

**AREA BASED MANAGEMENT AND DEVELOPMENT  
PROGRAMME  
ETHEKWINI MUNICIPALITY**

**CASE STUDY:  
RURAL PLANNING AND DEVELOPMENT**  
*Nodal Development in the Rural Areas*

**Prepared for:  
Collin Pillay  
ABMD Programme Office  
eThekwini Municipality**



**McINTOSH XABA AND ASSOCIATES  
PO Box 61221  
Bishopsgate  
Durban  
4008**

**[mx@mx.co.za](mailto:mx@mx.co.za)**

**November 2007**

# Contents

---

<u>1 Introduction.....</u>	<u>1</u>
<u>2 Context.....</u>	<u>3</u>
<u>3 The Role of the Rural ABM .....</u>	<u>4</u>
<u>4 Situational Analysis.....</u>	<u>4</u>
<u>5 Planned future interventions .....</u>	<u>14</u>
<u>6 Assessing ABM successes and failures .....</u>	<u>15</u>
<u>7 Lessons learned .....</u>	<u>15</u>
<u>8 Recommendations for a realignment of interventions.....</u>	<u>18</u>
<u>9 Annexure.....</u>	<u>19</u>

# 1 Introduction

---

Nodal development in eThekweni's rural areas originates with the Integrated Development Plan and with the Rural Development Framework (RDF) which was completed by planning consultants in 2003. Four rural investment nodes were identified in the Integrated Development Plan. The intention is to utilise these nodes to provide ABM level activities and services for the specific area and to offer support services for business, agriculture, and tourism, and to promote local economic development. The lower level service nodes (local service nodes) were identified in the Rural Development Framework. There are ten of these. The intention with regard to these nodes is to provide local level services for surrounding communities and to generate social and economic activities.

The rural spatial plan focuses on transport routes as well as nodes. Adopting nodal development as a key principle is a way of avoiding spreading facilities throughout the rural areas where they are hard to get at and difficult to manage. Nodal development means that facilities are properly located in one highly accessible place. Ultimately, this enables the implementation of Multi Purpose Centres (MPCs) where facilities are in one building. The nodal approach lessens operational and maintenance costs and responsibilities. Once facilities are clustered on one place, it is possible to bring in other developments initiated by the private sector and NGOs. The way is opened for commercial and retail development. The node becomes a one-stop-shop for rural communities

The research aimed at documenting the impacts and outcomes of a nodal approach to spatial planning in eThekweni's rural area was unproblematic. The Rural ABM staff (the Programme Manager and the Development Planning and Land Use Manager) were more than willing to interview the researcher. They provided a comprehensive account of the rationale for a nodal approach, of the initiatives undertaken thus far, and of the successes and challenges facing those attempting to facilitate development in eThekweni's rural areas. Relevant documents were identified and loaned to the researcher. The Programme Manager made herself available for a field trip to view completed and incipient projects. During the field trip there was extensive discussion providing new information about specific projects. The Programme Manager facilitated interviews with local stakeholders by drawing on the services of a Rural ABM learner. The learner, who has extensive knowledge of the key role players in the rural areas set up interviews for the researcher, accompanied the researcher on the field trips, and assisted with translation where this was necessary. Unfortunately, it was not always possible to interview the most senior and knowledgeable informants (for example, the Councillor at KwaXimba) because these people had other commitments. Nevertheless, quality information and useful perspectives were obtained through the interviews.

At the outset, it was decided to focus on two nodes for the in-depth research, since it would not have been possible to cover all the nodes due to budgetary and time constraints. The nodes that have been chosen are KwaXimba and Inchanga.

The KwaXimba node is located on the D1102 road to the Valley of 1000 Hills. The node is within the KwaXimba traditional authority area and falls under the Ingonyama Trust Board. Sites are allocated in the form of Permission to Occupy Certificates through the traditional authority and the Ingonyama Trust Board. The population of Ward One is 30 168.

The Inchanga node is located on the R103. It covers an area of approximately eight hectares. The catchment of the node covers Ward Four. The node serves a population of approximately 35 000. Some of the land is privately owned while some is council owned. A taxi rank has been constructed on council land and the Rural ABM intends buying the privately owned house adjacent to the taxi rank for the construction of a market. At the taxi rank, there are stalls for informal traders, but these remain unused for the moment. A library is planned opposite the taxi rank. The node is just being kick started. The Rural ABM is trying to build on what already exists. The eThekweni Transport Authority will take over the management of the taxi rank. The Rural ABM has provided only the capital injection.

