



SAFER PLACES:  
RESILIENT INSTITUTIONS AND  
NEIGHBOURHOODS TOGETHER

# SPRINT

## FUNDING AREA-BASED VIOLENCE PREVENTION INTERVENTIONS: AN EXAMINATION OF THE CONDITIONAL GRANT SYSTEM

**AUGUST 2021**

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South Africa's National Development Plan (NDP) recognises that safety and security are "directly related to socio-economic development and equality" and require an environment "conducive to employment creation, improved educational and health outcomes, and strengthened social cohesion." It argues further, safety involves the criminal justice system, local government, community, and private sector and role players involved in economic and social development". Area-based violence prevention interventions (ABVPI) represent a development approach that seeks to address these divergent crime and violence risk factors from an individual, community and structural perspective in an integrated and community centred manner. While it is understood that ABVPI does not always require additional resources, most initiatives involve targeted investments in capital infrastructure, services or training which require funding. The purpose of this document is to explore which sphere or spheres of government are responsible for funding ABVPI initiatives, and to identify potential sources of public funding for ABVPI.



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# PREFACE

The task of building safer and more resilient communities in South Africa is a complex and challenging one. Severe inequality, high levels of youth unemployment, abuse of alcohol and drugs, rapid urbanisation and poor health and education outcomes all contribute to an environment of risk and vulnerability to crime and violence. Violence and crime stem from a complex web of risk factors. South Africa has developed a progressive and enabling policy framework for crime prevention as articulated across the Constitution, the White Paper for Safety and Security (WPSS), the Integrated Urban Development Framework (IUDF) and the recent National Strategic Plan for Gender-Based Violence and Femicide (NSP GBVF) and others. Despite this, violence prevention is not systematically and holistically prioritised and criminal justice-focused responses are still predominant.<sup>1</sup>

The COVID-19 pandemic has had a devastating impact on many communities in South Africa. Consequently, social cohesion is even more at risk, which might amplify risk factors for increased violence and crime. The pandemic has exacerbated already extremely high rates of crime and violence endemic in vulnerable communities and it is clear that inequality affects availability, access and quality of services.

The Safer Places: Resilient Institutions and Neighbourhoods Together (SPRINT) Project is a joint initiative of the South African German Development Cooperation with the support of the GIZ – Inclusive Violence and Crime Prevention (VCP) Programme, implemented by Isandla Institute and Violence Prevention through Urban Upgrading (VPUU NPC). The initiative was initially conceptualised in 2020 in response to the COVID-19 pandemic, with the aim to assist communities across the country to build resilience in a context of precarious social cohesion and risk factors for increased violence and crime.<sup>2</sup>

Isandla Institute would like to thank Carmen Abdoll and Conrad Barberton of Cornerstone Economic Research for writing this document.

**The SPRINT Project has two distinct, but inter-related, pathways to achieve this:**

- A **Learning Network**, which consists of a civil society organisations (CSOs) from a cross-section of sectors, and creates opportunities for peer exchanges resulting in learning and advocacy documentation.
- A **Laboratory**, which involves capacity-building processes with participating municipalities and local CSOs, and focuses on co-designing and implementing practical, area-based solutions to violence-related challenges.

Through these interventions, the SPRINT Project works towards the long-term vision of effective area-based violence prevention interventions (ABVPI) integrated into the development and management of vulnerable urban communities, including informal settlements.

**Three critical areas of advocacy have been identified:**

- 01** Embedding ABVPI in informal settlement upgrading
- 02** Resourcing for ABVPI
- 03** Activation as a key entry point for creating sustainable and inclusive safe places

This output speaks to the second topic, “Resourcing for area-based violence prevention interventions”.

# LOCAL GOVERNMENT’S ROLE IN SAFETY AND VIOLENCE PREVENTION

**Provisions in the Constitution of the Republic of South Africa 1996 describing the objectives, developmental duties and powers and functions of municipalities give them an explicit mandate to promote social and economic development, promote safe and healthy environments, and encourage the involvement of communities in matters of local government. As will become evident in the next section, all the constitutional provisions highlighted below cover key elements of ABVPI. Municipalities therefore need to play an integral role in facilitating ABVPI.**

**Objectives of local government:**

- 152.** (1) The objects of local government are –
- (a) to provide demographic and accountable government for local communities;
  - (b) to ensure the provision of services to communities in a sustainable manner;
  - (c) to promote social and economic development;
  - (d) to promote a safe and healthy environment; and
  - (e) to encourage the involvement of communities and community organisations in matters of local government.
- (2) A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

**Powers and functions of municipalities:**

- 156.** (1) A municipality has executive authority in respect of, and has the right to administer –
- (a) the local government matters listed in part B of schedule 4 and part B of Schedule 5; and
  - (b) any other matter assigned to it by national or provincial legislation.
- (2) A municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.

**Developmental duties of municipalities:**

- 153.** A municipality must –
- (a) structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
  - (b) participate in national and provincial development programmes.

<sup>1</sup> SPRINT Brochure (2020) p.1

<sup>2</sup> Knowledge Management across the Field of Violence Prevention within the South African-German Development Cooperation; National Treasury, BMZ (2020) developed a series of booklets aimed at sharing the collective knowledge about violence prevention to facilitate the institutionalisation, upscaling, adaptation of, and fostering of synergies amongst, successful violence prevention approaches.

Part B of Schedule 4 and Part B of Schedule 5 of the Constitution are set out in the table below. These Schedules list matters that municipalities are responsible for, many of which are directly relevant to safety and violence prevention, and specifically ABVPI, as highlighted.

As will become apparent in section 3 below, national and provincial departments and entities may also have roles to play with regards to ABVPI – depending on what the initiative is prioritising. This highlights the need for strong co-ordination between different government role-players in implementing ABVPI.

Certain municipal role-players have asked whether ABVPI is an unfunded mandate for local government? This question needs to be answered in two parts:

a. *What is the definition of an unfunded mandate?*

Section 35 of the Public Finance Management Act 1 of 1999 defines unfunded mandates in relation to provincial government. Applying the logic of this definition, an unfunded mandate for local government arises when the following two conditions are met:

- i. When national or provincial legislation assigns to local government an additional function or power, or imposes any other obligation that falls outside of their constitutional responsibilities; and
- ii. When national or provincial government do not provide local government with the funding required to perform the additional function, power or obligation assigned by the legislation.

At present there is no national or provincial legislation that requires municipalities to implement ABVPI.

Therefore, based on this strict definition the issue of ABVPI being an unfunded mandate is hypothetical.

b. *Does ABVPI fall within the mandate of local government?*

It is clear that in terms of sections 152, 153 and 156, read with Schedules 4B and 5B of the Constitution, municipalities are responsible for the core activities that fall within the scope of ABVPI, including the general approach of encouraging the involvement of communities. Consequently, ABVPI is not an unfunded mandate for local government. This would be the case even if national or provincial legislation required municipalities to adopt ABVPI in undertaking area-based upgrading initiatives, since such legislation would not be imposing an additional responsibility on local government. It would only be regulating how municipalities undertake their existing constitutional responsibilities, which national and provincial government are empowered to do in terms of section 155(6) of the Constitution.

So, to conclude, ABVPI is NOT an unfunded mandate for local government. Rather, ABVPI represents a good practice approach for how municipalities should be carrying out their constitutional responsibilities when it comes to providing municipal services to communities, promoting social and economic development, and ensuring safe and healthy environments.

**TABLE 1: MATTERS LISTED IN PARTS B OF SCHEDULES 4 AND 5 RELEVANT TO ABVPI**

Part B of Schedule 4	Part B of Schedule 5
<ul style="list-style-type: none"> <li>• Air pollution</li> <li>• Building regulations</li> <li>• Child care facilities</li> <li>• Electricity and gas reticulation</li> <li>• Firefighting services</li> <li>• Local tourism</li> <li>• Municipal airports</li> <li>• Municipal planning</li> <li>• Municipal health services</li> <li>• Municipal public transport</li> <li>• Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law</li> <li>• Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto</li> <li>• Stormwater management systems in built-up areas</li> <li>• Trading regulations</li> <li>• Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems</li> </ul>	<ul style="list-style-type: none"> <li>• Beaches and amusement facilities</li> <li>• Billboards and the display of advertisements in public places</li> <li>• Cemeteries, funeral parlours and crematoria</li> <li>• Cleansing</li> <li>• Control of public nuisances</li> <li>• Control of undertakings that sell liquor to the public</li> <li>• Facilities for the accommodation, care and burial of animals</li> <li>• Fencing and fences</li> <li>• Licensing of dogs</li> <li>• Licensing and control of undertakings that sell food to the public</li> <li>• Local amenities</li> <li>• Local sport facilities</li> <li>• Markets</li> <li>• Municipal abattoirs</li> <li>• Municipal parks and recreation</li> <li>• Municipal roads</li> <li>• Noise pollution</li> <li>• Pounds</li> <li>• Public places</li> <li>• Refuse removal, refuse dumps and solid waste disposal</li> <li>• Street trading</li> <li>• Street lighting</li> <li>• Traffic and parking</li> </ul>

3 National Planning Commission, 2012. National Development Plan. See page 405.

# THE CONTENT OF AREA-BASED VIOLENCE PREVENTION INITIATIVES

What types of activities or outputs are typically covered by ABVPI? The short answer is: "It depends on the design and scale of the specific ABVPI programme". The longer answer is that ABVPI functions within the broader framework of government's policy on community safety and violence prevention as set out in the 2016 White Paper on Safety and Security. As will become evident, ABVPI focuses on working with a community within a local area to implement a range of interventions aimed at addressing the risk factors for violence and crime present within their area and community. The activities included in ABVPI are informed by the growing evidence of what types of violence prevention interventions are effective, and an understanding of the risk factors that are present in different communities. This section explores these issues further.

