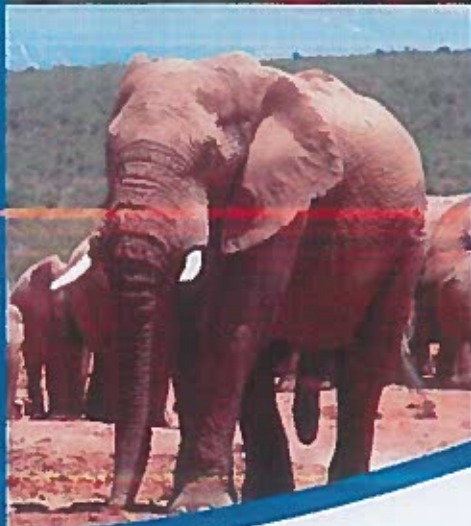
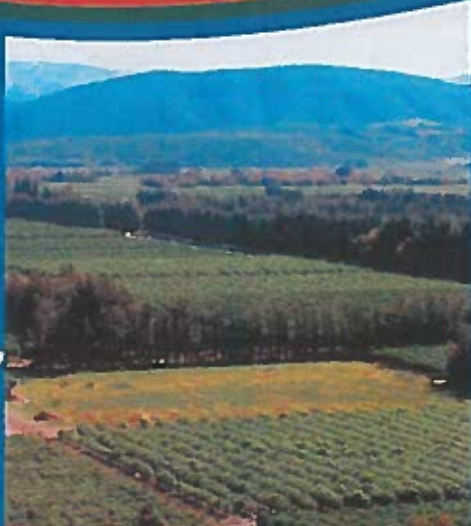




# SUNDAYS RIVER VALLEY MUNICIPALITY



## **SUNDAYS RIVER VALLEY MUNICIPALITY**

### **INTEGRATED DEVELOPMENT PLAN**

**FINAL - 2021-2022**

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**Draft SDBIP and Organogram are still being developed!**

## EXECUTIVE SUMMARY



The current year's IDP review is undertaken at the time when the COVID-19 pandemic has influenced our public participation processes and service deliverables. When we conducted our public meetings, we had to stick to COVID-19 guidelines of social distancing, wearing of masks all the time and sanitization. One of other crises situations we are faced with is load shedding and slowed economic growth. These must be taken into consideration in our plans.

This is our fourth review of our Fourth Generation Integrated Development Plan. The IDP forms a cornerstone of our planning process. This IDP focuses on the most important needs of our communities taking into account the available resources at local level. Owing to the limited financial resources at the municipality, we had to find the most cost-effective ways of providing services and money will be spent not on addressing symptoms of the problems but the causes of the problems. It is a framework within

which we do short, medium- and long-term planning for our Municipal area, and link these plans to projects implemented by the district, provincial and national governments.

The platform of ward committees and IDP Representative Forum have provided an organizational mechanism for discussion, negotiation and decision-making between the stakeholders inclusive of municipal government. We have attached critical projects in our IDP that must form part of the District Development Plan.

Several major infrastructure projects have been completed or are nearing completion and there are also new projects underway. Some of the project highlights are:

- Bulk water supply has been upgraded in Valencia and bulk and distribution of water infrastructure has been augmented in Enon-Bersheba.
- Sewer network has been upgraded in Addo and Paterson.
- Drilling of boreholes was done in the remote outskirts of Glenconnor and Kleinpoort
- Roads and storm water upgrade are due for completion in Kirkwood, Moses Mabida, Aqua Park and Bergsig

Though the municipality largely depends on grants for capital infrastructure projects, we are taking cognisance of the importance of budgeting for the maintenance of the existing infrastructure. Our first priority is access to water, sanitation, electricity and housing. The latter is not the municipal competency. Let me take this opportunity and thank my fellow councillors for their tireless service of their communities and also wish the new councillors who will be coming in the best of luck in the work they will be doing.

