



Department of Local Government and Housing
Departement van Plaaslike Regering en Behuising
ISebe loRhulumente boMmandla nezeZindlu

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Pre-Imbizo Report

Beaufort West Municipality

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1. Introduction

The report covers the following:

- Municipal Profile
- Socio-economic Profile
- Demographic Profile
- Municipal key performance areas, namely:
 - Municipal Transformation and Institutional Development
 - Financial Viability
 - Basic Service delivery and Infrastructure
 - Good Governance
 - Local Economic Development
- Progress on Previous Imbizo held
- Provincial department interventions and projects

2. Municipal Profile

Beaufort West Municipality includes the towns of Beaufort West, Merweville and Nelspoort. The largest town in the district, Beaufort West, serves as the administrative centre of the district. The municipal area has a total population of approximately 37000 residents, most of who are urbanised.

Beaufort West is strategically situated approximately 450 kilometres northwest from Cape Town along the N1 route, which connects Cape Town with cities like Bloemfontein and Johannesburg. The town is also situated on the stretch of the N1 where the N12 converges with the route, adding to the town transport potentials.

3. Social Economic Profiling

Beaufort West, with about 60 per cent of the district population (2006), is the biggest municipality in the Central Karoo district. It also contributes the largest share to the district's GDP.

With an average annual growth rate of 2,87 per cent between 1995 and 2004, Beaufort West's growth was below the district average of 4,10 per cent. The fast growing sectors were manufacturing (9,42 per cent), construction (6,05 per cent), wholesale & retail trade; catering and accommodation (4,63 per cent), transport & communication (4,45 per cent) and financial & business services (3,94 per cent).

Population growth in Beaufort West has been very slow at 1,44 per cent between 2001 and 2006, dropping to almost zero between 2006 and 2010. Unemployment in the region is the highest in the district (and Western Cape) at 39,1 per cent in 2001 up from 25,5 per cent in 1996. As an indicator of poverty, 7,1 per cent of all households in the municipality have no income.

Indicators on health (nurse patient ratio) and education (educator learner ratio) suggest manageable workloads. Indicators on the quality of care in health show that this municipality still falls short of nationally set targets for e.g. TB cure rate and birth weight. HIV prevalence is projected at 2,9 per cent of population and increases by less than 1 per cent between 2005 and 2010 to 3,6 per cent.

Crime levels in Beaufort West are high, especially when compared to other municipalities in the district. It had a ratio of 119 crimes for every 100 000 people in 2004/05 compared to the district

average of 103 (the DMA and Prince Albert had the lowest figures here of 70 and 72 respectively). Beaufort West has also faced rapid escalation in drug related crimes of late, from 94 in 2002/03 to 283 in 2004/05. Crime in this municipality needs to be addressed.

4. Demographic and Socio-Economic Indicators

Total Population: **2001: 34 999**
 2006: 37 598
 2010: 37 703

Population growth rates (average annual)	
2001 – 2006	1.44
2006 – 2010	0.07

Centre for Actual Research, 2005 (Population projections for the Western Cape 2001 – 2025)

Socio-economic indicators

Unemployment rate 2001	39.1%
Number of unemployed 2001	5 004
Proportion of households with no income	7.1%
Number of households with no income	640

Source: Statistics South Africa; Census 2001

Health			
Number of medical facilities	9	Nurse patient ratio (National target: 34)	31
Percentage births under 2,5kg (National target: < 10%)	21	Proportion under 1 with 1st measles immunisation (National target: 90%)	93
TB prevalence per 100 000 people	950	TB Cure rate % (National target: 85%)	74
HIV/AIDS prevalence rate (2005)	2.9%	HIV/AIDS prevalence rate (2010)	3.6%
Number of HIV/AIDS deaths (2005)	43	Number of HIV/AIDS deaths (2010)	67
Education			
Number of schools (primary and high)	17	Educator learner ratio	36
Percentage of people over 14 illiterate (less than grade 7)	32		
Crime (reported)			
Number of police stations (2004/05)	4	Total number of cases reported (2004/05)	4 443
Number of murders (2004/05)	32	Number of rapes (2004/05)	62
Drug related crimes 2002/03	94	Drug related crimes 2004/05	283

Source: SAPS (2005), Department of Health (2005), WCED (2005)

Strengths and challenges

Strengths	Challenges
Well diversified and strong economy.	Growing incidence of drug related crime.
Good growth in labour intensive sectors.	Low household incomes.
Improvements in access to basic services.	High unemployment, especially of the youth.