## 2016 WHITE PAPER ON SAFETY AND SECURITY

The 2016 White Paper on Safety and Security, developed by the Civilian Secretariat for Police Service, sees the promotion of a developmental response to safety as being an "all of government" and "all of society" undertaking. The vision of the 2016 White Paper is to have a society where all people:

- Live in safe environments;
- Play a role in creating and maintaining the safe environment;
- Feel safe from crime and violence and the conditions that contribute to it; and
- Have equal access and recourse to high-quality service when affected by crime and violence.

In order to achieve this vision, the 2016 White Paper is founded on six themes as illustrated in **Figure 1**.

It is evident that the White Paper adopts a national perspective to safety and violence prevention and therefore it sets the framework within which locally focused ABVPI works.

It is also evident that the task of achieving a safer South Africa involves a wide range of role-players from national, provincial and local government. Each of these role-players need to budget for the activities they are responsible for, which implies that there are / should be multiple sources of funding in national, provincial and local government budgets for safety and violence prevention type activities.

**FIGURE 1: OUTCOMES SET OUT IN THE 2016 WHITE PAPER ON SAFETY AND SECURITY**

Effective criminal justice system	Early interventions to promote safety	Victim support services	Integrated and effective service delivery	Safety through environmental design (STED)	Active public and community participation
<ul style="list-style-type: none"> <li>• Efficient, responsive and professional criminal justice sector</li> <li>• Effective diversion, rehabilitation and reintegration programmes</li> <li>• Effective restorative justice programmes and interventions</li> </ul>	<ul style="list-style-type: none"> <li>• Healthy first 1 000 days of life for children and caregivers</li> <li>• Safe and supportive environment for children and youth</li> <li>• Context-appropriate resilience programmes</li> <li>• Substance abuse treatment and prevention</li> <li>• Interventions for groups at risk</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive framework for protecting the rights of victims</li> <li>• Delivery of high-quality services for victims</li> </ul>	<ul style="list-style-type: none"> <li>• Access to crime and violence prevention and safe/security services</li> <li>• Professional and responsive service provision</li> </ul>	<ul style="list-style-type: none"> <li>• Integrating prevention principles into planning and design to promote safety and facilitate feeling safe</li> <li>• Integrating prevention as an outcome of government planning and design at local, provincial and national level</li> </ul>	<ul style="list-style-type: none"> <li>• Forums for coordinated and collaborative community safety actions</li> <li>• Participation in the developing, planning and implementing of community safety programmes and interventions</li> <li>• Partnerships in supporting community safety programmes and interventions</li> </ul>

Source: page 12 in Developing Community Safety Plans – A Guidebook for Provincial and Municipal Officials (no date)

## TYPES OF VIOLENCE PREVENTION

The Civilian Secretariat for Police Service and SALGA have developed a booklet on *Developing Community Safety Plans – A Guidebook for Provincial and Municipal Officials* (no date). It provides a detailed motivation for the importance of developing community safety plans, and a step-by-step guide to the mechanics and processes of producing such plans.

In addition, it outlines different types of violence prevention to address the various risk factors that occur at community and societal levels. These include:

- **Situational violence prevention** which aims to reduce the opportunity for violence by altering the physical environment or other environmental factors, by
  - improving public infrastructure and basic services;
  - reclaiming public spaces; and
  - creating safer spaces by following the principles of crime prevention through environmental design.
- **Social violence prevention** which aims to strengthen social cohesion and reduce people's inclination or motivation to engage in violent behaviour by encouraging and empowering individuals, families and communities to participate in their development and decision-making, by
  - building capacity within communities to participate in decision-making processes;

- providing resilience services and job-skills training programmes for youth; and
- offering parenting programmes and other support services to care-givers.
- **Institutional violence prevention** which aims to reduce violence by changing policies, legislation and the overall functioning of institutions that affect people, by:
  - training municipal officials on integrating safety principles into IDPs;
  - strengthening structures and opportunities for meaningful participation in local governance; and
  - raising awareness about people's role and duty to participate in providing a safe environment.

The booklet also references the 2015 work published by the World Health Organisation regarding evidence-based practices for reducing violence amongst young people.

While all these activities are relevant to violence prevention, and need to be funded and implemented by the responsible government departments across the three spheres of government, an ABVPI is only likely to incorporate a number of them. The emphasis of an ABVPI is likely to be on physical infrastructure, community empowerment and strategic interventions in relation to vulnerable groups, such as children, youth and women. Though the mix, and level of emphasis will differ from one project to the next.

### KEY

+ Promising (strategies that include one or more programmes supported by at least one well-designed study showing prevention of perpetration and /or experiencing of youth violence, or at least two studies showing positive changes in key risk or protective factors for youth violence).

? Unclear because of insufficient evidence (strategies that include one or more programmes of unclear effectiveness).

+/- Unclear because of mixed results (strategies for which the evidence is mixed – some programmes have significant positive and others a significant negative effect on youth violence).

**FIGURE 2: WHO EVIDENCE-BASED PRACTICES FOR REDUCING VIOLENCE AMONGST YOUNG PEOPLE**



Source: page 59 in World Health Organisation, 2015. Preventing youth violence: an overview of evidence. WHO, Geneva



## KEY PRINCIPLES FOR GUIDING ABVPI

The booklet *Promoting Safety and Violence Prevention Through Informal Settlement Upgrading* (2017) explores the question of why urban safety interventions are important when informal settlement upgrading interventions are planned, and how urban safety can be best pursued. It does so by documenting the process, experiences and outcomes of three informal settlement upgrading initiatives in the City of Cape Town, each of which used different informal settlement upgrading methodologies. The authors found that although the impacts of each methodology

differed, the key overarching lesson was that physical infrastructure interventions should be complemented by socio-economic interventions in order to improve safety and livelihood conditions as part of informal settlement upgrading.<sup>4</sup>

Drawing from these case studies the authors identify eight principles for promoting safety and violence prevention in informal settlement upgrading. These are summarised in the following figure.

**FIGURE 3: KEY PRINCIPLES FOR PROMOTING SAFETY AND VIOLENCE PREVENTION IN INFORMAL SETTLEMENT UPGRADING**



Source: ACC, GIZ-VCP, Isandla Institute and VPUU NPC.

While these principles were developed in the context of informal settlement upgrading, they apply equally to other area-based violence prevention initiatives as well, albeit with different points of emphasis. For instance, in informal settlements the initial emphasis is likely to be on reconfiguring the settlement and providing municipal services – water, sanitation, electricity and refuse removal; while in other settlement types the initial emphasis

may be on security of tenure, safe public spaces and social cohesion. In other words, these principles are integral to ABVPI.

These eight principles point to the types of activities that ought to form part of an integrated ABVPI initiative in an area. This is explored in greater detail in the next sub-section, since these are the activities that need to be funded.

<sup>4</sup> ACC, GIZ-VCP, Isandla Institute and VPUU NPC, page 8.

## IN SLIGHTLY MORE DETAIL, THE KEY PRINCIPLES FOR PROMOTING SAFETY AND VIOLENCE PREVENTION IN INFORMAL SETTLEMENT UPGRADING ARE AS FOLLOWS:

- 01 Pursue physical upgrades through an urban safety lens.** The lack of access to infrastructure and basic services has a negative impact on quality of life in settlements and increases residents' vulnerability to crime and violence. Therefore, improvements in the physical environment can reduce vulnerability to crime and violence and enhance people's sense of safety. However, it is also important to think of where these upgrades are located, as this can contribute to improved safety and security.
- 02 Prioritise security of tenure.** Upgrading interventions provide residents with a sense of security. Providing them with title deeds or some other officially recognised proof of residency would further reduce their sense of vulnerability, including the risk of evictions.
- 03 Work with communities every step of the way.** Community participation is placed at the centre of all the other principles, because such participation (not just consultation) is critical to ensuring that upgrading initiatives meet the needs of all residents.
- 04 Create safe public spaces through partnerships.** Investing in safe public spaces can significantly enhance residents' sense of safety and well-being. Unmanaged public spaces make residents more vulnerable to crime and violence, while the lack of public spaces creates an alienating hostile local environment which can undermine the potential for social cohesion.
- 05 Protect and build social cohesion.** Social cohesion is an important community asset that needs to be fostered and protected. It plays a critical role in managing risk and vulnerability to crime and violence.
- 06 Support women's empowerment.** Targeting women for empowerment programmes, including skills and capacity building opportunities to support neighbourhood development, benefits the women, their families and the community at large.
- 07 Support youth and early childhood development programmes.** A focus on social crime prevention is critical to the overall settlement upgrading process. This means offering integrated programmes that target the youth, including social support, education, leisure and sports, workshops on issues affecting the youth and job training. Similarly, ECD programmes for young children that have the potential to create generational change for the better are critical.
- 08 Put in place outcome-based monitoring and evaluation of interventions.** It is important that upgrading initiatives include careful monitoring to ensure that urban safety concerns remain central during the implementation process. Focussed impact assessments provide the data required to learn and do things better, as well as make a stronger case for mainstreaming VPI in area-based upgrading initiatives.

