

January 2011

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PPT Scope of Work: Rollout of Participative (Local) Economic Action Plans (PEAP) at Municipal Scale

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1. Overall Objectives at City Level

The overall objective is empowering local economic action plans which:

- build on local assets and resources
- can be implemented locally with limited outside intervention and support
- create a more enabling environment for both formal and informal economies
- do not rely primarily on the City to drive and fund (avoid dependency)
- maximize local enterprise & employment opportunities arising from public sector investments
- build local LED professional expertise and capacity
- are a replicable and scale-able.

2. Objectives / principles at precinct / settlement level

- 2.1. Promote a demand-led as opposed to supply-led economic development process which builds on and empowers local economic actors, encourages them to take the lead in planning and taking action, and which thereby promotes sustainability instead of dependency.
- 2.2. Mobilise and empower local economic stakeholders by means of improved knowledge and economic / enterprise relationships (including those stakeholders from both the formal and informal economy, but with a particular focus on the latter).
- 2.3. Assess and understand the local economy by means of a participative process.
- 2.4. Facilitate the formulation of practical, locally generated action plans by local people which can be taken forward by them.
- 2.5. Focus at all levels of the economy including: survivalist, micro-enterprise, small and medium enterprise, and industry (both formal and informal economies).
- 2.6. Facilitate broad-based participation (including the local community, local institutions and organizations, local and district municipality, the private sector, financial institutions etc).

- 2.7. Facilitate potential linkages between local informal economic actors, the established business, and other relevant stakeholders (e.g. financial institutions, funders, relevant government programmes etc).

3. **Overall Scope of Work (Summary)**

3.1. Programme Setup

- 3.1.1. Establish understanding and buyin within the City in respect of PEAP approach via internal workshops.
- 3.1.2. Establish programme steering committee (SC) with representatives of key relevant Departments.
- 3.1.3. Appoint programme manager / co-ordinator (PM).
- 3.1.4. Agree / confirm purpose and scope of PEAP.
- 3.1.5. Agree internal communication protocols (e.g. between SC and key Departments).
- 3.1.6. Procurement: a) agree / confirm scope of work and skills required for PEAP; b) procure necessary outsourced LED facilitation capacity (e.g. framework contract).
- 3.1.7. Induction / orientation of procured service providers.
- 3.1.8. Desktop assessment of all areas where informal settlement is located and definition of functional sub-zones / planning precincts (should preferably be as for participative LED planning).

3.2. Expanded Pilot Phase

- 3.2.1. Identify settlements for pilot phase (at least ten in number in a large Metro).
- 3.2.2. Issue task orders for service providers to undertake precinct profiles and PEAP for identified settlements.
- 3.2.3. Implementation of PEAP in targeted informal settlements (refer to section 3 for scope of work).
- 3.2.4. Feedback of PEAP results to SC, especially in respect of action implications for City.
- 3.2.5. Communication / feedback to key responsible Departments.
- 3.2.6. Monitoring of follow through by Departments by SC via PM.
- 3.2.7. Review of impact / effectiveness and recommendations on refinements to process by PM.
- 3.2.8. Decision by SC on process refinements.
- 3.2.9. Feedback workshops within City as to outcomes, learning and programme implications of PEAP for future 'delivery'.

3.3. Expanded Rollout

- 3.3.1. Develop time-table for up-scaled rollout taking into consideration housing, interim services infrastructure and other City programmes by PM. This needs to prioritise settlements for successive phases of implementation of PEAP (e.g. 40 settlements per phase in a large Metro).
- 3.3.2. Implement rollout plan.
- 3.3.3. Continue feedback and learning via SC and City learning workshops.

4. **Scope of Work for PEAP at Informal Settlement / Precinct Level**

(Responsibility of appointed service providers)

NOTE: Service providers should have an understanding of and utilize key selected principles from the following well known development frameworks: a) PACA (Participatory Process for Competitive Advantage); b) ABC (Asset Based Community Development); c) SL (Sustainable Livelihoods). They should play a strictly facilitative and non-interventionist role, creating an enabling environment within which local actors themselves can learn, explore and act.

4.1. Desktop local economic assessment:

The main purpose of this stage is to obtain base information to assist with the subsequent stages by means of desktop work.

