

1.1. PLANNING ACTIVITIES

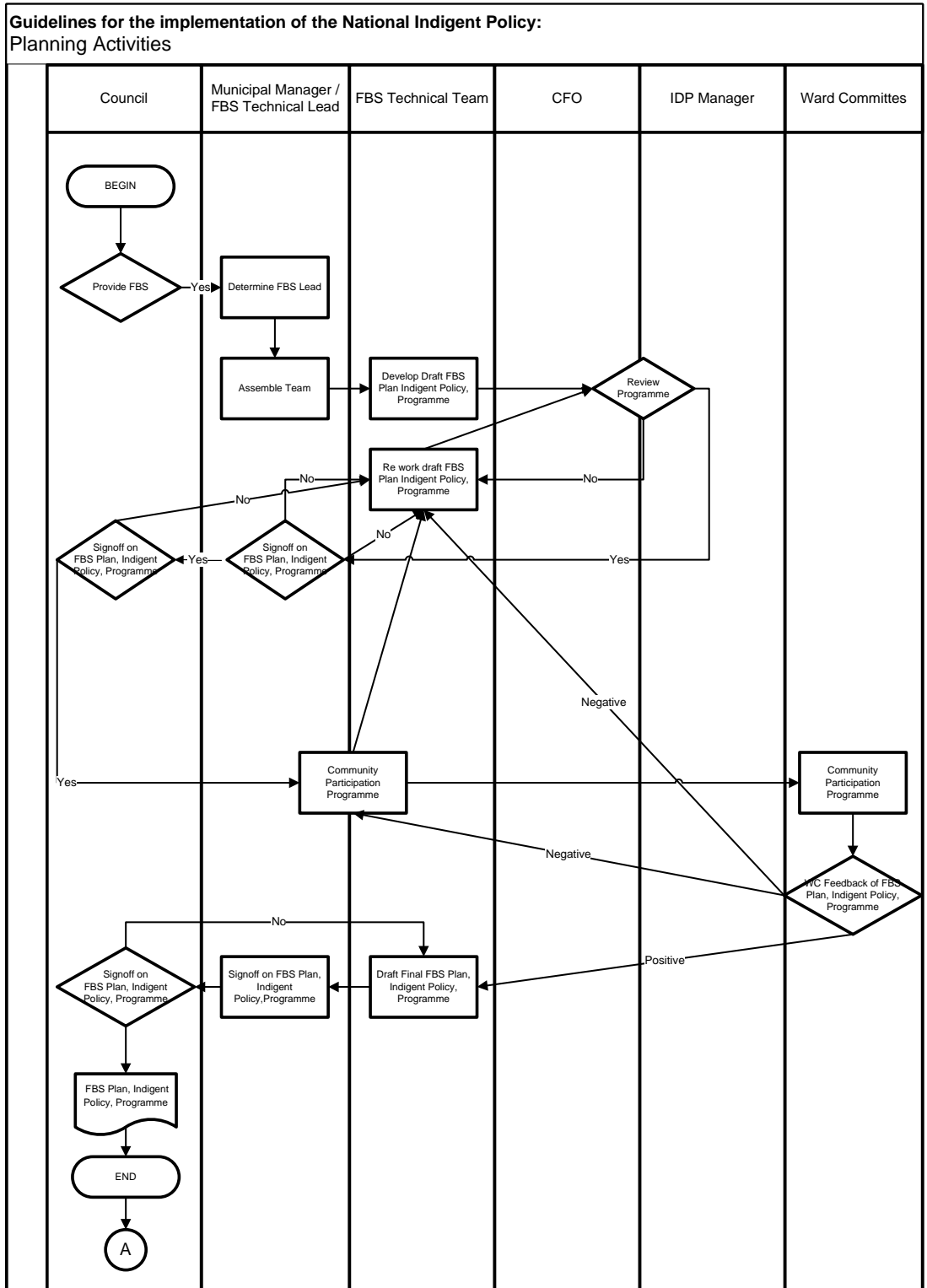


Figure 1: Planning Activities Cross Functional Workflow

1.1.1. THE ACTORS

We have defined 6 major actors who should be involved in a municipality's planning to develop and implement the indigent policy, these are:

1. The **council** will need to commit to providing FBS, and will need to signoff on the developed indigent policy.
2. The **municipal manager** or **FBS technical lead**. The FBS technical lead will be responsible for the managing the planning activities for the indigent policy.
3. The **FBS Technical team** should comprise specialists (from within the municipality or drawn from outside the municipality to act on behalf of the municipality) that will develop the municipalities indigent policy. The team could comprise of:
 - a. Municipal IDP Manager
 - b. Municipal/Provincial Health and Social Services
 - c. Municipal Infrastructure and Management Services
 - d. Municipal Finance Services
 - e. Municipal Water, Sanitation Services(including waste), electricity
4. The **CFO** will need to ensure that the indigent policy being developed and the associated plans fall within the municipality's financial capacity, and that the plans and policy are integrated with the municipality's own financial planning and processes.

5. The **IDP manager** will need to be involved in the process so that the indigent policy is in line with the municipality's IDP.
6. **Ward Committees** need to be involved to support the community participation and buy-in of the municipality's indigent policy.

1.1.2. PLANNING ACTIVITIES EXPLAINED

These explanations must be read in conjunction with the Figure 1: Planning Activities Cross Functional Workflow.

