



NC PSDF TOOLKITS | 16 – CAPITAL INVESTMENT FRAMEWORK TOOLKIT



SUSTAINABLE DEVELOPMENT TOOLKIT

This Toolkit serves as a standardized framework for the integration of capital investment strategies within the Provincial Spatial Development Framework (PSDF) of the Northern Cape Province. It aligns financial planning with spatial priorities, guiding municipalities to implement sustainable infrastructure projects that support long-term growth and development. This toolkit aims to standardise the Capital Investment Framework (CIF) and ensure a coherent approach across the province, aligning with SPLUMA requirements and best practices outlined by the Integrated Urban Development Framework (IUDF) and other national guidelines.

TOOLKIT INTENT

The toolkit's primary goals are to:

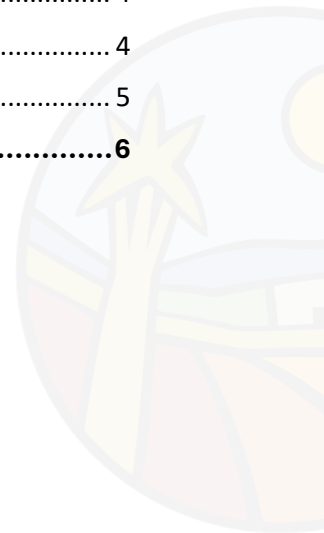
- Provide a uniform approach for capital investment across all municipalities, aligning with the PSDF's vision and priorities.
- Ensure that the CIF aligns with spatial development goals, bridging the gap between infrastructure needs and project readiness and sustainability.
- Foster a collaborative environment between provincial, district, and local municipal stakeholders, ensuring integrated planning and efficient use of resources.
- Support infrastructure projects that contribute to spatial equity, economic resilience, and environmental sustainability.
- Establish clear criteria for project selection, prioritization, and funding allocation based on strategic spatial objectives.

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1 INTRODUCTION

The Northern Cape, with its vast landscapes and unique economic profile, requires a strategic approach to capital investment that aligns financial resources with spatial development priorities. The PSDF identifies key growth areas and sets a roadmap for sustainable infrastructure investment across the province. This Toolkit guides on developing a standardized CIF to support municipal SDFs, ensuring that capital projects are well-planned, prioritized, and financially sustainable over the long term.

1.1 GENERAL FRAMEWORK FOR CAPITAL INVESTMENT

- The Capital Investment Framework (CIF) is a high-level, consolidated view of infrastructure investment needs in the Northern Cape. It aligns with the long-term financial planning objectives and integrates:
- Investments are guided by spatial objectives outlined in the PSDF, promoting equitable access to infrastructure and services across urban and rural areas.
- The CIF considers both the affordability of proposed projects and the potential revenue generation, ensuring sustainable municipal finances.
- The CIF harmonizes various municipal master plans (e.g., Water, Roads, Electrical Services) to ensure coherent infrastructure development.

1.1.1 SPLUMA

In accordance with the Spatial Planning and Land Use Management Act (SPLUMA) 2013, this Toolkit for the Capital Investment Framework (CIF) is designed to meet the specific requirements mandated under SPLUMA. The CIF serves as a strategic tool to support municipalities in aligning their financial and spatial planning processes, ensuring that infrastructure investment decisions are informed by the broader spatial development objectives outlined in the municipal and provincial spatial development frameworks (SDFs).

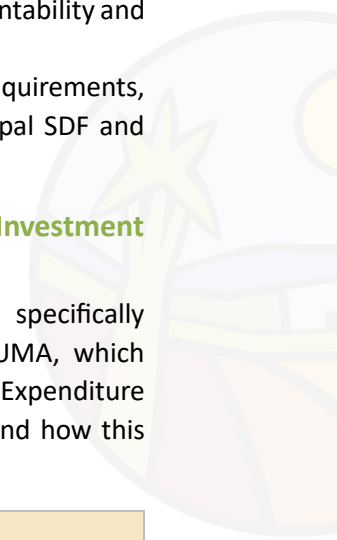
Aligning the CIF with SPLUMA requirements provides several key benefits:

