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TERMS OF REFERENCE

LIMPOPO PROVINCE

THABAZIMBI LOCAL MUNICIPALITY

PHASE 2 NUSP SUPPORT

APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE THE FOLLOWING SERVICES:

PART 1: PARTICIPATORY BASED PLANNING SUPPORT FOR 2 INFORMAL SETTLEMENTS

PART 2: RELOCATION PLANS / STRATEGIES FOR 3 INFORMAL SETTLEMENTS

RFP/JHB/2018/004

PROPOSALS TO BE SUBMITTED BY

NOT LATER THAN

12H00 ON 24 MAY 2018

TERMS OF REFERENCE

1. INTRODUCTION AND BACKGROUND

Thabazimbi Local Municipality (TLM) forms part of the Mining Towns in Distress Programme and as such has received NUSP technical support from the HDA. As part of phase 2 NUSP support to Thabazimbi Local Municipality, the HDA intends to utilise the services of an experienced professional Service Provider that specializes in the field of strategy development, human settlements, policy, research, development planning as well as community facilitation to provide for; **Part 1** - Participatory Based Planning Support for 2 informal settlements and **Part 2** - Development of 3 resettlement plans for settlements earmarked for relocation on behalf of Thabazimbi Local Municipality.

2. OBJECTIVE OF PROJECT

The municipality has the important responsibility of ensuring that citizens reside in developable, formalised, safe and sustainable human settlements, and to the extent possible, within close proximity to employment opportunities that would improve the quality of life of all citizens.

These terms of reference are set out into two parts and the intention is to have **both activities undertaken concurrently** with **one overall project steering committee**;

The **first part** deals with the provision of Participatory Based Planning Support for **two (2)** informal settlements in Thabazimbi Local Municipality (TLM); through the National Upgrading Support Programme (NUSP). The NUSP has put in place an agreement with TLM to provide the second phase technical assistance in developing settlement level upgrading plans, a sustainable livelihoods programme and a community capacity building programme.

In the **second part** of this project, the municipality has identified priority areas where resettlement of informal settlements is necessary due to a lack of appropriate location. In order for this objective to be realised, a further **three (3)** informal settlements have been identified, wherein comprehensive resettlement plans are to be produced. The overall outputs will entail confirmation of areas earmarked for relocation and preparations for relocation, relocation implementation plan and post-relocation approach towards avoiding land invasions post resettlement.

3. SCOPE OF WORK

3.1 PART 1: PARTICIPATORY BASED PLANNING SUPPORT FOR 2 INFORMAL SETTLEMENTS

The successful service provider is required to produce the following four (4) deliverables:

Deliverable One: An Implementation Plan for the overall assignment

The service provider will produce an implementation plan setting out how it will carry out the assignment (**Part 1**). The implementation plan must detail the team and its capacity, approach and methodology, milestones / deliverables, and their estimated duration.

Deliverable Two: Upgrading Plans for two informal settlements

The service provider will produce upgrading plans for 2 informal settlements prioritised by the TLM. These settlements are listed in Table One (**Annexure A**), and more background information can be found in the TLM Informal Settlements status-to-date information table. Assistance will be provided in identifying and facilitating contact with credible representative community structures and leadership within the target settlements.

The settlement plans produced must align to NDHS upgrading targets, Cabinet Lekgotla and National Development Plan requirements, covering the following aspects:

- An accurate count of households present in the settlement
- Socio-economic data derived from a 50% sample household survey
- Basic geotechnical, tenure and services assessment
- Legal assessment, including cadastral description of land
- Recommended approach to upgrading (including in-situ and densification, or relocation as a last resort if development is not possible)
- Basic layout, urban design and yield assessment
- Identified multi-sector interventions from other TLM and government departments to support sustainable livelihoods and build social capital
- Plan, schedule and budget for introduction of services and support programmes
- Settlement growth and management plan, including identified multi-sector interventions from other TLM and government departments
- Activities to strengthen community organisation and assist in shelter provision

Please refer to **Annexure C** for more details on specific aspects of these plans.

In line with the Cabinet Lekgotla decision July 2011, plans should include arrangements for provision of secure tenure, engineering services, waste collection, social amenities, public open space, public transport, and electrification. The plans should pay attention to the phased nature of incremental upgrading, and should identify, where feasible in-situ, opportunities for re-blocking and adjustment of settlement layouts to ease the future installation of services and facilities. The settlement planning process will be conducted in a participatory manner, with close involvement of the communities directly affected.

Particular attention should be paid to ensuring that communities understand their development situation, participate in the generation of options and choices for development, and that information is provided in an accessible manner to improve decision-making.