  
.....  
**NG BIXA**  
**MAYOR**

### **Overview of the Municipality**

Sundays River Valley Municipality undertook a process to review its IDP and the outcomes of consultations were that the vision, mission, values and priorities of the municipality remain unchanged. The critical issue of Covid-19 is not a stand-alone priority but it is a cross-cutting objective in all our development priorities.

#### **VISION**

A people centered Municipality providing efficient and effective services to communities.

#### **MISSION**

To deliver effective, efficient services in an accountable and transparent manner and to create an inclusive, safe, sustainable socio-economic environment for improved quality of life.

#### **VALUES**

- ✓ ACCOUNTABILITY
- ✓ TRANSPARENCY
- ✓ INTEGRITY & HONESTY
- ✓ COMMUNITY ORIENTATED

#### **DEVELOPMENT PRIORITIES**

1. **Provision of Infrastructure and Basic Services.**
2. **Local Economic Development.**
3. **Community and Social Services.**
4. **Institutional Transformation and Organizational Development.**
5. **Good Governance and Public Participation.**
6. **Financial Viability and Management.**

Sundays River Valley Municipality (SRVM) is in the Eastern Cape and is one of the seven local municipalities in the Sarah Baartman District. It is a Category B municipality with a collective executive system combined with a ward participatory system established in terms of the Local Government Municipal Structures Act 117.



It is approximately 50km from Coega Industrial Zone in Nelson Mandela Bay Metro. The municipality covers an area of 5995 KM<sup>2</sup>. The municipality can boast its ecotourism and agricultural potential. The Addo Elephant National Park and its citrus production are two important drivers in the Sundays River Valley Municipality. The valley is characterised by harsh climate conditions, with summer temperatures rising in excess of 40°C. Rainfall is spread over the year and is between 250-500mm per annum. The valley is characterised by wide, fertile flood plains and is associated with low-lying land and steep, less fertile soil. The area outside the Sundays River includes the Paterson area, the coastal belt, and the west of Alexandria.

The main Economic Sectors are:

Community services, trade, finance, agriculture, transport and construction.

