CHAPTER FIVE: POLICY IMPLICATIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

The aim in this concluding chapter is to highlight the key policy findings that emerge from this investigation. The chapter comprises of two sections of material. The first section focuses on the several policy implications that flow from the research conducted on small town renewal. The second section moves on from this discussion and presents, on the basis of the Alice experience, a project proposal for piloting a programme of small town renewal.

5.2 POLICY IMPLICATIONS

The findings from the research conducted in the small town of Alice have several policy implications:

5.2.1 The importance of small towns in local development

The potential contribution of small and dispersed urban centres in local economic development processes has not been sufficiently recognized. There needs to be implemented strategies and interventions that take spatial processes into account. Small towns not only act as local providers of administrative and social services, but they also constitute a critical junction between the rural and the wider economy. There is, therefore, a need for a more balanced approach that
recognizes the existing and potential economic and social role of small towns and attaches greater importance to these locations as entry points for policy, investment, and enterprise development interventions.

5.2.2  Understanding rural-urban linkages

This town-based study of Alice contributes to improving information on the nature and structure of urban-rural interactions. This knowledge can be used to inform policy and institutional change processes as well as development strategies and interventions. Admittedly, more in-depth analytical tools need to be developed for understanding of the factors at play in the rural and the wider economy. For example, analysis of sub-sector economies and their spatial flows across rural and urban areas could shed light on value creation, factors that affect growth and the desired policy and investment interventions.

5.2.3  Approaches to enterprise development and support in small towns

There is evidence that a core growth sector in small town economies is retailing. However, there is limited business support to the retail and wholesale markets. Coupled with this limited support is the absence of initiatives aimed at economic infrastructural investment in small towns. The fact that ownership of land and business properties in small towns still reflects historical patterns impacts negatively on the creativity and socio-economic destiny of the local community. Overall, there needs to be user-friendly initiatives that are focused on releasing
land and business properties owned by government, which must be supported by infrastructural programmes.

Current government support to small rural enterprises with limited growth potential may not be the most cost-effective approach to employment and income generation in rural communities. At the same time, the alternative of channeling support to small towns may suffer from shortcomings as these locations tend to cater for saturated markets. There is, therefore, a need for effective approaches that place greater emphasis on activities that sell to outside markets, add value to locally available raw materials, generate significant employment, provide critical production goods and services to other local activities and enjoy favourable growth prospects (Wandschneider, 2004). Examples of such economic activities that can promote economic growth in small towns include non-timber forest products, the processing of agricultural produce, agricultural storage and trade, manufacturing of agricultural equipment and tools, supply of agricultural inputs, construction and tourism.

5.2.4 Government strategies and interventions at provincial and national levels

The prospects for economic growth in small towns cannot be divorced from developments taking place at the provincial and national government levels. Overall, there is a need for a positive change in government that favours an enabling business regulatory environment and financial services to small urban centres.
5.2.5 Institutional arrangements at local level

The recently published LED Guidelines for South Africa shed light on the design and implementation of strategies aimed at promoting socio-economic development at local level (DPLG, 2005). Nevertheless, it is argued here that equally robust initiatives need to take place at the local institutional levels to strengthen the linkages between the rural and small town economy. The newly formed development agencies at district and local levels could respond to this economic gap by leveraging private sector investment to unlock potential growth sectors.

5.3 RECOMMENDATION

This overview indicates that whilst small towns clearly have a distinctive role to play in terms of rural development, there are very real economic barriers prevailing which are impacting on the development of the local economy. It is argued that there is scope to improve prevailing conditions and targeted support is needed in this regard.

In conclusion, there are five critical ingredients for a successful town renewal programme. These are: community involvement; market potential; resource availability; quality and quantity of historical assets; and political buy-in. Using this study as a background and the research findings discussed here about Alice, the Researcher has developed a project proposal (on behalf of the municipality)
to pilot a small town renewal programme in Alice. As a way of both identifying areas for future research and demonstrating the importance of the five ingredients mentioned earlier, the project proposal is presented below. The Researcher believes that this project can be replicated in other small town areas.

5.3.1 Alice Project Proposal for a Town Renewal

Inner-town development (and historic preservation) is a regeneration program of small town centers. In small towns, the concentration of business is on the main street and due to the town sizes one cannot really talk of a Central Business District (CBD) although the two serve the same purpose. In most cases in Amathole’s small towns, historic buildings such as the Town Halls remain the trademark of the town. In this project inner-town development and preservation of historic buildings are lumped together because they are often undertaken as complementary projects.

Historic preservation is viewed as one strategy to enhance the attractiveness of the inner-town area. It is also acknowledged that not all historic buildings are physically located in the inner-town but their rehabilitation in their peripheral sites will influence the expansion of the town. Historic preservation can imply an array of activity, including preservation of historic assets, rehabilitation of dilapidated historic structures, reuse of vacant historic structures, or the enactment of a local historic preservation by-law by local authorities to protect historic assets.
One project linking inner-town development and historic preservation is façade environment. A recent study in Alice indicates that both shoppers and local business owners would prefer to improve their commercial building fronts. This can be done by altering doors and windows or by removing architectural details to give a smoother look. These actions are attempts to make old dilapidated buildings look new. They are a necessary step to hold or recapture shoppers who are increasingly leaving the main street or the town itself to shop in other areas.

The project does not assume that the inner-town in Alice is dead or dying and that efforts to revive it would be wasted. But the current gain in tourism and business development sometimes bypass small towns and their main streets because of lack of their ‘connectedness’ to their own heritage, the local culture and the industry. Small towns seem to miss the fact that heritage has in its own right become an industry. At the same time, a fine stock of rehabilitated historic buildings without use or economic viability is generally not enough to sustain a town.