- Integrating the CIF with the LTFP and MTREF budget supports sustainable financial management and efficient allocation of resources.
- By aligning capital investments with the SDF, the CIF ensures that infrastructure development supports spatial transformation and addresses historical inequalities.
- The CIF aligns with national frameworks, including the Integrated Urban Development Framework (IUDF), enhancing the municipality's eligibility for grant funding and other financial support.
- By including sector plan alignment, the template ensures that projects are consistent with sector-specific master plans, supporting integrated infrastructure planning.
- The inclusion of NCPS Registration Status provides a clear view of the project's progress in the planning system, enhancing accountability and transparency.
- The updated template fulfils SPLUMA Section 21(n) requirements, integrating capital expenditure planning with the municipal SDF and providing a spatial representation of prioritized projects.

1.1.1.1 SPLUMA requirements for the Capital Investment Framework (CIF)

The CIF Toolkit is aligned with SPLUMA requirements, specifically addressing the directives outlined in Section 21(n) of SPLUMA, which mandates that a municipal SDF must include a Capital Expenditure Framework. This section details the SPLUMA requirements and how this CIF Toolkit fulfils them:

SPLUMA Requirement	Toolkit Response -CIF Alignment
Capital Expenditure	The CIF includes a spatial representation of capital projects, aligned with the spatial objectives of the municipal SDF. It features a 10-year capital plan,



SPLUMA Requirement	Toolkit Response -CIF Alignment
Framework in the Municipal SDF	linking infrastructure projects with identified growth areas, nodes, and corridors, ensuring that projects are mapped and aligned with the SDF's priorities.
Long-Term Planning	The CIF integrates a 10-year Long-Term Plan, providing a framework for identifying infrastructure needs and forecasting future growth. It ensures that long-term financial sustainability is maintained by incorporating funding strategies and responsibilities.
Integrated Planning and Cross-Sector Alignment	The CIF emphasizes cross-sector integration, aligning with master plans such as the Water and Sewerage Plan, Road Network Plan, and Human Settlement Plan. This ensures coordinated planning across sectors, avoids duplication, and aligns infrastructure development with the broader spatial and financial strategies of the SDF.
Public Participation and Stakeholder Involvement	The CIF is to be aligned with the IDP review process. This ensures community input and consultation, integrating public feedback into project selection and prioritization. Provincial and national stakeholders are engaged to ensure alignment with broader strategic objectives and requirements.
Prioritisation of Projects and Strategic Spatial Targeting	The CIF uses a Project Prioritization Model linked to the Northern Cape Planning System (NCPS). Projects are assessed based on criteria such as alignment with PSDF goals, financial feasibility, and socio-economic impact. Priority is given to growth nodes, areas needing spatial transformation, and regions earmarked for economic development.
Monitoring, Evaluation, and Reporting	A Monitoring and Evaluation Framework is embedded in the CIF, utilizing the NCPS for tracking progress. Regular updates are provided to the Provincial Advisory Committee (PAC) and are

SPLUMA Requirement	Toolkit Response -CIF Alignment
	included in the IDP review. This ensures accountability, enables performance assessment, and allows for adaptive management based on changing conditions.
Compliance with SPLUMA Section 21(n)	The CIF meets the SPLUMA requirement for a Capital Expenditure Framework by integrating long-term planning with spatial development objectives, ensuring that capital projects are clearly defined, prioritized, and depicted spatially in alignment with the SDF. It bridges the gap between strategies and spatial planning needs.

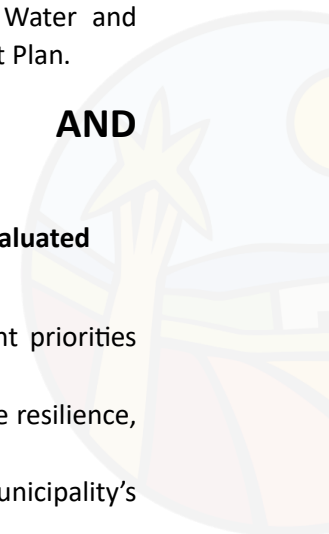
1.1.2 KEY COMPONENTS OF THE CIF

- A consolidated view of infrastructure needs and projects over a **10-year horizon**.
- Aligns with sector-specific master plans, including the Water and Sewerage Plan, Road Network Plan, and Human Settlement Plan.