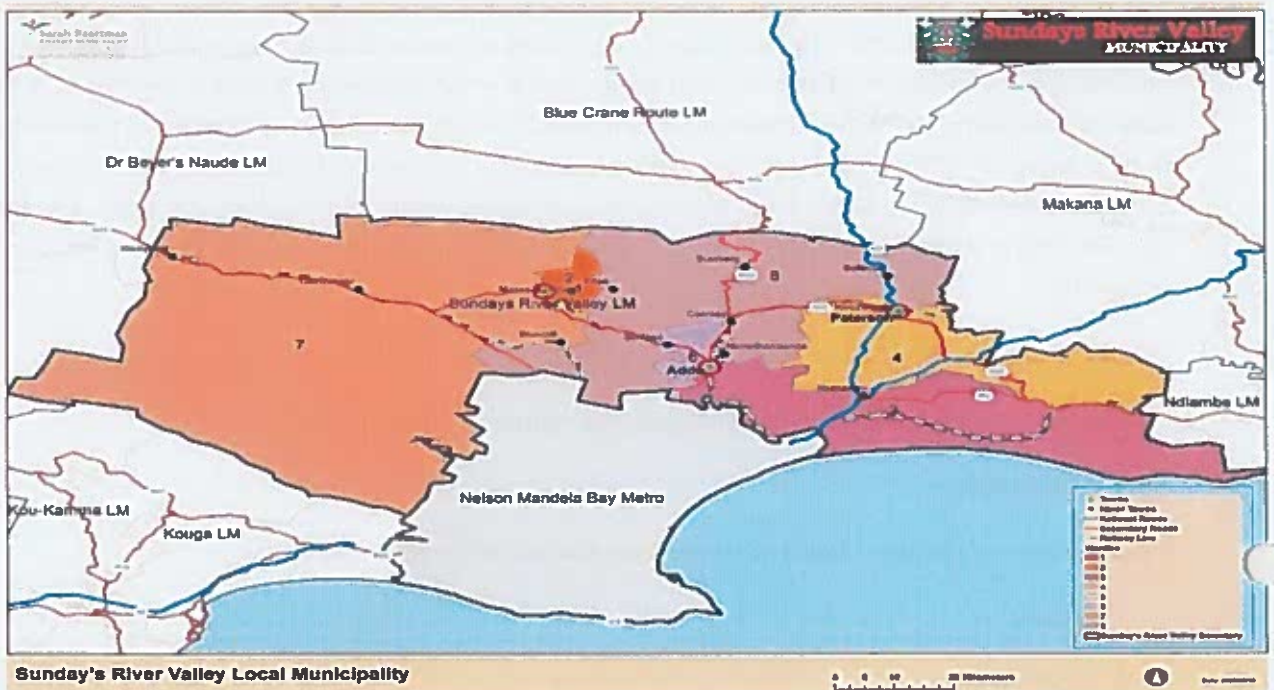
#### **Population Centres**

The population of the municipality is concentrated mainly in the following towns

1. **ADDO**
2. **KIRKWOOD**
3. **PATERSON**

The political and administrative seat of the SRVM is situated in the town of Kirkwood.

23 Middle Street Kirkwood6120; Tel: 042 230 7770; Website: [www.srvm.co.za](http://www.srvm.co.za)



# Chapter One – Preparation Phase

## 1.1 IDP OVERVIEW

The first and second generation of IDPs (2001 – 2006 and 2006 – 2011) focused on laying the foundation for systematic eradication of service backlogs. During the third generation of IDPs numerous challenges and weaknesses were experienced and identified in municipal IDPs. Of critical importance were:

- Poor alignment of municipal priorities, programmes, and plans with that of National and Provincial Governments
- Weak alignment between IDPs, municipal budgets and Service delivery and Budget Implementation Plans
- The inability of many municipalities to plan for services for which they are not directly responsible (e.g. safety and security, health and education)
- Lack of public participation in the development of service delivery master (sector) plans
- The absence of long-range planning in municipalities outside metros and secondary cities

The fourth generation IDPs (2016-2021) focused mainly on responding to new and emerging policy imperatives.

## 1.2 LEGISLATIVE FRAMEWORK

The primary policy and legislative developments guiding the development of IDPs include:

- The National Development Plan
- The basic to basics programme for municipalities (2014)
- The Integrated Urban Development Framework.
- The development of Built Environment Performance Plans by metropolitan municipalities
- The District Development Model (2019)

Legislative developments include:

- Spatial Land Use Development Framework Act No. 16 of 2013 (SPLUMA)
- National Land Transport Act No. 5 of 2009
- Department of Planning Monitoring and Evaluation (DPME)'s Draft Planning Framework Bill.

On the International front, important developments include the following:

- The African Union Launched Africa 2063 in 2014;
- The sustainable Development Goals replaced the Millennium Development Goals
- National Urban Agenda; and
- The Paris Accord Addressing Climate Change

The **Constitution of the Republic of South Africa** outlines the type of local government needed in the context of a developmental state. Sections 152 and 153 of the constitution prescribe that local

government should be in charge of the development process and municipal planning and describe the following objects of local government:

- To ensure the sustainable provision of services;
- To provide democratic and accountable government for all communities;
- To promote social and economic development;
- To promote a safe and healthy environment;
- To give priority to the basic needs of communities; and
- To encourage involvement of communities and community organizations in matters of local government.

The **Municipal Systems Act (MSA) Act 32 of 2000** requires municipalities to develop Integrated Development Plans which should be single, inclusive and strategic in nature. The IDP of a municipality will guide development within the council's area of jurisdiction once adopted and the IDP should also be reviewed annually. In addition, the Act also stipulates the IDP process to be followed and the components to be included.