## ACTIVITIES AND ROLE-PLAYERS IN ABVPI

With reference to the abovementioned eight principles for promoting safety and violence prevention in area-based upgrading, the following table outlines the types of activities that typically

form part of an ABVPI and therefore the government and other role-players that are most likely to be involved and responsible for bringing funding to the process.

**TABLE 2: ABVPI ACTIVITIES AND CONTRIBUTING ROLE-PLAYERS**

Principles and related activities	Role-players
<p><b>01 Pursue physical upgrades through an urban safety lens</b></p> <ul style="list-style-type: none"> <li>• provision of municipal services – water, electricity, sanitation and refuse removal.</li> <li>• formalising and improving existing housing</li> <li>• reconfiguring the settlement</li> <li>• paving roads</li> <li>• building stormwater drainage networks</li> <li>• rapid maintenance of infrastructure</li> </ul>	<p>Local municipality</p> <ul style="list-style-type: none"> <li>- urban planning</li> <li>- all municipal service departments</li> <li>- roads</li> <li>- housing</li> </ul> <p>Provincial department of housing Possibly Eskom</p>
<p><b>02 Prioritise security of tenure</b></p> <ul style="list-style-type: none"> <li>• incremental tenure approach</li> <li>• regularising tenure</li> <li>• tenure registration</li> </ul>	<p>Local municipality Land owner/s Department of Agriculture, Land Reform and Rural Development Deeds Registration Office</p>
<p><b>03 Work with communities every step of the way</b></p> <ul style="list-style-type: none"> <li>• stakeholder mapping</li> <li>• baseline surveys and household assessments</li> <li>• conducting community safety audits</li> <li>• facilitate opportunities for community involvement</li> <li>• establish a Community Safety Forum or similar structure</li> <li>• produce a Community Safety Plan or Community Action Plan</li> </ul>	<p>Local municipality</p> <ul style="list-style-type: none"> <li>- planning</li> <li>- community services</li> </ul> <p>NPOs or contracted facilitators</p> <p>Local Community Policing Forums</p>
<p><b>04 Create safe public spaces through partnerships</b></p> <ul style="list-style-type: none"> <li>• upgrade public spaces – design, passive surveillance, playing areas</li> <li>• install playground equipment</li> <li>• build public libraries and community centres</li> <li>• encourage community use of public spaces</li> </ul>	<p>Local municipality</p> <ul style="list-style-type: none"> <li>- planning</li> <li>- parks and gardens</li> <li>- community services</li> <li>- metro police</li> </ul> <p>Provincial departments</p> <ul style="list-style-type: none"> <li>- sports, arts and culture</li> <li>- community safety</li> </ul>
<p><b>05 Protect and build social cohesion</b></p> <ul style="list-style-type: none"> <li>• general approach needs to be sensitive to social dynamics that foster positive social cohesion</li> <li>• inclusive governance processes</li> <li>• skills development and training programmes</li> <li>• use of local labour</li> <li>• conflict resolution processes</li> </ul>	<p>Local municipality</p> <ul style="list-style-type: none"> <li>- planning</li> <li>- community services</li> </ul> <p>NPOs or contracted facilitators</p> <p>All role-players involved in the ABVPI</p>

**TABLE 2: ABVPI ACTIVITIES AND CONTRIBUTING ROLE-PLAYERS (CONTINUED)**

Principles and related activities	Role-players
<p><b>06 Support women's empowerment</b></p> <ul style="list-style-type: none"> <li>• design of upgrading initiative</li> <li>• nature and location of municipal services</li> <li>• women empowerment programmes</li> <li>• gender-based violence interventions</li> <li>• skills development programmes</li> <li>• child care and ECD</li> </ul>	<p>Local municipality</p> <ul style="list-style-type: none"> <li>- planning</li> <li>- all municipal service departments</li> </ul> <p>Provincial departments</p> <ul style="list-style-type: none"> <li>- social development</li> <li>- education</li> <li>- economic development</li> <li>- community policing</li> </ul> <p>Department of Small Business Development</p> <p>NPOs or contracted facilitators</p>
<p><b>07 Support youth and early childhood development programmes</b></p> <ul style="list-style-type: none"> <li>• programmes aimed at keeping youth at school</li> <li>• ensuring access to social grants to all who qualify</li> <li>• promoting sports and creative leisure activities</li> <li>• workshops on issues affecting youth: violence prevention, gang activities, drugs, dating, role-models</li> <li>• offering skills development opportunities</li> <li>• providing opportunities for ECD</li> </ul>	<p>SASSA</p> <p>Provincial departments</p> <ul style="list-style-type: none"> <li>- social development</li> <li>- education</li> <li>- economic development</li> <li>- sports, arts and culture</li> <li>- community safety</li> </ul> <p>Department of Small Business Development National Youth Development Agency</p> <p>NPOs or contracted facilitators</p>
<p><b>08 Put in place outcome-based M&amp;E of interventions</b></p> <ul style="list-style-type: none"> <li>• normal M&amp;E activities</li> </ul>	<p>Local municipality</p> <p>All role-players involved in the ABVPI</p>

As is evident from the above table, the majority of ABVPI activities correlate with municipal roles and functions. This is further confirmed by the *Developing Community Safety Plans Guidebook* which notes that municipalities have a constitutional and legislative mandate to promote safe and healthy environments, and the social and economic development of communities, and therefore they need to work with communities to integrate safety planning into their Integrated Development Plans (IDPs). Indeed, the community safety lens should permeate all the planning that gets incorporated in the IDPs. Adopting an ABVPI-type approach can facilitate this.

However, local communities and municipalities are not the only role-players.

As noted above, provincial and national departments also need to ensure that their planning is informed by safety and violence prevention considerations, and that they support municipal IDPs and community ABVPI initiatives.

Theoretically, the key instrument for co-ordinating different role-players' inputs into ABVPI is the municipal IDP – however, in practice the IDPs rarely serve this function effectively because it is very often developed at too high a level. Rather, there is a need for specific project-based processes and plans to get the different role-players to commit to providing the infrastructure and other inputs they are responsible for in a co-ordinated manner to an area that is the subject of an ABVPI.

# POSSIBLE SOURCES OF PUBLIC FUNDING FOR ABVPI

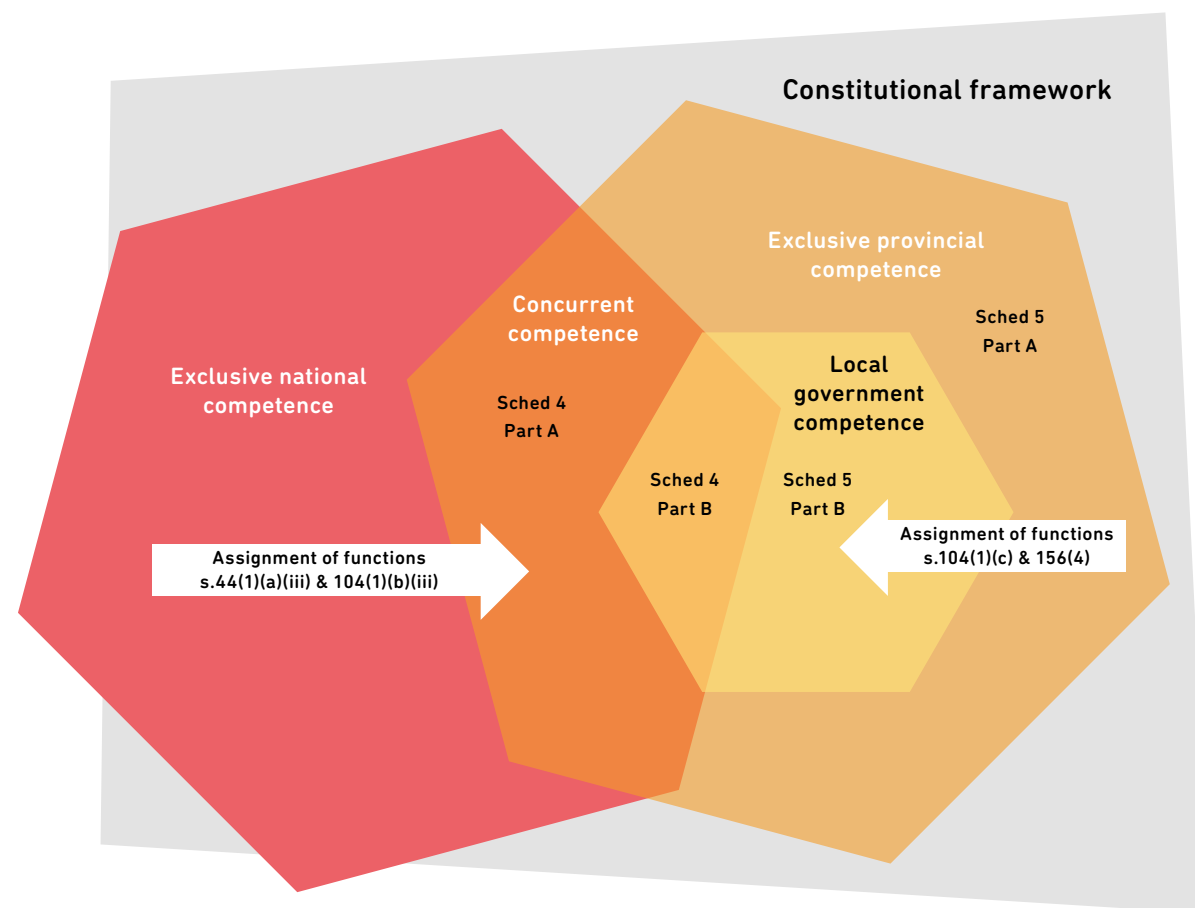
To properly understand the range of possible sources of public funding for ABVPI initiatives it is necessary to understand the roles and responsibilities of the different spheres of government in South Africa, how the intergovernmental fiscal system is structured, and the range of budget mechanisms government can use to fund ABVPI initiatives.

