



Built Environment Support Group



Annual Report 2009/10



BUILT ENVIRONMENT SUPPORT GROUP

Vision

BESG envisions a future in which all people in South Africa will live in a participatory democracy with equal access to habitable and sustainable living environments and livelihood security.

Mission

BESG exists to support the poor and vulnerable to access resources and increasingly gain control over their lives and destinies, through the promotion of sustainable livelihoods and habitable environments, achieving basic socio-economic rights and capacitating local government, with added emphasis on small rural towns.

1. CHAIRMAN'S REPORT

The year ending 28th February 2010 saw a period of stabilisation and moderate growth following the implementation of BESG's turn-around strategy over the previous 3 years.

BESG remains firmly rooted in its core programmes of building sustainable human settlements, and promoting good governance and deepening democracy. Its gradual shift to a new donor-funded base has enabled BESG to be more strategic and focused, and rekindle some of the radicalism that characterises an organisation with a strong human rights ethic. This is reflected in the activities that are recorded in the Executive Director's report.



Shortly before the commencement of the finance year, BESG activated a long-standing plan to separate its charitable and trading activities. This resulted in the establishment of BESG Development Services, which will in future undertake service delivery work to clients in the fields of research, training, project management, and facilitation. BESG Development Services is managed by the same Board of Directors and runs by secondment of BESG staff as and when work is required. Interested persons who want to now more of its services may inquire through our office where you will be routed to an appropriate staff member.

The Board of Directors saw some changes that were designed to provide a more diversified skills base and greater representivity, particularly with regard to gender balance. The Directors continuing to serve through the year were Prof. Rodney Harber, Chris Khoza, Brendan Pearce (Chairman), Prof. Maryann Green, Richard Rangiah, Sibongiseni Maseko, and Cameron Brisbane (Executive Director). Tony Swaminathan, our longest serving Board member, resigned in April due to prolonged ill-health, and Zandile Makhaye resigned in October due to increasing out-of-province business commitments.

In August, the following new Directors formally joined the Board, following a recruitment drive that saw overwhelming interest: Sushila Keshav (attorney), Annika Lindorsson (entrepreneur),



Josephine Naicker (chartered accountant), Sihle Ndlovu (finance and administration manager), and Brian Bassett (retired planner). We welcome the new Directors, both in terms of adding strength to the Board's expertise, and also fresh ideas to help guide the organisation through new challenges that continuously arise in the course of the life of a non-governmental organisation.

2. EXECUTIVE DIRECTOR'S REPORT

Over the year in view, BESG saw through the second year of two major grant funding agreements. Without detracting from the generous support for our projects from other donors, we are indebted to the Ford Foundation and Misereor for offering us core funding that could be allocated in a flexible manner, to cover areas of work that did not have dedicated project funding. This enabled us to achieve maximum synergy between, and impact across, our governance and human settlement programmes.

Our historical branding in housing placed us well to play a substantive role in the development of the new “Enhanced People’s Housing Process,” through participation in the EPHP National Reference Group. A change in political leadership saw the Department of Housing renamed the “Department of Human Settlements” and a renewed commitment to promote sustainable housing and communities. Translating these grand ambitions into reality remains a challenge for government, and we have participated with commitment in both EPHP and an initiative of the new Minister to revisit the Breaking New Ground strategy with a broad grouping of stakeholders across the country.

Possible the more interesting development over the year has been that our good governance has begun to overtake human settlements as the dominant feature of our work. While we remain committed to balance between the two programmes, the continuing service delivery protests that have flared up in various parts of the country prompted the Cabinet to initiate a national examination of the causes of the protests that culminated in the adoption of a National Turn-Around Strategy (TAS) for local government in December. BESG was one of a select group of NGOs another interest groups that was invited by the Department of Co-operative Governance and Traditional Affairs (CoGTA) to provide civil society input on the TAS.

International observation of the service delivery protests also spurred a number of donors to focus their attention to initiatives that promote transparency and public participation in the affairs of government – 16 years into the new dispensation. BESG was one of only 5 NGOs across the country to secure a grant from the French Embassy Civil Society Development Fund, to upscale its work on service delivery and public participation. Additionally, the Ford Foundation revisited its country programme strategy to focus on promoting governance, transparency, and accountability, and invited BESG to concentrate its work in this area over the next two years.

