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Department:  
Provincial and Local Government  
REPUBLIC OF SOUTH AFRICA

**MATATIELE LOCAL MUNICIPALITY**  
**STATUS REPORT: SERVICE DELIVERY**

**Updated as at**  
**11 September 2007**

# MATATIELE LOCAL MUNICIPALITY

## STATUS REPORT: SERVICE DELIVERY

Updated as at 11 September 2007

### INTRODUCTION

The status report has been prepared for the deliberations of the Portfolio Committees dealing with Justice and with Local Government. The report has been derived principally from the report prepared by the dplg on the former cross-boundary municipalities. Since July 2007 the report remains with the available statistics and has not been updated. However, reports received from the Matatiele Local Municipality and reports prepared by the KwaZulu-Natal provincial government have been added to the text and give an indication of latest developments and resource needs.

### 1. COURT JUDGMENT ON MATATIELE

The community of the Matatiele Local Municipality challenged the constitutional validity of the legislation. On 18 August 2006 the Constitutional Court found that the KwaZulu-Natal province failed to facilitate public participation in the legislative process as required by section 118(1)(a) of the Constitution, which states that -

“A provincial legislature must facilitate public involvement in the legislative and other processes of the legislature and its committees ... “

Consequently, the Court held that, that part of the Twelfth Amendment Act that alters the boundary of KwaZulu-Natal was invalid as it had not been adopted in a manner that is consistent with the Constitution. Accordingly, the Court declared that part of the Twelfth Amendment Act that transferred the area of Matatiele Local Municipality into the Eastern Cape Province as invalid. However, the Court suspended the order of invalidity for eighteen months so that Parliament can, if it so wishes, adopts a new amendment in a manner that is consistent with the requirements of the Constitution.

In addition, the Court found that the Repeal Act, to the extent that it relates to the boundary of KwaZulu-Natal, is unconstitutional, for substantially the same reasons as those rendering the Twelfth Amendment unconstitutional.

Cabinet's decision on the 16 May 2007, to adopt the proposed draft Constitution Thirteenth Amendment Bill of 2007 and the Cross-boundary

Municipalities Laws Repeal and Related Matters Bill, 2007 commits government to a process in a manner that is consistent with the requirements of the Constitution.

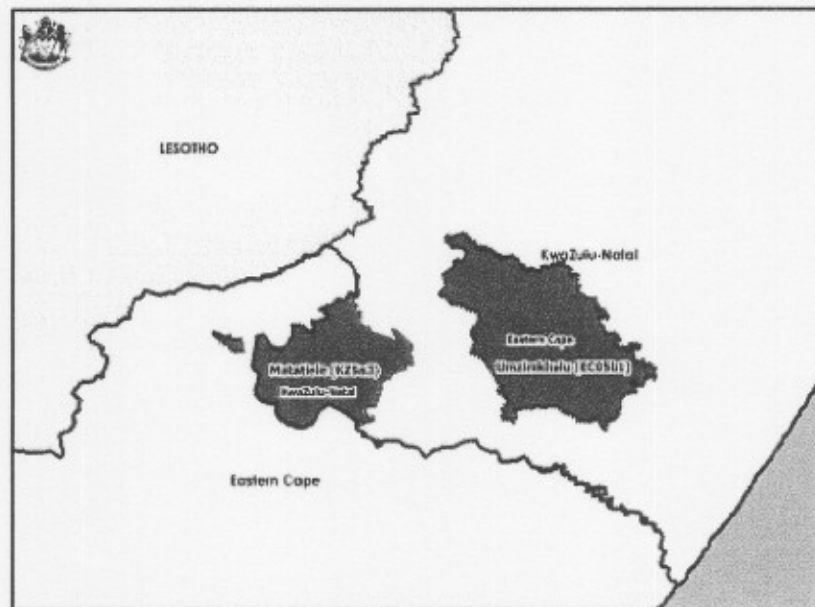
The report provides an indication of factors supporting service delivery and trends in aspects of service delivery programmes.

## 2. DEMOGRAPHIC PROFILE

The municipality has a total population of 194 629 and covers 44.72 km<sup>2</sup> of land mass. The town of Matatiele dominates the regional economy and is a major service centre serving the rural hinterland. The unemployment rate is high with only 13% of economically active population employed (Gaffney's Local Government in South Africa 2007-2008). Matatiele is made largely of privately owned commercial farmlands. It has low density settlements made up of 4200 ervens and 400 farms according to the data of the Surveyor-General (KZN Summary Status Quo Report: Matatiele-30 Nov 07).