5. Municipal Key Performance areas

Key challenges

- Persistent poverty
- High dependence on social welfare grants
- Economic regeneration
- Skills development
- Securing water and energy resources for proposed initiatives
- Social ills: alcohol abuse, drug related crime

5.1 Local Economic Development

Development Strategy

The existing strategy focuses on building on the gains in basic service delivery. The main challenge of a clear response to the NSDP logic and associated economic development thinking is not resolved.

LED Strategy

The municipality is in the process has finalised its LED strategy. Large scale economic initiatives are being explored such uranium mining in the energy sector, an inland storage facility for redistribution in the country, and an abattoir.

IDP Priorities

Key priority areas:

- Economic development
- Environmental development
- Social development
- Land and Housing
- Infrastructure development
- Institutional development
- Financial (Management)

The following will be addressed in the development of the new IDP:

- The IDP assessment indicated a weakness in dealing with strategies for people development.
- Steps have been taken to start a skills development programme with the help of the department of Education.
- A draft environmental plan was developed, which spells out actions for a natural base.
- The existing IDP must be improved by designing a long-term infrastructure programme.
- The IDP itself has significant gaps and needs a serious 'upgrade'.
- Existing projects does not speak to the economic priority sectors.
- IDP-budget link is not well-developed.

5.2 Institutional Transformation and Organizational development

A Shared Services Centre is currently under discussion in the Central Karoo. It aims to deal with two underlying concerns:

- A lack of appropriate staff capacity for optimum municipal functionality

- Limits on revenue and high staff costs

The following have thus far been undertaken:

- A literature review on shared services nationally and internationally
- Investigation into two case studies:
 - Gauteng Shared Service Centre
 - Joburg Shared Revenue Centre
- A capacity and staffing assessment of the three municipalities and to some extent the District Municipality as well
- A one-day scoping workshop to agree on approach and prospective options
- Development of a draft organogram, staffing needs and costs for the SSC
- Development of the criteria for decision-making
- A detailed cost-benefit analysis
- Implement performance management reward systems to improve working conditions
- Establish local innovation centres for skills development and as well establish links with other institutions.
- Develop and implement a skills development plan in the node.

A draft feasibility study was deliberated by newly-elected political principals and stakeholders on 3 May 2006.

All four municipalities in the District area confirmed their commitment to the shared services concept but are in favour of adopting an incrementalist approach of sharing skills and services in a formal arrangement amongst one another as opposed to a unit under the jurisdiction of the District.

5.3 Financial Viability

In the Medium Term Expenditure Committee (Mtec) Hearings held in May 2006, financial statements showed that the municipality practice sound revenue management in so far that the actual revenue of the municipality exceeded the budget by 5,89%.

However, Beaufort West Municipality's reliance on government grants increased slightly from 8,02 per cent to 8,21 per cent but remained within the norm in the past financial years. In addition, the municipality's situation on debt management are within the norm which requires that total liabilities should not be more than 57% of it's total assets. The municipality,s ratio is currently on 48%.

The following challenges were noted as part of the Mtec hearings:

- Financially, the municipality has serious challenges.
- Funding for outer years needs to be secured, there are shortfalls on the capital budget, the budget must reflect actual funds, detail breakdown of items are required to understand what money is spend on (i.e. 'sport' expenditure).
- There is slow spending on the CAPEX. There is a 'over-recovery' on revenue in the budget.
- Personnel costs are high at 41% of OPEX, yet the municipality is understaffed.
- The provision for bad debt is too low. The high external grant dependency raises the Capital budget figures. However the municipality has been able to raise revenue collection and expect households to be able to pay more. A concern is that only 55 of the 450 farmers will be able to pay the proposed rates.
- The growth in the indigent households currently stands on 55% which poses a significant threat to the long term financial viability/revenue of municipality.
- There is a current overdraft facility being used. A loan is being considered. There has been losses due to fraud. The higher salaries to councilors might prove to be unaffordable

Interventions

- A Financial Assessment of the municipality is being concluded
- This should identify opportunities for revenue enhancement and cost-reduction
- Treasury is in the process of developing an action plan to address financial management challenges

