R115 million was invested in the construction of an intermodal transport facility, upgrading of public transport routes, a sports hub, SMME business park, taxi rank upgrade, landscaping as well as water infrastructure to support a multi-billion rand private retail and office development within the precinct. This precinct serves 660,000 people living in Inanda, Ntuzuma and Kwa-Mashu.

R56 million of NDPG funding was provided for bus and taxi transport facilities to connect the local population of 710,000 people to job opportunities and other amenities in Cape Town as well as the upgrading of the trading market and supporting infrastructure.

**Neighbourhood Development Programme, National Treasury, Tel: +27 12 315 5459**

http://ndp.treasury.gov.za
Neighbourhood Development Partnership Grant unlocks investments

Since 2006 the Neighbourhood Development Partnership Grant (NDPG) has been successfully funding neighbourhood development projects so as to improve the quality of life of residents in the targeted areas, generally townships.

The purpose of the grant is to fund, support and facilitate the planning and development of neighbourhood development programmes and projects that will be catalysts for further development in these areas. It is managed by the National Treasury. The estimated third party investment leveraged since inception using this approach already exceeds the R3.4-bn spent by the grant itself.

To date, the NDPG has worked with over 65 municipalities across all nine provinces and has resulted in 260 NDPG project plans approved, 179 completed (R2-bn transferred) and 81 projects are currently under way (with R1.2-bn transferred). The variety of projects identified, all stem from an extensive planning process by each municipality. The projects have resulted in the construction of roads and bridges, provision of street lights, building of multi-purpose centres, provision of public spaces and parks, sports precincts, informal trading stalls, transport inter-changes, non-motorised transport routes, pedestrian walkways and other community facilities.

During the 2011/12 financial year, the performance of the NDPG was evaluated and this evaluation resulted in a new strategy, known as the Urban Networks Strategy (UNS) which responds to the strategic role of urban centres in both achieving government outcomes and in taking direction from the National Development Plan, Vision 2030. The UNS aims to:

- Tackle unjust spatial development patterns directly
- Strengthen strategic spatial planning capacity
- Better coordinate the use of planning, regulatory and investment tools and strategies
- Integrate and leverage public transport, infrastructure, land and housing investments
- Use a spatial focus to target more public resources.

The Urban Networks Strategy provides a systematic approach to leverage private sector investment in strategic locations via a coordinated set of spatially targeted interventions, i.e. public infrastructure investment, urban management in targeted precincts and the application of financial, non-financial and regulatory instruments, such as development incentives and tax rebates for developers and investors. This is aimed at creating a network of strategically located centres of economic and social activity (mixed-use hubs) accessible to all communities via efficient public transport and well located land for new human settlements in activity corridors on the urban network. This is a critical intervention to reduce the cost of living, the cost of doing business and unlocking investment in marginalised areas to boost economic growth and job creation.

The UNS focuses on 18 urban municipalities (8 Metro's and 10 Secondary Cities) through the Cities Support Programme managed by the National Treasury. This programme helps cities improve their spatial planning, infrastructure financing and delivery, and is building the improved governance frameworks needed to manage the complexities of urban growth in a democracy.

Since 2013, there has been significant progress in terms of the implementation and roll out of the Urban Networks Strategy. Urban Network Identification Plans have been submitted by 7 metros and 10 secondary cities. Twenty-three urban hubs have been identified within townships as key anchors on the urban network. The Programme is currently working with each of the 18 urban municipalities to determine the priorities of urban infrastructure funding over the long term. Urban Hub precinct planning proceeds once the locations of urban hubs have been agreed to with municipalities. An Urban Hub Precinct Design toolkit has been completed for cities and urban planners to undertake integrated, sustainable and investor friendly precinct planning and design.

Case studies showing how the National Development Partnership Grant (NDPG) is changing the face of key areas

**1 Bara Square, Soweto**

Bara Square is 5ha city block located directly to the north of the newly upgraded Bara taxi rank at the gateway to Soweto. The investment objective was to create a people-centred development precinct focused on a high quality public environment in order to spur on high intensity development on Council-owned landholdings and on privately owned land. The NDPG provided R36 million for infrastructure, a new public park and trading facilities for street vendors. This public investment improved private sector confidence in the area and resulted in retail and commercial investment of more than R150 million. The 80,000 daily commuters and visitors of Bara Square also benefit from enhanced safety features.