The rationale for the choice of these two nodes is as follows:

- ❖ KwaXimba is an investment node, whereas Inchanga is a local service node. The choice of these nodes therefore provides examples of both higher and lower order nodes.
- ❖ Infrastructure has been provided at both nodes. This means that there are concrete projects to evaluate and document. By contrast, very little has been done at many other nodes as yet.
- ❖ A reason for choosing KwaXimba was that it is the most advanced node in eThekweni's rural areas. This is because existing facilities and developments have been built on.
- ❖ There is a sharp contrast between the two nodes in terms of land tenure. KwaXimba is situated on traditional authority land, whereas Inchanga is situated on private and Council land. Access to land in KwaXimba hinges on the authority of the traditional leader, and demands the involvement of the Department of Traditional and Local Government Affairs as well as the Ingonyama Trust Board. Access to land in Inchanga depends on negotiations with private landowners and on internal Council processes.
- ❖ Both nodes are situated in the outer west region of eThekweni Municipality. While this has meant that the areas to the North and the South have not been covered, it has meant a rationalisation of the research process. Interviews could be conducted over two days.
- ❖ Taxi ranks have been constructed at both the nodes. An investigation of these projects allowed for similarities to be identified.

## 2 Context

---

The demarcation of municipalities carried out in 2000 has meant that 67% of eThekweni's spatial footprint is now rural. This comprises 1500 square kilometres with an approximate population of 600 000. The area lies to the North, the South and the West of the Metropolitan area. This is an enormous area within which to provide basic services and promote local economic development. Much of the area falls under traditional authorities and is thus characterised by dual systems of governance – both traditional and democratic. Features of the rural areas are that there is a paucity of services, that there is fragmented service delivery by different spheres of government, that there is extreme poverty, that there is a high disease burden, that incomes are low with heavy reliance on social transfers, that economic opportunities are scarce, and that the natural environment is being eroded. As noted above, most areas fall under communal tenure and are thus subject to the Communal Land Rights Act of 2004, though there are a few areas located on private land (see below).

Nodal development under the Rural Area Based Management initiative has made considerable progress. There are only two nodes on private land. These are Kwasanube and Inchanga. The Inchanga node also comprises some Council owned land. Umbumbulu Town is situated on state land that falls under the Department of Land Affairs. All the other nodes are situated on traditional authority land. Not all the nodes identified through the IDP and the RDF fall under the Rural ABM. Two nodes identified in the RDF are excluded from rural area based management initiatives. These are Verulam and Umkomaas. One reason for this is that these towns are not located in deep rural areas, although they do constitute nodes for rural communities. Furthermore, they are not located on traditional authority land. eThekweni's Economic Development Department is running a secondary Central Business District regeneration programme, and these two nodes fall under this. The Economic Development Department has a budget and planned projects for these towns which are already viable centres and require little more than upgrading and landscaping. These are not cases where kick-start development is required. Cato Ridge is also excluded as a rural development node. This is because this area has been identified as an industrial node by eThekweni Municipality. In Cato Ridge, the Rural ABM has formulated a plan that includes those areas not owned by Assmang (a major industrial plant owned by Anglo Vaal producing manganese). The ABM is considering the construction of an off-ramp and the provision of sanitation and electricity in these areas. Interactive skills should be used to access employment in Cato Ridge.

The Rural ABM office is situated in Cato Manor. This is hardly a walk-in office for any of the rural areas to the North, the South and the West of the City. However, it is a central location. Other locations might privilege some rural areas over others. There are sixteen staff members. The Programme Planner

laments that the coverage of all the rural areas is thin. The Rural ABM has to cover 28 Wards with these few staff members.

A dilemma for the Rural ABM is whether to spread resources thinly, or whether to concentrate resources in a few places. The Rural ABM has opted for nodal development, but there is political pressure to be active in all areas. If, for example, the Rural ABM had focussed solely on KwaXimba, this node would be more advanced than it is now and might be a more convincing example for a nodal approach to rural development. In essence, the problem is that the staff and the resources are insufficient to deal with the development of all the rural areas. The line departments are relying on Rural ABM funding for development. eThekweni's financial contribution is minimal. eThekweni Municipality will be faced with a dilemma when the European Union funds dry up.

The Rural ABM seems to function successfully in liaising with the political structures in the rural areas. There is direct liaison with democratically elected local government. Traditional authorities do not appear to have posed an obstacle to development in terms of their authority over the allocation of land. The allocation of land does not yet seem to have posed a problem although the excision of land from the Ingonyama Trust would be advantageous for private sector development.

### 3 The Role of the Rural ABM

---

The objective and the desired outcomes of the interventions of the Rural ABM in terms of nodal development are the delivery of basic services, and the promotion of local economic development. The spatial rationale is to concentrate social services and economic development in already partially developed nodes where access to the wider community can be assured. Over the long term, the aim is to ensure sustainable livelihoods. There is a desperate need for social facilities and amenities. The related economic strategy is the development of opportunities for business. Nodal development is thus an economic as well as a social initiative.

