

File: 19/24/11/B
Department of Local Government
(Directorate Local Government
Development)
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MINISTER JJ DOWRY

THE PREMIER

**THE NATIONAL URBAN RENEWAL PROGRAMME (URP) AND THE PROGRESS MADE
TOWARDS THE IMPLEMENTATION WITHIN THE KHAYELITSHA AND MITCHELL'S PLAIN
NODAL POINTS**

I support the attached draft resolution.

DIRECTOR-GENERAL

THE DIRECTOR GENERAL

1. PURPOSE
- 1.1 To inform Cabinet of the current status, progress and achievements on the national Urban Renewal Programme (URP) within the Khayelitsha and Mitchell's Plain Nodal Points.
- 1.2 To confirm the different roles and responsibilities of the Provincial Government of the Western Cape, the City of Cape Town and the national Department of Provincial and Local Government.
- 1.3 To confirm the role and responsibilities of the Premier in his capacity as provincial political champion for URP.

1.4 To confirm the delegated role and responsibility of the Provincial Minister of Local Government towards the URP.

2. MOTIVATION

2.1 URP entails the co-ordination of investment in economic and social infrastructure, human resource development, enterprise development, the enhancement of the development capacity of local government, poverty alleviation and the strengthening of the criminal justice system. Identified anchor projects contribute towards urban and economical renewal, social renewal and law enforcement.

2.2 The aim of the programme is to co-ordinate many complementary and competing initiatives in a node and to co-ordinate action in a node with reference to a whole range of spheres and sectors. Co-ordination is done in a holistic approach through the steering structures of the three spheres. The programme is focusing on giving people access to houses, clean water and sanitation, electricity, health and recreation facilities, roads, affordable and efficient public transport and other social infrastructure. URP has a number of pillars for example empowerment, integration, partnerships, identification of anchor projects and focusing on developmental local government.

2.3 In October 2000 the national Cabinet approved the Urban Renewal Strategy, as urban renewal initiatives were, up till then, driven by various institutions in a diverse and unco-ordinated fashion. On national level eight urban renewal pilot areas were identified. In the Western Cape **Khayelitsha and Mitchell's Plain** were identified as nodal points. With the implementation of projects during December 2001 / January 2002 the Urban Renewal **Strategy** became a **Programme**.

2.4 The national Department of Provincial and Local Government (DPLG) is the national co-ordinator of this programme. At present DPLG is finalizing a policy document on sustainable urban regeneration and growth to guide the Urban Renewal Programme.

- 2.5 From January 2002, DPLG established and chairs an Urban Renewal Forum (URF). This Forum meets monthly in Pretoria and comprises of representatives from national departments, some provinces, as well as urban nodal municipalities. The Western Cape Province is represented on this Forum by an official from the Department of Local Government. A further document yet to be finalised by DPLG is the Terms of Reference of the Urban Renewal Forum.
- 2.6 The Provincial Cabinet mandated the Department of Local Government on 22 May 2002 to act as the technical champion on provincial level. Whilst the Premier was appointed to act as political champion on provincial level. However the Premier delegates the day-to-day responsibilities to the Provincial Minister of Local Government and the Department of Local Government to act respectively as the political and technical champions on provincial level. On nodal level the mayor (Clr NC Mfeketo) and the municipal manager (Mr WA Mgoqi) of the City of Cape Town were respectively designated as political and technical champions.
- 2.7 It is important to note that there is currently three urban renewal related initiatives within the City of Cape Town, making it necessary for the City to appoint an Urban Renewal Programme Co-ordinator, who has drafted an interim institutional delivery framework to seek alignment between these three projects, namely the national Urban Renewal Programme, the German Programme (German Development Bank – Kreditanstalt fur Wiederaufbau) and the Cape Renewal Strategy (Provincial Programme). The German Programme and Provincial Programme have different focus areas as well as specific aims within the URP nodes. The German Programme is focused on the heavy end of renewal infrastructural projects, such as the provision of water, electricity, etc. Whilst the Provincial Programme is focused on the soft end of renewal infrastructural projects, such as graffiti removal, etc.
- 2.8 Over the last two years, several URP processes have taken place within and outside the City's operations, for example community summits. These processes had several obstacles to move forward for example lack of co-ordination, no clear political direction and limited financial commitment. Over the past two months there were three political champion meetings on the following dates, namely 3 March, 18 March and 14 April 2003.

