPG funding. Budgets have been prepared for four projects and the remaining two will rely heavily on private sector funding. The breakdown of the budget is depicted in the table below:

PROJECTS FALLING OUTSIDE OF NDPG FUNDING			
PROJECTS	CONSTRUCTION EXPENDITURE	PROFESSIONAL EXPENDITURE	TOTAL EXPENDITURE
Municipal Building Extension	R 12,261,602.37	R 1,594,008.31	R 13,855,610.67
Multipurpose Training Facility	R 30,225,786.07	R 3,933,252.19	R 34,189,038.25
Upgrade Ndwedwe Village Access Roads	R 60,811,430.40	R 7,905,485.95	R 68,716,916.35
Establish North South Link Road	R 72,394,560.00	R 9,411,292.80	R 81,805,852.80
GRAND TOTAL	R 175,693,378.84	R 22,844,039.25	R 198,567,418.07

8.2. FUNDING ARRANGEMENTS

ENGINEERING SERVICES CLUSTER		
PROJECTS	PRIMARY FUNDER	OPERATIONAL
Water Reticulation Network	NDPG	Dept of Technical Services
Electricity Infrastructure Network	NDPG	Dept of Technical Services
Sewerage Network	NDPG	Dept of Technical Services
Village Link Roads	NDPG	Dept of Technical Services
Ndwedwe Village Street Lighting	NDPG	Dept of Technical Services

BUSINESS CLUSTER		
PROJECTS	PRIMARY FUNDER	OPERATIONAL
Small / emerging Business Incubator	NDPG	Ndwedwe/Tenants
Informal Sector Stalls in Road Reserves	NDPG	Ndwedwe/Tenants
Village Market Place	NDPG	Ndwedwe/Tenants
New bus and taxi rank for Ndwedwe Village	NDPG	Ndwedwe
Land Lease from Ingonyama Trust	NDPG	Not applicable

CIVIC CLUSTER		
PROJECTS	PRIMARY FUNDER	OPERATIONAL
Municipal Building Extension	NDPG	Ndwedwe Municipality
Civic Centre / Meeting Hall (Public Information Center)	NDPG	Ndwedwe Municipality
Village Square (with open air amphitheatre)	NDPG	Ndwedwe Municipality
Public Ablution Facilities	NDPG	Ndwedwe Municipality
Development of Central Park	NDPG	Ndwedwe Municipality

PUBLIC ENVIRONMENT IMPROVEMENT CLUSTER		
PROJECTS	PRIMARY FUNDER	OPERATIONAL
Entrance Features	NDPG	Ndwedwe Municipality
Residential play parks	NDPG	Ndwedwe Municipality
Village Landscaping	NDPG	Ndwedwe Municipality
Village Street Furniture	NDPG	Ndwedwe Municipality

SPORTS DEVELOPMENT CLUSTER		
PROJECTS	PRIMARY FUNDER	OPERATIONAL
Outdoor sports complex	NDPG	Ndwedwe
Ndwedwe swimming pool	NDPG	Ndwedwe

TRANSPORT AND ACCESS IMPROVEMENT CLUSTER		
PROJECTS	PRIMARY FUNDER	OPERATIONAL
Ndwedwe and Ndwedwe Village Road Signage Project	NDPG	Dept of Transport
Traffic Circles and Pedestrian Crossing on the P100	NDPG	Dept of Transport

PROJECTS FALLING OUTSIDE OF NDPG FUNDING		
PROJECTS	PRIMARY FUNDER	OPERATIONAL
Municipal Building Extension	MIG	Ndwedwe
Multipurpose Training Facility	Dept. of Sport and Recreation	Ndwedwe
Upgrade of Ndwedwe Access Roads	DOT	Dept of Transport
Establish North South Link Road	DOT	Dept of Transport

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8.4. FINANCIAL ARRANGEMENTS

Below are tables indicating the projects, funders and committed funding contributing to the development of the Ndwedwe Village.