Section 34 of the Municipal Systems Act (32 of 2000) requires that a Municipal Council:

*(a) Must review its integrated development plan –*

- I. *Annually in accordance with an assessment of its performance measurements in terms of section 4; and*
- II. *To the extent that changing circumstances so demand; and*

*(b) May amend its integrated development plan in accordance with a prescribed process.*

Section 21 (1) of the **Municipal Financial Management Act (MFMA) (Act 56 of 2003)** says that, the Mayor of a municipality must –

- (a) *Co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;*
- (b) *At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for –*
  - (i) *The preparation, tabling and approval of the annual budget;*

*(ii) The annual review of –*

- *the integrated development plan in terms of section 34 of the Municipal Systems Act; and*
- *the budget-related policies;*



*(iii) The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and*

*(iv) Any consultative processes forming part of the processes referred to in sub-paragraphs (i), (ii) and (iii)*

Section 21(2) of the Municipal Finance Management Act states that, when preparing the annual budget, the Mayor of a municipality must:

- *take into account the municipality's Integrated Development Plan;*
- *take all reasonable steps to ensure that the municipality revises the integrated development plan in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years;*
- *take into account the national budget, the relevant provincial budget, the national government's fiscal and macro-economic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum;*

## **THE DRAFTING OF SRVM INTEGRATED DEVELOPMENT PLAN**

The IDP document represents the strategic plan of the SRVM that guides and informs all planning and allocations of resources for the five-year period, 2021-26. It is informed by National and Provincial Government priorities.

### **1.3 Integration of National, Provincial and Local Government Policy frameworks**

Over and above the legislative context, there are National, Provincial and District guiding policies and frameworks that exist, which the Sundays River Valley Municipality needs to take cognisance of. The guiding policies and frameworks of each sphere of government are invariably interlinked in their objective to attain sustainable development, the primary components of which are highlighted below.

#### **The sustainable development goals**

The sustainable development goals were replaced by millennium development goals. The Millennium Development Goals and targets stem from the Millennium Declaration by 189 countries in 2000 to work towards achieving economic and social development priorities which were subsequently termed Millennium Development Goals. These came to an end in 2015. Seventeen sustainable development goals have been put together for the next fifteen years to 2030.

South Africa is a signatory to that agreement. The SDG's have been embraced by Government and are aligned with the Medium-Term Strategic Framework, which outlines national government development priorities. The SRVM will consider the 17 sustainable development goals in its development agenda.

#### **FOURTEEN (14) GOVERNMENT OUTCOMES:**

In 2014, the Ministry of Planning Monitoring and Evaluation updated and presented 14 Outcomes that reflect government's delivery and implementation plans for the MTSF priorities up to 2019.

1. Improved quality of basic education
2. A long and healthy life for all South Africans
3. All people in South Africa are and feel safe
4. Decent employment through inclusive economic growth
5. A skilled and capable workforce to support an inclusive growth path
6. An efficient competitive and responsive economic infrastructure network
7. Vibrant , equitable and sustainable rural communities with food security for al
8. Sustainable human settlements and improved quality of household life
9. A responsive, accountable, effective and efficient developmental local government system
- 10.Environmental assets and natural resources that are well protected and continually enhanced
- 11.Create a better South Africa and contribute to a better and safer Africa and the world
- 12.An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship
- 13.An inclusive and responsive social protection system
- 14.Nation building and social cohesion

Of the 14 Outcomes, Outcome 9 holds relevance to District and Local Municipalities as a mechanism to formalize 'A Responsive, accountable, effective and efficient local government system'.