The Executive Committee in the City recently established a sub-committee on Urban Renewal under the championship of the Mayor. The Strategic-Director: Service Delivery in the Mayor's office heads a Task Team of officials and other stakeholders who are developing the framework, guiding principles and institutional arrangements. This Urban Renewal Task Team consists of City officials, Province, Wesgro, Khayelitsha Development Forum (KDF), Mitchell's Plain Development Forum (MPDF) and the Provincial Development Council (PDC). The Task Team has been meeting three times between 3 and 18 March 2003. On 8 April 2003 the **Multi-Stakeholder Steering Committee** meet to do the necessary preparations for the forthcoming political champion meeting held on 14 April 2003. This Multi-Stakeholder Steering Committee consists of the City, Province, National, Private Sector, KDF, MPDF, Parastatals, NGO's, etc. To be co-ordinated and chaired by the Strategic director (service delivery, monitoring and evaluation) (See Annexure A).

2.9 At the political champion meeting of 14 April 2003 the identified **Quick Wins projects (2002/2003)** as well as the **Anchor projects (2003/2004)** for both Khayelitsha and Mitchell's Plain were approved. The Quick Wins projects will be financed with the dedicated Urban Renewal portion of the City's Equitable Share Fund. This allocation includes R8,851 million for Khayelitsha and R4,614 million for Mitchell's Plain in the 2002/2003 financial year. These funds must be spent by the end of June 2003. It is the National Government's intention in granting these funds to the City that they be used to support the development of the Urban Renewal Programme. The identified Quick Wins and Anchor projects for both Khayelitsha and Mitchell's Plain conform to the community needs and priorities (See Annexure B – E).

2.10 The different roles and responsibilities of the **KDF and MPDF** were as follow: Identify and articulate community needs; popularise the programme; ensure community ownership and participation in the programme; form part of structure driving URP within the City; be the voice of communities with regards to URP; Partner in development with various partners and role players; propagate for a people centred approach to development; mobilise resources; and education / training of members and the community.

- 2.11 The **City of Cape Town** has the following roles and responsibilities: Ensure incorporation of the URP into the IDP and its reflection in the municipal budget; Implementation of the programme and various projects in spirit of URP with special focus on sustainability; foster partnership with various partners and role players; play a developmental role; manage and drive URP; Drive (jointly with KDF and MPDF) project implementation; finalise business plans and secure adequate resources; Ensure community involvement in project identification and implementation; mainstream URP into core business of the City; avail and manage resources; overall monitoring and evaluation of the programme (with other spheres); make appropriate resource allocations; co-ordination role with guidance from DPLG and the IDP; Resource unlocking role at municipal level (various departments); lobby for resources from various provincial departments (re-direct existing funds); create awareness at a local level for all departments; ensure URP finds expression in IDP; and ensure the full participation of council political structures.
- 2.12 The **Provincial Government** has a co-ordination role with guidance from DPLG and the IDP; resource unlocking role at provincial level (various departments); lobby for resources from various provincial departments (re-direct existing funds); create awareness at a provincial level for all departments; ensure URP and CRS finds expression in the IDP; political intervention through the political cluster; drive service delivery, especially health and education; monitoring and evaluation; key link to DPLG with regards to upward reporting; direct support to the nodes; make and influence decisions on provincial resource allocation.
- 2.13 The **National Government** is responsible for policy and strategy formulation; direct support to nodes with regards to human and financial resources; lobby for additional resources to nodes; programme management; overall management performance monitoring; support to provinces and nodal municipalities; and sharing of national perspective.
- 2.14 A national document to clarify the roles of political champions, has materialized during March 2003 (See Annexure F).

- 2.15 A total amount of R300 000 000.00 was allocated by the Provincial Government of the Western Cape for the 2002/2003 financial year to the City of Cape Town, whilst the National grant allocations to the City of Cape Town for the 2002/2003 financial year was R216 000 000.00. However, these figures are only indicative of the general flow of funding from national and provincial government to projects in the City and is not yet aimed at the two nodes. It should also be noted that these figures are for the entire metropolitan area and not only the two nodes of Khayelitsha and Mitchell's Plain. The Department of Local Government is undertaking a study to determine the budget and funding commitments of each department within the Province for the 2003/2004 financial year; proposed projects and initiatives that will directly or indirectly benefit the nodes for the same financial year; as well as other plans that will support the two Western Cape Renewal Nodes.
- 2.16 Future plans and priorities for 2003 – 2005 are as follow: visible progress with implementation of anchor projects; compilation of a 10 year Business Plan for Khayelitsha and Mitchell's Plain; alignment of the Provincial budget regarding nodal projects; piloting approaches to inter-sectoral and inter-sphere planning, budgeting and implementation; establishment of the Provincial Inter-Departmental Task Team (PIDTT) via the Provincial IDP Assessment Committee; The signing of a Memorandum of Understanding (MOU).
- 2.17 This programme has had a slow start due to inhibiting circumstances. However, the last two months have seen vigorous intervention from national and provincial government to re-direct and stimulate the programme and to enhance the involvement of the nodal communities. These events and initiatives will lead the way towards greater performance with the implementation of the programme in the year ahead.

