



Department of Local Government and Housing  
Departement van Plaaslike Regering en Behuising  
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## **NATIONAL IMBIZO FOCUS WEEK**

**26 – 31 OCTOBER 2006**

**Pre-Imbizo report**

**Laingsburg Municipality**

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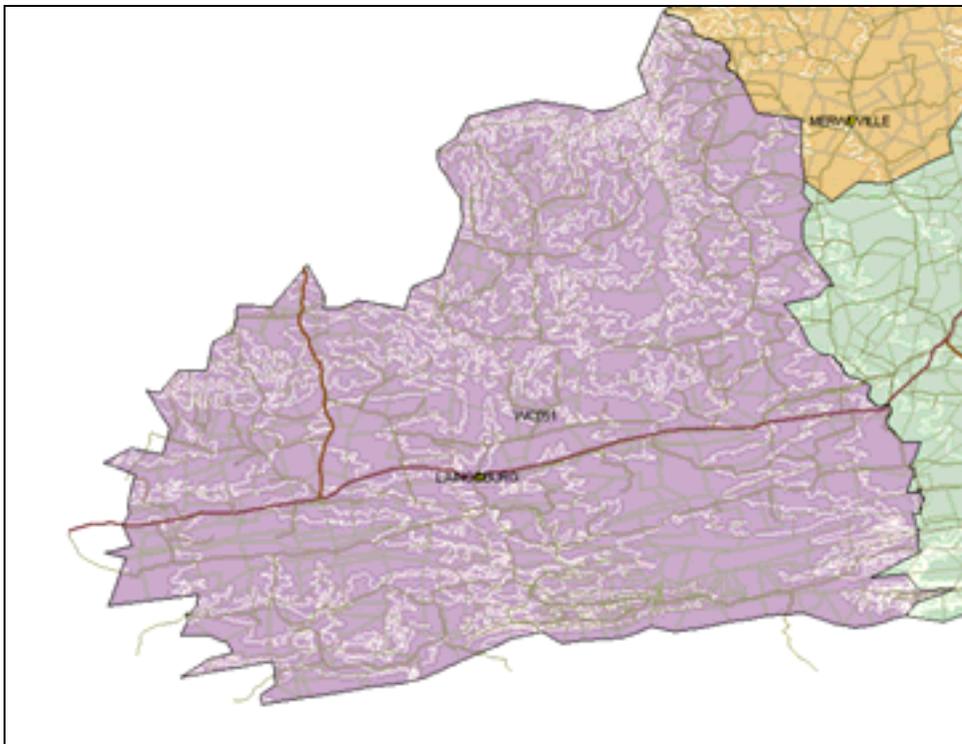
## 1. Introduction

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

Laingsburg Municipality is the smallest municipality (i.t.o. population) in the Central Karoo District, and indeed in the whole South Africa. The municipal area has a total population of approximately 6681 residents and includes the historic settlement of Matjiesfontein.



### 3. Social Economic Profiling

Laingsburg recorded the second highest average annual growth of the municipalities in the district (after Prince Albert) between 1995 and 2004, of 4,59 per cent. The sectors producing the highest growth over the period were transport & communication (10,77 per cent), agriculture, forestry and fishing (7,53 per cent), electricity & water (5,6 per cent) and wholesale & retail; catering and accommodation (4,89 per cent). The good growth in the agriculture and wholesale sectors is particularly valuable as they are the largest employment sectors in the municipality (Census 2001).

Population growth in Laingsburg has been very slow, growing at an average annual rate of 1,49 per cent between 2001 and 2006, slowing even further to 1,30 per cent between 2006 and 2010. In 2001 (Census 2001) Laingsburg's unemployment rate was the lowest in the district at 26,2 per cent, but still high when compared to other municipalities in the province. It had increased from 16,7 per cent in 1996 (Census 1996). Laingsburg also has its share of poverty with 5,7 per cent of all households not having any income.

Education (educator learner ratio) and health (nurse patient ratio) workload indicators show undemanding workloads. Health is particularly low with a nurse patient ratio of 23 per day, well below the national target of 34. But even though the workload in health is low, it does not reflect in the quality of health of the population. Indicators on TB, measles immunisation and birth weight show levels far short of the nationally set targets. The poor health outcome is worrying and needs investigation. HIV prevalence is relatively low at 2,0 per cent in 2005 and is projected to increase only marginally to 2,7 per cent by 2010.