8.4.1 LOCAL MUNICIPALITY'S CONTRIBUTION

NDWEDWE MUNICIPALITY INVESTMENT (IDP PROJECTS: 2007/2012)		
INVESTMENT	FUNDER	COMMITTED FUNDING
Implementation Programme for Ndwedwe Village Spatial Plan	Other	R 2,000,000.00
Land Use Plan for Ndwedwe Village	other	R 500,000.00
Ndwedwe Waste Plan	Ndwedwe Municipality	R 100,000.00
Refuse Removal Services	Ndwedwe Municipality	R 210,000.00
Upgrading of Regional Sport Facility	National Lottery	R 935,675.00
Cemetery Site Establishment	Ndwedwe Municipality	R 500,000.00
Ndwedwe Tourism Development Plan	Ndwedwe Municipality	R 100,000.00
Identifying Agriprocessing Opportunities in Ndwedwe	Ndwedwe Municipality	R 30,000.00
Implementation of the Dube Tradeport Action Plan	Ndwedwe Municipality	R 150,000.00
ICT Hub for Ndwedwe	Ndwedwe Municipality	R6,200,000.00
Land for the Development	Ndwedwe Municipality	R850,000.00
TOTAL		R 11,575,675.00

8.4.2 PUBLIC SECTOR INVESTMENT

PUBLIC SECTOR INVESTMENT			
INVESTMENT	FUNDER	COST	STATUS OF PROJECT
Electricity Substation at Sonkombo	ESKOM/ DME	R 35 million	EIA submitted, awaiting approval
FET College	Department of Education	R 1 million	Completed
New Home Affairs Offices	Department of Public Works	R 5 million	Planning Stage
New Ilembe Water Offices	Ilembe District Municipality	R 2 million	Completed
New Public Library	Department of Arts, Culture & Tourism	R 5 million	Completed

Main Road to Ndwedwe P100	Department of Transport	R 200 million	Under construction
Mini-Factories	Department of Local Government and Traditional Affairs	R 4 million	Design Stage
Maphumulo-Ndwedwe Link Road Upgrade	Department of Transport	R 10 million	To resume in 2013
Dube Trade Port Action Plan	Department of Economic Development	R 300,000.00	Completed
TOTAL		R 262,300,000.00	

9. RISK ASSESSMENT AND MANAGEMENT

9.1. INTRODUCTION

This section of the business plan identifies the events and circumstances that could result in the projects within the various clusters not achieving their objectives. It is important that the identified pre-conditions are adhered to prior the implementation of all clusters.

9.2. ENGINEERING SERVICES PROVISION CLUSTER

PRE-CONDITIONS FOR IMPLEMENTATION

The pre-conditions for the implementation of the engineering services cluster include the following:

- Approval of the DFA prior to implementation
- Appointment of Design/Implementation Professional Team
- Approval of Engineering Designs

The above three points must happen before any implementation of the cluster could be realised.

RISK ANALYSIS AND RISK MITIGATION MEASURES

The following risks relating to the engineering cluster have been identified together with mitigation measures.

RISKS TO ENGINEERING CLUSTER PROJECTS	RISK MITIGATION
Failure by Ilembe District Municipality to provide bulk services.	Over and above the Services Agreement, the District should commit funds for the provision of bulk and link services.
Failure by Eskom to provide bulk electricity.	Written confirmation from Eskom committing to the provision of bulk electricity with clear timeframes.

Mitigation measures

IDENTIFICATION OF KEY SUCCESS FACTORS

The key success factors for this cluster of projects will be:

- Provision of infrastructure that will enhance the quality of life for people of Ndwedwe Village;
- Employment opportunities for local labour through the construction of infrastructure;
- Private sector investment in the business cluster as a result of infrastructure development thus making business sites viable.