#### **Outcome 9 identifies 5 Sub Outcomes**

*Sub-outcome 1: Members of society have sustainable and reliable access to basic services*

*Sub-outcome 2: Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy strengthened*

*Sub-outcome 3: Sound financial and administrative management*

*Sub-outcome 4: Promotion of social and economic development*

*Sub-outcome 5: Local public employment programmes expanded through the Community Works Programme*

#### **National Policy Directive – The National Spatial Development Perspective (NSDP)**

The NSDP, as developed by the Office of the Presidency, is an indicative tool for development planning in government. Furthermore, the spatial guidelines as contained within the NSDP are increasingly being recognised as tools to:

- Coordinate government action and alignment
- Maximise overall social and economic impact of government development spending
- Provide a rigorous base for interpreting strategic direction

## **THE NATIONAL DEVELOPMENT PLAN**

The National Development Plan sets out firm proposals to solve the country's problems and to deepen the engagement of all South Africans from all walks of life in building the future. Focus on people's capabilities is at the centre of the plan. These include education, skills, decent accommodation, nutrition, safe communities, social security, transport, and job opportunities.

## **PROVINCIAL PLANNING PRIORITIES - Eastern Cape Vision 2030**

The provincial vision and long-term plan are intended to mobilise all citizens and sectors of the Eastern Cape around a common vision. It sets the development agenda and priorities for the next 15 years (2015-2030), building on the Provincial Growth and Development Plan (PGDP) of 2004-2014.

The plan addresses the following priorities:

- Redistributive, inclusive and spatially equitable economic development and growth
- Quality Health
- Education, Training & Innovation
- Institutional Capabilities

This set of priorities gives rise to the following five goals of the Vision 2030 PDP:

- Goal 1: A growing, inclusive and equitable economy which seeks to ensure a larger and more efficient provincial economy; more employment; and reduced inequalities of income and wealth.
- Goal 2: A healthy population through an improved health care system for the Eastern Cape.
- Goal 3: An educated, innovative citizenry. This goal seeks to ensure that people are empowered to define their identity, are capable of sustaining their livelihoods, live healthy lives and raise healthy families, develop a just society and economy, and play an effective role in the politics and governance of their communities and nation.
- Goal 4: Vibrant communities. This goal seeks to generate a shift from the focus on state driven quantitative housing delivery that has trumped the need for people to make own decisions, build their own liveable places and transform spatial patterns as basis for vibrant and unified communities.
- Goal 5: Capable, conscientious and accountable institutions. This goal seeks to build capable, resilient and accountable institutions to enable and champion rapid inclusive development.

### **The Provincial Medium-Term Strategic Framework Priorities (P-MTSF)**

These have been reorganised and the sequence is now:

Priority 1: A Capable, Ethical and Developmental State

Priority 2: Economic Transformation and Job Creation

Priority 3: Education, Skills and Health

Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services

Priority 5: Spatial Integration, Human Settlements and Local Government

Priority 6: Social Cohesion and Safer Communities

Priority 7: A Better African and a Better World

### **The District Development Model (DDM)**

The DDM is anchored on the development of the One Plan. It is an intergovernmental plan that outlines a common vision and desired future outcomes in each district and metro space. The DDM sets out a long-term strategic framework (25-30 years) to guide investment and delivery in each of the 52 district and metropolitan spaces in the country. Furthermore, the One Plan is formulated jointly by all three spheres of government through a series of collaborative intergovernmental planning sessions.

The One Plan is a long-term vision of the district area of impact and common understanding of goal and objectives among stakeholders in the district. The IDP on the other hand determines how the long-term vision, goals and objectives contribute towards addressing the challenges at a local level by directing actions and interventions towards the vision.

SRVM projects captured in the District Development Model are reflected under the projects section.

### **THE STATE OF THE NATION AND PROVINCE ADDRESS**

#### **The Budget Speech**

The reflection on these speeches is written verbatim.

