

# Diagnostic Assessment of Nine Intermediate City Municipalities



In April 2016, Cabinet approved the Integrated Urban Development Framework (IUDF), which the Department of Cooperative Governance (DCOG) is responsible for implementing in the 39 intermediary cities, through the programme called Intermediary Cities Municipal (ICM) Support Programme. In order to scope and correctly target the support to ICMs, DCOG commissioned PDG to undertake diagnostic assessments to rapidly assess and focus attention on the key strategic challenges using four lenses: economic development, spatial planning, infrastructure and service delivery and finance. Overarching issues of organizational capacity and governance were also to be assessed.

PDG led a team of eight senior consultants, deployed in teams of four consultants, each covering one of the four lenses. The Strategic Development Review Methodology involved an intensive two-day visit to seven of the nine intermediate city municipalities: Drakenstein, Sol Plaatje, Mogale City, Rustenburg, Thulamela, Steve Tshwete, KwaDukuza; with one-day visits at the two pilot ICMs: uMhlatuze and Polokwane. During the visits, interviews were held with key officials, politicians and external stakeholders, and these insights were triangulated with municipal documentation and external data sets. Diagnostic assessment reports were then presented back to the municipality for validation and discussion. Final diagnostic assessment reports were then submitted to DCOG to inform the ICM Support Programme.

Through the cross-sectional view of nine ICMs in very different contexts, PDG was able to identify and analyse internal and external factors impacting on their ability to implement the IUDF. External factors included the underlying economic base of each ICM, the impact of traditional



land ownership and the dilution of accountability through the two-tier local government system. Internal factors included over-ambitious expectations of economic growth, poor financial management in some cases, critical asset condition linked to low availability of capital, and shortage of technical capacity. A number of national institutional issues also impact on ICMs. The diagnostic assessment found that inadequate spatial planning is not the key constraint, but rather the inability to put in place the requisite conditions to provide the services that facilitate economic growth.

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## ICMD PROJECT:

**Project Profile:** Diagnostic Assessment of Nine Intermediate City Municipalities

**Client:** Department of Cooperative Governance via the World Bank

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