5.4 Service delivery and Infrastructure

- All residents have access to basic services
- There is a relatively high level of infrastructure.
- Extension of services to farming areas a priority for the next period with funding as a major resource challenge
- Service delivery investigation to farming areas in final stages
- The department will be supporting the municipality with on-going infrastructure project related to water, sanitation and roads. Assistance in review of a disaster management plan will be provided. Assistance in the finalization of a 5- year housing plan is also being looked.
- The estimated backlog on housing and essential services are as follows:

Housing and Basic Services Backlog

The estimated backlog on housing and essential services is as follows:

Town	Housing	Electricity	Sanitation	Water
Beaufort West	3 029	616	60	140

Approved Housing Projects

Project No.	Project Description	Units	Type	Rand	% Progress on Services	Progress on Top Structures	
						Under Const r.	Complete
565	Toekomsrus	156	PLINK/ NHBRC	4 479 116	100		156
Remarks: Project completed Turnkey Contractor: ASLA							

Project No.	Project Description	Units	Type	Rand	% Progress on Services	Progress on Top Structures	
						Under Construction.	Complete
544	Hillside	513	PLINK/NHBRC	4 650 779	90	200	135
Remarks: Project progressing well. Completion expected at end of July 2006. Turnkey Contractor: ASLA							

Planned Housing Projects

Description	No. of Units	Expected Departmental Approval Date
1. Project 674: Hillside Ext 2 Phase 2: Application under evaluation.	598	July 2006
2. Project 632: Merveille: Decision delayed due to EADP report outstanding – sustainability in question.	90	Uncertain
3. Project 646: Nelspoort: Decision delayed due to EADP report outstanding – sustainability in question.	214	Uncertain

5.5 Good Governance

Status of ward committees

All wards are established and the following activities have been undertaken:

- Community Based Planning within the different wards has taken place.
- Regular interaction with departments through the functioning of the ISRDP Forum is being established
- Close relation already established with the local department of Social Services with various joint projects, e.g. Golden Games, Soup Kitchens, etc.

5.6 Social Cohesion

The node thus far was not able to successfully identify initiatives that would successfully address social problems.

Beaufort West is benefiting from the appointment of a TB / HIV and AIDS District Coordinator through the Global Fund to address VCT and MTCT Programmes; ARV Clinics and Community base care in the Node.

The **South African Police Service (SAPS)** in partnership with **Community Safety**, coordinated by the **department of Local Government and Housing** commissioned and completed an integrated crime prevention strategy, of which implementation plans are currently being developed for roll-out in Beaufort West.

6. Progress on previous imbizo held

A Presidential imbizo was held in the Central Karoo on the 5 August 2005, represented by the Deputy President.

An action plan was compiled with measurable outcomes to address the key issues that were identified. The following can be reported on in terms of progress:

Measurable Outcome	Progress
A detailed LED Strategic and Implementation Plan (Document)	District LED Plans completed. LED plans for local municipalities finalised. Public participation process to be undertaken.
Detailed Capacity and Competency Assessment (Report)	Shared services model focusing on an incrementalist approach of sharing services and skills is being explored.
Establishment and Functioning of ward committees	All ward committees were established and were fully functional as an imbizo outcome.
Sustainable financial management plan	Report compiled on options for revenue enhancement for municipalities. Medium terms expend committee (MTEC3) process completed with Prov. Treasury. Dept Econ.Dev. & DLGH. Support areas to be identified by Prov Treasury
Basic services and Housing plans in place and implemented	The District and local municipalities are engaging on the following in relation to basic services and housing: Implementation of sustainable human settlements is taking place by monitoring and evaluation of: <ul style="list-style-type: none"> - Energy and climate change. - Sustainable water use and management. - Sustainable waste management. - Bio-diversity management. - Sustainable transport.

7. Sector Department Interventions

The **provincial Department of Education** initiated a Learners Drivers License project in the Central Karoo with candidates chosen from the ABET Centre, as well as training of teachers in technology that included a technology kit for each school. Beaufort West also benefited from this project.

Through the installation of electronic facilities, services such as advertising of vacant posts, checking of appointments and salaries, locating schools at any given area and investigating of enrolments at a particular school have been made easier. A new system currently being rolled out will ensure that a learner could be tracked together with his/her record, by means of a unique number allocated to a learner from the level of Grade R.