### 4 Situational Analysis

---

The designated nodes have been identified and designed in consultation with traditional authority structures. This has been done by planning consultants. The RDF identified the geographic locations, but on the ground consultation to define the footprint of the nodes and the spatial design, and to secure the land for the node has been done by consultants specialising in facilitation. The catchment of each node is the area that it serves. Community needs and developmental shortfalls are built into the nodal plans.

Each rural development node has a five year capital investment plan which was done in the First Phase of the project when potential funders were identified.

During the first year that the Rural ABM was operating, R7.6 million was spent on three projects. An attempt was made to prioritise the nodes and certain projects. This was not very successful because R202 million would have been needed to implement a programme to get all the nodes to a point of functionality. It was necessary to be more strategic in the selection of the projects to be implemented.

Over the last two years the Rural ABM has been putting in public infrastructure. Five taxi ranks which are the same as urban ranks have been constructed. These are roofed and each has five aisles. There are officers for the taxi associations and for the rank manager. Ablution facilities and informal trading spaces have been provided. The construction of the taxi ranks has constituted an element Phase One of the Rural ABM Programme.

Phase Two has focused on internal roads and pedestrian sidewalks as well as external roads that link rural communities. Nodes are being landscaped, trees are being planted and street furniture is being provided. KwaXimba, for example, has a park with braai facilities where an indoor sports' stadium has also been built (see below). Pension pay out points (three) in different areas have been provided or upgraded. Ablution and trading facilities have been constructed as well as community halls and cashiers offices.

In Phase Three (this financial year), more substantial public facilities are being provided. A library is planned for Inchanga and a Multi Purpose Centre for Umnini. There will also be a continuing initiative to upgrade or provide pension pay out points. Existing sports fields will be upgraded. Ablution facilities, change rooms, fencing, and stands will be provided. The intention is also to facilitate private sector investment. Inchanga, for example, has a precinct for commercial development. The Rural ABM has had enquiries about the nodal programme, and some investors have come to view the nodes. One obstacle (see above) is that most of the land is neither privately nor Council owned. As already noted, the land falls under traditional authorities, and ultimately under the Ingonyama Trust Board (ITB). The dilemma is how to facilitate development and how to maximise the potential of land when it is not owned by private landowners or by Council. Despite the constraints there are, however, mechanisms through which private sector development can be orchestrated. It is possible to apply for long term leases to the traditional authority and the Ingonyama Trust Board. Excision is an option, but this is not favoured by the Ingonyama Trust Board.

A current reality is that people are moving back to the rural areas. Applications for Permission to Occupy Certificates (PTOs) are concentrated in certain areas. People have rural ties and now want two homes, one urban and one rural. A further incentive for land acquisition in the rural areas is that

the infrastructure has improved. People are applying for PTOs although this is not a sufficient form of tenure to raise finance from commercial banks. However, finance may be available through Ithala Finance and Development Corporation, and the situation may change in the not too distant future.

Historically, Ithala has financed shopping centres in rural areas on Ingonyama Trust Land. Ithala owns a large number of shopping centres that are unviable. However, the nodes in the eThekweni are not poorly located. Some of these nodes have facilities and infrastructure which draws people to these places. They have potential for commercial development. SPAR, for example, has a franchise programme for townships and rural areas. The study that SPAR has conducted has not yet been released. Another potential commercial investor is Boxer Stores (Pick n' Pay) which is looking for opportunities. The Rural ABM is concerned to insure that investors are legitimate and that they will make a serious investment. It would not be desirable for the Ingonyama Trust Board to allocate land to investors who do not take up the opportunities on offer.

Consultants have now been appointed to work with the Ingonyama Trust Board to formulate a strategy for the release of land with commercial potential. Following this process, the Rural ABM will advertise the land that is suitable for development. It will call for consortia to make development proposals. Bidders with whom lease agreements can be facilitated will be selected. Land can also be excised using the Development Facilitation Act of 1995. This land can be subdivided and sold under freehold tenure. A problem at present is that banks (with the exception of Ithala, a Development Finance Institution) will not finance developments on Ingonyama Trust Land. However, the larger financial institutions (ABSA, Standard Bank and First National Bank) are now looking for opportunities facilitated under the new Banking Charter.

The Rural ABM needs to ensure that eThekweni line departments contribute to the development of infrastructure. Projects are being paid for by the European Union and by the Municipal Infrastructure Grant. Only a small amount is contributed by the budgets of line departments. Operational and maintenance commitments need to be set in place. This has already occurred for a number of completed projects (see below).

The Councillor for the Inchanga area, Councillor Shozi, is fully aware of the initiatives undertaken through the Rural ABM because his area is part and parcel of the Rural ABM. His area includes the fairly densely settled area of Fredville. In his view, the ABMs were formed to assist areas that are not developed. Funding is provided by the European Union and eThekweni Municipality to develop communities that have lagged behind.