<b>State of the nation address:11 February 2021</b>	<b>The state of the province address:23 February 2021</b>
<p>This is no ordinary year, and this is no ordinary State of the Nation Address.</p> <p>I will therefore focus this evening on the foremost, overriding priorities of 2021.</p>	<p>The province will unveil high value infrastructure projects that underpin our Infrastructure Development trajectory.</p> <p>R4 billion in new property development investment to complement the new Bhisho Government Office Precinct.</p>



<p><b>First, we must defeat the corona virus pandemic.</b></p> <p>We have secured 9 million doses of the Johnson &amp; Johnson vaccine. In addition, we have secured 12 million vaccine doses from the global COVAX facility. Pfizer has committed 20 million vaccine doses commencing with deliveries at the end of the first quarter.</p> <p><b>Second, we must accelerate our economic recovery.</b></p> <p>We have focused on four economic recovery interventions: 1. A massive rollout of infrastructure throughout the country, 2. a massive increase in local production, 3. an employment stimulus to create jobs and support livelihoods, 4. the rapid expansion of our energy generation capacity.</p> <p><b>Third, we must implement economic reforms to create sustainable jobs and drive inclusive growth.</b></p> <p>Construction has started and progress is being made on a number of projects. We have launched two major human settlements projects that will provide homes to almost 68,000 households in the Gauteng province. The construction and rehabilitation of the major N1, N2, and N3 highways. The, R100 billion Infrastructure Fund is now in full operation. Its approved project pipeline for 2021 is varied and includes the Student Housing Infrastructure Programme, which aims to provide 300,000 student beds.</p> <p>Another approved project is SA Connect, a programme to roll out broadband to schools, hospitals, police stations and other government facilities.</p> <p>We have now developed an infrastructure investment project pipeline worth R340 billion</p>	<p>Currently, more than nine bulk water infrastructure projects, valued at R4.9 billion are in implementation in the province and are at varying stages of completion.</p> <p>The Amatola Water Six Plant Upgrade comprises six water supply schemes valued at R500 million.</p> <p>R16.8 billion investment in our roads budgeted over the next 2 years with R4, 6 billion awarded to 14 Projects.</p> <p>The National Department of Public Works &amp; Infrastructure, and the SANDF we have already completed 8 of the 9.</p> <p>Economic Zones, the EL SEZ and Coega SEZ, have been able to attract over R19 billion worth of investment into our Province.</p> <p>We have set aside R332 million for the next financial year towards support for the development of the agriculture value chains for major commodities in the Province which encompass both crop and livestock production.</p> <p>Since the approval of the Oceans Economy master plan, we have invested R206 million from the stimulus fund for development of the first 100 ha of the Aquaculture Development Zone in Coega. Phase 1 construction started in September last year and will be completed in November 2021</p> <p>R16 billion investments by Ford in South Africa. Transnet will invest in the extension and the upgrade of the South rail corridor, which will realize the high logistics rail corridor for the movement of goods between Gauteng and Nelson Mandela Bay.</p> <p>The Isiqalo Youth Fund has done well disbursing R16,3 million to support 21 businesses owned by young people across the Province.</p>
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<p>in network industries such as energy, water, transport and telecommunications.</p> <p><b>And finally, we must fight corruption and strengthen the state.</b></p>	<p>The Department of Higher Education and Training will invest R569 million in building 4 new TVET campuses in the Eastern Cape province</p> <p>We invested R590,4 million in the refurbishment of 67 health facilities.</p> <p>The eradication of informal settlements starting in Duncan Village and Greater Buffalo City Metro. Another development receiving urgent attention is the R22.6 billion. The Baywest Housing project is at an advanced stage of unlocking the R18 billion developments.</p>
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### **The Provincial Budget**

The honorable finance MEC, Mlungisi Mvoko described how, despite the sluggish economy, the budget of R226,8 billion over the 2020 MTEF has to serve 6.7 million people of the Eastern Cape. R85.9 billion is allocated in 2020/21. The allocation is made up of National Transfers, Conditional Grants, Provincial Own Receipts and Provincial Revenue Fund. The MEC's budget is premised upon the following principles:

- a) Increase investment on projects that will grow the economy;
- b) Improve fiscal discipline and governance;
- c) Protect and grow critical socio-economic infrastructure; and
- d) Keep public expenditure at sustainable levels

The Eastern Cape government has formulated and adopted an economic recovery plan that focuses on improving various sectors of its economy, in line with our Provincial Development Plan. It is anchored around provincial priorities – namely

- an innovative, inclusive and growing economy;
- an enabling infrastructure network;
- an innovative and high value agriculture and rural sector;
- Human Development;
- Environmental Sustainability and Capable Democratic Institutions.