1.2 PROJECT IDENTIFICATION AND PRIORITIZATION CRITERIA

To ensure the efficient allocation of resources, projects are evaluated based on:

- Projects must support the spatial vision and development priorities identified in the PSDF.
- Projects that promote environmental sustainability, climate resilience, and social equity are prioritised.
- Projects are assessed for affordability, considering the municipality's funding strategy.
- Priority is given to projects that address critical service delivery gaps, particularly in underserved areas.



1.3 PROPOSED CIF TABLE FORMAT

No	Project Name	District	Town	Project Value (R)	Department Responsible	Driver	Sector Plan Alignment	Priority	Time Frame	NCPS Score	NCPS Registration Status
NC087_1	Community-Based Tourism Guidelines Development	Province-wide	N/A	R 1,000,000	DALRRD, OTP, DAERL	Sustainable Tourism Development	Tourism Development Plan	Medium	2025-2026	N/A	Registered
NC082_2	Land Use Planning for Rural Areas	Province-wide	N/A	R 1,500,000	DALRRD, OTP, COGHSTA	Enhancing Rural Spatial Planning	Rural Development Plan	Medium	2025-2026	N/A	Pending Registration
NC061_3	Upgrading of Water Infrastructure in Growth Nodes	Frances Baard	Kimberley	R 5,000,000	DWS, Municipality	Infrastructure Resilience	Water and Sewerage Master Plan	High	2024-2025	High	Registered
NC045_4	Road Network Expansion for Industrial Access	Namakwa	Springbok	R 10,000,000	DOT, Municipality	Economic Growth and Connectivity	Road Network Master Plan	High	2024-2026	Medium	Under Review
NC078_5	Affordable Housing Development	ZF Mgcawu	Upington	R 15,000,000	COGHSTA, Municipality	Social Equity and Housing	Human Settlement Plan	High	2025-2027	High	Registered

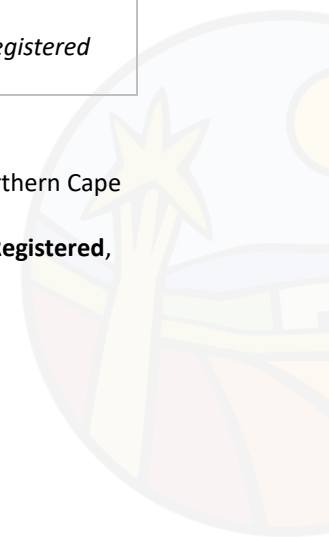
Table Column Descriptions:

- No:** Unique project number, following the format LMCode_No (e.g., NC087_1) – Dawid Kruijer example used
- Project Name:** Brief description of the project.
- District:** The name of the district municipality.
- Town:** The town or area where the project is located.
- Project Value (R):** Estimated project value in Rand.
- Department Responsible:** Primary department(s) responsible for project implementation.
- Driver:** Strategic alignment with PSDF priorities (e.g., Sustainable Tourism, Economic Growth).
- Sector Plan Alignment:** Indicates the relevant sector plan(s) that the project aligns with (e.g., Water and Sewerage Master Plan).
- Priority:** Importance of the project (Low, Medium, High).

10. **Time Frame:** Financial year(s) for project implementation.

11. **NCPS Score:** Evaluation score based on criteria from the Northern Cape Planning System.

12. **NCPS Registration Status:** Indicates whether the project is **Registered**, **Pending Registration**, or **Under Review** in the NCPS.



2 CONCLUSION

The CIF Toolkit for the Northern Cape Province is designed to meet the requirements of SPLUMA, providing a comprehensive, standardized approach to capital investment planning that aligns financial strategies with spatial development goals. By adhering to SPLUMA's directives, this toolkit ensures that infrastructure projects are well-planned, and financially sustainable, and contribute to the broader vision of spatial equity and sustainable development across the province.

This approach not only strengthens the municipality's planning processes but also enhances the credibility of the SDF, making it a robust guide for future growth and development.



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