As a consequence, we go into our new finance year with 60% of our secured funding allocated to this critical field of engagement, under the banner of “Deepening Democracy.” uMgungundlovu District Municipality, which covers all 7 local municipalities that form the core catchment area of BESG’s work, came on board as a key roleplayer in the implementation of the project, with a broader grouping of interested stakeholders including the Governance and Public Policy Unit of the Office of the Provincial Premier, Good Governance Learning Network, Msunduzi Innovation and Development Institute (MIDI), and, of course, CoGTA itself.

MIDI, which was established as a partnership between the Msunduzi Municipality, University of KwaZulu-Natal, and Pietermaritzburg Chamber of Commerce, has been the source of much creative tension for BESG’s work in the city. It launched a charter at a summit held in October that aimed to bring a broad range of stakeholders together for the sustainable development of the city. BESG opted not to sign the charter, which claimed to be “on behalf of all citizens of the city” because its core constituency, the urban poor, was not represented, either in numbers or in the content of MIDI’s workplans. Additionally, leading figures who addressed the summit frequently touched on the looming crisis of poor governance in the city, and the lack of public confidence in the city’s leadership. However, the position of senior officials as trustees of

MIDI's own governing structure meant that MIDI itself was compromised in dealing with issues of municipal governance. This was highlighted in a full page feature that appeared in The Witness newspaper under the heading, "MIDI and the mindset gap," published in November.

By January, Msunduzi Municipality had hit a liquidity crisis, causing the provincial Department of CoGTA to dispatch an intervention team to prop up the council's administration. Senior municipal officials reportedly failed to co-operate with the intervention team, and while it falls outside of this reporting period, it is common knowledge that the Municipality was placed under provincial administration in March. Not surprisingly, the council's commitment to public participation evaporated in this period, and this lays some interesting challenges for the way ahead for our Deepening Democracy project.

It is not surprising, given this melee, that our blocked infrastructure and housing projects – won through open tender in 2001 and 2002 – made very little progress. Environmental assessment practitioners were appointed for both the Peace Valley 2 and North East Sector 2 housing projects in February 2009, but they were not even informed by the Municipality that BESH had been appointed as Implementation Agent for the development of those areas. We assisted them with plans, history, social facilitation, and a host of other components of their work, without sight of a single council official. Regrettably, the story of housing implementation is "one step forward and two steps back." It is not surprising, given that the local area development committees were usurped by political party structures, either in their own right or masquerading as ward committees, that residents of those areas are frustrated but complacent. They are certainly not toying on the steps of city hall, and that speaks reams about the extent of intimidation of genuine grassroots organisation by the new "democratic" order.

On a more practical note, our human settlements work made some progress outside of the confines of policy advocacy in boardrooms and project facilitation. In May, we achieved a major victory in defending the Mkondeni Sacca community against arbitrary eviction in the Supreme Court of Appeal in Bloemfontein. The Appeal Court ruling has national implications



for communities facing eviction from private land. Msunduzi Municipality has now been joined to the action, and has to find alternative land for relocation or negotiate a land swap with the landowners who, according to the community, were involved in shack farming before they lost control of the situation.

Daniel Bailey with Lawyers for Human rights and members of the Mkondeni Sacca community outside the Supreme Court of Appeal.

Our work on "special needs " housing – for vulnerable groups who fall outside of the conventional housing subsidy scheme – stalled at national level as a result of a change in key personnel and structures at the National Department of Housing. This work was by the Social Housing Foundation, a "fifth arm" of the National Department, but the Foundation is on the process of being wound up. In consultation with key stakeholders, BESH produced a strategic framework for special needs housing, which would place the pioneering work undertaken in KwaZulu-Natal -- and to a lesser extent Gauteng and the Western Cape – on the national map. However, the winding down of the Foundation's operations and changes in the leadership of the National Department have made it very difficult to connect with the bureaucracy. This will continue to be a "soft" lobbying activity in the new reporting year.

BESG has extended its networking over the past year, in order to enhance the reach of its services and create space for new, creative partnerships in civil society. At national level, we have continued to play a prominent role in the Good Governance Learning Network¹ and Halogen², a network of organisations concerned with local government and responses to HIV/AIDS. At provincial and local level, we have worked at forming new partnerships with faith-based groups in Diakonia Council of Churches, KZN Christian Council, and PACSA, and social movements in the form of Abahlali baseMjondolo, Federation of the Urban and Rural Poor (Fed-UP), and SA Homeless People's Federation – through a mixture of national and provincial initiatives – in order to build and strengthen the capacity of civil society in pursuit of basic human rights and engagement with the state in the realisation of those rights.