The illiteracy level of the population is high with 42 per cent having less than 7 years formal education. In terms of crime, the total number of reported crimes has been fluctuating. Drug related crimes are on the increase, with a rapid escalation from 25 to 230 between 2002/03 and 2004/05. This needs to be addressed.

### 4. Demographic and Socio-economic indicators

**Total Population:**    **2001: 6 808**  
                                   **2006: 7 330**  
                                   **2010: 7 720**

Population growth rates (average annual)	
2001 – 2006	1.49
2006 – 2010	1.30

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

#### Socio-economic indicators

Unemployment rate 2001	26,2%
Number of unemployed 2001	701
Proportion of households with no income	5,7%
Number of households with no income	111

*Source: Statistics South Africa; Census 2001*

<b>Health</b>			
Number of medical facilities	3	Nurse patient ratio (National target: 34)	23
Percentage births under 2,5kg (National target: < 10%)	22	Proportion under 1 with 1st measles immunisation (National target: 90%)	78
TB prevalence per 100 000 people	1 048	TB Cure rate % (National target: 85%)	61
HIV/AIDS prevalence rate (2005)	2,0%	HIV/AIDS prevalence rate (2010)	2,7%
Number of HIV/AIDS deaths (2005)	5	Number of HIV/AIDS deaths (2010)	10
<b>Education</b>			
Number of schools (primary and high)	4	Educator learner ratio	34
Percentage of people over 14 illiterate (less than grade 7)	42		
<b>Crime (reported)</b>			
Number of police stations (2004/05)	1	Total number of cases reported (2004/05)	666
<b>Number of murders (2004/05)</b>	<b>4</b>	<b>Number of rapes (2004/05)</b>	<b>13</b>
<b>Drug related crimes 2002/03</b>	<b>25</b>	Drug related crimes 2004/05	<b>230</b>

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

#### **Strengths and challenges**

<b>Strengths</b>	<b>Challenges</b>
Well diversified economy.	Growing unemployment.
Strong economic growth.	Poor health indicators (TB cure rate, underweight births, measles immunisation, etc).
	Illiteracy level high.
	Low to none household income levels.
	Growing incidence of drug related crime.

## **5. Municipal Key Performance Areas**

### **Key challenges experienced by the municipality are:**

- Lack of internal municipal capacity
- Retaining existing businesses in the area and plugging the leaks in expenditure outside of the area
- Electrification of farms
- Social development in ensuring early childhood development and children attending school
- Maintenance of infrastructure
- Limited water resources
- High unemployment, crime, lack of skills and illiteracy rates (More than 85% of people earn less than minimum income level.)
- High dependency on the PIMS Centre.
- Limited economic development potential for the area

## **5.1 Local Economic Development**

### **Local Economic Development Strategy**

The existing strategy has been to build on successful infrastructure provision and attempts to attract business investment.

The municipality has finalized its LED strategy and is currently engaged in the community participation process. The LED strategy will be approved with the IDP.

The following are key issues have been identified as part of the LED strategy:

- Agriculture remains a dominant sector within the municipality and the opportunity for grape farming and wine making is being investigated.
- There has been an initiative to start a local tourism centre
- The municipality intends taking a strong 'second economy' focus and will ensure that the strategy is not merely a list of projects, but that it's a sustainable strategy.
- There will be a co-ordinated approach between the district and Lainsburg municipality to ensure alignment
- Clear economic sectors must be identified as a critical part of the strategy development and implementation.
- The municipality actively employs local labour and has started with training and skills development.
- The municipality has started with local crime prevention strategy with assistance of the local police station to implement the strategy.
- The municipality must mobilise to target the youth – including healthy habits.

### **IDP Priorities**

- Key priority areas:
- Economic development
- Environmental development
- Social development
- Land and Housing
- Infrastructure development
- Institutional development
- Financial (Management)

The linkage between the IDP and the budget is fairly good according to the Medium Term Expenditure Committee (Mtec) hearings held in May 2006.