1. The municipality's council will commit to providing FBS
2. The MM must appoint the lead (FTL) of the FBS Technical Team (FTT), the MM could assume this responsibility.
3. The first responsibility of the MM is to assemble the members of the FTT. If the municipality is to source certain members externally then the municipality must follow the standard tender procedures.
4. The FTT will develop the municipalities' indigent policy, this should be an exhaustive process that requires a significant deal of research and alignment with the municipalities financial and development plans.
5. The developed indigent policy should be reviewed by both the CFO and the IDP manager to ensure that the indigent policy and its implementation plan do not contradict the municipalities other plans and financial constraints.
6. If the CFO or the IDP does not agree that the indigent policy is alignment to the municipality's development plans and financial constraints, the FTT should then rework the indigent policy to reach alignment. The reworked indigent policy should be reviewed by the CFO and IDP manager until they are satisfied that the policy is adequate.

7. The FFT team hands the indigent policy over to the FTL (MM) for signoff and presentation to council. The FTL (MM) if not satisfied with the indigent policy should request the FTL to rework the indigent policy. If the FTL (MM) is satisfied that the indigent policy meets the municipalities' requirements, should submit the indigent policy to council for its review and approval.
8. The council can either accept the indigent policy, in which case it will have to initiate a community participation process, or decline the indigent policy, in which case the FTT will need to rework the indigent policy to meet council's satisfaction.
9. The FTL and the FTT are responsible for navigating the indigent policy through the community participation process. This process is not a rubber stamping exercise. The municipality's ward committees should be utilised to draw feedback and to inform the citizenry of the implications of the indigent policy.
10. Negative feedback from ward committees should be factored into the indigent policy by the FTT.
11. Positive feedback from the ward committees should result in the FTT preparing a final version of the indigent policy for submission to the FTL (MM) and council for ratification. The outcome of this final step is the formal adoption of the indigent policy and the implementations plans by the municipality.

1.1.3. DESIGNING AN INDIGENT POLICY

A municipality must design an indigent policy that talks to its FBS programme and broader poverty programme. When developing an indigent policy the municipality needs to consider the following things:

- **Alignment of strategies and initiatives:** It is important that there is a coherent integrated approach to managing service delivery and poverty alleviation in the municipality.

Some of the critical issues that should be looked at when developing an indigent policy are:

- Alignment of the service programmes and criteria's set by the **dplg** and other sector departments (national and provincial). Alignment should occur at the level of policy, support and service levels.
- The rapid delivery of the national housing agenda – cognisance needs to be taken of the housing push as it affects the constituencies in municipal areas. The housing delivery affects the infrastructure backlog, as these houses need to be appropriately serviced. Many of the beneficiaries of these houses are likely to fall within the indigent criteria for FBS.
- The established of REDS – the impact of REDS needs to be factored carefully into the municipal IDP and service programmes. There may be cost implications either advantageous or disadvantageous for municipalities by the establishment of the REDS; some municipalities have significant portions of their revenue stemming from the supply of electricity, this could be drastically affected by the REDS.
- The sourcing and supply of energy alternatives – Municipalities need to be proactive about sourcing and supplying alternative forms of energy for their indigent households. A number of viable recommendations emerged from the World Summit on Sustainable Development held in Johannesburg and these can be a useful starting point for municipalities. The National Electricity Regulator¹ promotes a view that electricity must not

¹ Poverty Alleviation through better regulation – The NER response to the poverty alleviation call - Discussion Document by Kabelo Mthobi, Executive Manager, Corporate Affairs, National Electricity Regulator

be looked at as the only source of providing energy for indigent households.

- Understanding the local conditions within the municipality and its internal capacity is essential when determining the criteria for indigence and the methods for targeting the poor.
- Understanding the consumer: In order for a policy to be effective, a municipality must have a clear understanding of its own consumers, in order to design a programme that fits their needs.
- Consultation: It goes without saying that planning requires a considerable amount of consultation. Municipalities need to consult beyond just their own constituencies. There are many lessons that municipalities can learn from one another.

Municipalities need to have the broadest possible consultation processes within their constituencies to ensure that their citizens understand what the intended goal of the indigent policy is, how the goal will be achieved and how citizens stand to benefit. A successful constituency consultation process must involve a communications campaign that includes the usage of the following mechanisms:

- Utilisation of the ward committee structures,
- Proactive engagement of civic society organisations,
- Utilisation of CDW's, and
- Effective utilisation of local media
- Financial Resource Assessment: As discussed earlier in section **Error! Reference source not found.** of this document, the scale and approach to an indigent policy has cost implications for municipalities. It is critical for the municipality to weigh all of

these considerations against the income streams and grants received by municipalities for subsidising its delivery. These are influenced by:

- Targeting options
 - The administration required to support the targeted delivery of services to indigents
 - The levels of service that need to be provided
 - Policy on past arrears, i.e. do past arrears get written off
 - Additional infrastructure required to provide the service.
- **Capacity Constraints:** Smaller municipalities may lack the capacity required to effectively address the service delivery and poverty alleviation mandates. Thus their capacity needs to be supported or they should be able to access assistance from other municipalities or the relevant District to address this. The specific opportunities that are broadly available for capacity development are:
 - The establishment of MIG PMU's,
 - Greater peer support and possible twining between large and small municipalities within provinces.