Deliverable Three: Community Capacity Building Programme

The service provider will design a community capacity building programme for the TLM. The programme will target key stakeholders in the informal settlement upgrading process. It will be linked to the 2 settlements and be capable of adoption and application by the municipality to other communities under its upgrading programme. The programme should be accompanied by an estimate of costs for implementation and a description of institutional and resource requirements. This deliverable will require close collaboration between the service provider and TLM to produce a community capacity building programme that is practical and implementable by the municipality.

Incorporation of sustainable livelihoods programme to be undertaken by service provider appointed by the HDA – see **Annexure D**

Deliverable Four: Produce a Close-Out report

At the end of the assignment, the service provider will produce a close-out report on outputs and outcomes of the listed activities. This will also highlight specific aspects and lessons to inform future NUSP operations.

3.1.1 MILESTONES, DURATION AND PAYMENT SCHEDULE (PART 1)

The table below sets out the main contract activities and deliverables, along with a payment schedule.

Milestone / Deliverable	Calendar weeks from contract inception	% Payment of Total Price (paid on approval)
1: Assignment implementation plan	Week 1	25%

2: Upgrading plans for 2 informal settlements	Week 9	50%
3. Plan, schedule and budget implementation programme for introduction of infrastructure services	Week 10	
4: Incorporation of a Sustainable livelihoods programme (<i>results to be sourced from Social Facilitator</i>)	Week 14	
5: Production of assignment Close-Out report	Week 16	25%
Total estimated timeframe	4 Months	100%

3.2 PART 2: DEVELOPMENT OF 3 RESETTLEMENT PLANS FOR SETTLEMENTS EARMARKED FOR RELOCATION

The successful service provider is required to produce the following three (3) deliverables:

Deliverable 1: Implementation Plan

The methodologies and approach must be agreed upon mostly on the following:

- Holding an inception meeting with the municipality and other key stakeholders
- Identification and meeting with relevant provincial, district and local stakeholders
- Frequency of meeting with the project management team (led by the HDA and TLM)
- Beneficiary / residents data collection and information gathering approach
- Confirmation of three (3) category C settlements earmarked for relocation and areas for resettlement.

Deliverable 2: Preparation of Upgrading plans / Resettlement Plans

The resettlement strategy preparation process will be conducted in a participatory manner, with close involvement of the communities directly affected. Particular attention will be paid to ensuring that communities understand their development situation, participate in the generation of options and choices for development, and that information is provided in an accessible manner to improve decision-making. This would require that the successful service provider to conduct a full social facilitation and enumerations process to address participatory planning in order to obtain the following necessary information:

- Statistical results of affected communities
- Compilation of a data base indicating the number of households, settlement conditions including maps that demonstrate the different variables
- Identification of alternative land for those informal settlements categorised a C-category. The service provider should recommend possible solutions for the speedy acquisition of land, land rehabilitation processes, community engagements processes for relocation and a relocation process (plan, schedule and budget) that will have minimum disruption to communities. List of Category C settlements attached hereto as **Annexure B**.

The successful service provider will have to work hand in hand with the appointed service provider responsible for social profiling and enumeration to be appointed by the HDA. The enumeration results will be shared once completed for planning purposes.

The overall main activities will involve the following:

- Resettlement policy framework analysis
- Consultation and participation – resettlement institutional arrangements and implementation approach
- Residents database with different categories i.e. qualifiers, non-qualifiers and different movement options
- Development scenarios
- Strengths, weaknesses, opportunities and threats analysis
- Land availability analysis and resettlement – sites / Erf numbers allocation to qualifying beneficiaries and plan for non-qualifiers
- Risk management – resettlement effects and inventory losses, etc
- Compensation payments, resettlement cost and budget
- Implementation schedule – relocation procedure (pre-requisites for a ‘smooth’ relocation)
- Post relocation anti-invasion mechanisms/plans
- Monitoring and evaluation

Deliverable 3: Produce Close-Out Report

At the end of the assignment, the service provider will produce a close-out report on outputs and outcomes of the listed activities. The various reports will need to be presented to the municipality structures for consideration and approval as well as to the ISU task teams. The service provider may be required to present methodology and work to a municipal-based and/or provincial sector workshop so that other municipalities may benefit from the process and apply the information in their own context. Presentations on the plans as well as a close-out and final report will need to be delivered during this phase of the project.

3.2.1 MILESTONES, DURATION AND PAYMENT SCHEDULE (PART 2)

The table below sets out the main contract activities and deliverables, along with a payment schedule.

Milestone / Deliverable	Calendar weeks from contract inception	% Payment of Total Price (paid on approval)
1: Assignment implementation plan	Week 1	25%
2: Draft Resettlement Plans	Week 9	50%
4: Final Resettlement Plan and Submission	Week 16	25%
Total estimated timeframe	4 Months	100%

The duration of the assignment should not exceed 5 months from the date of commission of the contract. A progress report indicating key activities which have taken place, activities scheduled for the next period and obstacles encountered, should be submitted at intervals that are agreed upon with the HDA.