The Chairman of the Taxi Association is involved in the Rural ABM because of the construction of the taxi rank, but aside from this, he is not particularly well informed about the Rural ABM and how it works.

The Councillor liaises with the Rural ABM staff. They contact him if there are projects or planning initiatives that will affect the ward. In turn, the Councillor contacts the Rural ABM when there is a need for projects in the ward. The relationship between the Councillor and the Rural ABM is very good. There is constant liaison. Proposals for projects are processed by the staff at the Rural ABM office. However, not all community representatives are fully aware of the initiatives undertaken by the Rural ABM (see below) Ward Committee members who were elected this year and were trained in June are still learning about the various development programmes.

The taxi rank at the Inchanga node is situated in a suitable location. It can accommodate 40 taxis. In total, there are 115 taxis in Fredville. Some taxi owners have as many as four vehicles, while others have three or two. Many owners operate only one vehicle. The taxi rank was completed only in late July so it is a recent phenomenon. At the taxi rank, there is shelter, and there are toilets and a water supply. The Chairman of the Taxi Association is happy with the facility that has been provided although no electricity has been installed as yet. The Taxi Association is waiting for Eskom to activate the electricity supply. The stalls for informal traders are not being used at present. Traders who previously operated from the space where the taxi rank is situated will be given stalls first. Applications can then be made by other people.

Maintenance of the taxi rank is the responsibility of eThekweni Transport Authority (ETA). The rank has been taken over by this institution. The Chairman of the Taxi Association is working with ETA to sort out maintenance details. The Taxi Association pays the two people who work at the rank with funds provided by ETA. ETA puts the funds into the account of the Chairman, who in turn pays the workers. A problem is that the budget provided is insufficient. The Taxi Association would like to employ four people from the community. The Taxi Association intends asking for an augmented budget from the ETA. The ETA inspects the rank and monitors progress.

The routes operated by the Taxi Association are to Pinetown, Hammarsdale, Hillcrest, Durban and Pietermaritzburg. The Taxi Association serves a very large area. The volume of trade varies from day to day. Some days are busy while others are not. The Taxi Association has members and a committee.

Before the rank was built, taxis operated from the open space where the rank now is.

Overall, it is felt that the taxi rank will assist in improving levels of business. Previously, people used buses because shelters are provided. Now, that there is a structure with facilities and shelter commuters will use taxis. Both taxi operators and the communities will benefit.

An important point is that everyone in the community knew about the taxi rank before it was constructed. The Rural ABM appointed a contractor who was not local to build the rank, but labour was provided by local people. The contractor recruited local labour by approaching the Councillor who was

informed of the number of workers and the skills required. When projects are implemented, there is a set procedure for recruiting local workers. There are 11 areas in Fredville. The Councillor makes sure that people from each of the areas are recruited. Someone from each area gets a job. An attempt is made to assist the unemployed. The Department of Transport has a programme through which jobs in local communities are created for road cleaning and road maintenance. The same principle is applied by the Inchanga community in allocating jobs for construction and maintenance.





### **Inchanga Taxi Rank Under Construction and Completed**

Aside from the taxi rank at the Inchanga node, the Rural ABM has constructed community halls at Emngcwini and Esikhelekeeni. A health post has been provided in Fredville and a dipping tank has been installed at Emngcwini. At the moment the Councillor and the community are expecting a library to be built at the Inchanga node. This is a convenient place for the library chosen by the community at development meetings. Proposals such as this are taken from the community by the Councillor to eThekwini Municipality.

The members of the Taxi Association in KwaXimba interviewed by the researcher had not heard of the Rural ABM before the meeting that was held with them. The Taxi Association had been under the impression that the taxi rank had been constructed by eThekwini Municipality. The board which acknowledges the role of the Rural ABM and the European Union in the development of the node had not been erected. It was stored in an obscure corner.

There are 30 members of the Taxi Association with 51 taxis. The taxi rank was opened in May 2006. Construction started in 2005. Before the taxi rank was built the plot was an open space that was 'owned' by a local person under the PTO system. It had been allocated by the Inkosi. The plot was 'bought' by eThekwini Municipality so that the taxi rank could be built. The previous 'owner', Mr Dlamini, was compensated for the Permission to Occupy Certificate that he held. A tuck shop was built for him on the site so that he could continue his business activities. To access the land, an application was made through the Rural ABM by Inkosi Mlaba, the Taxi Association and the

Councillor. The space that was being applied for was the space that the Taxi Association had always used.