We also played a leading role in the celebration of “185 collective years of service to the city” by 8 NGOs who celebrated “big birthdays” in 2009/10 – BESG having celebrated 25 years in 2009. We are grateful to the Natal Museum for hosting the launch of our celebration and a 6 month standing exhibition so that members of the public – and particularly youth, who have no intellectual memory of our struggles and commitment to public service – could appreciate the richness of the contributions made by NGOs to civil society.

We reviewed our staffing structure against operational needs as staff left or their contracts



came to an end, in order to maintain maximum effectiveness and minimum “wastage” of human resources, thereby reducing operational costs. For staff, it has been a busy and sometimes challenging year. That is the lifeblood of NGOs that can weather the general decline in foreign donor funding – being able to be relevant in contemporary socio-economic and human rights challenges, cutting-edge in thinking and application, and operate in a context that still remains dedicated to pro-poor advocacy.

Staff movements during the year:

Table 1: Staffing Profile

| NAME | Position |
|------------------|--|
| Cameron Brisbane | Executive Director – no change |
| Mbhe Mdlalose | Project Manager – no change |
| Richard Moodley | Finance & Administration Support Manager – no change |
| Lisa Strydom | Project Manager – commenced November 2009 |
| Daniel Bailey | Researcher – no change |
| Khulekani Mfeka | Facilitator – left December 2008; rejoined July 2009 |
| Mondli Ndlovu | Facilitator – commenced May 2009 |
| Sanele Dlamini | Facilitator – left July 2009 |
| Buyi Zulu | Facilitator – left November 2009 |
| Nombuso Masinga | Intern – commenced May 2009 |
| Vanessa Chetty | Administrator – no change |

¹ www.ggln.org.za

² www.halogen.org.za

Interested persons and parties are welcome and encouraged to receive copies of the annual report of our new trading entity, “BESG Development Services.” The creation of a separate company was necessitated by the move in state procurement of low-income housing from a demand/application-driven process, in BESG’s case through community-driven housing, to a tender process that was deeply flawed by poor design, management, and quality control. Nevertheless, BESG committed to certain projects over a period of years, and a special purpose vehicle was needed to contain the risk of working with the national housing subsidy scheme and the provincial special needs subsidy instrument. In forming the new entity, the Directors resolved to transfer all trading activity to the new entity, which also operates on a non-profit, public benefit basis. It enables the Built Environment Support Group to separate its “charitable” and advocacy activities from its service delivery work, and protect donor funding from donors any adverse claims arising from housing subsidy work. In the long term, it can act as a subsidy instrument and “internal fund-raiser” for activities that BESG may wish to support but for which it does not have external funding.

3. PROGRAMMES AND PROJECTS

The main programme areas that were the focus of the year were:

1. Support for community based housing projects and sustainable human settlements (policy and service delivery support work).
2. Housing consumer education for planned or actual beneficiaries of low income housing projects.
3. Tenure and livelihood security programme for vulnerable households and communities.
4. Special needs housing development (policy and service delivery work).
5. Promoting good governance and deepening democracy -- Civil society development, local government service delivery and accountability.
6. Business and fund-raising skills development for Community Based Organisations.

1. Support for community based housing projects and sustainable human settlements (policy and service delivery support work).

Community based housing delivery dominated BESG’s core business for a full decade into the new dispensation, before government located responsibility for service delivery to municipalities, who are generally ill-equipped to perform that role. The consequence was that BESG won several housing tenders in 2001 and 2002, as implementation agent to the local Msunduzi Municipality, only to find itself without a contract and playing intermediary between a non-performing municipality and frustrated community.

Work recommenced on unblocking two of those projects at North East Sector 2 and Peace Valley 2 informal settlements. BESG provided facilitation support and background documentation to environmental assessment practitioners appointed to undertake basic assessments in the two areas, which was a condition of a funding approval secured by BESG in 2004. Those assessments were due to be completed by August, but due to the need for additional scoping work and unresolved internal issues within the Municipality, the exercises ran into the municipal “meltdown” and were still unresolved at the close of the reporting year.