4. REQUIRED SKILLS

The service provider must demonstrate the following characteristics as an indication of its capacity and readiness to implement the assignment:

- At least 5-8 years' experience in the field of human settlements development with emphasis on participatory planning processes to inform the resettlement plan, especially in the informal settlement upgrading context.
- Extensive experience in human settlements programme, social facilitation, relocation and strategy development.
- Project packaging involving – planning, scheduling and budgeting for the relocation and resettlement plan.
- Promotion of integration multi-sector intervention from other government departments.
- Knowledge of the South African legislative and regulatory environment relating to human settlements, informal settlement strategy and planning processes.
- Proven ability in effective written and oral communication.
- Proficiency in the use of standard word processing, web browsers, spreadsheets and presentation software.
- Institutional capacity to successfully carry out an assignment of this nature.

5. EVALUATION PROCESS

In order to facilitate a transparent selection process that allows equal opportunity to all bidders, the HDA has a policy for the appointment of service providers that will be adhered to. Proposals will be evaluated in terms of the prevailing supply chain management policy applicable to the HDA and it should be noted that:

- The benchmark of minimum **75** points out of 100 points on **technical capability** will be the cut off to qualify for further evaluation
- Those that qualify will be assessed using the **80:20** formulas for Price and B-BBEE as per the PPPFA.

The following criteria will be used for point's allocation for price and B-BBEE compliance on a 80/20 point system.

Table 1 – Functionality

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Lead Company profile (Attach Organogram)	Company profile (s) to be submitted (in case of a joint Venture, all companies must submit separate profiles) indicating the Lead Company. (Profiles to be appropriate to tender subject matter).	10
CVs of team members proposed to do the work	Demonstrable Skills and Capacity, Level of Relevant Knowledge and Experience in related field/s. Adequacy and completeness of skills of team presented and fit for task.	40
	Related work of the lead company and experience.	10
Approach, Methodology , Work Plan and Process	Work programme, plan and allocation of resources and tasks.	20
	Meeting deliverables and timeframes.	10
	Proposed methodology.	10

TOTAL	100
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The following criteria will be used for point's allocation for price and B-BBEE compliance on a 80/20 point system:

Table 1 – Price and B-BBEE

CRITERIA	SUB-CRITERIA	WEIGHTING/ POINTS
Price	Detailed budget breakdown	80
B-BBEE (Status Level Verification Certificate)	B-BBEE Level Contributor	20
TOTAL		100

6. GENERAL

6.1. Below are compulsory requirements for this service

6.1.1. It is important to note that the successful person/service provider will work under the supervision of a HDA representative and will report regularly to HDA the project steering committee established for purposes of overseeing this project, abide by HDA's Code of Conduct, and other organisational guidelines.

6.1.2. Kindly submit the following documents:

- Valid original tax clearance certificate.
- Valid and Original or Certified B-BBEE Status Level Verification Certificates issued by the following agencies SANAS, IRBA or CCA.

6.2. Further information regarding technical matters you may direct your queries by email to: Thando.Madonsela@thehda.co.za or at tel: 011 544 1000, and

6.3. Further information regarding supply chain matters, queries can be send via email to: Jane.Mahlangu@thehda.co.za or at tel: 011 5441000

7. TERMS AND CONDITIONS

7.1. HDA undertakes to pay in full within thirty (30) days, all valid claims for work done to its satisfaction upon presentation of a substantiated claim/invoice.

7.2. No payment will be made where there is an outstanding information/work by the service provider/s.

8. SUBMISSION OF PROPOSAL

8.1. Proposals should be submitted on or before the **24 May 2018** by no later than 12h00 to:

**Attention: Supply Chain Management
Block A, Riviera Office Park
6-10 Riviera Road, Killarney
Johannesburg**

8.2. The selection of the qualifying proposal will be at the HDA's sole discretion. The HDA does not bind itself to accept any particular bid/proposal, and the HDA reserves the right not to appoint the service provider.

ANNEXURE A

	INFORMAL SETTLEMENT NAME	ESTIMATED HOUSEHOLD NO
1	Regorogile	1200
2	Dwaalboom	100
Total		1300

ANNEXURE B

	INFORMAL SETTLEMENT NAME	ESTIMATED HOUSEHOLD NO
1	Jabulani	300
2	Rooiberg Ext 2	200
3	Donkerpoort	350
Total		850

ANNEXURE C

BACKGROUND

NATIONAL UPGRADING SUPPORT PROGRAMME (NUSP)

The National Upgrading Support Programme (NUSP) is an initiative of the National Department of Human Settlements (NDHS), aimed at improving the practice of informal settlement upgrading in South Africa. The NUSP has four objectives:

- Promote incremental upgrading (where possible, in-situ) as a major complementary housing programme, in line with Part 3 of the National Housing Code ;
- Support the NDHS targets and National Development Plan directives on informal settlement upgrading;
- Improve government's programmatic approach to upgrading, strengthening coordination with other sectors and partners;
- Strengthen the capacity of government and professional practitioners to implement community-based incremental upgrading.