## INTERGOVERNMENTAL FISCAL SYSTEM AND THE FUNDING ABVPI

Very briefly: there are three spheres of government; national government, nine provincial governments, and 257 municipalities (8 metropolitan, 44 districts, and 205 local municipalities). The following figure describes the allocation of functions to these

three spheres of government in the Constitution. As a general principle of public finance "funds follow function": this impacts directly on who in government controls the budgets for the performance of different functions.

**FIGURE 4: CONSTITUTIONAL ALLOCATION OF FUNCTIONS TO THE THREE SPHERES OF GOVERNMENT**



Source: Original version of this figure from a presentation by Conrad Barberton, Cornerstone Economic Research.

With reference to the above figure and the types of activities covered by ABVPI:

- National government is responsible for all functions of government that have not specifically been allocated to another sphere of government in terms of Schedules 4 and 5 of the Constitution. Of relevance to ABVPI, this includes policing, justice and land reform.
- Schedule 4 Part A lists the functions over which national and provincial governments have concurrent competence. This includes education, health, social welfare, housing, environment. Generally, national departments in these areas play a policy development and oversight role, while the provincial departments undertake actual service delivery. So, from an ABVPI perspective the provincial government departments in these areas are usually the key role-players.
- Schedule 5 Part A lists the functions over which provincial governments have exclusive competence. This includes libraries, sports and recreation amenities, cultural activities, provincial roads and traffic, and ambulance services. Again, from an ABVPI perspective the provincial government departments in these areas are key role-players.
- Schedule 4 Part B lists the functions over which national, provincial and local government have concurrent competence. This includes municipal planning, building regulations, trading regulations, most municipal services, fire-fighting and child care facilities. In these areas, the national and provincial departments might regulate the particular function, but it is the local municipality that plays the lead role in delivery, and therefore from an ABVPI perspective needs to be a lead role-player in these areas.
- Schedule 5 Part B lists the functions over which provincial and local government have concurrent competence. This includes refuse removal, cleansing, local amenities, public places, municipal parks and recreation, local sports facilities, municipal roads, street lighting, licensing and control of the sale of liquor and food, street trading, etc. Again, the provincial government might regulate some of these areas, but it is the local municipality that plays the lead role in the delivery of these functions.

To further complicate things, there are sections of the Constitution that provide for the assignment of functions between spheres of government. So, functions can be shifted / assigned from national government to provincial government<sup>5</sup> or provincial government to local government<sup>6</sup>. When this happens funds follow function, and the sphere of government receiving the function becomes responsible for funding it. Currently, the only function shifts relevant to ABVPI involves municipal policing which is delegated to municipalities in terms of the South African Police Service Act 68 of 1995, and housing which is in process of being assigned from provincial to local government.

<sup>5</sup> In terms of section 44(1)(a)(iii) and section 104(1)(b)(iii)

<sup>6</sup> In terms of section 104(1)(c) and section 156(4)

<sup>7</sup> See sections 227, 228 and 229 of the Constitution fostering of synergies amongst, successful violence prevention approaches.

In addition, in some instances provincial departments responsible for particular functions contract with municipalities to deliver the functions on their behalf. These arrangements mostly involve the metropolitan municipalities and larger municipalities. They cover services such as housing, health clinics, ambulance services, and library services.

The allocation of functions described above lays the foundation for the allocation of revenue raising powers<sup>7</sup> and the division of revenue raised nationally between the three spheres of government. Section 214 of the Constitution governs the division of revenue raised nationally:

**214. Equitable shares and allocations of revenue.** – (1) An Act of Parliament must provide for –

- (a) the equitable division of revenue raised nationally among the national, provincial and local spheres of government;
- (b) the determination of each province's equitable share of the provincial share of that revenue; and
- (c) any other allocations to provinces, local government or municipalities from the national government's share of that revenue, and any conditions on which those allocations may be made

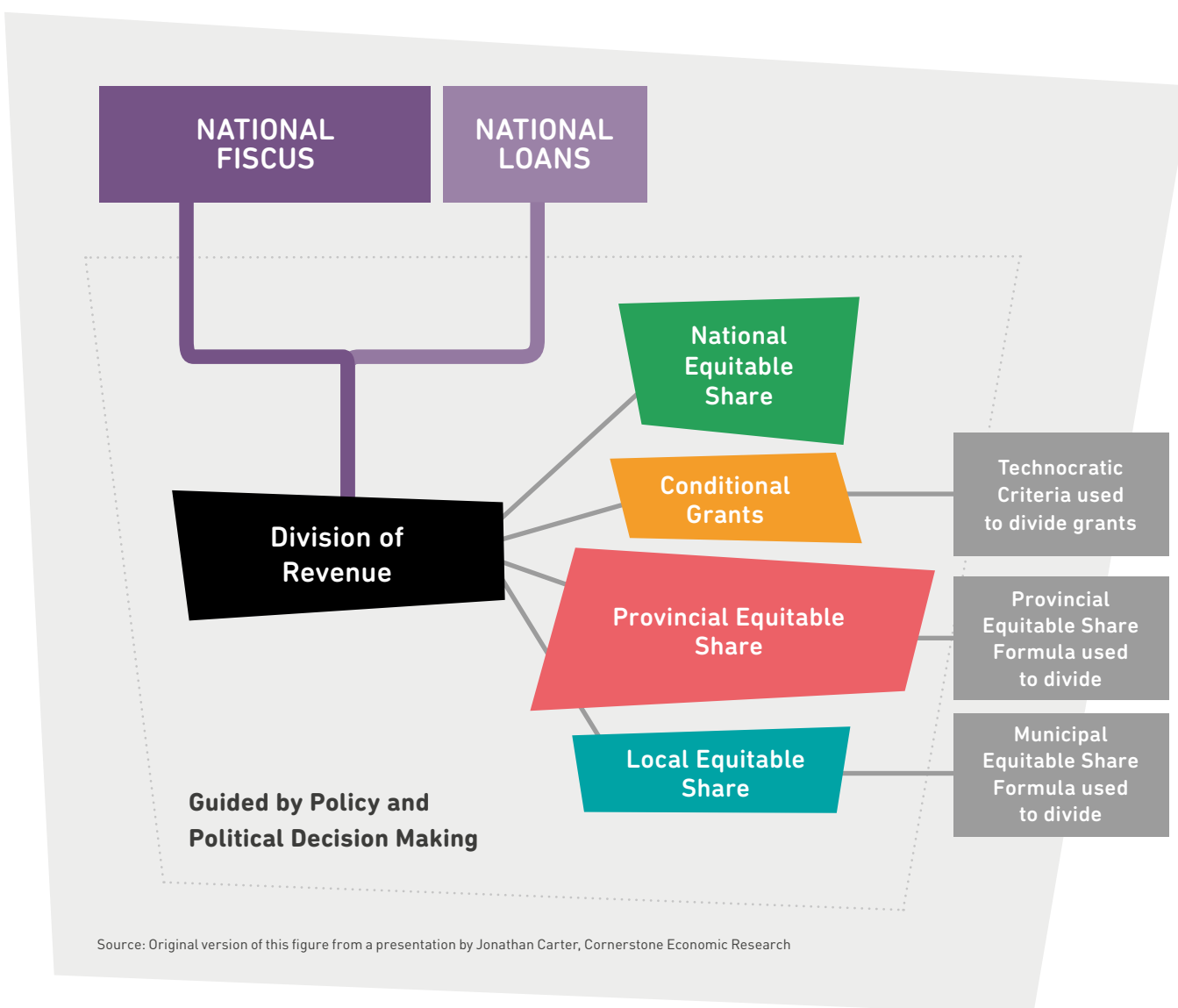
Practically, the division of revenue process is not separable from the national budget process. Each province runs their own provincial budget process, which starts with the national budget process and is dependent on the outcomes of both the division of revenue and national budget processes. The three processes run parallel, and there are linkages between them at key decision-making moments. The overall national and provincial budget process is very complicated, and runs according to a very tight timetable each year. The national and provincial fiscal year runs from April to March.

Municipalities' fiscal year runs from July to June. This means their budget processes come after the division of revenue allocations have been determined, which brings a degree of certainty to the municipal budget process. Municipalities also raise a higher percentage of their revenue from own sources than do provinces, and so are less dependent on the local government equitable share.

The following figure illustrates the different components of the division of revenue.



**FIGURE 5: DIVISION OF REVENUE COLLECTED NATIONALLY**



Provinces and municipalities receive two kinds of transfers from the division of revenue; the provincial or local equitable share and conditional grants from the national share of revenue. Provinces and municipalities use equitable share funding and their own revenues to fund their normal functions through their budgets. By far the majority of government funding is managed in this way. Therefore, the bulk of funding for ABVPI should be provided for in provincial department and municipal budgets (as opposed to conditional grants).