As indicated earlier in section **Error! Reference source not found.** municipalities indigent policies must detail:

- How the indigent will gain access to the FBS, and what those service levels will be
- how these services will be maintained and
- How the municipality will go about targeting the indigent

1.1.4. PLANNING TOOL: DEVELOPING A POVERTY INDEX.

It is essential that municipalities (and in particular DM's) are able to identify the poverty pockets that exist within the municipalities jurisdiction. A viable tool that municipalities can construct to assist with this process is the development of an indicator based method of defining poverty. (The Gauteng province developed just such a targeting strategy²).

An indicator based approach acknowledges that poverty is a multidimensional result and subsequently a number of indicators are used to develop an index. Potential indicators that a municipality could utilise are:

Table 1: Indicators for a poverty index

Indicator	Definition
Female headed households	Portion of households headed by women
Social security	Proportion of population receiving a social security grant
Illiteracy	Proportion of the population (15+) who have not completed Std 5/Grade 7
Rate of unemployment	Proportion of the economically available population who are unemployed
Household income	Proportion of households with a monthly income of less than R1600
Crowding	Proportion of households sharing a room with at least one other household
Dwelling Type	Proportion of households classified informal or

² This section of the guideline is based directly on the following document: Gauteng Intersectoral Development Unit. Updating the poverty targeting strategy for Gauteng, Strategy & Tactics.

Indicator	Definition
	traditional
Sanitation	Proportion of households who do not have sanitation facilities as defined in the Free Basic Sanitation policy
Water	Proportion of population who do not have accesses to water as per the Free Basic Water service levels
Electricity	Proportion of population who do not have electricity as per the Free Basic Energy service levels
Refuse Removal	Proportion of population whose refuse is not removed by municipality
Malnutrition	Proportion of population who visit provincial or local clinics who are severely malnourished.

For each indicator the relevant proportion as a score out of 100 should be calculated. Table 2 below is an example of how such a poverty index can be developed.

Table 2: Poverty Index at a metro/district level in Gauteng

Municipality	Female Headed	Social Security	Illiteracy	Unemployment	Income	Crowding	Dwelling Type	Sanitation	Water	Lighting	Refuse	Nutrition	Poverty Index
Metsweding	27.8	9.4	30.7	30	11.9	2.6	25.6	35.5	26.9	34.2	62.1	1.8	24.8
West rand	28.4	10.8	26.9	37	17.3	3	24.8	21.5	17.9	22.9	23.5	1.6	19.7
Sedibeng	24	12.7	23.3	49	22.9	2.3	17.8	16.3	11.7	14	48.8	1.4	21.2
Ekurhuleni	32.8	8.8	19.8	45	22.5	3.5	28.5	16.6	17.9	24.8	11	1.5	19.4
Johannesburg	38.3	9.1	16.5	41	18.7	4.6	21.4	13.2	15.3	15	6.1	2.5	16.8
Tshwane	34.8	7	14.4	31	14.8	2.9	22.5	20.3	15	16.8	11.1	0.6	16

Source: Gauteng Intersectoral Development Unit

IMPORTANT NOTE:

Data to be used to effect the poverty index can be sourced from the national census, the departments of health, education, water, minerals and energy, provincial and local government (project consolidate and MIG).