Environmental impact assessment finally under way in Peace Valley 2



Possibly our greatest success story was in the defence of the Mkondeni Sacca community from a threatened eviction from private land. Sections of the community, comprising 600 of a total of 1200 households in the settlement, were facing eviction under a High Court order granted in



August 2007. BESG partnered with Lawyers for Human Rights to appeal the eviction, which was granted in the Supreme Court of Appeal on 8th May 2009. We also facilitated a clean-up of solid waste in the area for International Do-it-Day in September 2009, with volunteers from a local Methodist Church Mission and one of our CBOs from Mpofana.

Voluntary clean-up campaign in Mkondeni on International Do-it-Day

National Department of Human Settlements (formerly Housing) with development of an implementation framework for the new “Enhanced People’s Housing Process.” Changes in administrative and political leadership in the Department resulted in external engagements being suspended after June, and the Department trying to manage the process in-house. It has been frustrating to see this initiative to develop a community-driven paradigm for sustainable housing go through such a stop-start process because someone else occupied the deck chair.

We participated in the PHP Reference Group, a think tank assisting the

2. Housing consumer education (HCE) and advice work

The HCE programme was developed holistically to enable CBOs to engage in different stages of the project cycle, from trying to understand housing policy, through preparing to engage in housing delivery, to beneficiaries of completed projects who were either poorly or never engaged in a process or realising their rights and responsibilities as homeowners. KZN Department of Human Settlements has been outsourcing its own HCE programme for several years, but it had neither the depth nor the reach to empower communities where housing projects were taking place. This left a trail of problems with unfinished projects, defective housing and infrastructure, low levels of “ownership” of the process, and in some cases entire communities being given occupation without any title deeds.

The Department of Human Settlements, which was initially reluctant to refer projects to us, responded positively to the implementation of our pilot training programme in 10 communities,



and requested that we partner them in rolling out the programme further in the coming finance year.

Of the ten CBOs who participated in the pilot, three (Richmond, Mpophomeni, and Impendle) identified a need to engage with their municipality to ensure their title deeds were distributed, and one (Maqongqo) was effectively able to lobby Province for their participation in the delivery of their housing project.

Many communities are unaware of the government’s Programme to rectify poorly built “RDP” housing.

Other issues that arose included poorly built houses and pit latrines, informal house sales, and poorly maintained gravel roads. After learning about property values and using your property as collateral, participants began to understand why it is important to take care of their property and have a long term view of its value.

Housing Consumer Education

| Module | Key Topics |
|--|--|
| Housing history and housing Subsidies | <ul style="list-style-type: none"> o1 Housing problems in S.A before and after 1994 o2 Policy shift o3 Housing needs and other related needs fulfilled by housing o4 Constitutional right to adequate housing o5 Different types of government housing subsidies o6 How do you apply and what are the criteria's o7 Housing backlog in South Africa |
| Housing design and support infrastructure | <ul style="list-style-type: none"> o1 Different types of housing designs o2 Advantages and disadvantages of housing designs and positioning your house o3 Environmental regulations o4 Describe servitudes o5 Building energy efficient houses o6 Explain housing infrastructure e.g, Stormwater, electricity, sanitation pipes |
| Project cycle, procurement and contracting | <ul style="list-style-type: none"> o1 Housing Development process and procedures o2 Project management o3 Explain the Project cycle and its stages o4 Explain procurement in accordance to the constitution of South Africa o5 Quality control and land issue o6 Give examples of housing contracts |
| Responsibilities of a home owner | <ul style="list-style-type: none"> o1 Rights and responsibilities of a home owner o2 Housing and safe living o3 Boundaries o4 Different formers of ownership o5 Free basic servicers o6 Maintaining and managing services at home o7 Maintaining your house |
| Tenure security and succession planning | <ul style="list-style-type: none"> o1 Drawing up a will o2 Title deeds o3 Types of marriages |
| Using your house as collateral and savings clubs | <ul style="list-style-type: none"> o1 Home as a capital and lifetime assets o2 How to borrow money using your house o3 Banks, loans and interest o4 Consequences of breach of contract o5 The importance of saving club |
| Sustainable livelihood | <ul style="list-style-type: none"> o1 What is livelihood? o2 Sustainable developments o3 Living and eating well (nutrition) o4 Living well by growing your own food o5 How to be health and save without energy o6 How can we prevent diseases in the community |

3. Tenure and livelihood security programme for vulnerable households and communities.

BESG has been concerned for some time that the focus of housing delivery has been exclusively on numbers housed, without consideration of the impact of poorly developed housing on the security and resilience of vulnerable households. Our Livelihood and Tenure Security Programme is a direct response to the challenges faced by such households with scarce assets and resources. It has become a model for strengthening households affected by one of the highest rates of HIV infection in the region.