- 4.1.1. Review existing LED documents and data to identify existing and potential economic activities and role players. This includes identifying existing LED strategies and initiatives for the areas, including those arising from IDP's, government programmes, and NGO / donor programmes.
- 4.1.2. Summarise key findings including implications for the focus and emphasis of the participatory planning process to follow.
- 4.1.3. Commence mapping of institutions / organisations already involved in the areas, including local grassroots institutions / organizations (with the participation of the other LEAP team members). This process will be continued in the subsequent stage.
- 4.1.4. Provide feedback the Project Manager (PM) / Project Steering Committee (SC) and other team members.

4.2. Preparation and initial engagement

The main purpose of this stage is to identify and mobilize local LED roleplayers ahead of the next stage of the project by means of direct interactions with local role-players.

- 4.2.1. Undertake site visits to the targeted areas.
- 4.2.2. Continue the institutional mapping commenced above and invite support institutions to attend relevant workshop sessions as appropriate.
- 4.2.3. Identify and mobilize key role-players within the local economy as well as any support organisations that exist in respect of participating in mini-workshops and interviews during the next stage.
- 4.2.4. Identify and brief the main 'gatekeepers' such as councilors, amakosi, local and district municipal officials, existing NGOs, etc.
- 4.2.5. Provide feedback and reports to the PM and SC.

4.3. Information gathering and planning (via participative assessment workshops)

The purpose of this stage is to collect information and where possible to do so in a way that enables participants to learn from each other and 'discover things together'. It also offers an opportunity to identify role-players or institutions that may not have been identified so far.

- 4.3.1. Arrange a workshop event to launch the process to which local role-players and participants are invited.
- 4.3.2. Undertake a series of participative workshops, mini-workshops and interviews in each area which, amongst other things, identify obstacles to growing and starting an enterprise and consider what local people could do address some of them by acting together.
- 4.3.3. If possible, train and utilize local community representatives as part of process (eg: as fieldworkers and / or local co-ordinators). *Note: Should you elect to make use of local field workers / co-ordinators on a paid basis then you are required to liaise with PPT in advance as to the availability of budgets for basic stipends).*
- 4.3.4. Identify and comment on the entrepreneurial skills that exist within the area.
- 4.3.5. Provide feedback where necessary to PPT, SaveAct and other members of the LEAP team to assist in the process design for other project activities (eg: via periodic emails)¹.

4.4. Analysis of findings & formation of draft action plans

The main purpose of this stage is for the project team to produce draft action plans based on the information and findings from the previous stage.

- 4.4.1. Review and analysis of information and findings flowing from the previous stage by the participatory planning team and formulation of draft action plans (these should be initiatives / activities that people will want to get involved with, that make use of readily available resources and that yield at least some tangible results in 3-6 months).

4.5. Feedback and action planning event

The main purpose of this stage is to inform local stakeholders of the information obtained, and to draft action plans, agree action items, and form action teams.

- 4.5.1. Facilitate a feedback event (workshop) at which key findings and proposals are presented to all interviewees, mini-workshop participants and support institutions. This needs to include the following elements:
 - Presentation of results of previous stage and draft action plans presented and acquisition of feedback / amendments.
 - Introduction by possible resource organisations - including other LEAP participants - and during a break in proceedings offer information on how they might support local initiatives by means of an "information fair".
 - Facilitation of agreement on priorities for action².
 - Facilitation of action teams around specific proposals. *Note: Where necessary, additional brief "way forward" workshops might be required.*

¹ It being noted that the design of other project activities will in part be informed by the findings of this process and that most other project activities commence *prior* to the finalization of the participative action plans.

² These actions might include the setup of information sharing opportunities or an "information fair" where various service providers and entrepreneurs can present themselves and exchange information.

4.6. Action mentorship

Note: The main purpose of this stage is to provide support to local people in order to enable them to take responsibility for managing their own initiatives. Occasional facilitation over a period of six months or so can add considerable value in building the capacity and confidence of action teams. It is at this stage that the participative process has the potential to link most strongly with the other elements of the LEAP programme (eg: action teams may be formed to organise business skills or permaculture training).

4.6.1. Provide *ad hoc* support to participants in implementing action plans and in facilitating linkages between the PEAP process and other elements of the programme (synergies identified).

4.7. Reporting: You should complete a short progress report (one for each target area) on the completion of 3.2 and 3.3 above (the latter being a project closeout report). Your reports should contain the following:

4.7.1. In respect of *local economic development issues*:

- Main difficulties / challenges encountered and how they were either rectified / addressed.
- Main successes as well as and synergies between project components achieved.
- Lessons learned and future improvements that could be made.
- Any additional development opportunities / key issues that may have arisen³.
- Your final report should also encapsulate the action plans formulated, key findings and recommendations from the team.