The NUSP has three broad activity streams:

- Provision of technical assistance to provinces and municipalities for the development and implementation of upgrading programmes and projects;
- Capacity building and training to practitioners and community members in the field of informal settlement upgrading;
- Knowledge services and information dissemination to the upgrading community of practice.

The NUSP works with all provinces and a target group of 62 municipalities, which account for around 75% of all informally settled households in the country. With over 1.2 million households living in informal settlements nationally (Census 2011 figures), upgrading is a large-scale challenge.

NATIONAL DEVELOPMENT IMPERATIVES

Cabinet Lekgotla (July 2011)

The Cabinet Lekgotla in July 2011 directed that 45 metropolitan and local municipalities should produce informal settlement upgrading plans. These plans are required to cover issues including provision of security of tenure, water, sanitation, public transport, area lighting, electrification, waste management, public open spaces and recreational facilities.

MinMEC September 2011

The MinMEC meeting of September 2011 amplified the Cabinet Lekgotla decision by calling for provinces to establish implementation agreements with relevant municipalities to support the achievement of National Development Outcome 8 targets, including informal settlement upgrading. While Outcome 8 was formally concluded in April 2014, the practice of close working arrangements between the provincial and municipal departments of human settlements remains very important.

National Development Plan Vision 2030

The National Development Plan Vision 2030 calls for the enhancement of the existing national programme for informal settlement upgrading through the following actions:

- Expand the national programme on informal settlement upgrade and municipalities to introduce local level programmes;

- Develop legal instruments to regularise informal settlements (for example, the use of special zones in land-use management schemes) and to recognise rights of residence;
- Agree on minimum health and safety standards and then progressively upgrade these standards as 'regularised informal settlements' are brought into the mainstream urban fabric;
- Focus on developing community organisation to support participatory regularisation and upgrade programme;
- Ensure that funding arrangements and programmes channel resources into community facilities, public infrastructure and public spaces, and not just into housing.

Technical assistance provided through the NUSP will aim to align with and enhance these objectives.

UPGRADING PROGRAMMES AND SETTLEMENT-LEVEL PLANS

Expansion of informal settlement upgrading will require the production of robust project plans to ensure effective implementation. Part 3 of the National Housing Code 2009 requires that these be developed through participatory planning processes with the affected communities.

The Cabinet Lekgotla (July 2011) further refined this by specifying that such plans provide for the provision of tenure, water, sanitation, public transport, area lighting, electrification, waste management, social services and amenities, (such as public open spaces and recreational facilities)

One of the NUSP's main activity streams is to support municipalities in developing robust project plans in line with the targets and direction contained in the Cabinet Lekgotla decision and the National Development Plan. This requires that plans and programmes are produced through participatory planning and in close collaboration with communities. In line with this mandate, the NUSP technical assistance will cover, inter alia, the following aspects:

- Assessment and categorisation of informal settlements and the production of rational priorities for intervention
- Development of policy, strategy and programme for upgrading the categorised informal settlements;
- Developing upgrading plans for informal settlements, including the design of sustainable livelihoods programmes;
- Assisting the municipality in developing an approach to community-based planning and participation.

The process of assessment, categorisation, strategy and programme development will:

- Include engagement with Ward Committees and participation of representative community-based organisations active in informal settlements in the municipality
- Comply with national delivery imperatives as required under NDHS targets, the Cabinet Lekgotla (July 2011) decisions, as well aligning with the National Development Plan.

FEATURES OF THE UPGRADING PLANS

Socio-economic data:

For this particular exercise the service provider responsible for social facilitation and 100% enumeration of the informal settlements **will provide the statistical information / reports** to the successful service provider for incorporation and planning purposes

Participatory planning and organisation:

The settlement planning process will be conducted in a participatory manner, with close involvement of the communities directly affected. Particular attention will be paid to ensuring that communities understand their development situation, participate in the generation of options and choices for development, and that information is provided in an accessible manner to improve decision-making.

The service provider is required to pay particular attention to the following aspects:

- Identification of relevant community stakeholder organisations within each community, and facilitation of their participation in the planning process;
- Activities to strengthen community representative committees. Such activities include advice on organisation, guidance on appropriate representative structures, and workshop sessions to develop community perspectives and development options.