It is run as a set of participatory learning modules covering access to free basic services; water conservation, management, harvesting, and recycling; balanced nutrition and food security; recycling of domestic waste materials; storm water and erosion control; and health and safety in the home. We completed the programme in two schools and seven communities over the year, the majority of whom are located in the Msunduzi Municipal area.

Tenure and livelihood security programme

| Module | Key Topics |
|---|--|
| Nutrition and Food Security Module | <ul style="list-style-type: none"> •1 Nutrients needed by human body •2 Food and Hygiene •3 Bad eating habits •4 Production of crops – food gardens •5 Wild plants for food and medicinal purposes •6 Vulnerable groups and unhealthy diet •7 Cooking methods •8 Strategies to achieve sustainable food security |
| Water Conservation and Management | <ul style="list-style-type: none"> •1 strategies to reduce water consumption – use of two litres to sprinkle crops •2 water harvesting •3 use of grey water (used water) •4 Meter readings •5 climate change and cost of water •6 Activities aggravating water loss |
| Health and Safety in the Home | <ul style="list-style-type: none"> •1 hazards in households and in communities •2 building in floodplains •3 illegal electric connections •4 expired medicine and food •5 unprotected construction site •6 indigenous healing plants |
| Energy Conservation and Management | <ul style="list-style-type: none"> •1 Meter readings •2 size of cooking pots •3 cooking methods to save energy – hot boxes to cook samp and beans •4 use of lights in households •5 greening households by planting trees |
| Access to free basic services | <ul style="list-style-type: none"> •1 Indigent support policy •2 Indigent register •3 Process to access free basic services •4 Citizen's responsibilities – meter readings, closing communal taps, applying for support and updating information as required by policy |
| Tenure and asset security and succession planning | <ul style="list-style-type: none"> •1 Drawing up wills •2 Title deeds •3 Types of marriages and contracts signed by marrying couple |

We were able to gear further material support into four demonstration food garden projects, where BESG continues to play an oversight role. The funding was secured from the Belgian Government via the Department of Agriculture, for the supply of gardening equipment including “jojo” tanks for rainwater harvesting.



Food insecurity and spiralling prices have encouraged many CBOs and schools to join BESG’s demonstration food gardens initiative, part of the Livelihood Security Programme.

4. Special needs housing development (policy and service delivery work).

The Save the Children KZN pilot project, to build home extensions for crèche workers who care for non-biologically related children, finally went to contract with the Department of Human Settlements in August. This creates a policy precedent for assisting the many carers of non-biologically related children, many of whom are third generation (elderly) and who bear the brunt of the HIV/AIDS pandemic. The “add-a-room” pilot will assist 26 children in 8 locations around eThekweni.

BESG has also been engaged for the past three years in securing housing subsidy to undertake a major renovation of three Victorian houses used as a shelter for street children. The Khayaletu project, based in the Central Business District of Pietermaritzburg, is managed by Youth for Christ KZN. Preparation funding was secured in August, to facilitate the building survey, plans, and preliminary cost estimates. The project will be able to expand from 40 bedspaces to 56 after partial conversion and reconfiguration of the accommodation, which will help address the increasing incidence of street children sleeping in the CBD.

BESG’s policy work on special needs housing was suspended for a period, following a decision by the Department of Human Settlements to close the Social Housing Foundation, which hosted the Special Needs Housing Forum for the previous three years. In consultation with key stakeholders, we drafted a strategic framework for special needs housing, in order to engage the Department and have special needs housing mainstreamed across all provinces. As with EPHP, this remains work in progress. Regardless of the outcome of those processes, KwaZulu-Natal very much led the way in this policy development, and BESG’s special needs support work will not be adversely affected.

5. Promoting good governance and deepening democracy -- Civil society development, local government service delivery and accountability.

In the wake of ongoing service delivery protests, BESG has scaled up its engagement with low income communities and local municipalities in promoting the right of access to free basic services, and the right of public participation in development planning and service delivery.

