

## **CID Forum hosted by Gauteng Precinct Management Association**

04 February 2025

Presentation: *Partnering for improved urban management in South Africa: Lessons from the past 25 years of practice.*

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### **Relevant background**

1. City Manager, City of Cape Town, 1997-2001.
2. Cape Town Partnership, July 1999-2017, and CCID, est. Nov 2000. CEO for 10 years.
3. SACN, est. 2002, chaired the board for the first five years.
4. WCEDP, est. Apr 2012. Founder CEO to March 2023.
5. Independent partnering practitioner. Partnering solutions in a wide range of sectors, including water, energy, food, urban management and development, rural development, transport and mobility, just transition, social employment, conservation and biodiversity, etc
6. Review of Local Government White Paper of 1998.

### **History and context**

The Cape Town Central City encountered a period of gradual and then rapid decline in the 1990s. This was characterised by:

- Capital and business flight to the V&A Waterfront, decentralised office parks and suburban retail malls
- A partial collapse of municipal systems (e.g. kerbside parking, informal trading management)
- Absentee landlords and 'sick' buildings
- Boarded-up ground floor retail (25%)
- Safety and security challenges on the streets and in public spaces, extortion, ATM fraud
- Social challenges of homelessness, youth at risk, alcohol and drug abuse
- Decline in visitors and tourists
- A loss of property value and a concomitant decline in municipal income.

This coincided with the transition to a new system of local government:

- Amalgamation of segregated local authorities
- Amalgamation of financial systems (principle of One City, One Tax Base)

- The urgent need to address service delivery backlogs in the former black local authority areas: electricity, water, sanitation, roads, stormwater, and community facilities (doing more with less)

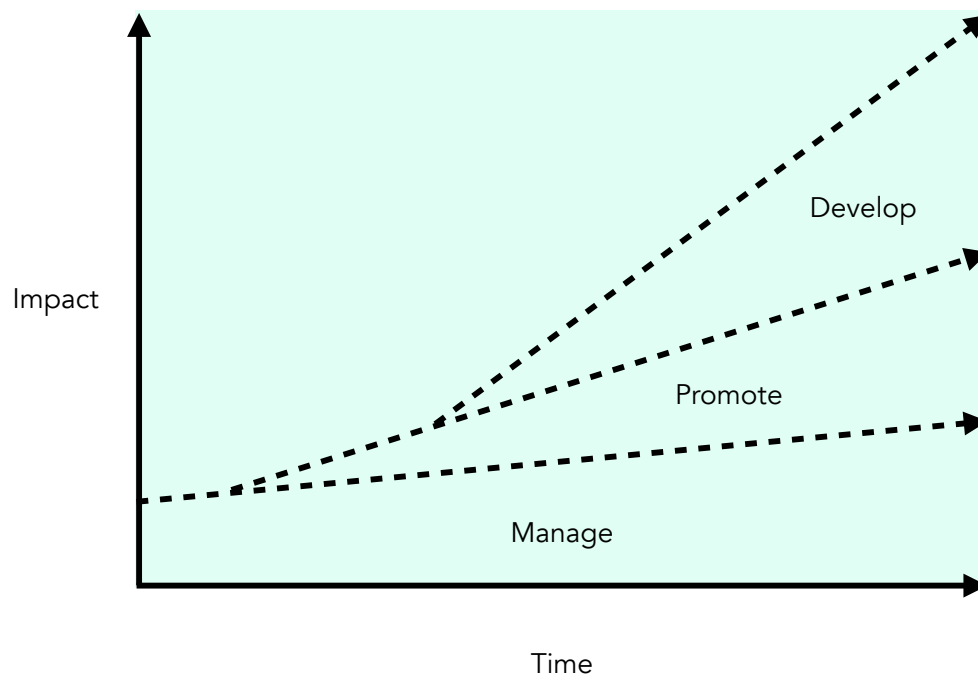
The Cape Town Partnership was established in July 1999 by the City of Cape Town and various business and other partners to **manage, promote, and develop** the Cape Town Central City. Took the form of a cross-sector partnership.

Note: The CTP was formed prior to the promulgation of local government legislation and regulations: Structures Act, Systems Act, Municipal Finance Management, etc. It was much easier in the public sector then to act quickly to address crises through the establishment of innovative new structures.