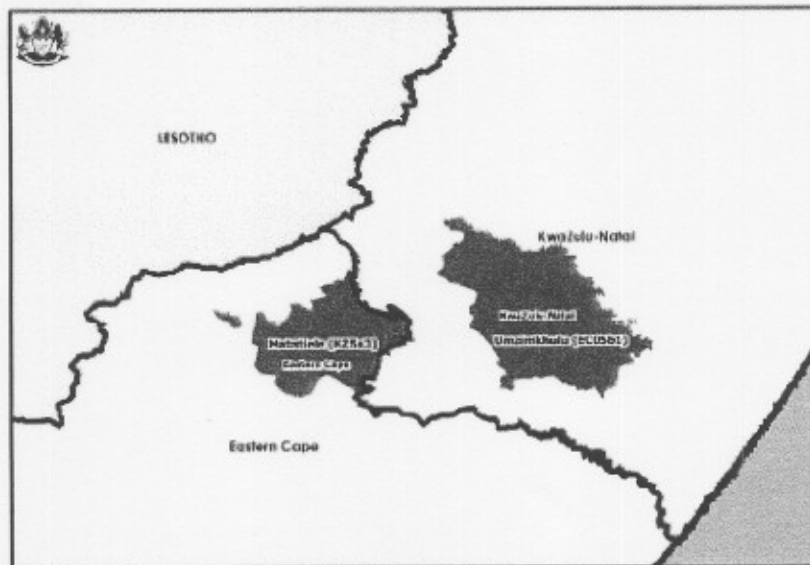
## 3. PREVIOUS AND CURRENT PROVINCIAL BOUNDARIES

The map 1a below shows the previous provincial boundaries between KwaZulu-Natal and the Eastern Cape.



Map 1a: Current Provincial Boundaries  
Source: MDB

The map 1d indicates proposed and current provincial boundaries between KwaZulu-Natal and the Eastern Cape.



Map 1d: Proposed Provincial Boundaries  
Source: MDB

#### 4. PREVIOUS PRESENCE OF KZN PROVINCIAL FACILITIES IN MATATIELE

KZN Departments	Facilities	Remarks
Agriculture and Environmental Affairs	None	Dept had no facilities in the area
Arts, Culture and Tourism	None	The two libraries in the area were built with a subsidy from this dept but belongs to the municipality
Community Safety and Liaison	None	All facilities such as police stations belong to the SAPS
Economic Development	None	Dept had no facilities in the area
Education	19 schools	Includes 4 private schools
Health	1 provincial hospital 1 mobile clinic 1 municipal clinic	None
Housing	None	Dept had no facilities in the area
Local Govt and Traditional Affairs	None	Dept had no facilities in the area
Provincial Treasury	None	Dept had no facilities in the area
Public Works	None	Dept had no facilities in the area



KZN Departments	Facilities	Remarks
Social Welfare and Population Development	None	Social grants are being paid out from the Nokwazi Hall and the Cedarville and Matatiele Post Offices
Sport and Recreation	None	Dept had no facilities in the area
Transport	409 kms of road Various bridges and culverts 3 district camps 1 repeater station 3 houses 1 testing ground	None

(Adapted from the KZN Summary Status Quo Report: Matatiele-30 Nov 07)

It is clear from the above that most departments of KZN had no service delivery facilities established in the Matatiele area.

Health facilities are clustered in the North West section of the municipality and is far from the general population. The distance not covered by health facilities is serviced by mobile clinics. Education facilities are also spread over the municipal and district area and the conditions of the schools varied under the KZN province.

## 5. INFRASTRUCTURE AND SERVICE DELIVERY

5.1 and 5.2 See Annexure.

### 5.3 FREE BASIC SERVICES REPORT

PROVINCE & MUNICIPALITY	INDIGENT POLICY	INDIGENT REGISTER	TOTAL NUMBER OF INDIGENT H/HOLDS	FREE BASIC SERVICES BENEFICIARIES			COMMENT
				Water	Free Basic Refuse Removal	Electricity	
EASTERN CAPE							
MATATIELE LM	YES	YES	Total no of h/holds (194,000) Total number of indigent H/holds in Munis (180, 439) 4,351 on the register	A district function	Total number of h/holds receiving FBR (814 – R35.57 per h/hold)	Total no of indigent h/holds receiving FBE in municipality supply area (459)  Total no of indigent h/holds receiving FBE	Water a DM Function Alfred Nzo  The provision of FBSanitation and Water fall under the Alfred Nzo DM and due to

						in Eskom supply area (304)	infrastructure backlog only free water is supplied.
						Total number of indigent h/holds receiving alternative source energy- solar home system (1002)	The LM provides FBS to indigent h/holds only.

## 6. FINANCIAL VIABILITY – THE LOCAL GOVERNMENT EQUITABLE SHARE (LGES) ALLOCATIONS

Table 1: Equitable Share Allocations for the affected provinces and municipalities *before* and *after* the realignment of municipal and provincial boundaries.