4.7.2. In respect of *record keeping and monitoring*:

- Progress against result indicators (both those specified in overall project logframe as well as those contained in the M&E framework for this component of the project which might be more detailed).
- A record of project activities undertaken.
- Minutes / records of meetings and workshops.
- Signed attendance registers of workshops and meetings.
- Photographs of project activities (eg: workshops, draw cards) and of local economic activities where available / relevant.
- Names and contact details of individuals and organizations engaged with.

4.8. Inputs / scope of work:

4.8.1. SETUP: Establish communications with local community leadership. By means of an initial community meeting / workshop: a) sensitize the community as to the objectives and nature of the livelihoods approach, the participative action plans, and the intended delivery of

³ Eg: Any additional catalytic / strategic LED actions falling beyond the scope of the above actions plans for action by other parties such as local or provincial government.

interim services b) obtain community buyin; c) identify key issues in terms of needs, vulnerabilities, local assets (especially human capital), and existing activities.

4.8.2. **PARTICIPATIVE WORKSHOP TO IDENTIFY KEY SECTORS:** By means of an initial participative workshop, assist local residents to identify key 'sectors' / areas of need such as: basic infrastructure, fire protection, special needs (e.g. home based care), creches informal enterprise, urban agriculture, solid waste disposal etc. Typically there will be local groupings with particular interests in these 'sectors'.

4.8.3. **PARTICIPATIVE ACTION PLANNING WORKSHOPS:** By means of a series of follow up participative workshops / mini-workshops in the prioritized 'sectors' (typically one mini-workshop per 'sector'), assist participants to define a simple plan of action which clearly defines: a) key community roles and responsibilities (i.e. what local people can do to support / enable / maximize these investments⁴ as well as what additional community actions independent from government investment can be taken); b) key external actions or support by government or other actions which could assist (e.g. investment, training, information and knowledge resources, extension officers, infrastructure etc). One of these sector plans needs to identify (potential) priority basic infrastructure interventions for further assessment and consideration. It is desirable that personnel from the Municipality's infrastructure department participate in the participative sector workshop on infrastructure.

4.8.4. **FOLLOW UP SUPPORT ON ACTION PLANS:** Where necessary facilitate meetings / interactions with key Municipal or other Government Departments / officials in respect of the plans and where necessary / appropriate amend / update the plans. Undertake follow up interactions / mini workshops to support local people in following through on plans, identifying and resolving obstacles, and implementing them.

4.9. **Outputs:** Short process report on the above stages. Practical action plans for identified sectors, including one focusing on (potential) basic infrastructure. Attendance registers.

4.10. **Human resource requirements:** Experienced facilitator with livelihoods experience.

4.11. **Budgetary requirements:** R40,000 to R50,000 per settlement (between 10 and 20 days of the facilitator's time - presumed daily rate ranging from R2,400 to R4,000).

5. **Scope of Work**

Please note that, in executing the scope of work outlined below, the appointed service provider is required to:

- *Work in consultation with the Project Manager and any other members of the project team.*
- *Work closely with local community structures and representatives of the local municipalities and relevant government departments where required.*
- *Ensure that project activities strengthen and support existing grassroots organizations and local institutions where they exist.*
- *Attend project team meetings when required (these will usually occur every two months).*
- *Ensure that EU Gijima and NDA requirements are addressed in respect of a) branding and visibility; b) procurement – information in this regard must be obtained from PPT.*

Annexure A: PPT-Prepared Preliminary Concept in Powerpoint Format

Participative Local Economic Development Plans:

eThekwini Municipality

April 2011

Main Objectives

Facilitate empowering LED plans which:

- build on local assets and resources
- can be implemented locally with limited outside intervention and support
- create a more enabling environment for both formal and informal economies
- do not rely primarily on the City to drive and fund (avoid dependency)
- maximize local enterprise & employment opportunities arising from public sector investments
- build local LED professional expertise and capacity
- are a replicable and scale-able approach not just for eThekwini but elsewhere

A Ground-Breaking Opportunity

- Ground-breaking opportunity for eThekwini to demonstrate for the 1st time via a substantial and systematic City-wide programme how good LED practice can be successfully applied.
- Given the positioning and credibility of eThekwini, the potential for this to bring about a significant change in the national change approach should be appreciated (refer to recent 'replicating' success of Interim Services Programme)