A challenge for scholars, however, is the danger that faces them in having to cross the N1 Highway to school, on a daily basis. A public transport application was turned down due to the fact that the minimum distance of 5km could not be complied with. It is appealed that the application be approved as an exception.

The Department of Labour renders a service, through the National Skills Fund, which deals with the development and improvement of the skills of the unemployed to better enable them to find employment and be eventually active.

Access to Government Services

Beaufort West is currently the only municipality that has a complete and operational multi-purpose community centre (MPCC), which is making provision for formal and informal training, GCIS, Home Affairs, a municipal housing office, Municipal Water Reading office, and a photo shop.

Computer Labs have been installed at primary schools in Beaufort West, which is both accessible to the learners and the communities, as well as the installation of Internet terminals in Post Offices.

Departments identified for further engagement

The table below highlights specific **Provincial Departments** identified for possible engagement

Department	Project	Amount	Area
	1. Fencing of airport	R82 000.00	Airport
EADP / DWAF	2. Upgrading: Parks / Landcaping	R200 000.00	Kwa & Rustdene
MIG	3. Upgrading Sewerage Plant	R100 000.00	Beaufort West
MIG	4. Fencing Cemetery	R105 000.00	Grave yard
MIG	5. Parking Donkin Street	R500 000.00	Beaufort West
Cultural Aff. & Sport	6. Indoor Sport Complex	R7.6m	Mandlenkosi & Rustdene
MIG	7. Ablution Facility	R150 000.00	CBD
Cultural Aff. & Sport	8. Swimming pool	R2m	Mandlenkosi
Soc. Services/ T&PW	9. Community Hall	R1m	Prinsvalley
MIG / T&PWorks	10. Low Water Bridge	R500 000.00	IZilanti / Mandlenkosi
DWAF	11. Rain Water Reserve Dam	R300 000.00	Donkin / Bird Streets
MIG / DWAF	12. Pressure control (water)	R350 000.00	Gamka Dam
Local Govt & Housing	13. Dilapidated Houses	R1.76m	Mandlenkosi/Rustdene
Cultural Aff. & Sport	14. Library	R600 000.00	Mandlenkosi
	15. Upgrading substation	R2 000 000.00	Municipal area
	16. Wind power Generation	R10 000.00	Beaufort West
	17. Liability Control System (internal)	R2 000 000.00	Beaufort West
DME	18. Wind Power Generation	R38m	Beaufort West
	19. Labour factor improvement	R1 500 000.00	Beaufort West
	20. Upgrading Network (GIS)	R200 000.00	MPCC
	21. Replace Plessey metres	R2m	B/West
DME	22. Upgrading of Network	R1.5m	Municipal Area
DME	23. Electrifying Farm Dwellings	R28m	Municipal Area
DME and MIG	24. Lights Mandlenkosi Road	R3m	Mandlenkosi Road
Health	25. Clinic		Toekomsrus / Hillside
Education	26. School Halls: Mandlenkosi High, HM Dlikidla Primary, AH Barnard & St. Matthews Primary Schools		
Econ Dev & Tourism	27. Industrial Development Strategy	R50 000.00	Beaufort West
	28. Economic Viability Study	R100 000.00	Beaufort West
EADP / DEDT	29. Landscaping/Fencing Mini Market (Business Hive's)	R200 000.00	Mandlenkosi
Econ Dev & Tourism / Transport & PWorks	30. Abattoir and By Products	R10 000 000.00	Beaufort West
	31. Network connection	R400 000.00	Mun. Office (+Merweville)
SS&PA / T&PW	32. Multi Purpose Centre	R3 000 000.00	Rustdene
GCIS	33. TV Tower (SABC 1,3 & E-TV)	R150 000.00	Merweville / Nelspoort

Departments identified on specific issues (in addition to above list):

- **Education:** Xhosa teachers in schools. Transport to schools
- **Cultural Affairs and Sport:** Rationalization of library services

- **Local Government and Housing:** Responding to detailed list of infrastructure projects and phasing thereof. Deal with approval of housing applications which is a priority issue in Beaufort-West
- **Agriculture:** Access to services in rural area through active partnership.
- **Economic Development and Tourism:** Engagement on support to specific economic projects