Conditional grants are transferred by the relevant national department to provinces or municipalities in order to promote specific national objectives. The grant structure and framework set out these objectives, and funding may only be used in line with the conditions governing the grant. The grant frameworks are developed and managed between the National Treasury and the relevant national department. Our review of conditional grants in the 2021 Division of Revenue Act has identified seven conditional grants that could fund ABVPI (see discussion in section 5 below)

## POSSIBLE MECHANISMS FOR FUNDING ABVPI

When it comes to government funding ABVPI there are a number of mechanisms that national and provincial departments and municipalities can use. These are divided between normal budget funding and conditional grant funding.

### a. Normal budget funding

Activities / outputs that are included in the ABVPI are funded through the normal budget process of the relevant sphere of government. So the funds may be located in:

- the budget of a national department or national entity (such as SASSA) within the national government's budget;
- the budget of a provincial department within the relevant province's budget; or
- the budget of a municipal department / entity within the relevant municipality's budget.

In each instance the relevant department can use the funding to support the ABVPI in one of the following ways:

- *Direct implementation* where the funds are used to pay for the salaries of departmental / municipal staff who are directly involved in implementing the ABVPI, and the cost of inputs used in the implementation of the ABVPI.
- *Contracting out implementation* where funds are used to contract private individuals or companies (using SCM processes) to run specific processes or deliver specific goods and services included in the ABVPI. These contracts can be structured in a range of ways to achieve objectives covered by the ABVPI, for instance, the tender conditions can be structured to include local content requirements, local employment, women and youth employment and capacity building, partnerships with local entrepreneurs etc. In some instances, if the scale allows, the contract could also be structured as PPPs, for instance a build-operate-transfer (BOT) agreement for a sewerage plant.
- *Extended Public Works Programme employment opportunities* where funds are used to provide local job opportunities aimed at improving local communities.
- *Partnerships using transfers* to NPOs where the department or municipality enters into a partnership agreement with an NPO to implement a particular aspect of the ABVPI, for instance, facilitating the establishment of community structures, running women empowerment programmes, or upgrading / running an ECD centre.
- *Social grants* where SASSA registers eligible individuals for one of the available social grants.

### b. Conditional grant funding

Conditional grants are set out in schedules 4 to 7 of the Division of Revenue Act. These schedules change from time to time, but not frequently. The schedules describe conditional grants with different characteristics. Provincial conditional grants are in Part A of each schedule and local government conditional grants are in Part B of each schedule.

- *Schedule 4 - allocations to provinces / municipalities to supplement the funding of programmes or functions funded from provincial / municipal budgets* - provinces / municipalities are required to use these grants in specific budget programmes. Expenditure of the grant is not reported explicitly (or separately), but as part of normal expenditure reporting on the implementation of the budget.
- *Schedule 5 - specific purpose allocations* - these grants fund specific projects and the transfer of the funds is dependent on projects meeting specific criteria and also the proper implementation of those projects. Provinces and municipalities report explicitly on the expenditure of these grants.
- *Schedule 6 - allocations-in-kind for designated special programmes* - these are less common than the above two types of grants. The funds are spent on behalf of the province or municipality by the national department. The Schools Backlogs Infrastructure Grant was initially an in-kind grant as the Department of Basic Education received the money to spend on behalf of provinces.
- *Schedule 7 - Allocations for immediate disaster response* - these are funds that are not allocated to specific provinces or municipalities, that may be released to fund an immediate response to a disaster. They can be used to respond to disasters in any sector; for instance, when areas are damaged during storms or floods.

## GOVERNMENT BUDGETS THAT CAN FUND ABVPI

So where does the funding for ABVPI sit in government budgets?

Depending on the type of intervention, you might have different lead government departments located in the different spheres of government. The following are some examples of relevant budget programmes and subprogrammes:

- South African Police Service – Programme 2. Visible Policing
  - Sub-programme 2.1 Crime Prevention provides for basic crime prevention and visible policing services at police stations and community service centres. Allocation in 2021/22 – R38 285.8 million.
- National Department of Social Development – Programme 4: Welfare Services Policy Development and Implementation Support
  - Sub-programme 4.2 Substance Abuse develops, supports and monitors the implementation of policies, legislation, and norms and standards aimed at combating substance abuse. Allocation in 2021/22 – R21.9 million.
  - Sub-programme 4.7 Social Crime Prevention and Victim Empowerment develops, supports and monitors the implementation of policies, legislation and programmes aimed at protecting, empowering and supporting victims of crime and violence, including gender-based violence. Allocation in 2021/22 – R73.5 million.
- In the Western Cape, the Department of Community safety is responsible for, amongst other things, creating safety partnerships and capacitating safety partners such as Community Police Forums (CPF), Neighbourhood Watches and District Municipalities to improve safety in communities.
  - Sub-programme 2.5: Community Police Relations promotes good relations between the police and the community by facilitating the capacitation and functioning of safety partners. Allocation in 2020/21 – R25 million.

- In the Eastern Cape Department of Social Development programme 4: Restorative services provides an integrated developmental social crime prevention and anti-substance abuse service to the most vulnerable in partnership with stakeholders and civil society organisation.

- Sub-programme 4.2 Crime prevention and support – to develop and implement social crime prevention programmes and provide probation services targeting children, youth and adult offenders and victims within the criminal justice process.

- In municipalities, the departments of planning, zoning, community liaison, water, sanitation, electricity, refuse removal, roads and storm water management, parks and garden, etc.

The above examples are not a comprehensive list. Funding for ABVPI in government lies scattered across the spheres of government in line on how the functions are assigned by the constitution. Within municipalities, funding for ABVPI is also scattered across different departments and units.

A large part of the challenge is to identify the national and provincial departments / entities that can contribute to or have a role to play in a particular ABVPI initiative and then to co-ordinate their input with those of the local municipality and the community. For instance, there might be a need for a primary school or a satellite police station or a clinic or all three in an area that is subject to an urban upgrading initiative. A further challenge is to get the departments within a single municipality to work together on ABVPI in a particular community. This requires them to plan together so as to align their plans, budgets and activities for an integrated, area-based development approach.

A further challenge is to navigate the government procurement processes to get suitable non-profit and private sector partners on board.

# CONDITIONAL GRANTS THAT CAN FUND ABVPI

From a review of the Division of Revenue Act, 2021, the following conditional grants have been identified as likely sources of funding for ABVPI:

- **Integrated Urban Development Grant**
- **The Neighbourhood Development Partnership Grant**
- **Informal Settlements Upgrading Partnership Grant**
- **Urban Settlements Development Grant**
- **ECD Grant – Infrastructure component**
- **Community Library Services Grant**
- **Social Sector EPWP Incentive Grant for Provinces**

This section provides an overview of the key features of each of the above conditional grants highlighting how they can be used to fund ABVPI.

Despite the focus here on conditional grants available for ABVPI, it's important to emphasise that government funding for ABVPI is not only from conditional grants and the funding from the core budgets of provinces and municipalities are potentially larger sources of funding for ABVPI than conditional grants.

## INTEGRATED URBAN DEVELOPMENT GRANT

The Integrated Urban Development Grant has been made available to category B municipalities as a way to encourage the municipality to fund infrastructure projects not only with the conditional grant funding, but also from its own revenues. Own revenues include funds the municipality collects from trading services (e.g. the sale of electricity and water) and taxes (e.g. property rates), as well as the municipal equitable share.

The grant uses an incentive mechanism to allocate additional funds to a municipality if it qualifies and meets certain performance measures. If the municipality does not qualify or meet the performance measures, it will receive only the base allocation, which is the Municipal Infrastructure Grant (MIG) which is determined by using a formula.

In addition to seeking to leverage non-grant funding, the grant's intention is to *support spatially aligned public infrastructure investment that will lead to functional and efficient urban spaces.*

<b>Transferring department</b>	<ul style="list-style-type: none"> <li>Cooperative Governance</li> </ul>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>To provide funding for public investment in infrastructure and to increase access to municipal own sources of capital finance</li> </ul>
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>Any category B municipality may apply to qualify for the Integrated Urban Development Grant, by submitting an application to the Department of Cooperative Governance</li> <li>Municipalities must meet certain criteria and apply to receive the integrated urban development grant instead of the municipal infrastructure grant</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Additional square meters of <b>parks</b> provided during the financial year</li> <li>Additional square meters of <b>outdoor sports facilities</b> provided during the financial year</li> <li>Additional square meters of <b>public open space</b> provided during the financial year</li> <li>Number of additional <b>community halls</b> provided during the financial year</li> <li>Number of additional <b>libraries</b> provided during the financial year</li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>Management stability (low vacancy rates among senior management)</li> <li>Audit findings</li> <li>Unauthorised, irregular, fruitless and wasteful expenditure</li> <li>Capital expenditure.</li> <li>Reporting in terms of the Municipal Finance Management Act</li> </ul>

Source: Division of Revenue Bill, B3 of 2021

The performance-based component of the grant is allocated based on the following weighted indicators:

• **Non-grant capital as a percentage of total capital expenditure (40%)** – this is to encourage cities to increase their capital investment funded from own revenues and borrowing. A municipality will score 1 point if the non-grant capital as a percentage of total capital expenditure is higher than 70%.

• **Repairs and maintenance expenditure as a percentage of operating expenditure (30%)** – rewards cities that take good care of their existing asset base. A municipality will receive 1 point if the percentage is 8% or higher.