It is interesting to note that two taxi associations are using the rank. The Mlaba and Mkizwe Taxi Owners' Association are paying for permits in eThekweni. The other Taxi Association operates to Pietermaritzburg and is called the Buhnebuyeza Taxi Association. This Association pays for permits in the Mzunduzi Municipality. There have been no difficulties in the two taxi associations sharing facilities up to this point. However, the Mzunduzi based Association has started transporting commuters from Cato Ridge to Pinetown. This is a route designated for the Mlaba and Mkizwe Taxi Association. There is an agreement on this. The Mlaba and Mkizwe Taxi Association members are not happy with the transgression on routes designated for them. Because the other Taxi Association using the rank pays for permits in Mzunduzi, the Mlaba and Mkizwe Taxi Association feels that it would be preferable if this Taxi Association ceased to use the rank

The construction of the taxi rank went out to tender. The tender was won by contractors from Hillcrest. Skilled labour was recruited from outside the KwaXimba area, but unskilled labour was recruited from the area. A meeting was called of people who were interested in working on the rank. These people were given numbers and these were picked from a hat.

The Taxi owners are happy with the taxi rank. However, there are certain shortcomings. The taxi owners would like to have an adequate car wash bay and a tap on site. The car wash bay provided is too small, and the tap has been vandalised. Furthermore, there is no drainage at the present bay. Also needed is two gates. This is required for security reasons. Taxis begin to operate at 4 am and both operators and commuters are vulnerable to criminal attack at these times. Furthermore, cows get into the rank area at present. It would seem that the eThekweni Transport Authority has this matter in hand. Also needed are more adequate gutters on the roofs. At present, the aisles where the taxis park are awash in wet weather.

Drivers and commuters complain because the toilets are not available early in the morning (at 4am) when business starts. The person who manages and cleans the rank is on duty only from 7am He knocks off at 4pm, and from this time, the toilets are no longer available. If there were someone on duty for longer periods, business would be better.

The person who manages and cleans the taxi rank is paid by the Chairman of the Taxi Association. Funds are paid into the Chairmen's account by the ETA. However, the money paid by the ETA (believed to be R1 100 per month) is felt to be insufficient. The ETA checks and monitors the taxi rank.

According to the contract between ETA and the Chairman of the Taxi Association, two people should be employed to manage and clean the rank, but there is only one at the moment. The taxi operators have not seen the agreement between the Chairman of the Taxi Association and the ETA. The person who manages and cleans the rank needs uniforms and safety gear. A

cause for concern is that the contract between the eThekweni Transport Authority and the Taxi Association (held in the name of the Taxi Association chairperson specifies an amount of R8 000 per month for maintenance. There is clearly no transparency with regard to monies transferred from the eThekweni Transport Authority to the Chairman of the Taxi Association.

The Inspector from ETA has found that the KwaXimba taxi rank is well maintained. Minor issues sometimes complicate processes. This is because of bureaucratic requirements within eThekwini Municipality.



### **Opening of the KwaXimba Taxi Rank**

In the case of the Sports' Centre at KwaXimba, the project was linked to the extension of the International Convention Centre (ICC) in eThekwini's Central Business District. Because the Framework Plan which identified the need for the Sports' Centre had already been formulated, it was possible to take advantage of the social responsibility aspect of the contract for the extension of the ICC. The consultants for the Sports' Centre did not charge for planning, design or supervision. The centre was constructed in partnership with the private sector. The contractors who built the extension to the ICC part funded the structure and provided a professional team at no cost. Through these contributions, R1.5 million was saved. The balance of the funding was sourced from the Municipal Infrastructure Grant applied for through eThekwini Municipality.

The land on which the sports' centre is located was donated by the Inkosi. Nobody was using the land when the sports' centre was proposed. A PTO has been issued for the site. There was intensive community consultation with regard to the building of the sports' centre and the taxi rank. The contractor who built the sports' centre came from outside the area as did the skilled

labour, but local unskilled labour was used in the construction. Labour was recruited according to areas within the ward. Two people were recruited from each area to make up the 20 workers that were needed. The same system is used to recruit labour for all the projects implemented in the area including water and sanitation.

The sports' centre is complete and the sports field will be revamped. The sports' centre is intended for the use of schools and the community at large. It is set up for four sporting codes; netball, volley ball, indoor soccer and basket ball. Inkosi Mlaba donated the land for the sports' centre and gave authority to build it. The centre is on traditional authority land. eThekwini Municipality is leasing the sports' centre through the Ingonyama Trust Board, though the lease has not yet been finalised.

An attempt is being made to create awareness of the facility. The sports' centre is not much used at present because it is very new. There will be exhibitions to get the centre known. At the opening, there was a councillors' meeting. This served to create a lot of awareness. When the centre was opened a boxing tournament was held.

The centre is intended as a regional facility. It will serve Fredville and Inchanganga as well as KwaXimba. It is being maintained and staffed by the Parks' Department. eThekwini's Sports and Recreation Unit will present a sports' programme to the Rural ABM. The Ward Committee Member from KwaXimba believes that the sports' centre is much needed in the area as it can be used for different purposes.