Almost without exception, the communities where BESG engages have been educationally disadvantaged. The “Kuyasa” (New Dawn) community leadership development programme aims to capacitate them to work effectively and responsively with local government structures, processes, legislation, and policies. This is the first phase of our “Deepening Democracy” programme, which aims to build civil society capacity to engage on equal terms with local government structures. The programme is located in the local municipalities within uMgungundlovu District, and sees a long-standing ambition of the Board realised to move into

smaller, rural municipalities that historically seen very little investment by NGOs and foreign donors.

A total of 179 participant members drawn from 12 Community Based Organisations (CBOs) in 3 local municipalities attended the Kuyasa leadership development and local government training programme over the year. This represented a 15% increase in participants over the 2009 intake, and shows the increasing popularity and relevance of the programme in building a strong civil society voice in communities.

Phase 2 of the Deepening Democracy Programme, which started in September, involves a mixture of desktop and action research across four local municipalities within uMgungundlovu District. The aim of the research is to determine the extent to which the municipalities have indigent support policies and the extent to which communities are aware of the existence of those policies and how they can access their rights to indigent support.

The project was upscaled as a result of a realignment and increase in grant funding in the latter half of the year. As reported in the Executive Director's overview of the year, new commitments from the French Embassy Civil Society Development Fund and the Ford Foundation have enabled us to extend the project in scale, across all 8 local municipalities in the District, and depth, where BESG will play a more interactive role in mediating dialogue between civil society organisations and local government officials and structures.

Kuyasa 1 Programme

Community leadership and developmental local government

| Module | Key Topics |
|---|--|
| Understanding Developmental local government | <ul style="list-style-type: none"> •1 Defining Local Government •2 Role of a Local Government •3 Aims of Local Government •4 The notion of developmental Local Government •5 How do you know if your Local Government is Developmental •6 South African Constitution |
| Community Analysis and setting developmental goals | <ul style="list-style-type: none"> •1 Understanding your Local environment [mapping] •2 Needs assessment •3 Setting Developmental Goals |
| Understanding Project Management | <ul style="list-style-type: none"> •1 Project cycle •2 Project feasibility •3 Stakeholders Analysis •4 Procurement regimes •5 Managing projects |
| The project vehicle - the organisation | <ul style="list-style-type: none"> •1 Principles guiding community organisations •2 Phases of team development •3 Legal vehicles/options •4 Drawing up a constitution |
| Working with blockages & inner resources for development projects | <ul style="list-style-type: none"> •1 Clarifying smaller steps in development •2 Blockages (constraints) in development projects •3 Inner resources |
| Organisational development and leadership | <ul style="list-style-type: none"> •1 Leaders in your area •2 Functions of leadership •3 Skills needed for leadership •4 Conflict management and resolution •5 Power dynamics |

| | |
|---|---|
| Municipal legislation and budgeting | <ul style="list-style-type: none"> •1 White Paper on local Government •2 Municipal structures Act, 1998 •3 Municipal System Act, 2000 •4 Municipal finance management Act, 2000 •5 Municipal Budgeting |
| Monitoring and Evaluation of Developmental Local Government | <ul style="list-style-type: none"> •1 IDP Process •2 Budgeting review •3 Key performance indicates[Functions, roles and responsibilities of ward councillors and ward committees] |
| Evaluation and Mentorship Plan | <ul style="list-style-type: none"> •1 Reviewing of a Project •2 Reviewing Monitoring tools •3 Preparation for Mentorship programme Plan |

6. Kuyasa 2: Sustainability for community based initiatives

We continue to input our work in the broader governance field through two national networks. This gives us the ability to reach national policy platforms, collaborate on joint initiatives, and access funds for research projects that have national profile. These networks are:

- The Good Governance Learning Network (www.ggln.org.za), where BESG specialises in service delivery issues through both its research and development practice work. BESG contributed the service delivery chapter in the State of Local Government report that was presented to the Director-General of Provincial and Local Government in July.
- Halogen (www.halogen.org.za), which is a network of special interest groups drawn from government and civil society that supports the mainstreaming of responses to HIV and AIDS in local government. BESG's work in human settlements, special needs housing, and strengthening vulnerable households all have relevance to the network's area of focus.

A number of graduates from our 2008 Kuyasa community leadership development programme expressed a need for skills development in fundraising in order to sustain their activities. We ran a short set of training modules in needs definition, assisting them to register their organisations, develop business plans/funding proposals, and supporting them to engage their local municipalities and other stakeholders that can help in their development. Trust Feed CBO, which fell under an umbrella organisation, decided to register as an independent entity which is now known as Qalakabusha CBO. A total of 34 participants from 11 CBOs attended the programme.