• **Asset management plan (30%)** – a municipality must have a plan in place that has been approved by the municipal council and updated in the last three months. A municipality will receive 1 point if all three of these criteria have been met.

There are two additional components that are currently dormant due to a lack of available information/data. These are:

- Land-use applications in priority areas.
- Building plan applications in priority areas.

These components are intended to reward spatial targeting of investments.

**TABLE 3: INCENTIVE ALLOCATION TO MUNICIPALITIES IN 2021/22**

The following table shows how the incentive allocation was allocated to municipalities in 2021/22.

	Planning allocation (R 000)	Performance incentive					Total incentive (R 000)	Total for incentive and planning (R 000)
		Non-grant capital as percentage of total capital spent	Maintenance spend	Asset management plan	Land use and building plans in priority areas	Weighted score		
<b>uMhlathuze</b>	3 393	30%	10%	20%	–	14%	18 075	21 468
<b>Drakenstein</b>	1 110	20%	20%	30%	–	17%	21 088	22 198
<b>Mogale City</b>	3 719	10%	20%	20%	–	12%	15 063	18 782
<b>Polokwane</b>	11 209	10%	10%	20%	–	10%	12 050	23 259
<b>Ray Nkonyeni</b>	1 951	10%	20%	–	–	7%	9 038	10 989
<b>Sol Plaatje</b>	1 576	10%	30%	–	–	10%	12 050	13 627
<b>Stellenbosch</b>	1 130	30%	10%	20%	–	14%	18 075	19 206
<b>Steve Tshwete</b>	1 574	30%	10%	30%	–	17%	21 088	22 662
<b>Total</b>	<b>25 662</b>					<b>100%</b>	<b>126 528</b>	<b>152 190</b>

Source: Division of Revenue Bill, B3 of 2021

## THE NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT

The neighbourhood development partnership grant was implemented for identified<sup>8</sup> non-metropolitan municipalities to plan and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial

transformation. The aim of the grant is to improve the quality of life, and access to opportunities for residents in South Africa's under-served neighbourhoods.

<b>Transferring department</b>	• National Treasury
<b>Purpose</b>	• To eradicate spatial inequality towards the creation of liveable, sustainable, resilient, efficient, and integrated towns and cities.
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Targeted locations with catalytic projects, defined as either: <ul style="list-style-type: none"> <li>• urban hub precincts with secondary linkages and rural regional service centers</li> <li>• catalytic programmes within integration zones</li> <li>• <b>built environment upgrade projects</b> in urban townships and rural towns</li> <li>• <b>leveraged third-party capital investment</b> into targeted locations</li> </ul> </li> <li>• The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events</li> <li>• Enhanced municipal strategic competencies in investment targeting, implementation and urban management</li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>• Compliance with the aims and objectives outlined in the investment plans between the municipality and the transferring officer</li> <li>• Submission of cash flow schedules with budgets and timeframes for technical assistance and capital grant (project) implementation as requested by the transferring officer</li> <li>• Programme execution is dependent on a sequential and formal acceptance/approval by the transferring officer of NDPG-related municipal plans or deliverables</li> <li>• <b>Municipalities must commit to forging partnerships with businesses, investors, communities, national and provincial government and state-owned entities</b> in order to leverage the third-party capital investment required to ensure long-term and sustainable outcomes for each precinct</li> </ul>

Source: Division of Revenue Bill, B3 of 2021

The grant framework also outlines the outcome statements of this particular grant as follows:

- Spatially integrated cities and towns
  - Diversity of public and private capital investments leveraged into targeted locations
  - **Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third-party capital investment into strategic locations**
  - Improved municipal capacity to support infrastructure investment planning, prioritisation, and ability to drive long-term spatial transformation
- It is not clear how these outcomes are measured.

## INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT

The informal settlements upgrading partnership grant is a grant that used to be a component of the human settlements development grant for the upgrading of informal settlements. From 2021/22 onward the grant is a stand-alone new grant.

This new grant requires provinces/municipalities to work in partnership with communities. This grant can be accessed by provinces and metropolitan municipalities.

<b>Transferring Department</b>	• Human Settlements
<b>PROVINCIAL COMPONENT</b>	
<b>Purpose</b>	• To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements.
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of informal settlements provided with interim and permanent municipal engineering services (<b>public lighting, roads, stormwater, refuse removal and bulk connections for water, sanitation and electricity</b>)</li> <li>• Number of social compacts or agreements concluded with communities and/or community resource organisations outlining their role in the upgrading process</li> <li>• Number of households provided with <b>secure tenure</b></li> <li>• Refer to grant framework in DORA 2021 for other outputs.</li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>• A social compact or any other community participation agreement must be concluded as part of each individual informal settlement upgrade plan. A maximum of 3 per cent of the project cost may be used for community/social facilitation</li> <li>• Refer to grant framework in DORA 2021 for other criteria.</li> </ul>
<b>MUNICIPAL COMPONENT</b>	
<b>Purpose</b>	• To provide funding to facilitate a programmatic, inclusive and municipality-wide approach to upgrading informal settlements.
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of Sustainable Livelihoods Plans developed</li> <li>• Number of informal settlements provided with interim and permanent municipal engineering services (<b>public lighting, roads, stormwater, refuse removal and bulk connections for water, sanitation and electricity</b>)</li> <li>• Number of <b>social compacts or agreements concluded with communities</b> and/or community <b>resource organisations outlining their role in the upgrading process</b></li> <li>• Refer to grant framework in DORA 2021 for other outputs.</li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>• A social compact or any other community participation agreement must be concluded as part of each individual informal settlement upgrade plan. A maximum of 3 percent of the project cost may be used for community/social facilitation</li> <li>• Refer to grant framework in DORA 2021 for other criteria.</li> </ul>

Source: Division of Revenue Bill, B3 of 2021

## URBAN SETTLEMENTS DEVELOPMENT GRANT

This grant is an integrated source of funding for infrastructure for municipal services and upgrades to urban informal settlements in the metros. It is a supplementary grant which means that the metros are expected to use a combination of grant funds and their own revenue to develop urban infrastructure and integrated human settlements.

<b>Transferring department</b>	• Human Settlements
<b>Purpose</b>	• To supplement the capital revenues of metropolitan municipalities in order to implement infrastructure projects that promote equitable, integrated, productive, inclusive and sustainable urban development.
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• increase in bulk and link infrastructure</li> <li>• construction/provision of internal engineering services</li> <li>• increase in the number of serviced sites</li> <li>• increase in the provision of individual connections</li> <li>• increase in land provision for informal settlement upgrading, subsidised housing, or <b>mixed-use developments in support of approved human settlements and other urban developments</b></li> <li>• increase in access to <b>public and socio-economic amenities</b></li> <li>• increase in the number of interim basic services</li> <li>• Refer to grant framework in DORA 2021 for other outputs.</li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>• The base allocation is derived from the Municipal Infrastructure Grant formula explained in part 5 of annexure W1 of the 2021 Division of Revenue Bill. The formula incorporates household backlogs in basic services and access to socio-economic services and poverty-weighted data</li> <li>• Refer to grant framework in DORA 2021 for other criteria.</li> </ul>

Source: Division of Revenue Bill, B3 of 2021

## ECD GRANT – INFRASTRUCTURE COMPONENT

The infrastructure component of the ECD grant is there to assist ECD providers to meet basic health and safety requirements for registration with DSD.

<b>Transferring department</b>	• Social Development
<b>Purpose</b>	• To increase access to quality <b>early childhood development services</b> for poor children.
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Number of ECD centres assessed for infrastructure support and health and safety standards</li> <li>• Number of <b>ECD centres whose registration status improved</b> as a result of the infrastructure component within 24 months of receiving the grant</li> <li>• Number of <b>low cost ECD centres constructed</b></li> <li>• Number of <b>ECD facilities provided with a standard hygiene and sanitation support package</b></li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>• This allocation may be used for: <ul style="list-style-type: none"> <li>· unregistered ECD centres to do minor infrastructure maintenance works and upgrades to enable conditional registration</li> <li>· conditionally registered ECD centres to do minor infrastructure maintenance works and upgrades to enable them to improve their registration status</li> </ul> </li> </ul> <p>Refer to grant framework in DORA 2021 for other criteria.</p>

Source: Division of Revenue Bill, B3 of 2021



## COMMUNITY LIBRARY SERVICES GRANT

The community library services grant is a provincial grant and administered by the relevant provincial department or through a service-level agreement with municipalities. The grant also funds libraries that serve both schools and the general public (dual purpose libraries).