Settlement growth and management plan:

Each settlement plan should include a component that addresses future growth, development and management. Specific aspects of this component are:

- Level, type, frequency and operational costs of municipal services to be provided;
- Management processes and responsibilities (including maintenance of an occupation register);
- Lines of communication and communication requirements between the municipality and with the communities;
- Actions for managing occupation within and expansion of the settlement

Municipality - community partnership:

The municipality - community partnership arrangement is anticipated to take the form of an action plan agreed between the relevant stakeholders for each settlement. Models exist as possible examples for this arrangement, for example Annexure A Chapter 13 National Housing Code 2004, or a memorandum of understanding between the relevant parties. The service provider will devise an arrangement suitable to the circumstances and acceptable to the stakeholders involved.

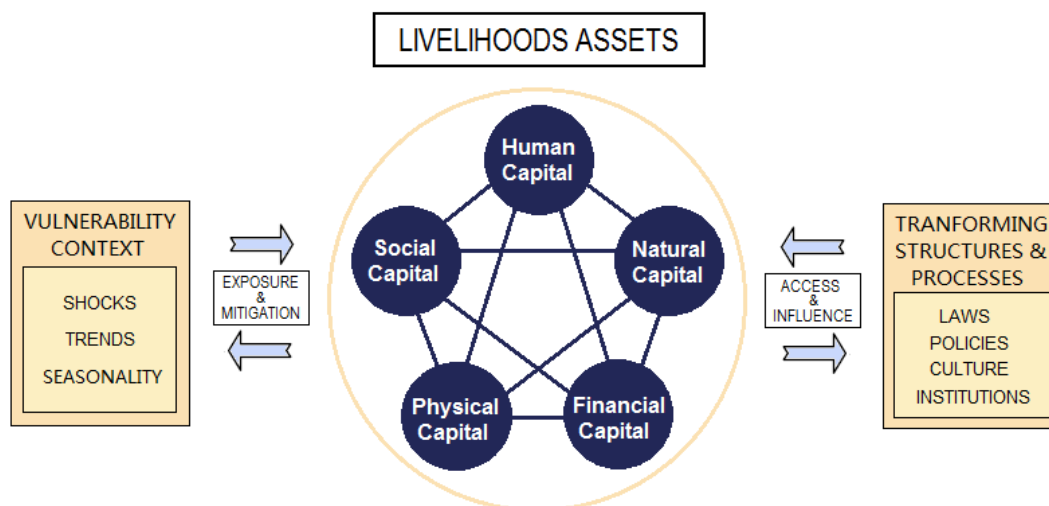
ANNEXURE D

SUSTAINABLE LIVELIHOODS AND INCREMENTAL UPGRADING OF INFORMAL SETTLEMENTS

1. Sustainable livelihoods framework

The NUSP promotes a sustainable livelihoods-based approach to incremental upgrading (See Figure 1). This is based on the core principles that upgrading should be people-centred, responsive and sustainable, and is in line with the Upgrading of Informal Settlement Programme (UISP) and Part 3 National Housing Code 2009. The sustainable livelihoods framework presents the main factors that influence people's livelihoods and the relationships between these factors. It helps government identify which interventions can assist in creating livelihoods that are productive, fulfilling and sustainable. Improving access to livelihoods then assists households in climbing out of the poverty trap.

Figure 1: The sustainable livelihoods framework



Adapted from the UK Department for International Development livelihoods framework

The framework demonstrates that livelihoods are the result of access to **five capital assets**:

- **Human Capital:** Human capital represents good health, skills, knowledge and the ability to engage in productive labour. These may be an end in themselves, or could be used to increase access to other types of assets, such as financial capital through a higher-paid job. The poor in informal settlements typically have low levels of formal education, low levels of employment skills, and are exposed to a range of serious health hazards. So their access to human capital assets is reduced.
- **Social Capital:** Social capital represents a person's ability to draw on social resources such as networks, mutual interest groups and other relationships of trust, reciprocity and exchange. This can be viewed as a good in itself providing a sense of community or identity, but can also be employed to increase access to other assets, for example human capital through knowledge exchange. This is important to the poor as

social networks act as 'insurance' against external shocks and can provide access to opportunities for work, education or savings groups.

- **Natural Capital:** Natural capital represents the natural resources from which goods and services can be drawn. This includes tangible resources such as foodstuffs or clean water, as well as hidden resources like good air quality or resilient ecosystems. These are also closely linked to human capital, in particular health. Informal settlements generally have weak access to natural capital, with insufficient clean water, inadequate sanitation, air and industrial pollution, and dirty environments.
- **Physical Capital:** Physical capital represents infrastructure, services, and basic goods, such as secure shelter, affordable transport, reliable energy supplies, water and sanitation systems, and access to information via communication channels. These strongly affect health, education and employment and business opportunities, as well as influencing the time people spend engaged in non-productive activities. Informal settlements have generally limited access to these kinds of services.
- **Financial Capital:** Financial capital represents the financial resources people command. This includes both available stores of wealth, such as savings, and reliable flows of formal and informal income, such as wages. This is the most easily convertible of assets. Its value lies in allowing access to other forms of assets and providing greater control over livelihoods decisions. In informal settlements formal employment opportunities are limited, informal opportunities are often casual, and access to formal loans and secure savings facilities are limited.