Qalakabusha CBO launch at New Hanover

Kuyasa 2 Programme

| Module | Key Topics |
|-----------------------------------|---|
| Sustainable Development Framework | <ul style="list-style-type: none"> •1 Understand community based organizations (CBOs)' assets and identification of gaps in their communities/ their projects (mapping exercise) •2 Development of strategies to improve their projects |
| Organizational Development | <ul style="list-style-type: none"> •1 Drawing up constitution •2 Registration of CBOs as legal entities |
| Local Economic Development (LED) | <ul style="list-style-type: none"> •1 Drawing up business plans •2 Exploring local economic opportunities •3 Engaging with LED unit |
| Funding Proposal | <ul style="list-style-type: none"> •1 Writing Fundraising proposal |
| Marketing | <ul style="list-style-type: none"> •1 Developing marketing strategies •2 Engaging with potential funders/clients/municipalities •3 Developing brochures •4 Branding |
| Basic Financial Management | <ul style="list-style-type: none"> •1 Developing administration and accounting documents. |

4. FUNDING

Our thanks are extended to the following donors who supported our work during the year:

- The Ford Foundation for its continued support of our core work throughout our turn-around strategy.
- Misereor, for its generosity in co-financing a large part of our core work.
- The Joseph Rowntree Charitable Trust, for seed-funding and continuing to support our Deepening Democracy programme.
- The French Embassy for their enthusiasm for and active support of our expanded Deepening Democracy programme.
- Urban Landmark for their sponsorship of staff development.
- Inyathelo (South African Institute for Advancement) for financial assistance with conference attendance.

Built Environment Support Group (Incorporated Association not for gain)

(Registration number 1999/002645/08)

Financial Statements for the year ended 28 February 2010**Statement of Financial Position**

| | 2010 | 2009 |
|-------------------------------------|------------------|------------------|
| | R | R |
| Assets | | |
| Non-Current Assets | | |
| Property, plant and equipment | 1 352 095 | 1 183 871 |
| Current Assets | | |
| Trade and other receivables | 717 607 | 601 672 |
| Cash and cash equivalents | 1 411 442 | 799 219 |
| | <u>2 129 049</u> | <u>1 400 891</u> |
| Total Assets | <u>3 481 144</u> | <u>2 584 762</u> |
| Equity and Liabilities | | |
| Equity | | |
| Non-distributable reserve | 674 229 | 674 229 |
| Accumulated funds | 652 044 | 544 780 |
| Contingency reserve | 1 033 176 | 909 301 |
| | <u>2 359 449</u> | <u>2 128 310</u> |
| Liabilities | | |
| Non-Current Liabilities | | |
| Other financial liabilities | 103 988 | 136 273 |
| Current Liabilities | | |
| Other financial liabilities | 28 087 | 19 480 |
| Current income tax payable | - | 11 144 |
| Trade and other payables | 989 620 | 283 920 |
| Unspent donor funds | - | 5 635 |
| | <u>1 017 707</u> | <u>320 179</u> |
| Total Liabilities | <u>1 121 695</u> | <u>456 452</u> |
| Total equity and liabilities | <u>3 481 144</u> | <u>2 584 762</u> |

Statement of Comprehensive Income

| | 2010 | 2009 |
|-----------------------------------|--------------------|--------------------|
| | R | R |
| Gross Revenue | 2 229 034 | 2 857 634 |
| Operating Expenses | <u>(2 073 939)</u> | <u>(1 934 940)</u> |
| Operating surplus | 155 095 | 922 694 |
| Investment revenue | 96 313 | 111 096 |
| Finance costs | (20 269) | (28 850) |
| Transfer to contingency reserves | <u>(123 875)</u> | <u>(909 301)</u> |
| Surplus for the year | 107 264 | 95 639 |
| Other comprehensive income | - | - |
| Total comprehensive income | <u>107 264</u> | <u>95 639</u> |



BUILT ENVIRONMENT SUPPORT GROUP

371 Jabu Ndlovu Street
Pietermaritzburg 3201/

P.O. Box 1369
Pietermaritzburg 3200

Tel. 00- 27- 33- 394 4980
Fax 00- 27- 33- 394 4979
besgpmb@sn.apc.org

www.besg.co.za