1.2. INSTITUTIONAL ARRANGEMENTS

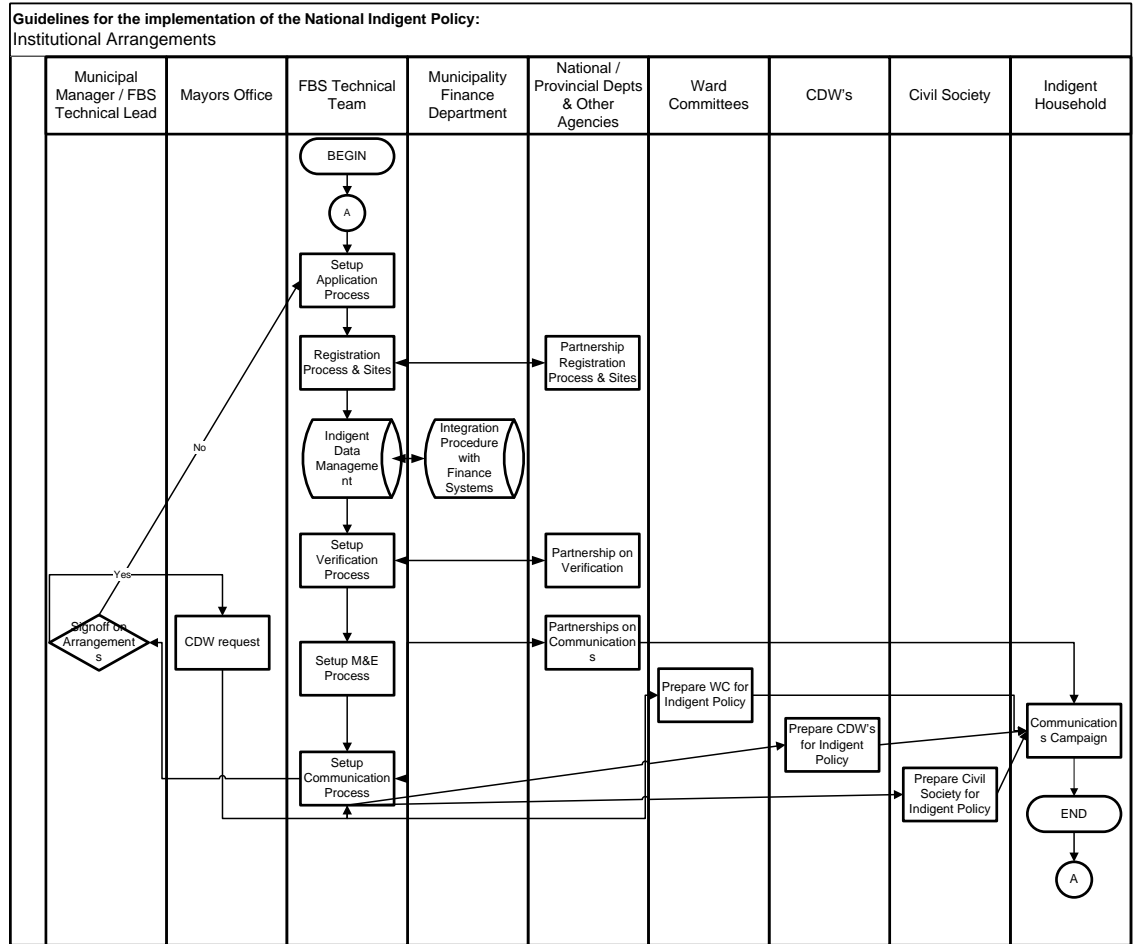


Figure 2: Institutional Arrangements Cross Functional Workflow

1.2.1. THE ACTORS

We have defined 9 major actors who should be involved in a municipalities institutional arrangements to develop and implement the indigent policy, these are:

- 1. Municipal Manager / FBS Technical Lead:** The MM (FTL) should sign off the outcomes from the institutional arrangements

2. **Mayors Office:** The Mayor's office is instrumental in incorporating the CDW's into the process.
3. **FBS Technical Team (FTB):** The FTT are responsible for establishing the institutional arrangements on behalf of the municipality.
4. **Municipal Finance Department:** The municipal finance department is required to integrate the indigent management system with the municipalities other financial systems.
5. **National, Provincial Departments & Other Agencies:** Select departments and agencies can assist the municipality with their programme, there exist opportunities for linkages. The municipality should establish partnership agreements with these departments and agencies.
6. **Ward Committees, Community Development Workers and Civil Society:** These structures need to be empowered to assist the municipality with its indigent policy; they will instrumental as one of the interfaces for indigent households to access the FBS programme of the municipality.
7. **Indigent Household:** The recipients of the FBS package.

1.3. INSTITUTIONAL ARRANGEMENTS EXPLAINED

These explanations must be read in conjunction with the Figure 2: Institutional Arrangements Cross Functional Workflow.

1. The FTT should establish the application process (which included a registration process if this is a option the municipalities wishes to utilise)
 - a. The FTT should facilitate possible partnerships with other stakeholders (national, provincial departments and other

agencies) so that the communication, registration and verifications process of indigent households can be shared.

Municipalities can look at establishing partnerships with:

- i. The provincial department of Social Development (SocDev) runs registration process where the economies of scale can be achieved between the municipality and the SocDev.
 - ii. The provincial departments of housing have existing lists that can be used as a baseline.
2. The Mayor's office should request the CDW's to be involved in the municipalities registration process.
3. It may be necessary for the municipality to establish a number of registration sites to accommodate the indigent who are not able to travel or who cannot be accessed via other means (such as ward committees, CDW's or civil society). In these instances the municipality may investigate utilising post offices as a registration point.
4. If the municipality has opted to perform an indigent registration process they need to ensure that there is integration between the indigent data collected as part of the registration drive (which is then verified and approved) and the municipalities' financial systems. The FTT and the municipality's finance department should collaborate on this.
5. The FTT should also establish the M&E process for the indigent policy and test this process. See the 1.7 for more detail on what an M&E system should entail.
6. The FTT should establish a communications process (which is structured to manage feedback from indigent households and other structures established to assist the indigent policy process).

7. The Ward Committees, CDW's and civil society should be prepared by the municipality on how the indigent registration process will be conducted and what role they should play. Municipalities may opt to use these structures as more than mere information, dissemination points and as actual registration points.
8. The MM will need to sign off on all institutional arrangements prior to the municipality beginning its communication campaign.
9. Once all the structures have been established and capacitated the municipality should begin its communication campaign targeting the indigents. Section 1.4 discusses the communication activities that the municipality can undertake.

1.3.1. MAKING USE OF COMMUNITY DEVELOPMENT WORKERS

CDWs are part of government's efforts to bring government closer to communities. They are established structures operating mainly at ward level that municipalities should leverage to promote their indigent policy initiatives. CDWs will strengthen local systems and structures rather than setting up something completely new.

CDWs draw on a number of well-established and emerging government programmes to back-up their efforts, thus the degree of additional operational burden that CDW's will place on municipalities will be minimal.

MORE INFORMATION ON CDW's

For more information on making use of CDW's contact:

Mr. Bandile Sizani

Director: Community Development Workers

Department of Public Service and Administration

Tel: 012-314-7450 Email: bandile@dpsa.gov.za

1.4. COMMUNICATION ACTIVITIES (COMMUNITY PARTICIPATION)

A municipality cannot implement an indigent policy without engaging with its constituency and getting the communities participation.

IMPORTANT NOTE:

The communication activities that a municipality must undertake are not only to allow the municipality to communicate with its constituency, but also to allow the constituency to communicate back to the municipality.