International Good Practice & Pre-requisites

- Move to a different 'mode' of LED which is not primarily about projects and government funding but about creating a more enabling environment for local LED actors to 'do it for themselves'
- Strong focus on local participation and locally driven processes
- Local actors are empowered to make decisions through a facilitated process
- Ongoing process over a year or more (vs a once off intervention)

Detailed Scope: Sub-Zone level - development of participative local economic development plans

- Inception workshop(s) to create understanding of the purpose of the participative LED planning process, roles and responsibilities, what it is not
- Sector / issue / group definition workshop(s) to identify key groups of stakeholders who can be engaged in more detail around specific issues or 'sectors' (e.g. small scale informal retail; fresh produce producers; local contractors etc)
- Participative sector / theme planning workshops - usually at least two required:
 - First for probing issues, role-players, and possibilities (people discover and understand local assets and opportunities for themselves through a facilitated process)
 - Second to define practical actions which can be taken; define roles and responsibilities (chiefly focusing on what local actors can do for themselves and in concert with each other - but also potentially helping to guide eThekweni and other strategic investments and how to include local enterprise / skills / labor in related procurements)

Detailed Scope: Sub-Zone level - development of participative local economic development plans (continued)

- Follow through support / mentorship / coaching for local stakeholders in implementing plans (monitor progress, local actors understand problems and solve them, feedback, where appropriate play facilitative role in overcoming challenges)
- Local empowerment – capacitate and empower local people / actors (formal and informal) – essential as part of the above

Detailed Scope: Zone Level – Building LED Capacity

- Identify and capacitate local 'champions' as part of the process; build their capacity through mix of training and mentorship / coaching to play active local co-ordinating and problem solving role
- Build local institutional support – e.g. association of informal traders or local small veg. growers etc
- Capacitate and empower people in existing leadership positions (e.g. Tourism Association, informal trader etc)
- Build municipal LED capacity - identify a few existing municipal personnel or if none available then recruit from local areas to learn to become LED facilitators – bear in mind that this is an ongoing process

Detailed Scope: Learning & Feedback Loop

- Review
- Make improvements
- Disseminate learning / precedent including to other Metros and Municipalities

Precedent for the Approach

- S.A – growing precedent:
 - PPT– successful Participative Action Plans and LED extension work in many localities
 - LED Network (SALGA-hosted)
 - Aspire Amatola Development Agency (E London)
 - Inner city PE
 - International:
 - New Zealand example – Community Employment Group successful in 80's and into 90's in reducing unemployment
 - ABCD Institute in US;
 - SEWA in India;
 - Coady Institute approach applied in India.
- ...Yet in SA we often persist in doing LED the 'wrong way'

Detailed Scope: Programme level - Setup

- Orientation workshops with key municipal personnel and selected LED practitioners to build consensus on the approach, exchange ideas, better understand such key issues as 'what is LED' and 'how does one work with and support the informal economy
- Establish municipal level Steering Committee – high level structure (e.g. meets every two months to monitor progress)
- Assign municipal project manager with access to advisory support
- Consider establishing a reference group
- Develop procurement and human resource strategy (e.g. one team per zone vs panel of LED practitioners; in house existing eThekweni personnel and / or local community facilitators who can be mentored and capacitated)
- Consider donor co-funding potential
- Procure for 6 pilot zones

Detailed Scope: Programme Level – Knowledge Exchange

- International - bring in experts / practitioners from outside for knowledge exchanges (see above)
- SA LED network now hosted by SALGA
- Durban Chamber of Business
- etc

Detailed Scope: Zone Level – Desktop Appraisals & Identification of Optimal 'Points of Entry'

- Desktop appraisal and site visits to map: existing economic activities; economic hubs; key elements of IDP / local strategies and spatial plans which are relevant
- Division of each zone into workable / functional / manageable geographic LED planning units / pre-cincts based on local economies / where people have things in common (a zone is too big as a single LED planning unit)
- Local stakeholder identification - main sectors, local actors
- Identify starting points for initiation (those LED planning units most 'ready' / opportune).