9.3. BUSINESS DEVELOPMENT

PRE-CONDITIONS FOR IMPLEMENTATION

The following pre-conditions for implementation of the Business Cluster Development Project have been identified:

- Funding for the various components of the Business Cluster Development Project must be accessed;
- Buy-in of all stakeholders, specifically local and emerging businesses, forming part of the Business Cluster must be obtained; and
- Infrastructure in the area demarcated as the Business Cluster must be upgraded (planning and detailed design can however be initiated before development of infrastructure has been completed) – see comments below.

The first step in ensuring the establishment of this sector in Ndwedwe Village will be to provide adequate land for retail / business activities. This land must fulfil in a number of criteria including:

- Location in relation to transport infrastructure;
- Relatively flat land; and
- Appropriate size of land.

The existing layout plan (not final) makes provision for 3.7 hectares of land for commercial, business and office uses. Considering that a 10 000m² retail centre will require a land area of between 20 000m² and 25 000m² it is evident that land for retail will be limited.

Retail related challenges relating to the existing layout based on inputs received from developers were identified and brought to the attention of the project managers and planners. Key amongst these was the provision of a site of adequate size that can accommodate the requirements of an interested developer and the location of the taxi rank in close proximity to the retail area.

The layout plan for the Village was completed at the end of September 2008 where after a DFA application was submitted. It is anticipated that DFA approval will be achieved by early 2010 where after infrastructure construction will be initiated. It is not envisaged that any serviced sites will be available for occupation before the beginning of 2010.

RISK ANALYSIS AND RISK MITIGATION MEASURES

The following risks for the project and possibly risk mitigation measures have been identified.

RISK TO PROJECT	RISK MITIGATION
Appropriate funding is not accessed for developing the various components of the Business Cluster.	This will place the Ndwedwe Village project at risk. Alternative sources of funding must be identified.
Urban renewal in Ndwedwe Village fails to attract Ndwedwe Residents to make use of retail, wholesale and business services available in Ndwedwe.	Efforts to attract people to Ndwedwe Village must include the upgrading of access roads, improvement of public sector services, attracting residential development to the village etc.
Financial and human resources to maintain components of the business sector are not in place.	The Municipality must clearly illustrate how they would ensure that the capacity to maintain the various components of the Business Cluster is in place.
Components of the business cluster provided are not adequately utilised.	Plans must be developed by responsible officials as to how the various components of the business cluster will be efficiently utilised and what private sector funding can be accessed through utilisation of the various components.
The additional investment in the business cluster does not attract the anticipated private sector investment.	Private sector investment must continue to be actively pursued. Ensuring that infrastructure and basic facilities are in place will contribute to raising the level of interest of investors.

9.4. RISK MANAGEMENT: CIVIC CLUSTER DEVELOPMENT

PRE-CONDITIONS FOR IMPLEMENTATION

The following pre-conditions for implementation of the Civic Cluster Development Project have been identified:

- Funding for the various components of the Civic Cluster Development Project must be accessed;
- Infrastructure in the area demarcated as the civic cluster must be upgraded (planning and detailed design can however be initiated before the installation of infrastructure); and
- Buy-in of all stakeholders forming part of the civic cluster must be obtained.

RISK ANALYSIS AND RISK MITIGATION MEASURES

The following risks for the project and possibly risk mitigation measures have been identified.

RISK TO PROJECT	RISK MITIGATION
Appropriate funding is not accessed for public environment improvements.	This will place the Ndwedwe Village project at risk. Alternative sources of funding must be identified.
Urban renewal in Ndwedwe Village fails to attract Ndwedwe Residents to make use of upgraded and improved facilities.	Efforts to attract people to Ndwedwe Village must include the upgrading of access roads, improvement of public sector services, attracting residential development to the village etc.
Financial and human resources to maintain public environment improvements are not in place.	The Municipality must clearly illustrate how they would ensure that the capacity to maintain the public environment is in place.
Public facilities provided are not adequately utilised.	Plans must be developed by responsible officials as to how the public facilities will be efficiently utilised and what private sector funding can be accessed through utilisation of the facilities.