A project of this kind can with very few alterations be replicated in other small town centers. But there are various reasons that the Development Agency may want to pilot it in Alice. These include:

- Nkonkobe municipality is the only local municipality within the Amathole district that has included town renewal in its integrated development plan (IDP);
Since community involvement is key ingredient of a successful town renewal program, The Agency acknowledges the efforts made by Alice residents in the recent past, when they put together an ‘Alice development’ document, aimed at attracting tourists and promoting economic activity in the area;

Alice is planning to celebrate 160th Anniversary in 2007; efforts to catalyze the economy now will give meaning to the celebrations;

Alice is a home to the University of Fort Hare (UFH), which is a national heritage site. A quick review of the university's turn-around strategy suggests that the sustainability of the main campus is inter-related to the economic conditions of the town;

The Integrated Development Plan of the Amathole District Municipality (ADM) identifies secondary potential areas for investments in the region. These include Stutterheim and Alice;

The establishment of a local Development Agency in Nkonkobe will test the appropriate institutional framework for district and local Development Agencies

5.3.2 Project Plan

An inner-town development project can be broken down into six steps. These are:

a. assessing the current situation in the town center (status quo report);

b. setting goals and objectives;
c. developing projects and programs of action;

d. assigning responsibilities;

e. implementation, and

f. monitoring, evaluating and adjusting

There are other several factors to weigh when considering an inner-town development project. These factors should be viewed jointly because they are meant to complement each other. But one factor, which must be secured, is community support for the project.

- **Market Potential** – The Development Agency alone or in partnership with a professional will conduct a market study of the town.

- **Resource Availability** – a large project thoughtfully conceived and conducted should yield greater results. If this project fails due to lack of resources it will make it difficult for the Development Agency and its local partners to move into future efforts.

- **Quality and Quantity of Historic Buildings** – since historic preservation is an important component of this project, it is important to take stock of a number and the state of the historic buildings in Alice town. Reusing and renovating old buildings is cheaper than new construction and meeting the costs of modern building codes.

- **Community Support** – community participation in this project should take place at an early stage. In Alice it is an opportune time to respond to the latest developments, including community demands expressed in the
community’s initiative in 2000 to establish a Section 21 to drive the revival of the town; an embarrassing protest march for ‘service delivery’ that caught national TV coverage in 2005; and the TV talk show in February 2006, which is somewhat putting pressure on the newly elected municipal authority.

5.3.3 Implementation

Assessing the current main street situation: The key issues/questions here are:

- What is the position or role of the inner-town area in Alice?
- What is the level of competition among business and property owners?
- What are the advantages and disadvantages of inner-town businesses?
- How can we capitalize on the disadvantages?
- What is in the inner-town that can attract people?
- How about (local) government offices?
- Are there any cultural or recreational opportunities in the inner-town area?
- How can we make the best of whatever there is in the inner-town area?
- Is the town center safe and attractive?
- Is it convenient to reach; is it easy to move between its elements?
- Is parking plentiful, manageable and accessible for people with disabilities?
- What and how many businesses are in the main street?
• Are there any unique shops or services? Any coordination of products and services? Any coordination of hours of operation or scheduling of special sales events?

**Setting goals and objectives:** there are long range goals and short range objectives that the Agency will have to consider at this stage:

Long-term:

• How can the town center regain its status as the main shopping district for Alice?
• How can the town expand its tax base and create jobs back in the town center?
• How can the town prevent the loss of the town center built environment?
• How can the town preserve the physical sense of community character or heritage?

Short-term:

• Cleaning and beautification initiative
• The rehabilitating and reusing of vacant buildings
• Attracting new businesses
• Making improvements to public spaces
• Correct and appropriate naming of the inner-town

**Developing Projects and Programs:** Based on what is revealed by the first two steps, projects and programs must be developed to move the project forward.
• Establish where the town is, what the projects are, and where the town center would like to be
• Make decisions about how to accomplish the goals in the most efficiently, timely fashion.
• Set performance benchmarks for progress

**Assigning responsibilities and implementation:** the implementation should not be overly technical or complicated.
• Develop simple and clear guidelines about who does what, and when they do it, or complete it;
• Develop a rough framework for how activities are to be carried out so that consistency is maintained between the Development Agencies, individual institutions (eg. University of Fort Hare) and individuals
• Address what constitutes appropriate conduct or completion of an activity; and
• What individual or Board will review progress

**Monitoring, Evaluating and Adjusting:** this is an important phase to:
• Ensure that all activities result in the best possible outcomes;
• Monitor the progress of all activities against benchmarks established for them;
• Make changes where necessary (after evaluating results of monitoring);
• Keep measuring the measurements to make sure that progress benchmarks are functioning accordingly
5.3.4 Stakeholder Involvement

There are four partners that are instrumental in ensuring success in this project. These are the Development Agency, Nkonkobe Municipality, UFH and local business chamber. The Agency will do project management while the university may play a big role in drawing engineering and architectural designs – giving final year students an opportunity to come up with revitalized designs and improvements. The Municipality may involve its own engineers (or consultants) but importantly they can introduce a rebate scheme to encourage cooperation with property owners. One suggestion is that the municipality should retain the current rates valuation for a period of at least three years after improvements. In other words, improvements on properties should not necessary result in increased rates payable for the proposed three-year period. Business could then be expected to pay for the improvements on their properties while the municipality and the Agency cover architects, engineers, submissions and approval of plans; and municipal utility connections and improvements that may be required.