### **KwaXimba Sports Centre and KwaXimba Sports Centre Opening**

In terms of impact, the Ward Committee member pointed out that the taxi rank means that commuters are protected from the sun and the rain. He said the taxi rank is becoming a central point for people to commute onwards to other places. It is too early to say what the impact of the sport's centre has been. It will be used for the inauguration of the new Inkosi in October. Previously, the community hall was used. Now everything can be done at the sports' centre.

According to the Ward Committee Member for KwaXimba, the Rural ABM should bring projects to the community. In his view, the most notable projects that have been implemented to date are the taxi rank and the sports' centre. He feels that a problem is that projects have been clustered in one area. The Ward Committee member would appreciate it if projects could be implemented in other areas. He would like to see a crèche and a community hall in the area where he lives. He noted that he was aware that the ABM cannot satisfy all needs. However, it is important to build clinics in different areas, especially to serve the needs of old people. At present, old people have to walk long distances to reach clinics. In the past before the recent municipal demarcations, there was a proposal to build a hospital in the area. This has not been possible since wards were separated according to the new demarcation.

In cases where a project is needed, the Ward Committee members and the community approach the Councillor who applies for the project. It was not clear to the ward Committee member which projects have been implemented through the Rural ABM. Sidewalks have been provided. Nothing has been

done in terms of business development. Some people in the area are planning to build a service station. That would be the first business development initiative. A shopping centre is needed in the area. At present local people shop at the SPAR at Cato Ridge. This is difficult for the community because the owner/manager of the SPAR is hostile and unfriendly. (He recently caused injury to a social grantee by pushing her down the steps). Shopping facilities where people feel comfortable are required.

There are a lot of small businesses in the KwaXimba area. The Rural ABM together with the Small Enterprise Development Agency (SEDA) has recruited a business advisor. The business advisor will be based at the Council Offices adjacent to the taxi rank. The furniture for the business advisor's office has already been delivered. He will start work soon.

At Isithumba (a craft centre with accommodation and conference facilities), the Rural ABM is providing training for crafters. The Rural ABM has also provided funding for operations, because the centre was not proving to be sustainable. The electricity was being cut because of lack of funds. The Rural ABM is trying to get the centre back on track. The centre is run by a board comprised of community members. The board has thus far refused to draw in private sector partners to render the facility financially viable a stance that the Rural ABM Programme Planner finds unacceptable.

## 5 Planned future interventions

---

The Rural ABM would like to see the provision of housing at the nodes. KwaXimba and Umnini already have substantial infrastructure. These are potential housing nodes. The provision of housing would contribute to the development of the nodes. Housing opportunities could be provided through densification. At Umnini there is a spatial plan which provides for a lay out plan around the existing dwellings. Traditional authorities can be apprised of these plans which do not indicate subdivisions. The average plot size in the rural areas is 2000 Square Metres. The Rural ABM would like to reduce this, but there is popular support for bigger plots that can support rural livelihoods. The community at KwaXimba, for example, did not want plots of less than 2000 square metres.

The Rural ABM has applied for grant funding for Mpumalanga where there will be a partnership with First National Bank for housing and with Sake Sizwe for retail development. The new Neighbourhood Development Partnership Grant (applied for in Mpumalanga) is aimed at urban development. The emphasis is on government partnerships with the private sector. Other new funding could be available through the Neighbourhood Development Partnership Grant. However, because this Grant is intended for nodal and township development, most of the areas for which the Rural ABM is responsible are

excluded because they are categorised as rural. The difficulty here is that 50% of the areas in question are becoming urbanised. For example, Umnini is effectively an extension of Amamzamtoti. Thus far, only the Mpumalanga development could be applied for.

The dilemma is that eThekwini's rural areas are not eligible for grants that are designated as urban. Neither are they eligible for rural grants through the Integrated Sustainable Development Programme or the Department of Environmental Affairs and Tourism because these programmes and departments classify eThekwini's rural areas as metropolitan. eThekwini is also excluded from Gijima funding. eThekwini's rural areas are thus in a limbo when it comes to access to funding.

## 6 Assessing ABM successes and failures

---

Each node has a steering committee. It is necessary to go through Amakosi and Ward Committees who were not necessarily party to the nodal programme and who may act as gate keepers. This may be a challenge.

The most significant challenge to the Rural ABM is that it is responsible for service provision and economic development over huge areas with limited human resources and funding, and over a limited time frame.

Despite the constraints, infrastructure has been provided which has changed the lives of rural residents for the better.

## 7 Lessons learned

---

A number of important lessons have been learned from the experience of implementing nodal development in eThekwini's rural areas.