3. PERSONNEL IMPLICATIONS

The management and facilitation of URP has no personnel implications for the Province.

4. FINANCIAL IMPLICATIONS

The management and facilitation of URP has no new financial implications for the Province.

5. PRIORITY CLASSIFICATION

B-essential

6. OTHER DEPARTMENTS / INSTITUTIONS CONSULTED

The National Department of Provincial and Local Government

The twelve Provincial Departments

The City of Cape Town

Khayelitsha Development Forum

Mitchell's Plain Development Forum

7. COMMUNICATION ACTION

No action is required.

8. RECOMMENDATION

I recommend the adoption of the attached draft resolutions.

HEAD OF DEPARTMENT

DATE

Comments:

The contents in the memorandum has been noted.

CHIEF FINANCIAL OFFICER

DATE

The financial implications have been noted

HEAD: TREASURY

DATE

I concur with the legal contents of the memorandum

HEAD: LEGAL SERVICES

DATE

The contents in the memorandum has been noted.

DIRECTOR-GENERAL

DATE

The contents if the memorandum has been noted.

MINISTER JJ DOWRY

DATE

CERTIFICATE

THE NATIONAL URBAN RENEWAL PROGRAMME (URP) AND THE PROGRESS MADE TOWARDS THE STATUS AND IMPLEMENTATION WITHIN THE KHAYELITSHA AND MITCHELL'S PLAIN NODES

"I, the undersigned, do hereby certify that I have evaluated the submission and can advise the Accounting Officer that the request satisfies the following requirements:

- Within the relevant prescripts;
- That it can be accommodated within the approved budget framework;
- It supports the attainment of the Department's tabled strategic objectives and budget programmes;
- The submission is therefore in order."

CHIEF FINANCIAL OFFICER

DATE

CABINET MEETING.....

MINUTE NO. /2003

THE NATIONAL URBAN RENEWAL PROGRAMME (URP) AND THE PROGRESS MADE TOWARDS THE IMPLEMENTATION WITHIN THE KHAYELITSHA AND MITCHELL'S PLAIN NODES

(19/24/11/B

Local Government)

1. RESOLVED that:
 - 1.1 note is taken of the current status, progress and achievements of URP within the Khayelitsha and Mitchell's Plain Nodal Points.
 - 1.2 note is taken of the different roles and responsibilities of the Provincial Government of the Western Cape, the City of Cape Town and the national Department of Local Government.
 - 1.3 note is taken of the role and responsibilities of the Premier in his capacity as designated provincial political champion for URP.
 - 1.4 note is taken of the delegated role and responsibility of the Provincial Minister of Local Government towards the URP.

SECRETARY: CABINET

VERGADERING VAN DIE KABINET.....

MINUTE NO.

/2003

DIE NASIONALE STEDELIKE VERNUWINGSPROGRAM (URP) EN DIE VORDERING WAT GEMAAK IS TEN OPSIGTE VAN DIE IMPLEMENTERING VAN DIE KHAYELITSHA EN MITCHELL'S PLAIN NODALE PUNTE

(19/24/11/B

Plaaslike Regering)

1. **BESLUIT dat:**
 - 1.1 kennis geneem word van die huidige status, vordering en suksesse van URP binne die Khayelitsha en Mitchell's Plain Nodale Punte.
 - 1.2 kennis geneem word van die verskillende rolle en verantwoordelikhede van die Provinsiale Regering van die Wes-Kaap, die Stad Kaapstad en die nasionale Departement van Provinsiale en Plaaslike Regering.
 - 1.3 kennis geneem word van die rol en verantwoordelikhede van die Premier in sy kapasiteit as aangewese provinsiale politieke kampvegter vir URP.
 - 1.4 kennis geneem word van die gedelegeerde rol en verantwoordelikheid van die Provinsiale Minister van Plaaslike Regering met betrekking tot URP.

SEKRETARIS: KABINET

ROUTE FORM FOR MEMORANDUM TO CABINET

<u>POST DESIGNATION</u>	<u>NAME</u>	<u>INITIALS</u>	<u>DATE</u>
1. Director	Ms GM van der Merwe	.....	.....
2. Chief Director	Mr SP Naudé	.....	.....
3. Head of Department	Mr CO du Preez	.....	.....
4. Chief Financial Officer	Mr P Bredekamp	.....	.....
5. Head: Treasury	Dr JC Stegmann	.....	.....
6. Head: Legal Services	Adv E Pretorius (SC)	.....	.....
7. Director General	Dr GA Lawrence	.....	.....
8. Minister	Mr JJ Dowry	.....	.....
9. Secretary: Cabinet	Mr MC Ahmed	.....	.....
10. Director	Ms GM van der Merwe	.....	.....