International Good Practice & Pre-requisites (continued)

- Move away from supply orientated top down approach to demand orientated bottom up approach
- Respect local decisions / choices even when unexpected
- Resist historical expectations for the City to 'just do it for us'
- Avoid offers of public investment early in the process as it creates 'distortions'

Key International Tools & Frameworks

- ABCD = Asset Based Community Development
- PACA = Participative Appraisal of Competitive Advantage
- SL = Sustainable Livelihoods

Summary Scope – Main Elements

- Programme level - setup including knowledge exchanges
- Zone level - desktop appraisals & identification of optimal 'points of entry'
- Sub-Zone / precinct level - development of participative LED plans focusing on both formal and informal economy
- Zone level – building LED capacity
- Learning and feedback loop

Time-frames

Ideal to programme over two to three years with bulk of work in phase 1, limited follow through in subsequent years.

- Year 1: Programme setup, zone level assessments and 'entry', precinct level participative LED action plans, commence with implementation of plans, active follow through, build local LED capacity
- Year 2 / 3: Mentoring and problem solving w.r.t. implementation of plans, monitoring, impact evaluation, learning & feedback

Annexure B: Summary PPT Profile

For more information please refer to www.pptrust.org.za or to PPT's Organisational Brochure

Core Function

Project Preparation Trust of KwaZulu Natal is an independent public interest organization with more than 17 years experience in the preparation of a range of developmental projects for disadvantaged communities and in mobilizing capital funding and other resources for them. PPT has a particular focus on the poorest of the poor and those in special need such as people residing in highly marginalized rural communities or urban informal settlements, vulnerable children, or those affected by HIV/AIDS. In many instances the projects with which PPT is involved are innovative pilots, which test new and improved development solutions and approaches. PPT was registered with the Master of High Court in 1993, the year before the election of South Africa's first democratic government. PPT is a registered not-for-profit organization.

Programme Focus

PPT is involved in a range of mutually supporting developmental programmes and wherever possible pursues a holistic and integrated approach:

- *Economic development, sustainable livelihoods and poverty alleviation* - including training and support for micro-entrepreneurs, participative local economic action planning, food gardens, and fruit tree planting.
- *Low income housing* – at scale and including settlement planning and related infrastructure.
- *Infrastructure* - basic infrastructure (e.g. water supply, sanitation, road access) as well as bulk infrastructure (e.g. water & sewer mains, sewer & water treatment upgrades)
- *Informal settlement upgrading* – full upgrading (full services, housing & title) or interim basic services (e.g. rudimentary water supply, sanitation, access roads, solid waste disposal).
- *Special needs housing and HIV/AIDS relief* – such as community care homes for orphans and vulnerable children and accommodation for the chronically ill or those with disabilities.
- *Integrated development planning* at the local level.
- *Sustainable energies* – appropriate energy products for poor households such as small photovoltaic systems, solar water heaters, gel fuel, small wind turbines and solar cookers.
- *Skills transfer and capacity building* - including the transfer of project preparation skills to government and the capacitation of grassroots organizations.

- *Policy and strategy work* – typically provided to various spheres of government to create more conducive conditions for development and informed by PPT’s extensive project-level experience.

Impact and Achievements

Capital leveraged: The projects PPT has prepared have resulted in R1.24 billion in capital funding being leveraged for over 65,000 disadvantaged households in 140 pro-poor development projects. The projects include housing and infrastructure, special needs housing and HIV/AIDS relief, pro-poor local economic development, sustainable energies and capacity building and skills transfer.

Projects under preparation: PPT is currently preparing 160 projects benefiting over 220,000 households with a projected capital value of R1.68 billion.

Gearing: The effectiveness of PPT's focus on project preparation is evident in the high gearing it achieves on both its operating overheads and the preparation funds utilized when measured against the capital leveraged. There is also additional and un-quantified gearing which relates to such benefits as improvements in people's quality of life, livelihoods, income generation and operating funds flowing into projects.

Services

PPT operates primarily as a management core which assists its community, government and donor clients in managing project preparation in an effective, systematic and participative manner. This typically includes managing project funding, assessing and pre-screening candidate projects, briefing and managing professional project teams (whether private sector or NGO based), ensuring broad stakeholder participation and troubleshooting to resolve challenges. In capital intensive projects this typically also includes managing pre-feasibility and feasibility studies and submitting and following through on applications for implementation funding. In executing these services, PPT ensures the support and participation of all key stakeholders including the beneficiary community, local municipality, key government departments, and project funders. PPT also provides selective training, capacity building and policy services.