- The Extended Public Works Programme is a formula for project delivery. Essentially it is a pro-poor job creation methodology which does not carry specific funding. In eThekwini, it is driven by the City's vision for SMME development. The financial vehicles to realise the aims and objectives of the Extended Public Works Programme are the Municipal Infrastructure Grant nationally, or other sources of funding such as the European Union, the equitable share or eThekwini Council funds. The Rural ABM has used the Extended Public Works Programme methodology for some projects. The experience has been that prices are pushed up if this methodology is deployed. This is because there is no competitive edge in the awarding of contracts as designated contractors are guaranteed jobs. The rates are negotiated with the client, and people are protected from the process of public tender. The

assumption is that these contractors will eventually be able to operate in a competitive environment. Supervision and monitoring for these contracts is very difficult. Monitoring is done by people with no experience. They themselves have only just completed learnerships. The taxi rank at Inchanga using Extended Public Works Programme methodologies that cost almost R4 million to build should have cost far less. In fact, it cost R3.7 million whereas it should have cost R2.5 million. European Union funds were used. The taxi rank at KwaXimba was not constructed using Extended Public Works Programme methodologies. It cost about R2 million. The question is whether or not empowerment initiatives are justified in the light of inflated costs.

- Where planning for projects has already been completed, it becomes possible to take advantage of development opportunities. This is illustrated by the case of the sport's centre at KwaXimba. Because planning had been completed, the Rural ABM could access the social responsibility components of the extension to the ICC in eThekweni's Central Business District. This led to considerable savings in terms of both construction and professional fees.
- According to a range of informants, there has been an improvement in the quality of life of the communities where the Rural ABM has concentrated project funding. This in itself justifies the channelling of further funds through the Rural ABM. As a result of the interventions through the Rural ABM, people's lives have changed a great deal. Jobs were created when the facilities were constructed. It was emphasized by the Councillor in Inchanga that the Rural ABM has been of great assistance to the community. The community would like to see the implementation of all the projects that have been approved for Inchanga the node.
- It is important to access more corporate social responsibility funding for development in the rural areas as was done for the construction of the sports' centre in KwaXiba
- The Rural ABM faces a dilemma with regard to access to funding because eThekweni's rural areas are classified as neither rural nor urban either by Government Departments or other donors and agencies.
- In the cases of the projects evaluated and documented, communities have been consulted about infrastructural development. Facilities have been placed where they are wanted by the community. This means that the facilities are likely to be integrated in the social and economic fabric of communities.
- The taxi ranks have also been situated in places that make good business sense. Open areas from which taxis were already

operating were chosen for the construction of the taxi ranks .It is notable that the Councillor for Inchanga worked with the Chairman of the Taxi Association in relation to situating and constructing the rank. The importance of using spaces which are already the site of business activities is highlighted by the many infrastructural white elephants constructed with no regard for community preferences or patterns of business usage.

- Although the taxi ranks have improved conditions for commuters and have made good business sense for taxi operators, there are shortcomings in the design of the ranks. It would be advisable to consult community and business users with regard to the design of facilities.
- The taxi ranks in both Inchanga and KwaXimba were designed with the new taxis in mind. In other words, government policies with regard to the taxi industry have been taken account of.
- From a business point of view, the taxi rank at KwaXimba has helped a great deal. More profit is being made. Over the weekends, there are now queues of commuters waiting for taxis. This is because there is shelter from the sun and the rain. This is important because if there is no shelter, commuters prefer to take passing taxis from other areas.
- Contracts between the eThekweni Transport Authority and the Taxi Association chairperson (at least in KwaXimba) are opaque. It is necessary that all stakeholders are party to, and understand the contract
- There have been statutory approvals and development rights have been allocated to nodes. There was consultation with government departments, and with metropolitan line departments on the issue of budgets. An appeal has been made for consideration of the nodal programme with regard to the provision of infrastructure.
- In the case of infrastructural development, exit strategies are less of a difficulty than may be the case with institutional development. Exit strategies are facilitated when there are municipal line departments that are able to integrate operations and maintenance into present systems.
- It is not always easy to gain acceptance for the concept of nodal development. There are two reasons for this. The first is a strong belief that development initiatives should be shared by all. This idea has been reinforced by government programmes that have been concerned to spread employment and livelihoods opportunities in an equitable fashion. The second is that political representatives and traditional authorities acquire prestige if they can bring projects to their areas. A problem has been that ward councillors apply

political pressure to get projects in their own areas. There is also pressure from traditional authorities to the same end. Amakosi have in some cases double allocated sites. In the case of Inchanga, the Councillor fully accepts the concept of nodal development. However the Ward Committee member in KwaXimba felt that projects should be more evenly and equitably spread (see above).

- The Councillors' offices, the community hall and the Post Office were there before the Rural ABM became active in the area. An important principle that has been applied is to build on what is already there.
- It is necessary to ensure that new councillors and ward committee members are fully apprised of existing plans for development so that planning is politically supported.
- That contracts for infrastructural development were awarded outside the rural areas, and that skilled labour was invariably sourced outside these areas as well, underlines the need for intensive skills development in rural contexts.