1.4.1. WHAT MUST BE COMMUNICATED?

The municipality must communicate the following:

1. What is the municipality trying to achieve with regards to the indigent policy
2. How will the municipality be going about implementing the indigent policy
3. What is the value for indigent and non indigent households
4. Who qualifies for the service and how the municipality has determined this.
5. How should qualifying household access the services

1.4.2. HOW SHOULD THIS BE COMMUNICATED?

Municipalities are responsible for implementing processes of community consultation which supports planning and evaluation. A variety of means can be used to ensure effective consultation with the community; these include ward

committees, public forums and campaigns. These activities are carried out by municipal appointees.

Through their community consultation, municipal appointees are a key link between the municipality, community and other organizations (service providers, non-profit agencies and private sector companies) concerned with issues affecting FBS provision.

The following are examples of methods that the municipality can utilize and roles it plays in facilitating this community engagement:

1.4.2.1. MUNICIPAL MEETINGS

These can take the form of ordinary meeting of the council or special or urgent meetings. Meetings of municipal council and those of its committees are open to the public, including the media, and council may not exclude them. (This does not apply to the executive committee meetings)

1.4.2.2. WARD COMMITTEE AS INFORMATION SOURCES

Ward committees are useful information routes. They usually link back to a constituency and therefore have immediate access to the community. Ward committees can also be mobilized to assist in supporting a door to door campaign, which entails visiting people in their homes and explaining how FBS works and how it can benefit them.

1.4.2.3. MUNICIPAL BILLS

Advertisements can be placed on the municipal service bill. In this regard all people who receive a service and an account will also receive the FBS communication. The municipality can place the same advert on the bill over a number of months and maximise the distribution of the message.

This method assumes that the target audience is literate and it will only reach people who are already receiving services. It would not be effective as a means

of engaging with community members who are not being serviced by the municipality and hence fail to reach a large proportion of the targeted indigent population.

1.4.2.4. PUBLICITY IN PUBLIC PLACES

The municipality can target places where people gather. These could be natural gatherings, such as those around a community halls or libraries, and special gatherings such as pension pay-out points or exhibitions. It would be of great help if the municipality has access to a local calendar of events. This can be created by speaking to the local community centre and other groupings such as NGO's and clinics, and requesting that they communicate details of planned activities.

Gatherings provide the opportunity for pamphlet runs and setting up and staffing an FBS exhibition stand to interact with community members. Putting up posters and notices need not only be linked to an event, but can become a long standing fixture in public spaces.

1.4.2.5. USING INTERMEDIARIES

Intermediaries are very effective as vehicles for communication. Intermediaries could be churches, NGO's and advice centres. Intermediaries are typically places that people go to for advice and support. Intermediaries can be incredibly effective if they are provided with information and information products which they can pass on to community members. They could serve as primary agents for screening and referring potential applicants for FBS to the appropriate services.

These intermediaries should be more than a drop off point for brochures, but they should also be trained to understand and impart knowledge on FBS. Presentations could also be used as the strategy to engage intermediaries, e.g. getting invited to address a church meeting.

1.4.2.6. STAKEHOLDER ENGAGEMENT

Stakeholders are people whose participation and support are critical. It is of utmost importance to meet with stakeholders during the initial stages of the programme and to inform them of the details of the programme and involve them in the campaign. Endorsement by stakeholders can significantly increase the support of the community. Presentations at stakeholder meetings and inviting stakeholders to share a platform at campaign forums and exhibitions are popular ways to solicit stakeholder backing.

1.4.2.7. INVOLVING COMMUNITY DEVELOPMENT WORKERS

Community development workers have a crucial role to play. Apart from being agents of the municipality, they are also members of the communities and therefore in touch with the needs of their community. As such they can offer valid input when deciding on the appropriate strategies to be used. They can act as the municipality's field operatives when undertaking research or implementing any of the strategies as well as help to identify indigent groups.

1.4.2.8. DIRECT COMMUNICATIONS TO LOCAL COMMUNITY

The municipality may utilize a variety of mediums to communicate with its constituents and these may include local newspapers radio broadcasts and other communication mediums.

A municipality should adhere to the following when entering into communication with the community:

- The municipality determines the official language to be used in communication
- A copy of every notice must be published in the provincial gazette and must be displayed at the municipal office

- When the municipality requires a form to be completed by a member of the community, a staff member of the municipality must give assistance to members who cannot read or write.