### Initial Central City strategy, 1999-2005.

1. Get the basics right, do the fundamentals well: safety, cleansing, urban management, and later social development.
2. Change the public and media narrative about the Central City: build confidence, challenge perceptions.
3. Attract investment for urban development and regeneration: buildings, shared spaces, public spaces, urban infrastructure, and conversion of B-grade and C-grade office space to housing.

### 'Theory of change'



A specific urban management vehicle, the Central City Improvement District (CCID), was launched by the Partnership in November 2000.

#### CTP functions

1. Mobilise the public and private sectors and other stakeholders around common development objectives
2. Consolidate the Central City as the economic, social and cultural heart of the Cape Town metropolitan region
3. Broaden access to the benefits, services and opportunities in the Central City for all the people of Cape Town
4. Coordinate and facilitate urban regeneration programmes
5. Guide decision-making and direct resources into solving the economic and social challenges facing the Central City
6. Contribute to the overall economic and social development of the City of Cape Town

#### CCID functions

1. Safety and security
2. Urban management and cleansing
3. Social development and job creation
4. Local marketing and communications

The CCID was originally established as part of a formal Service Level Agreement with the City of Cape Town, which included penalties for non-delivery by the City. While this Agreement was useful in obtaining the initial buy-in of property owners and businesses, it never worked in practice, mainly due to the fact that invoking any one of the penalties would probably have led to an irrevocable breakdown in partnership relations.

Instead, the CCID worked hard to form relationships with different layers of the city administration, especially with daily operations at the depot level and with the immediate middle management that controls the budgets and the maintenance scheduling.

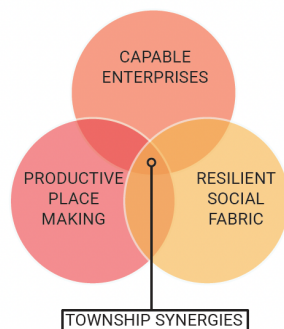
Lesson: It is tempting to 'go to the top,' i.e., the mayor and/or the city manager, to try and get things done. This sometimes works but can provoke a negative reaction from officials 'lower down' who deeply resent instructions from above. Its best to build relationships of trust at all three levels of public administrations: (i) operational staff, (ii) middle management, and (iii) the political/strategy/communications level.

#### **Expanded Central City strategy, 2006-2017.**

- *Social development and job creation*, e.g., conversion of informal car guards to a formal parking marshal system creating 300 permanent jobs. Make a clear distinction between a 'tough on crime' approach and 'social development'

requirements. Not all homeless people are criminals. Well-thought-through social programmes actually support safety programmes.

- *Creative Cape Town* programme, and cultural precincts, and activation of public spaces. Regeneration focuses on people, not just buildings, architectural heritage, and infrastructure. Culture: history, memory, identity, inclusive memorialisation, living heritage: food, music, dance, performance, rituals, storytelling. Built networks with over 1000 creative and cultural organisations and businesses.
- *Energy-efficient buildings* (first energy crisis in 2006).
- *Public space for public life* programme. Upgrade of pedestrian and public space driven by preparation for the 2010 World Cup. Lesson: the importance of spaces between buildings, and not just the buildings themselves.
- *Central City Development Strategy (2008)*:
  - Reconnect to the sea, destroyed in the 1940s and 50s through the construction of the industrial harbour and the Cape Town Foreshore area.
  - Social and affordable housing
  - Expanded public transport system, including redevelopment of the CT Station.
  - Relationship between the City Centre and the metropolitan area as a whole.
    - Dynamics of urban agglomeration: promoting access through (i) location and (ii) mobility.
    - Polycentric metropolitan economy. A total of 70 commercial, industrial, and high street nodes.
  - Address the town vs. township dichotomy: either/or, or both/and? (Later work at EDP with HSRC in 2019 on Strengthening Township Economies through a Township Economies Development Framework and Partnering Implementation Framework.



- **Enterprises:** enabling conditions, access to markets and entrepreneurial capabilities.
- **Place-making:** density, diversity and connectivity
- **Social fabric:** social order & security, community organisation, social networks & assets, community empowerment

CTP was unilaterally closed down by the City of Cape Town in 2017. Lesson: Partnerships can threaten politicians who have a command-and-control style of leadership and who view partners as service providers to government rather than as equal partners. They especially don't like other partners getting credit for something they see as their exclusive mandate.