There are two external factors that influence access to livelihoods assets:

- **Vulnerability:** The vulnerability context represents trends, shocks and seasonality over which people have limited control. This might include population trends such as migration, shocks like floods or economic crises, seasonality in prices, and disease. Households in informal settlements are particularly vulnerable to fires and floods, economic instability and infectious diseases.
- **Transforming Structures and Processes:** Transforming structures and processes are the institutions, policies, organisations and legislation that influence access to livelihoods assets. This could include property laws, policies for wealth redistribution, the presence and effectiveness of markets, or social norms. These determine not only people's access to particular assets but also their ability to convert one type of asset into another. Official attitudes towards the urban poor are often ambivalent – informal dwellings are not viewed as a legitimate shelter solution, the poor are treated as dependent beneficiaries, and informal settlements are targets for removal.

2. Improving access to livelihood assets

Informal settlements in South Africa are characterised by illegality and informality, restricted public and private sector investment, poverty and vulnerability, social stress, and in some cases, inappropriate locations. The effect of this is to restrict access to livelihoods assets across the board, locking households in informal settlements in a cycle of poverty. Incremental upgrading is intended to influence the sustainable livelihoods framework holistically:

increasing access to assets, facilitating circulation of these assets and allowing people to devise strategies that best meet their livelihoods objectives. In practice this means a much greater emphasis on building human and social capital, combining tenure, services and empowerment, crowding in support services and affecting a lasting change in official and professional attitudes. The sections below illustrate how the core elements of upgrading can have a positive effect on livelihoods.

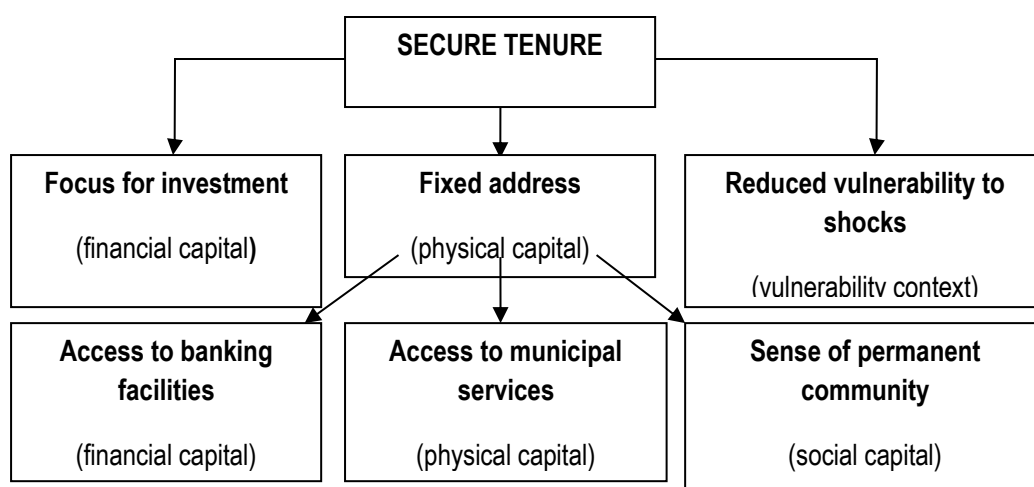
2.1 Provision of Secure Tenure

Upgrading can be used to increase security of tenure at an earlier stage in development. It can be introduced through administrative recognition of the settlement and the use of participatory enumeration and community registers. The UISP allows for progressive improvement of tenure, as an alternative to the lengthier alternative of freehold title.

Security of tenure has a positive impact on livelihoods (Figure 2):

- Recognition of tenure provides access to physical capital – land, which can be used as a focus for investment allowing financial capital to be converted more easily.
- Having a recognised address can improve access to:
 - Social capital by increasing the sense of belonging to a neighbourhood.
 - Improving access to financial capital when proof of address is required for access to banking facilities.
 - Physical capital by allowing greater access to municipal services.
- Security of tenure also influences the vulnerability context by improving resilience to certain shocks such as forced eviction or by having a recognised claim for land after a fire or flood.