1.5. INDIGENT APPLICATION & VERIFICATION

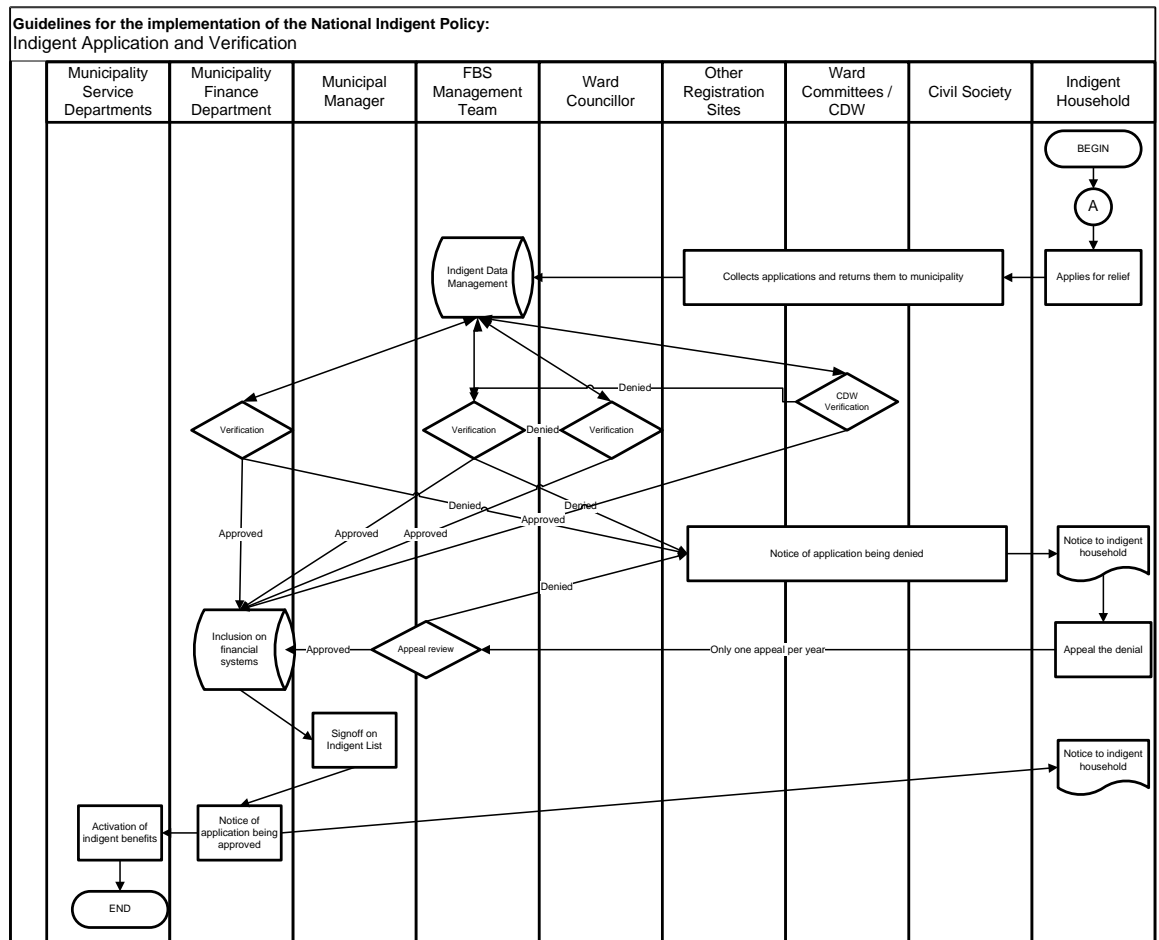


Figure 3: Indigent Application and Verification Cross Functional Workflow

1.5.1. THE ACTORS

We have defined 7 major actors who should be involved in a municipalities institutional arrangements to develop and implement the indigent policy, these are:

1. **Municipality Service Departments:** Are responsible for the provision of the service to the indigent. For the purposes of this guide providers such as Eskom are viewed and Municipality Service Departments.
2. **Municipality Finance Department:** Are responsible for verifying the indigent's status, including their particulars on the municipalities' financial system and notifying the indigent of their benefits.
3. **Municipal Manager:** Is required to sign off on the indigent lists generated.
4. **FBS Management Team:** Responsible for managing all registrations and verifying applications. If possible the same team comprising the FTT should make up the FBS management team.
5. **Ward Councillor:** Responsible verifying applications.
6. **Other registration site, ward committees, CDWS and Civil Society:** These actors can all assist with the registration of indigents.
 - a. Only the CDW's and ward councillor can verify registration information.
7. **Indigent Household:** Applies for FBS programme benefit and receives the subsidy if they qualify.

1.6. INDIGENT APPLICATION AND VERIFICATION EXPLAINED

These explanations must be read in conjunction with the Figure 3: Indigent Application and Verification Cross Functional Workflow.

1. The indigent household applies for the FBS services at the established registration points; which can be at ward committee post, through CDW's, civil society organisations or other registration

points such as post offices. We recommend that the registration process require the following from the indigent household:

- a. Registration- a formal application must be lodged, assessed and approved.
 - b. Acceptance – The applicant must consent to receiving the service and agree to the terms and conditions specified by the municipality.
 - c. Lodging of an application form- The individual who is applying on behalf of a household must complete an application form at a service centre designated in their respective area, or at the office of the financial manager of the municipality.
 - d. Document proof- applicants must produce some form of recognised identification and most recent municipal account, if they have been a recipient of services.
 - e. Documentary proof of total monthly income- A UIF card, bank statement, income tax return, and salary advice, a letter from employer, income declaration, or proof of their registration as an unemployed person can support the application.
 - f. A Declaration from the applicant – a signed declaration confirming that the information supplied by the applicant is true.
2. The indigents application is collected and verified by the following actors:
- a. CDW's: the CDW are actively involved in the community and have a sense of who in the community qualifies with the municipality's indigent definition. The CDW does not have a final determination on whether an indigent household qualifies or not, there merely verify the data and substantiate that the household qualifies.

team. If the appeal is successful the municipality should follow the process set out in step 3 above.