9.5. PUBLIC ENVIRONMENT IMPROVEMENTS

PRE-CONDITIONS FOR IMPLEMENTATION

Various preconditions for implementation have to be observed in order to ensure that all necessary requirements are in place prior to implementation. The preconditions include the following:

- Approval of the Business plan by National Treasury
- Verification of available budget per project
- Approval of the DFA application
- Procurement of the Design/Implementation Professional Team
- Approval of Detailed Designs of each project.

Observing the above preconditions will ensure that all necessary requirements are in place and eliminate possible hiccups.

RISK ANALYSIS AND RISK MITIGATION MEASURES

The following table presents possible risk to the Public Environment Improvement Cluster and potential mitigation measures.

RISKS TO PUBLIC ENVIRONMENT IMPROVEMENT CLUSTER	RISK MITIGATION
Failure by Eskom to provide bulk electricity to supply street lighting project.	Written confirmation from Eskom committing to the provision of bulk electricity with clear timeframes for upgrade or construction of new

	bulk infrastructure where necessary.
Unsuccessful attempts to secure adequate funding for public environment improvements.	Alternative source of funding must be identified.
Failure by Ndwedwe Municipality to maintain newly established facilities.	Ndwedwe Municipality to ensure that maintenance budget, the amount of which is reflected on the financial feasibility is secured each and every financial year.

9.6. SPORTS DEVELOPMENT CLUSTER

PRE-CONDITIONS FOR IMPLEMENTATION

The following pre-conditions for implementation of the Sport Development Cluster Projects have been identified:

- Funding for the various projects of the Sport Development Cluster must be accessed;
- Buy-in of all stakeholders forming part of the sports cluster must be obtained; and
- Upgrading and provision of infrastructure in the area demarcated as the sports cluster.

RISK ANALYSIS AND RISK MITIGATION MEASURES

The following risks for the project and possibly risk mitigation measures have been identified.

RISK TO PROJECT	RISK MITIGATION
Appropriate funding is not accessed for sports facilities provision.	This will place the sports development cluster project at risk. Alternative sources of funding must be identified.
Proposed development in Ndwedwe Village fails to attract Ndwedwe residents to make use of upgraded and improved facilities	Efforts to attract people to Ndwedwe Village must include upgrading of access roads, upgrading and provision of high order facilities, attracting residential development to the village etc.
Financial and human resources to maintain sport and recreation facilities are not in place.	Ndwedwe Municipality must clearly illustrate how they would ensure that the capacity to maintain the sport and recreation facilities is in place.
Sport and recreation facilities provided are not adequately utilised.	Plans must be developed by the responsible officials as to how the sports and recreation facilities will be efficiently utilised.

9.7. TRANSPORT AND ACCESS IMPROVEMENTS

PRE-CONDITIONS FOR IMPLEMENTATION

The following pre-conditions for implementation of the Transport and Access Improvement project cluster have been identified:

- Funding for the various components of the Civic Cluster Development Project must be accessed;
- Infrastructure in the area demarcated as the civic cluster must be upgraded (planning and detailed design can however be initiated before the installation of infrastructure); and
- Buy-in of all stakeholders forming part of the civic cluster must be obtained.

RISK ANALYSIS AND RISK MITIGATION MEASURES

The following risks for the project and possibly risk mitigation measures have been identified.

RISK TO PROJECT	RISK MITIGATION
Appropriate funding cannot be accessed from the NDPG for upgrading of Provincial roads.	The Department of Transport must be consulted and alternative funding sources should be considered.
Road improvements fail to attract the required number of users to Ndwedwe Village and only further support the movement of people for commercial purposes from the Municipality.	It is important that the public transport system in Ndwedwe be restructured to place substantially more emphasis on moving people to Ndwedwe Village as the Municipal Centre.

ANNEXURE A

TOWNSHIP LAYOUT