Figure 2: Tenure and livelihoods



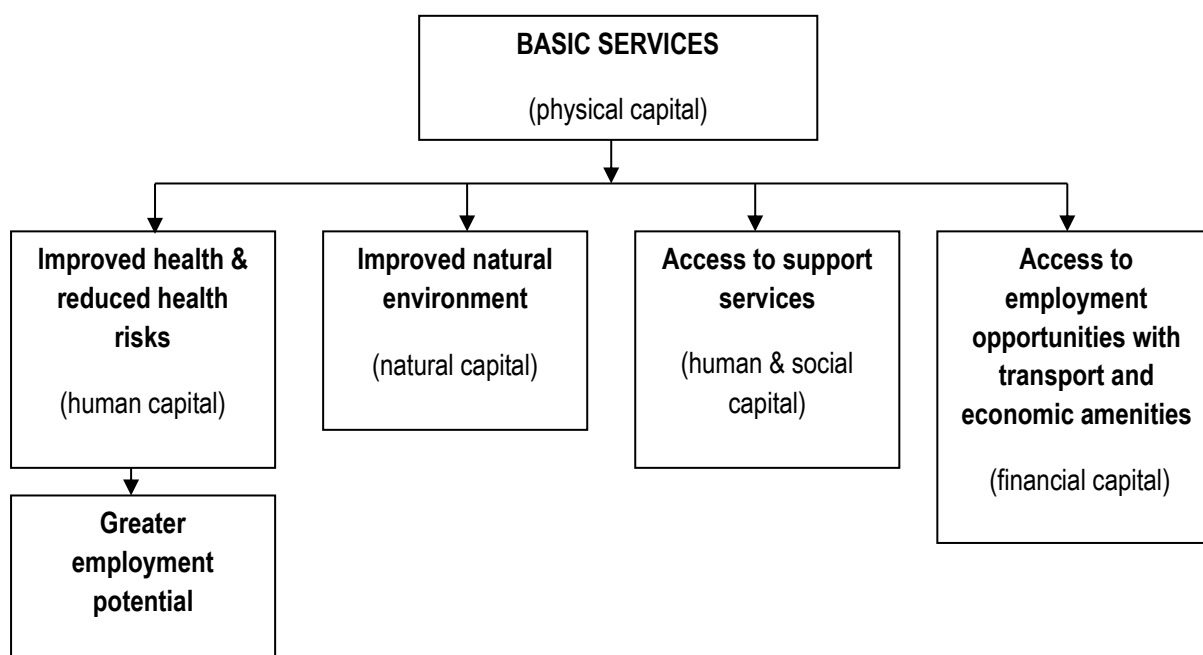
2.2 Provision of Basic Services

Provision of basic services has an immediate impact on health and well-being, but also cascades into positive benefits on access to other capital assets. The UISP provides for the installation of upgradeable basic services (water and sanitation). When integrated with improved municipal waste collection, social amenities, public open space, public transport and electricity (as specified in the July 2011 Cabinet Lekgotla decision), there is a tangible improvement across all five forms of capital.

Provision of basic services has a positive impact on livelihoods (Figure 3)

- Human capital through health improvements (or reductions in health risks) from water and sanitation services and electrification (as an alternative to other fuels), which can in turn increase employment potential (financial capital)
- Financial capital through access to employment or business opportunities from improved transport and social amenities.
- Natural capital through improvements in natural environment from waste collection, sanitation services, and provision of public open space.
- Community input into planning and design processes can also increase access to human capital through knowledge, skills and experience, as well as social capital through engagement in community processes with officials, community groups and human settlements professionals.
- Crowding in of support services such as HIV/AIDS support or early-learning support would increase access to human capital through health and education and social capital through strengthened networks.

Figure 3: Basic services and livelihoods



2.3 Community Empowerment

The National Housing Code stresses the importance of community empowerment in the process of incremental upgrading of informal settlements. Despite its proven value, this aspect is often ignored or minimised in orthodox top-structure projects.

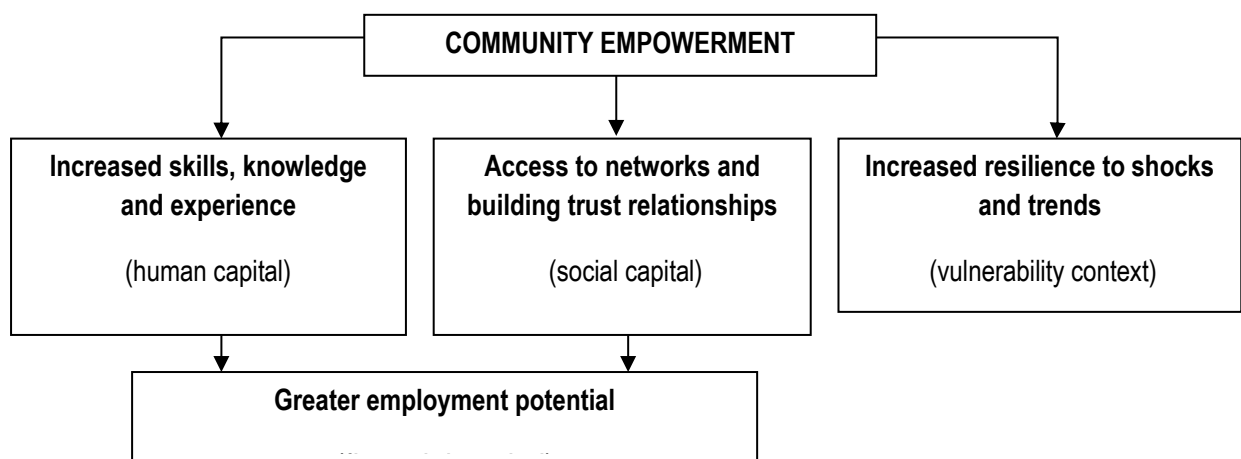
Community empowerment activities include:

- Joint socio-economic surveys of the settlement
- Participatory planning and project design
- Participatory involvement and joint decision-making in implementation
- Building the capacity of communities to take an active part in these processes

Community empowerment activities have a positive impact on livelihoods (Figure 4)

- Participation and capacity building allows greater access to human capital through increases in skills, knowledge and experience, which in turn can increase employment potential (financial capital).
- Engaging in capacity building workshops and project processes provides access to social capital through building networks and trust relationships within the community and with officials and professionals, which can increase employment potential (financial capital)
- More integrated and cohesive communities may also be more resilient to shocks and trends such as disasters or in-migration, so reducing vulnerability.
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Figure 4: Community empowerment and livelihoods



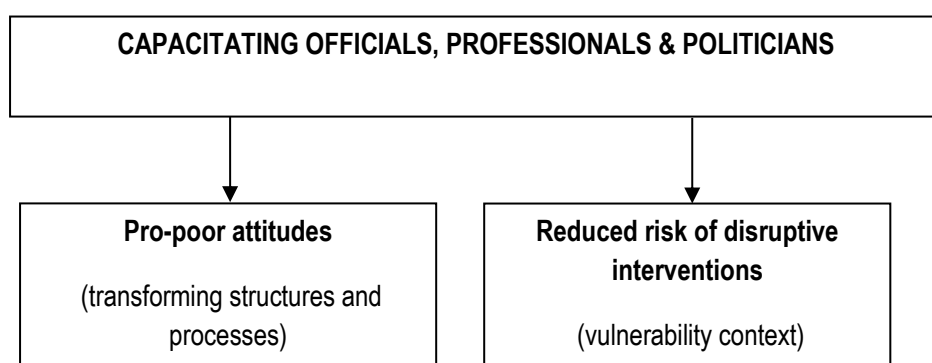
2.4 Capacitating officials, professionals and politicians

The NUSP intends to provide specific capacity building, technical assistance and knowledge sharing to officials, professionals and politicians. This will help deepen their understanding of incremental upgrading, livelihoods-based approaches in informal settlements and experience engaging with communities in participatory processes.

Capacitating officials, professionals and politicians has a positive impact on external factors that influence access to livelihoods assets (Figure 5):

- Capacitated and responsive officials can influence transforming structures and processes in a way that facilitates access to assets through development of pro-poor policies, and greater institutional understanding of informal settlements and livelihoods-based approaches.
- Changes in officials and professional mind-sets can also influence the vulnerability context through more careful consideration of alternatives before making development decisions that could impact negatively on community livelihoods strategies.

Figure 5: Capacitating officials, professionals and politicians



3 Sustainable livelihoods and informal settlements upgrading

The sustainable livelihoods framework is an important tool in developing interventions for upgrading informal settlements. In particular, it supports the key components of security of tenure, providing basic services, capacity building and community empowerment. However, the components need to be supplemented at settlement level with the identification of specific actions based on its socio-economic and demographic characteristics. Examples of such actions include:

- Improving access to information, such as welfare rights;
- Increasing access to social grants;
- Improving social capital, through strengthening of and promoting linkages between community groups;
- Ensuring the gender and youth perspective and that of other marginalised groups is built into each upgrading project;
- Improving Early Childhood Development services in each settlement,
- Promoting savings and micro-credit groups within each settlement,
- Directly addressing food insecurity through community gardens and household food gardens,
- Improving the economic performance of local micro- and small enterprises;
- Increasing access to vocational training opportunities.

A settlement-level livelihoods programme will:

- Be based on the socio-economic analysis of that settlement;
- Be developed through engagement with relevant stakeholders in the community;
- Link community viewpoints and community-identified opportunities with external service providers or sources of support, where necessary;
- Design interventions in detail, paying to attention to target groups, key partners and actions required for implementation, and human and resource implications.