1.7. MONITORING & EVALUATION

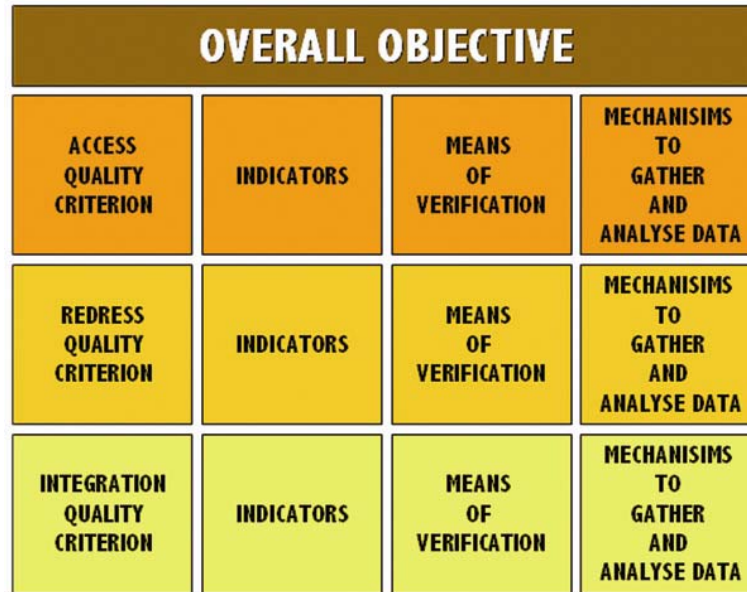
Municipalities do need to be in a position to assess whether the service implemented is appropriate, functioning adequately and directed at the correct people. It is important that municipalities are able to ascertain the following from monitoring and tracking of the service delivery:

- Who is receiving the service
- Is the service offered at the appropriate service level, in view of the environment, financial aspects and the social habits of the community
- Is the service operating adequately
- Is the community making adequate use of the service
- Does the community require any form of training to make better use of the service
- Is the service meeting the required needs of the community
- Is the service impacting on poverty or the quality of life of the beneficiaries

For adequate tracking to take place, municipalities will need to think through the questions they need answers for, and develop a system with indicators of measurable success to judge overall performance. Ward committee assessment of the service and complaints are one type of measure of the service, but should be incorporated into a broader monitoring and evaluation process.

A monitoring and evaluation system should be developed by using a series of quality criteria as the basis for the development of indicators for the development of M&E systems.

Figure 4: The basic fields contained in an M&E system



The quality criteria are seen as integral to the achievement of the broader objectives of the system and should be developed on the basis of the policy, strategic and legal frameworks governing the implementation of the programme.

These quality criteria help to shape the indicators that the system must be measured against. The indicators specify whether or not the quality criteria have been achieved, and are drawn from the targets that have been set. The indicators are developed in a manner that allows the implementation of the project to be measured in terms of the outcomes that the project intends to achieve as well as the impact that the project has had. Thus for example, the indicator would look at number of beneficiaries serviced as well as issues such as the number of those beneficiaries who are men or women or whether they reside in rural or urban areas.

The indicators are each attached to a means of verification to allow the municipality to determine whether or not it has met its targets, and whether or not they have been met in a manner that supports the quality criteria in the framework. These means of verification are developed in a manner that considers the way in which the data is to be collected to ensure that the monitoring system is sustainable. For example, a means of verifying appropriate

service provision might be an 80% affirmative response to a client satisfaction survey on FBS.

1.8. EXIT FROM INDIGENCE

“...Freedom is both the primary objective and the principal means of development... What a person has the actual capability to achieve is influenced by economic opportunities, political liberties, social facilities, and the enabling conditions of good health, basic education, and the encouragement and cultivation of initiatives. These opportunities are, to a great extent, mutually complementary, and tend to reinforce one another.” **(Amartya Sen³, *Development as Freedom: An Approach*)**

While it is imperative to provide subsidised services to the indigent it is incumbent on municipalities and the other spheres of government to work towards ensuring that indigent households are able to not only access subsidised services but economic opportunities as well. In this guide we have already discussed the need for a social package of services in section **Error! Reference source not found.**

In this regard ensuring that FBS leads to an increase in a quality of life and access to economic opportunities is an essential part of the design of the implementation. The challenge that needs to be met by municipalities is how to develop an exit strategy off the indigent subsidy.

Not only should measures be devised to engage beneficiaries of FBS in LED activities, but also to link the implementation of FBS with other national poverty programmes, such as the Extended Public Works Programme (EPWP). This will ensure that targeted relief programmes such as FBS are linked to poverty intervention and economic empowerment programmes.

³ Amartya Sen is an Indian economist best known for his work on famine, human development theory, welfare economics, the underlying mechanisms of poverty, and political liberalism. He received the Nobel Memorial Prize in Economics for his work in welfare economics in 1998 and the Bharat Ratna in 1999. He currently serves as one of Harvard University's eighteen elite University Professors who are technically not members of any academic department and therefore report directly to the University's president.

FOR MORE INFORMATION ON EXIT STRATEGIES

The SocDev have started a pilot programme focusing on exit strategies for social grant beneficiaries. The contact person at SocDev for more information is:

Mrs. Sadi Luka

Chief Director: Development Implementation Support

Ministry of Social Development

Tel: 012 312 7792 Email: sadil@socdev.gov.za

2. CASE EXPERIENCES

2.1. BUFFALO CITY MUNICIPALITY

BACKGROUND

The Buffalo City Municipality in the Eastern Cape initially began implementing Free Basic Services to all; beginning with Free Basic Water and followed by Electricity and other services. However since undertaking this initiative the municipality faced sustainability challenges and chose to change its policies and provide the service on a targeted basis.

APPROACH

In its effort to effectively target the indigent, the municipality undertook the development of an indigent register to track new and exiting applications. Communication has played a decisive role in the success of the Municipalities indigent drive and that as been achieved through the successful utilisation of ward committees, numerous public hearings and other community based organisations. Its starting point is geographical targeting based on community knowledge and ward councillor

recommendations. Buffalo City promotes a system of accountability by ensuring that ward councillors sign for each recommendation made for indigence status.