## 8 Recommendations for a realignment of interventions

---

Interviewees articulated a number of needs:

- ❖ In Inchanga, the community would like a community hall and a sports field at Mlaba Village.
- ❖ In terms of the legacy of the Rural ABM, interviewees from Inchanga felt that the community should identify what is needed and this is what the Rural ABM should leave behind. In addition to the library, there should be a shopping centre, a petrol station and a police station at the Inchanga node. Ultimately, what is required is the complete development of the service node.
- ❖ The members of the Taxi Association in Inchanga would like business skills training and training in vehicle maintenance.
- ❖ The Taxi Association in Inchanga would like to form a cooperative. The reason for this is that such an institution would be a means to acquire additional assets. The Association would like to move into the operation of long distance coaches and other transport initiatives. A second reason for forming a cooperative is the perception that Government is willing to sponsor cooperatives rather than individual businesses. The Rural ABM could assist the Taxi Association at Inchanga to form and register a co-operative.

- ❖ The taxi operators at KwaXimba would like to have showers and a change room for themselves. They would also like a place to hold meetings. The offices provided are too small, so meetings are held at the community hall nearby. This facility has to be hired.
- ❖ Street lights are needed in the KwaXimba area. These could be installed through the Electricity Department using Rural ABM funds. The problem is that the Ward is huge so this infrastructure would be difficult to install. However, street lights could be provided at the node itself.

The philosophy of nodal development may be constraining in some respects. Subsequent to the spatial planning initiatives undertaken by the Rural ABM, McIntosh, Xaba and Associated (MXA) were commissioned to devise a Manufacturing, Construction, Commercial and Services Development Strategy and Multi-Annual Work Plan for the Rural ABM Economic Advisor. The intention here was to complement work that had been done on agricultural development and work that was being done on tourism. Two points emerge from this. The first is that nodal development should not mean that sectoral development is lost sight of. The study conducted by MXA identified projects derived from a focus on the big opportunities likely to emerge in the North, the South and the West of the City. The second point is therefore that nodal development should not mean that the big opportunities are lost sight of.

The way in which nodal development is being implemented by eThekweni Municipality is separated according to programme with the consequent exclusion of Verulam, Umkomaas and Cato Ridge from Rural ABM initiatives. It is precisely these nodes that are likely to reap the benefits of industrial development at Cato Ridge, commercial development at Umnini, and the construction of the Dube Trade Port in the North. It is the responsibility of the Rural ABM to ensure that rural communities benefit from big developments in terms of jobs and livelihoods. A disaggregated focus on nodal development should not stand in the way of this. The programme put forward by MXA in 2006 should be integrated into the nodal approach.

## 9 Annexure

---

### 9.1 Field Trip

A field trip was conducted to the KwaXimba and Inchanga nodes on 3<sup>rd</sup> September 2007 in the company of Phila Mayisela to view the infrastructure completed to date and to inspect sites for future interventions.

## 9.2 Annexure B: Interviews

Date	Interviewee	Position	
11 August 2007	Phila Mayisela	Programme Planner	Rural Area Based Management Office
11 August 2007	Peter Gilmore	Development Planning and Land Use Manager	Rural Area Based Management Office
6 September 2007	Tabiso Mavundhla	Learner	Rural Area Based Management Office
6 September 2007	Mr Shozi	Councillor	Inchanga
6 September 2007	Mr Madondo	Ward Committee Member	Inchanga
6 September 2007	Mr Zuma	Chairman, Taxi Association	Inchanga
6 September 2007	Mr Gumede	Vice Chairman, Taxi Association	KwaXimba
6 September 2007	Mr Mgwengwe	Taxi Operator	KwaXimba
6 September 2007	Mr Ndlovu	Taxi Operator	KwaXimba
6 September 2007	Mr Ntinga	Manager and Cleaner, Taxi Rank	KwaXimba
6 September 2007	Mr Shozi	Inspector	eThekwini Transport Authority
7 September 2007	Ndlovu	Ward Committee Member	KwaXimba

## 9.3 References

eThekwini Municipality – Rural Area Based Management and Development, (n.d) Rural Investment and Local Service Nodes.

eThekwini Municipality - Metro Housing and Development Planning Service Units (2003) eThekwini Rural Development Framework – Development Strategies and Frameworks.

eThekwini Municipality - Metro Housing and Development Planning Service Units (2003) eThekwini Rural Development Framework – Implementation Framework

eThekwini Municipality – Rural Area Based Management (2004) KwaXimba Rural Investment Node – Design and Development Framework.

eThekwini Municipality (2004) Draft Final Report for the Inchanga Node.

McIntosh Xaba and Associates (2006) Manufacturing, Construction, Commercial and Services Development Strategy and Multi-annual Work Plan – Report Prepared for the Rural Economic Advisor, Rural Area Based Management.