These allocations are in terms of the Division of Revenue Act (2007)

Provinces	Municipalities	2005/2006 (Before) Actual Allocations	2006/07 Indicative Allocations (In Terms Of Dora, 2005)	2006/2007 (After) Actual Allocations	2007/08 Actual Allocations <sup>1</sup>
EC	Matatiele LM	4 035 245	4 645 000	18 597 576	34 706 474

Adjustments were made to the drivers of the local government equitable share formula to align allocations to the new boundary arrangement. This ensured that allocations for the 2006/07 medium term expenditure framework (MTEF) were made on the basis of the new reconfigured boundaries, taking into account any population changes, changes in number of poor households and number of councilors in affected municipalities.

## 7. PROJECT CONSOLIDATE

PROVINCE	DISTRICT MUNICIPALITY	MUNICIPALITY	DEPLOYEES AND ORGANISATION
Eastern Cape	Alfred Nzo DM		
	<i>(Sources: the dplg: LED Directorate; DBSA Report: Support to cross-border municipalities, Easter Cape Province 2007)</i>	Matatiele LM	<p><b>Infrastructure Support:</b></p> <p>i) <b>ENERGY'S PROGRAMME (SAICE/SABTACO) technical support.</b></p> <ul style="list-style-type: none"> <li>The Alfred Nzo District Municipality became responsible for managing the project management functions for Matatiele incorporated into the District Municipality as part of the re-demarcation process. As a result of this extended hands on requirement an additional senior engineer has recently been deployed specifically for Matatiele. 2 senior engineers, Deon van Tonder and Jacob Rheeder. Four students have been deployed in the DM to gain experience.</li> </ul> <p>ii) <b>Siyenza Manje (DBSA) technical support.</b></p> <ul style="list-style-type: none"> <li>The DBSA is currently conducting interviews for this position. The task of the incumbent of the position would be to attend to infrastructure and expediting MIG implementation.</li> <li>To be deployed in July 2007.</li> </ul> <p><b>Institutional Support:</b></p> <p>i) <b>Person acted as Municipal Manager in Municipality</b> and he was one of the SDF's of Project Consolidate by acting in this capacity.</p> <ul style="list-style-type: none"> <li>New Municipal Manager appointed from 1 June 2007.</li> <li>Old Mutual through Elima programme supported recruitment strategy for local government and Matatiele was a test municipality with the appointment of the Municipal Manager.</li> </ul> <p>ii) <b>Siyenza Manje (DBSA) town and regional planning support.</b> Barend de Lange (Planner).</p> <ul style="list-style-type: none"> <li>To start on 18 June 2007 for period of 12 months.</li> </ul> <p>iii) <b>IDP/LED support</b> (by MK Consulting)</p> <ul style="list-style-type: none"> <li>Assisting with the development of credible IDP/LED plans to selected District Municipalities including Alfred Nzo District Municipality.</li> <li>January –June 2007.</li> </ul>

The ENERGY'S acronym stands for "Engineers Now to Ensure Roll-out by Growing Young Skills". SAICE stands for "The South African Institution of Civil Engineering". SABTACO stands for "The South African Black and Allied Careers Organisation.

As part of Project Consolidate it was decided that all former cross-boundary municipalities would be included in its programme and it will undertake to mobilize deployments to these municipalities. This would also be done within the context of the 5-year Local government strategic agenda.

## 8. COUNCILOR DEVELOPMENT – NEW COUNCILORS & TRAINING

Municipality	Province	Total No of Councillors	Old Councillors	New Councillors	Training Programmes in place
1. Matatiele Local Municipality	Eastern Cape	48	21	27	MLDP

- That leadership-related matters be identified and communicated to the LOGOLA to address hands-on through an Action Plan.

## 9. LIST OF MUNICIPALITIES AFFECTED BY REALIGNMENT OF BOUNDARIES AND THE STATUS OF THEIR IDPS.

Receiving province	Affected municipality	IDP ADOPTED	RATINGS OF THE DRAFT CREDIBLE IDP
Eastern Cape	Matatiele LM	Adopted	Good

Ratings: 0-3: weak, 3-5: average, 4-5 good. IDPs have not been adopted yet, IDPs for 2007/08 will be adopted June.

## 10. STATUS OF LED - PLANS, GDS CONVENED

Province	District Municipality	Cross Border Municipalities	LED Strategy	GDS convened	Extend of roll-out
Eastern Cape	Alfred Nzo DM	Matatiele LM	Weak LED Strategy.	26-27 March 07	Has financial and technical support for LED projects from the EU. Economic profile developed.

## 11. FINANCIAL STATUS OF THE MATATIELE LOCAL MUNICIPALITY

### 11.1 INTRODUCTION

The analysis of the financial status of Matatiele Local Municipality focuses on the capital and operating budgets of the municipality against best practice, Grants revenue, annual financial statements and audit report.