## **5.2 Institutional Transformation and Organizational development**

Staff capacity and skills has been found to be a significant shortcoming in Laingsburg 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 node 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 Municipal Financial Viability**

In the Mtec hearings held in May 2006, financial statements indicated that the municipality's actual revenue is 17,21 per cent short of budgeted revenue, primarily due to income from rates and services which fell 18,57 per cent below budget.

In addition, the municipality's situation on debt management are within the norm of total liabilities not exceeding 57% of the total assets. The municipality's ratio is currently on 30,89%. The low ratio also represents a sound solvency position.

A Financial Assessment of the municipality is being concluded. This should identify opportunities for revenue enhancement and cost-reduction

### **5.4 Service Delivery and Infrastructure**

All residents have access to basic services and 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.

The Department of Local Government and Housing will be supporting the municipality with on-going infrastructure project related to water and sanitation. Assistance in review of a disaster management plan will be provided and assistance in the finalization of a 5- year housing plan is also being looked.

A vehicle-testing centre is much needed, because of the high accident rate and the long traveling distance to the centers at Worcester and Beaufort-West.

The Matjiesfontein housing matter is a concern in terms of having to resolve the transfer of the Transnet houses to the Municipality of Laingsburg. The issues involved are the finalization of a MOU, identification of land and the completion of EIA's.

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

Town	Housing	Electricity	Sanitation	Water
Laingsburg	360	285	20	30

### Approved Housing Projects

Project No.	Project Description	Units	Type	Rand	% Progress on Services	Progress on Top Structures	
						Under Construction	Complete
509	Laingsburg	108	PLINK/NHBRC	400 000	90	50	0
<b>Remarks:</b> Progress has been slow due to labour problems and the delay in the approval of the Moladi business system but should improve once work starts on the walls. Expected completion date is December 2006. The project is an EPWP one under the project management of Ninham Shand.							

### Planned Housing Projects

Description	No. of Units	Expected Departmental Approval Date
1 Houses at Matjiesfontein. The Department is doing an investigation on the sustainability of the project, a report is expected at the end of June 2006.	90	Uncertain.

### 5.5 Good Governance

The Area committee in the municipal area is established and functional.

### 5.6 Social cohesion

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

Laingsburg 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. Community-based care Sub-district Coordinators were appointed in Laingsburg

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 Laingsburg.

## 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:

<b>Measurable Outcome</b>	<b>Progress</b>
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 and area committees.	All ward committees and area committees (Laingsburg and Prince Albert) 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: <ul style="list-style-type: none"> <li>· Implementation of sustainable human settlements is taking place by monitoring and evaluation of: <ul style="list-style-type: none"> <li>- Energy and climate change.</li> <li>- Sustainable water use and management.</li> <li>- Sustainable waste management.</li> <li>- Bio-diversity management.</li> <li>- Sustainable transport.</li> </ul> </li> </ul>

## 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. Laingsburg also benefited from this project.

The Department of Education also installed Computer Labs at primary schools in Laingsburg that is both accessible to the learners and the communities; as well as the installation of Internet terminals in Post Offices.

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.

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**

Laingsburg's Multi purpose center is in its final construction phase.

### **Departments identified for further engagement**

- **Economic Development and Tourism:** There are clear economic development projects already receiving support, but need assistance to develop economic opportunities from heritage (story telling) and tourism initiatives. Co-operation on skills training for tourism that includes assistance by **National Department of Labour**. Establish a local skills profile (with assistance of Community development Workers) to improve existing data base. Tracking local money in absence of a chamber of business.
- **Cultural Affairs and Sport:** Support to develop local museum and economic opportunities related to cultural heritage.
- **Community Safety:** Support to implement local crime prevention activities.
- **Education:** Transport of children to school. Dealing with truancy and getting children back to school.
- **Local Government and Housing:** Support to on-going infrastructure project related to water, sanitation and roads. Assistance in review of a disaster management plan. Assistance in the finalization of a 5 year housing plan – the need is not generated by in-migration, but wanting to deal with backyarders. Develop the idea of internships for local matriculants in municipality.  
**NB:** Possible assistance in discussions with DME and ESCOM to establish electricity on farms.  
**NB:** Need to finalise approval of new 300 housing unit project in Laingsburg (R9m).