The registration process encourages people to apply to the municipality or one of its cash offices for Free Basic Services. This application is then processed and an indigent inspector is dispatched to the applicant's household to verify the applicant's status. Only once such verification has been completed and the inspector is satisfied with the applicant's status, will the application be approved and captured onto the Municipalities electronic register. This data is then shared with the billing system of the municipality.

BENEFITS

The administration of this process has been a challenge for the municipality but has produced satisfying results and the municipality intends to continue and build on this process. The annual

verification of the life cycle of an application poses a challenge to the municipality and it is further believed that indigence cannot be solved in a short term strategy and for these reasons an approved application is afforded the status of indigence until the year 2099.

The municipality does has second level of status verification that is applied to all citizens on the indigent register and comprises of cross referencing with other national data systems such as Deeds Registry, the population register of Home Affairs and the Department: Social Development.

Buffalo City firmly believes that in order to effectively solve indigence that beneficiary should be entitled to a broader package of services that is linked to employment

opportunities brought about by other initiatives such as Local Economic Development and the Expanded Public Works Programmes.

In its efforts to streamline all the indigent support efforts from government and alleviate the administrative challenge, Buffalo City dovetails its indigent application process with that of the Department of Housing's registration drive.

MUNICIPALITY OVERVIEW

District:	Amatole District Municipality
Province:	Eastern Cape
Wards:	45
Councillors:	89
Geographical Area:	2515 square km
Primary Industry:	Community/ Social/ Personal

2.2. KANNALAND LOCAL MUNICIPALITY

BACKGROUND

The Kannaland Local Municipality has had a turbulent administrative recent history due to the allegations of misconduct by the Municipality staff. The Eden District Municipality therefore appointed a team to assist with returning the Municipality to full functionality. One of the steps used by the Eden District Municipality was to remove all but the Basic Services from the administrative control of the Kannaland Local Municipality, thereby allowing them to be able to come to grips with the full administration of some of the services to the community. After meetings with the Task Team appointed by Eden District Municipality, an Indigent Policy and way forward was mapped allowing the Municipality to start providing full services to the community while dealing with the administrative and financial backlog on another level.

APPROACH

The Kannaland Local Municipality provides Free Basic Services to all households on the Indigent Register. Over 30% of households

in the Municipality are currently on the Indigent Register and are receiving Free Basic Water, Sanitation, Electricity and Waste Removal. Currently the Indigent Register is reviewed by a house to house survey twice a year. The reasoning behind this method is to allow the community to feel involved in the service delivery, especially after the period of non service delivery the community had experienced in the recent past.

At the moment the Municipality only provides Basic Services to the community, with other services being administrated by the Eden District Municipality. All households with the total income below R 1560 are considered Indigent and therefore provided with FBS. This threshold was arrived at using the State Pensions as a guide, though the Municipality is planning to include households with special circumstances as Indigents. Providing Free Basic Services to these households would be one way the Municipality would help them comes to terms with their change in situation. The discussion around

this issue is scheduled for the next budget meeting.

BENEFITS

The Benefits of the Indigent Register approach to service delivery is two fold:

- Accuracy: using this approach the Municipality is able to accurately predict the number of households that are dependent on FBS and then factor these households into their strategic planning.
- Community: due to the way the Municipality chose to keep the community updated and by depending on the ward counsellors, the community has felt that they are valued partners in all planning done by the

Municipality. This has also meant that while the community is still unhappy about some qualitative issues, they are content that progress has been made and the Municipality is working hard and will keep them up-to-date on the progress of service delivery.

MUNICIPALITY OVERVIEW

District: Eden District Municipality
Province: Western Cape
Wards: 5
Councillors: 9
Geographical Area: 4758 square km
Primary Industry: Agriculture

2.3. UMNGENI LOCAL MUNICIPALITY

BACKGROUND

The uMngeni Municipality has been providing Free Basic Services to the whole community since October 2000. While the Municipality's policies are not targeted at indigent households specifically, they are included by its automatic targeting all households currently getting Free Basic Services.

APPROACH

The uMngeni Municipality provides FBS to the whole community. Over 10 000 households receive Free Basic Water, Sanitation, Electricity and Waste Removal. The Municipality was given approval by Council to roll out the FBS to all households, allowing for the fact that it could afford to within its current budget. The reasoning behind this decision followed on from their interpretation of President Thabo Mbeki's speech about Municipalities providing Free Basic Services to the entire nation.

The uMngeni Local Municipality not only administers the provision of FBS to the community it also

administers the housing projects. It is these housing projects that are the community's main point of complaint regarding the Municipality's service delivery, as they perceive the roll out of new homes to be taking too long. Beyond providing Free Basic Services to the community the Municipality also cancels backlog of old debt, usually once a year. The Municipality would then write off old debt of those households unable to pay for the services. The Municipality communication with the community is dependent on feedback provided by individuals calling in issues with services in their immediate area.

BENEFITS

The Benefits of Automated approach to service delivery is two fold:

- Administration: using this approach the Municipality reduces the amount of manpower and time necessary to do indigent registration drives and maintain such records.

- Community: by providing the whole community with services, the community morale is improved, as it is viewed as the Municipality is giving back to all.

District: Umgungundlovu District Municipality
Province: KwaZulu-Natal
Wards: 11
Councillors: 21
Geographical Area: 1564 square km
Primary Industry: Agriculture

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