However, the CCID remains in place as the main urban management and development vehicle. Today, Cape Town Central City is generally regarded as a highly functional CBD.

There are now around 56 CIDs in Cape Town, in commercial, industrial, and mixed-use areas. CIDs in Cape Town represent an annual combined value of R350m from top-up levies. The current CCID annual budget is R100m. It's accumulated contribution over 25 years to investing in infrastructure and urban management in the Cape Town central city is over R1bn.

The CTP and CCID together were an example of a *hybrid partnership model*:

- The CCID focuses on the 'here and now.' Its strength is its attention to detail and its ability to provide immediate responses to urban management problems and have a visible presence on the streets.
- On the other hand, the CTP for 18 years concentrated on 'what happens tomorrow.' It focused on (i) the broader socio-economic context (with an ability to see the bigger picture), (ii) bringing diverse partners (and points of view) together to produce a common agenda for joint action, and (iii) initiating new ideas (juxtaposition of difference drives innovation) and longer-term strategy beyond annual plans, deliverables, and budgets.
- There are distinct benefits of having a 'two in one' organisational structure.

### Lifecycle approach to evaluating partnerships

Establishment 1996-1999	Complaints, newspaper articles, talks, ad hoc initiatives, negotiations, decision to initiate a partnership
Implementation 1999-2002	Stabilisation through 'clean and safe', restore business and public confidence, stem capital flight, rescue municipal revenues
Urban regeneration 2003-2005	Attract private sector investment to regenerate buildings; focus on East City and upgrading of public spaces
Broadening partnership 2005-2007	Social development and job creation. New social, educational, cultural, and environmental partners, Creative Cape Town, Public Space for Public Life
Building the long term agenda 2007-2009	CBD Energy Efficiency, Connected Cape Town, Central City Development Strategy, leveraging 2010 FIFA World Cup investments
Going global 2010-2014	Hosting 2010 FIFA World Cup and building on legacy, successful World Design Capital 2014 Bid, CTICC expansion, incubation of WCEDP
Windup 2015-2017	Separation from CCID and business base, perceived rivalry with CoCT, limitations of donor-service provider relationship

Lesson: *Cross-sector partnerships have a varied lifecycle, and need to constantly adapt to changing circumstances. They therefore need to be flexible and light, to have ability to amend or expand the original mandate, and to take on new partners.*

## Lessons

1. Get the basics right: 'pay attention to detail'
2. Combine strategic planning and operations: 'strategy without action is futile, action without strategy is blind'
3. Provide a 'translation' service: 'different interests, languages, world views'
4. Quality of relationships: 'multiple levels, diverse institutions'
5. Shared vision: 'combination of market forces, public good and unique attributes'
6. Concise mandate: 'placemaking and urban regeneration at two scales'
7. Social development is core principle of urban regeneration: 'all people, including those on the street'
8. Role of central city within the city-region as a whole: 'a gateway, not an island'
9. Role of culture in urban regeneration: 'focus on people, not real estate'
10. Role of central city in building a new common identity: 'inclusive memorialisation'
11. Communicate, communicate, communicate: 'walking tours for locals, mobile laboratories'
12. Using large events to leverage urban regeneration: 'public spaces for public life'

## The EDP as a collaborative intermediary organisation

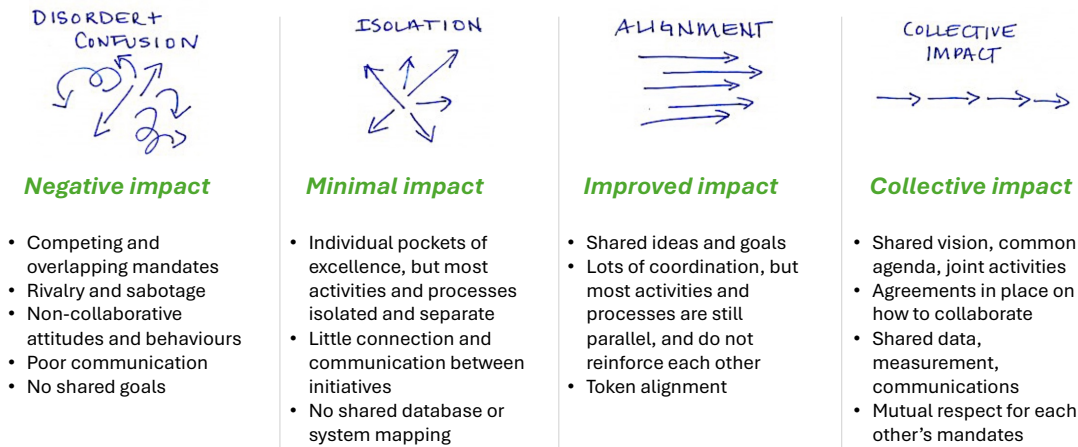
The Western Cape Economic Development Partnership (EDP) was incubated by the CTP between 2011 and 2012. Role as a collaborative intermediary organisation (CIO) rather than a single-focus partnership. Over the past 13 years, it has facilitated over 100 partnering processes in a wide variety of sectors/issues and geographies (at different scales). In doing so, it has developed a number of generic partnering methodologies and tools.