<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Sports, Arts and Culture</li> </ul>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• To <b>transform urban and rural community library infrastructure</b>, facilities and services (primarily targeting previously disadvantaged communities) through a recapitalised programme at provincial level in support of local government and national initiatives</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Library information and communication technology infrastructure and systems software installed and maintained in all provinces</li> <li>• New services established for the visually impaired at 25 identified community libraries in all provinces</li> <li>• 22 new library structures completed</li> <li>• 4 new library services established for dual-purpose libraries</li> <li>• 13 upgraded library structures</li> <li>• 22 maintained library structures</li> <li>• Number of new staff appointed for dual-purpose libraries</li> <li>• 68 new staff appointed at public libraries to support the shifting of the function to provinces</li> <li>• Capacity building programmes for public librarians</li> <li>• Refer to grant framework in DORA 2021 for other outputs.</li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>• Provinces may use a maximum of 5 per cent of the total amount allocated to them for capacity building and provincial management of the grant at the provincial department and the details of how these funds will be used must be included in their respective business plans</li> <li>• Provinces must include in their business plans, the scope of work for upgrades, including the budget to be committed to the upgrading of existing libraries</li> <li>• Provinces must include in their business plans the budget for maintenance of projects</li> <li>• Funds earmarked to support Schedule 5 function shift in category B municipalities and to establish dual purpose service points may only be used for that purpose. Provinces may use up to 80 per cent of their earmarked allocations in 2021/22 to address the Schedule 5 function shift imperative in category B municipalities. At least 20 per cent of the earmarked allocations must be used to establish and sustain dual purpose service points in collaboration with provincial departments of basic education.</li> <li>• Refer to grant framework in DORA 2021 for other criteria</li> </ul>

Source: Division of Revenue Bill, B3 of 2021

## SOCIAL SECTOR EPWP INCENTIVE GRANT FOR PROVINCES

This grant rewards provinces for creating jobs in the areas of home-based care, early childhood development, adult literacy and numeracy, community safety and security, and sports programmes. The grant incentivises provincial departments to participate in EPWP and measures their performance against other provinces, providing additional resources to those that perform well.

<b>Transferring department</b>	<ul style="list-style-type: none"> <li>• Public Works and Infrastructure</li> </ul>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• To incentivise provincial social sector departments, identified in the social sector EPWP log-frame, to increase job creation by focusing on the strengthening and expansion of social sector programmes that have employment potential</li> </ul>
<b>Outcomes and Outputs</b>	<ul style="list-style-type: none"> <li>• Improved service delivery to communities by expanding the <b>reach and quality of social services</b></li> <li>• Contribute towards increased levels of employment</li> <li>• <b>Strengthened capacity of non-government delivery partners through increased access to funds for wages and administration</b></li> <li>• 9 610 Full-Time Equivalents (FTEs) funded through the grant</li> <li>• A minimum of 11 051 people employed and receiving income through the EPWP grant</li> <li>• A minimum average duration of 200 person days for work opportunities created</li> <li>• A minimum of 150 000 beneficiaries provided with social services</li> </ul>
<b>Qualification criteria</b>	<ul style="list-style-type: none"> <li>• The incentive grant allocation must be used to expand job creation programmes in the social sector</li> <li>• The incentive grant allocation must be used to fund the following priority areas: <ul style="list-style-type: none"> <li>· to provide wages to unpaid volunteers at a wage rate considering the EPWP minimum wage rate as per the Ministerial Determination for EPWP Workers or the EPWP wage rate prescribed by the National Minimum Wage Act 9 of 2018 including applicable gazettes depending on which is more favourable according to the prescripts of the Department of Employment and Labour</li> <li>· to expand social sector EPWP programmes as identified in the EPWP social sector log-frame for creation of additional work opportunities</li> </ul> </li> <li>• Refer to grant framework in DORA 2021 for other criteria.</li> </ul>

Source: Division of Revenue Bill, B3 of 2021

## LINKING ABVPI TO CONDITIONAL GRANTS

The table below shows how the different grants link with the key principles for guiding ABVPI noted in section 3.3 and the related activities noted in section 3.4.

**TABLE 4: CONDITIONAL GRANTS AVAILABLE TO FUND ABVPI**

Grant	Relevant ABVPI principles and activities:	Conditions to access funding	Key observations
<b>Integrated urban development grant</b>	<p>The grant links directly to:</p> <ul style="list-style-type: none"> <li>• Principle 1 - Pursue physical upgrades through an urban safety lens</li> <li>• Principle 3 - Work with communities</li> <li>• Principle 4 - Safe spaces through partnership</li> <li>• Principle 6 - Women's empowerment</li> <li>• Principle 7 - Youth and ECD programmes</li> </ul>	<p>The grant's entry requirements are quite stringent however, which does not currently allow for broad participation in the grant across the cities. Currently only eight cities participate in this particular grant.</p>	<p>It is encouraging that additional non-grant funding is a key factor for this grant. It increases the overall base of public funding for ABVPI.</p>
<b>Neighbourhood development partnership grant</b>	<p>This grant has a strong emphasis on the municipality forging partnerships with third parties, including communities and NGOs, which links directly to:</p> <ul style="list-style-type: none"> <li>• Principle 1 - Pursue physical upgrades through an urban safety lens</li> <li>• Principle 3 - Work with communities.</li> </ul>	<p>The conditions to access the funding are part of general municipal reporting activities. This should therefore not hinder access to the funding by most municipalities.</p>	<p>ABVPI partners should proactively seek to participate in these partnerships.</p>

**TABLE 4: CONDITIONAL GRANTS AVAILABLE TO FUND ABVPI (CONTINUED)**

Grant	Relevant ABVPI principles and activities:	Conditions to access funding	Key observations
Informal settlements upgrading partnership grant	<p>This grant links directly to:</p> <ul style="list-style-type: none"> <li>• Principle 1 - Pursue physical upgrades through an urban safety lens</li> <li>• Principle 2 - Prioritise security of tenure</li> <li>• Principle 3 - Working with communities</li> <li>• Principle 4 - Creating safe public spaces through partnerships</li> <li>• Principle 5 - Protect and build social cohesion</li> <li>• Principle 6 - Support women's empowerment</li> </ul>	<p>The grant has a provincial and a metropolitan municipality component which broadens access to areas where there may not be metropolitan municipalities.</p>	<p>The grant conditions allow that 3% of the grant funding be used to facilitate community participation. Provinces and metros therefore are entitled to use some of the grant funding to facilitate participation from the community.</p>
Urban settlements development grant	<p>This grant links directly to:</p> <ul style="list-style-type: none"> <li>• Principle 1 Pursue physical upgrades through an urban safety lens</li> <li>• Principle 4 - Safe spaces through partnership</li> </ul>	<p>The conditions to access the funding are part of general municipal reporting activities. This should therefore not hinder access to the funding by most municipalities.</p>	
ECD grant – infrastructure component	<p>This grant links directly to:</p> <ul style="list-style-type: none"> <li>• Principle 6 - Women's empowerment</li> <li>• Principle 7 - Youth and ECD programmes.</li> </ul>	<p>Most provinces should already have a list of ECD facilities that qualify to access this grant through the ECD registration process.</p>	<p>ECD facilities should be made aware of this grant and how to access the funding so that they can complete their registration process.</p>
Community library services grant	<p>This grant links directly to:</p> <ul style="list-style-type: none"> <li>• Principle 4 - Safe spaces through partnerships</li> <li>• Principle 7 - Youth and ECD empowerment</li> </ul>		
Social sector EPWP incentive grant	<p>This grant links directly to:</p> <ul style="list-style-type: none"> <li>• Principle 6 - Women's empowerment</li> <li>• Principle 7 - Youth and ECD programmes</li> </ul>		<p>The wage differential between government and NGO social sector staff has been an ongoing debate. This grant should be utilised by NGOs to at least bridge the gap for non-paid volunteers.</p>

The preceding table highlights that the various conditional grants can be used to fund aspects of ABVPI, and that between them most of the activities falling under the good practice ABVPI principles are covered. It needs to be acknowledged that not all municipalities can access all these conditional grants, since some of them are targeted towards addressing issues in particular locations, namely urban areas and informal settlements.

This targeting of grants recognises the area-based nature of the development challenges facing the country.

A further challenge is that many ABVPI initiatives involve partnerships, particularly with the non-profit sector and private sector, and most of the conditional grants do not explicitly allow the grant funds to be used to fund such partnerships. The scope for changing this should be explored.

## ADJUSTING GRANT CONDITIONS TO FACILITATE FUNDING FOR ABVPI

How might the conditions of the above-listed conditional grants be modified to better facilitate the funding of ABVPI?

The conditional grant frameworks aim to set clear parameters for the use, management and monitoring of the allocated funds. To do this, the different elements of the grant frameworks aim to be specific, measurable, achievable, relevant and time-bound (SMART).

ABVPI denotes an approach that is highly contextual, as it focuses on risk factors in a particular area, which stem from social, institutional and urban design/built environment factors. As such, there is no general agreement of how ABVPI is defined and what the scope is. Indeed, it would seem that ABVPI can encompass very different activities in different localities rather than a fixed 'package of services and interventions' that can be applied in different contexts and settlement typologies. Without a prescription of what ABVPI is and how it can be measured, measuring improved safety and resilience may only be possible through proxy indicators such as improved lighting, better services, active youth development programmes, etc. This also means that it is not realistic to have ABVPI as a conditional grant criterion for directing and governing the use of conditional grant funds.

But it may not be necessary to have safety or ABVPI as a condition grant criterion. As noted in section 5.8, the existing conditional grant frameworks already include provisions that direct the use of funding towards activities that are covered by the key principles identified in section 3.3, and which we argue define the scope of ABVPI. This points to what is probably a more practical approach to ensuring funding is made available for ABVPI. Instead of trying to embed the ABVPI concept itself in conditional grant frameworks, the aim should be to explore options for adjusting the framework conditions to facilitate the flow of funding to activities or outputs that are constituent parts of ABVPI.

During the course of the budget process each year, National Treasury, transferring departments and representatives of local government review the conditional grant frameworks with a view to improving them. Stakeholders with an interest in promoting the ABVPI approach should engage with these review processes by providing written suggestions of proposed changes or additions to the wording of the conditional grant frameworks, along with clear motivations. For instance, one might propose the following changes to the Neighbourhood Development Partnership Grant so as to allow for and promote the inclusion of violence prevention initiatives in the use of funds:

**TABLE 5: ADJUSTING THE CONDITIONS OF THE NDPG TO FACILITATE ABVPI**

	Proposed changes to wording	Motivation of the changes
<b>Strategic goal</b>	Eradicating spatial inequality towards the creation of <b>safe</b> , liveable, sustainable, resilient, efficient and integrated towns and cities.	Section 152(2)(d) of the Constitution emphasises that in addition to the items mentioned, the objective of local government is to promote a safe and healthy environment.
<b>Grant purpose</b>	To plan, catalyse, and invest in targeted locations in order to attract and sustain third party capital investments aimed at spatial transformation, that will improve the quality of life, <b>safety</b> and access to opportunities for residents in south Africans in targeted locations, underserved neighbourhoods, generally townships and rural towns	Promoting safety is critical to achieving all the other objectives of grant, it is therefore important to adopt a community safety lens when designing spatial transformation project.
<b>Outcome statements</b>	<ul style="list-style-type: none"> <li>• Spatially integrated, <b>safe</b> cities and towns</li> <li>• Diversity of public and private capital investments leveraged into targeted locations</li> <li>• Improved ratio of Neighbourhood Development Partnership Grant (NDPG) to third-party capital investment into strategic locations</li> </ul>	A key objective of promoting spatially integrated cities and towns is to enhance social cohesion and a united sense of place. It is important that this is highlighted in the outcome statement so that planners adopt a community safety lens when designing project.
<b>Outputs</b>	<ul style="list-style-type: none"> <li>• Targeted locations with catalytic projects, defined as either: <ul style="list-style-type: none"> <li>· urban hub precincts with secondary linkages and rural regional service centers</li> <li>· catalytic programmes within integration zones</li> <li>· built environment upgrade projects in urban townships and rural towns</li> <li>· leveraged third-party capital investment into targeted locations</li> </ul> </li> <li>• <b>The production and dissemination of toolkits, guidance and/or good practice notes and supporting knowledge sharing events</b></li> <li>• Enhanced municipal strategic competencies in investment targeting, implementation and urban management</li> </ul>	The toolkits, guidance and good practice notes need to include information on: <ul style="list-style-type: none"> <li>• incorporating violence prevention into the design of built environment upgrade projects; and</li> <li>• designing and implementing area-based violence prevention initiatives (ABVPI).</li> </ul>

... and so on for the entire conditional grant framework

# FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

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The wording changes proposed in the above table are not significant, and they do not mention ABVPI. However, the intention is to provide pointers that direct municipal practitioners towards issues of safety and violence prevention when designing plans for the use of these funds. They also provide municipal practitioners with “hooks” to motivate for using the funds for ABVPI.

A good way to take this process forward is to form a working group of ABVPI ‘champions’, who have an interest in promoting ABVPI. These champions could form a working group with a mandate to analyse all the relevant conditional grant frameworks and propose changes that will facilitate the use of the funds for ABVPI. They should also have a mandate to engage with National Treasury and the transferring departments to advocate for the adoption of the proposed changes. This requires an advocacy strategy that

includes raising awareness and understanding of ABVPI and the importance of adopting a safety / violence prevention lens in the design of built environment upgrade projects.

However, irrespective of whether such interventions on the conditional grants frameworks are successful or not, it remains the responsibility of the municipal practitioners responsible for area-based development initiatives to mobilise and use conditional grant funds in a manner that aligns with the ABVPI approach. They should do this because ABVPI represents a good practice approach for how municipalities should be carrying out their constitutional responsibilities when it comes to providing municipal services to communities, promoting social and economic development, and ensuring safe and healthy environments.

**The section sets out the key findings and conclusions of this analysis, followed by recommendations for taking the issue of mobilising funding for ABVPI forward.**

## KEY FINDINGS

Here we summarise the key findings of the analyses with reference to the questions raised in the Introduction:

**I** *Does local government have role to play in relation to safety and violence prevention?*

Constitution’s provisions describing the objectives, developmental duties and powers and functions of municipalities give them an explicit mandate to promote social and economic development, promote safe and healthy environments, and encourage the involvement of communities in matters of local government. Part B of Schedule 4 and Part B of Schedule 5 of the Constitution list matters that municipalities are responsible for, many of which are directly relevant to safety and violence prevention.

**II** *Is ABVPI an unfunded mandate for local government?*

ABVPI is not an unfunded mandate for local government. Rather, ABVPI represents a good practice approach for how municipalities should be carrying out their constitutional responsibilities when it comes to providing municipal services to communities, promoting social and economic development, and ensuring safe and healthy environments.

**III** *What types of activities or outputs are typically covered by ABVPI?*

The following eight principles that should inform the design of ABVPI point to the types of activities and outputs that ought to form part of an integrated ABVPI in an area:

- Pursue physical upgrades through an urban safety lens
- Prioritise security of tenure
- Work with communities every step of the way
- Create safe public spaces through partnerships
- Protect and build social cohesion
- Support women’s empowerment
- Support youth and early childhood development programmes

· Put in place outcome-based monitoring and evaluation of interventions

Table 2 in section 3.4 provides further details on typical ABVPI activities.

**IV** *Who are the role-players involved in implementing ABVPI?*

Municipalities need to play the lead role in planning and implement ABVPI as the majority of ABVPI activities correlate with municipal roles and functions. However, provincial and national departments also need to ensure that their planning is informed by safety and violence prevention considerations, and that they support municipal IDPs and community-led ABVPI initiatives.

**V** *What are the possible sources of public funding for ABVPI?*

Depending on the type of ABVPI intervention, there may be different lead government departments located in the different spheres of government. Consequently, public funding for ABVPI lies scattered across the spheres of government and also within municipalities, funding for ABVPI is also scattered across different departments and units.

A large part of the challenge is to identify the national and provincial departments / entities that can contribute to or have a role to play in a particular ABVPI initiative and then to co-ordinate their input with those of the local municipality and the community. This requires them to plan together so as to align their plans, budgets and activities for an integrated, area-based development approach.

In addition, partnerships, coordination functions and social facilitation are ‘the glue’ of ABVPI, yet funding for these functions is often not specified.

While national conditional grants are an important source of funding for ABVPI, it is important to emphasise that the core budgets of provinces and municipalities are potentially larger sources of funding for ABVPI than conditional grants



## VI Which national government conditional grants are suited to funding ABVPI?

Our review of the Division of Revenue Act, 2021, identified the following conditional grants as likely sources of funding for ABVPI:

- Integrated Urban Development Grant
- The Neighbourhood Development Partnership Grant
- Informal Settlements Upgrading Partnership Grant
- Urban Settlements Development Grant
- ECD Grant - Infrastructure component
- Community Library Services Grant
- Social Sector EPWP Incentive Grant for Provinces

Most activities falling under the good practice ABVPI principles can be funded from a combination of these grants. However, not all municipalities can access all these conditional grants, since some are targeted towards addressing issues in particular locations, namely urban areas and informal settlements.

## CONCLUSIONS

Possible sources of public funding for ABVPI lie scattered across the spheres of government. Within municipalities, funding for ABVPI is also scattered across different departments and units. A large part of the challenge is to identify the national and provincial departments / entities that can contribute to or have a role to play in a particular ABVPI initiative and then to coordinate their input with those of the local municipality and the community. This requires them to plan together so as to align their plans, budgets and activities for an integrated, area-based development approach.

## RECOMMENDATIONS

The following recommendations are aimed at role-players with an interest in promoting ABVPI:

- I** Develop an advocacy strategy for raising awareness and understanding of ABVPI and the importance of adopting a community safety / violence prevention lens in the design of built environment upgrade projects.
- II** Form a working group with a mandate to analyse all the relevant conditional grant frameworks and propose changes that will embed safety and resilience more in conditional grants to further facilitate the use of the funds for ABVPI.

## VII How might the conditions of these grants be modified to better facilitate the funding of ABVPI?

Rather than trying to embed the ABVPI concept itself in conditional grant frameworks, the aim should be to explore options for adjusting the framework conditions to facilitate the flow of funding to activities or outputs that are constituent parts of ABVPI.

During the course of the budget process each year, National Treasury, transferring departments and representatives of local government review the conditional grant frameworks with a view to improving them. Stakeholders with an interest in promoting the ABVPI approach should engage with these review processes by providing written suggestions of proposed changes or additions to the wording of the conditional grant frameworks, along with clear motivations. Table 4 provides examples of possible changes.

The aim should be to provide pointers that direct municipal practitioners towards issues of safety and violence prevention when designing plans for the use of conditional grant funds, as well as provide municipal practitioners with "hooks" to motivate for using the funds for ABVPI.

Various national conditional grants can be used to fund ABVPI activities. However, not all municipalities can access all these conditional grants, since some are targeted towards addressing issues in particular locations, namely urban areas and informal settlements.

While national conditional grants are an important source of funding for ABVPI, it is important to emphasise that the core budgets of provinces and municipalities are potentially larger sources of funding for ABVPI than conditional grants.

They should also have a mandate to engage with National Treasury and the transferring departments to advocate for the adoption of the proposed changes.

- III** Develop a set of ABVPI planning and process tools and guidelines that municipal practitioners can use to initiate, facilitate, plan, budget and manage ABVPI within communities.
- IV** Invest in developing the capacity of municipal practitioners to conceptualise, initiate, facilitate, plan, budget and manage ABVPI within communities.

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