I will briefly discuss two of these models:

1. Collective impact
2. Top-down **and** bottom-up partnering

## Collective Impact Model

### Changing attitudes and behaviours to maximise collective impact



Adapted from: De Vicente Lopez, Javier and Matti, Cristian (2016). *Visual toolbox for system innovation. A resource book for practitioners to map, analyse and facilitate sustainability transitions.* [Transition Hub Series](#). [EIT Climate KIC](#), Brussels 2016.

## Top-down and bottom-up partnering model

One way to understand the roles different stakeholders hold within the system is by broadly classifying them into two distinct 'environments' based on their functions: the 'top-down' authorising environment and the 'bottom-up' mobilising environment. Each environment possesses unique characteristics, strengths, and limitations, yet both rely on the other to achieve meaningful impact.

The 'top down' authorising environment is the terrain of electoral cycles, political mandates, public policy, legislation and regulations, planning, and resource allocation. In a built environment ecosystem, this would include national, regional, and local authorities dealing with urban planning, public and private infrastructure investment, transport and mobility, building codes and standards, and environmental and heritage protection.

The 'bottom-up' mobilising environment includes a range of actors, including civic and community organisations, social movements, NGOs, funding partners, active citizens, entrepreneurs, incubators, innovators, and researchers.

**'Top-down' authorising environment**

Includes public policies, planning, resource allocation, regulations, institutional arrangements, compliance, electoral cycles, political mandates

Each of these 'environments' have strengths and limitations. They both need each other to achieve greater development impact.

**'Bottom-up' mobilising environment**

Includes entrepreneurs, SMMEs, incubators, support networks, NGOs, social movements, funding partners, operations staff, active citizens, researchers

Each of these 'environments' has different characteristics, strengths, and limitations. An authorising environment, for example, is a site of elected democratic authority, carrying a legal public mandate and resources, with potentially a view of the 'big picture' and the 'long term,' but can also be a politically overdetermined and relatively blunt instrument, with a 'one size fits all' approach, command and control tendencies, silos and hierarchies, and regulatory compliance paralysis.

The mobilising environment, on the other hand, can be characteristically nimble and flexible, with spaces for experimentation and prototyping, citizen voice and agency, and building social capital, but can also be fragmented, parochial, competitive, and short-term.

In the authorising environment, seek to (i) create a more enabling environment for non-state actors, (ii) promote 'whole of government' approach and (iii) build adaptive and collaborative leadership and management capabilities for greater responsiveness.

**'Top-down' authorising environment**

Includes public policies, planning, resource allocation, regulations, institutional arrangements, compliance, electoral cycles, political mandates

**The goal is to improve the way both 'environments' perform and to improve the relationships between the two**

**'Bottom-up' mobilising environment**

Includes entrepreneurs, SMMEs, incubators, support networks, NGOs, social movements, funding partners, operations staff, active citizens, researchers

In the mobilising environment, seek to help actors to (i) mobilise, organise, educate, to (ii) communicate and collaborate with each other, (iii) to improve capabilities to navigate the authorising environment, and (iv) scale impact through learning and knowledge sharing.



The approach is based on the premise that *all ecosystem stakeholders are potential initiators, investors of resources, and implementers*, not just passive bystanders in their own development. In this approach, government is not just a deliverer of services but also an enabler of a dynamic partnering environment, helping all actors to work together to support urban transformation.