## **Back to Basics (B2B)**

Local government has been a primary site for the delivery of services in South Africa since 1994. Tremendous progress has been achieved in delivering water, electricity, sanitation and refuse removal at a local level. These rates of delivery are unprecedented in world-wide terms. It is therefore important to understand where we are, where we could be and what must still be done. Our goal is to improve the functioning of municipalities to better serve communities by getting the basics right through the Back to Basics Programme. The programme is about serving the people at the basic level through the five pillars:

- Good governance
- Public Participation: Putting people first
- Basic Services: Creating conditions for decent living
- Sound financial management
- Building Capable Institutions and Administrations

### **1.4 IDP / BUDGET FRAMEWORK AND PROCESS PLAN 2020/2021**

SRVM adopted an IDP/Budget Schedule and a Municipal Framework Plan. The linkage of the IDP and budget has become a legislative requirement. In brief the IDP/Budget Schedule outlines the time frames of scheduled events/activities, coordinating structures involved in the process. The framework plan was adopted in August 2020 by council

The Integrated Development Planning process is a process of consultation, participation and information sharing. Stakeholder involvement is the cornerstone of the review and refinement of the IDP. The vision for improved quality of life can be achieved through partnership with stakeholders.

Section 23 of the Municipal Systems Act of 2000 requires municipalities to undertake developmentally orientated planning to ensure that it: -

- Strives to achieve the objectives of local government set out in Section 152 of the Constitution
- Gives effect to its developmental duties as required by Section 153 of the constitution, and Together with other organs of state contribute to the progressive realization of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.

### **PROCESS FOR PLANNING, DRAFTING, ADOPTING AND REVIEW OF INTEGRATED DEVELOPMENT PLANS**

The process is explained in sections 27 – 34 of the Municipal Systems Act of 2000. The district municipality is required to develop a framework plan after consultation with local municipalities in its area.

- a) A framework plan binds both the district municipality and the local municipalities in the area of the district municipality, and must at least: -

- b) Identify the plans and planning requirements binding in terms of national and provincial legislation on the district municipality and the local municipalities or any specific municipality.
- c) Identify the matters to be included in the integrated development plans of the district municipality and the local municipalities that require alignment
- d) Specify the principles to be applied and co-ordinate the approach to be adopted in terms of those matters; and
- e) Determine procedures –
  - (i) For consultation between the district municipality and the local municipalities during the process of drafting their respective integrated development plans, and
  - (ii) To affect the essential amendments to the framework.

### **Adoption of process**

Section 28 states the following:

(1) Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan. The municipality must give notice to the local community of particulars of the process it intends to follow.

### **ISSUES TO BE CONSIDERED FOR THE IDP REVIEW**

- Consideration of the updated IDP guidelines
- Comments received from assessment of the 2020/21 IDPs
- Consideration and inclusion of any new information
- Areas requiring attention not addressed during the review of the IDP
- Review and development of sector plans
- Alignment of the national, provincial, district and local municipality's priorities
- Alignment of budgets and sector specific plans and programs of provincial sector departments government with district and local municipality plans
- Community priorities

### **ORGANISATIONAL ARRANGEMENTS**

<b>Council</b>	Approves the Process Plan and the IDP.
<b>Mayor</b>	Decide on the Process Plan and to make firm recommendations to Council. Chair meetings of IDP Forum.
<b>Municipal manager</b>	The Municipal Manager is responsible for managing, monitoring, and implementing the overall IDP process, assisted by the Strategic Support Manager, IDP Assistant Manager, the IDP Steering committee, and officials. The terms of reference include:



	<ul style="list-style-type: none"> <li>• Preparing the process plan.</li> <li>• Undertaking the overall management and coordination of the planning process by:</li> <li>• Nominating persons in charge of participation and involvement of all different role-players.</li> <li>• Ensuring that the time frames are being adhered to.</li> <li>• Ensuring that the planning process is horizontally and vertically aligned and complies with national and provincial requirements.</li> <li>• Ensuring that conditions for participation are provided.</li> <li>• Proper documentation of the results of the planning of the IDP document.</li> </ul>
<b>Directors</b>	<ul style="list-style-type: none"> <li>• Providing relevant technical, sector and financial information for analysis for determining priority issues.</li> <li>• Contributing technical expertise in the consideration and finalization of strategies and identification of projects.</li> <li>• Providing operational and capital budgetary information.</li> <li>• Being responsible for the preparation of project proposals, the integration of projects and sector programmes.</li> <li>• Being responsible for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for local government for alignment.</li> </ul>
<b>IDP Steering Committee</b>	<p>The IDP Steering Committee of SRVM assists the Municipal Manager in guiding the IDP process. It comprised the following members: Municipal Manager and Directors IDP Manager</p> <p><b>The terms of reference of the IDP Steering Committee included the following:</b></p> <ul style="list-style-type: none"> <li>• Providing terms of reference for the various planning activities.</li> <li>• Process, and summarize documents and outputs.</li> <li>• Make content recommendations.</li> <li>• Define the terms of reference for the IDP Representative Forum.</li> <li>• Inform the public about the establishment of the IDP Representative Forum.</li> <li>• Identify stakeholders to be part of the Forum in such a way that the public is well represented.</li> </ul>
<b>IDP Rep Forum</b>	<p>The IDP Representative Forum is chaired by the Executive Mayor as the organizational mechanism/platform for discussion, negotiation, and decision-making between stakeholders within the municipal area.</p> <p><b>The terms of reference for this structure included:</b></p> <ul style="list-style-type: none"> <li>• Represent the interests of constituents in the IDP process.</li> <li>• Provide an organizational mechanism for discussion, negotiation and decision-making between the stakeholders and municipality.</li> <li>• Ensure communication between all the stakeholders' representatives.</li> </ul>

- Monitor the performance of the planning and implementation process.

## **MECHANISMS FOR PARTICIPATION**

Chapter 4 of the Municipal Systems act requires municipalities to involve communities and stakeholders in the IDP Review process. The SRVM will use the media (local newspaper), flyers, emails communication, loud-hailing and word-of-mouth to inform stakeholders about the IDP Review.

### **IDP representative forum**

The IDP Representative Forum will be as inclusive as possible to accommodate stakeholders. In an effort to ensure maximum engagement, the SRVM has earmarked a series of meetings for stakeholder engagement.

### **IDP/Budget Road-shows**

The Mayor of the Municipality will embark on road-shows in the eight (8) wards of the municipality to consult communities on the IDP and Budget of the Municipality.

### **Media**

Notice will be placed on local newspapers to keep stakeholders informed on the approval and adoption of the IDP and Budget

### **Council approval**

The draft reviewed IDP and Budget was submitted to Council for approval on the 30 March 2021 and the approved IDP and budget was advertised in the Herald on 9 April 2021

## **1.5. MEC COMMENTS ON SRVM IDP**

KPA1: Spatial Planning and Land Use Management.

- The Municipality need to review its Spatial Development Framework (SDF) to align with the SPLUMA 2017 SDF Guidelines.
- The Municipality is encouraged to stipulate their issues so they can receive tailored assistance from COGTA.

Intervention: The District has engaged a service provider on our behalf to review our SDF. These issues will be accommodated in the reviewed SDF.

#### KPA2: Service Delivery and Infrastructure Planning

- The Municipality does not have plans to deal with veld and forest fires, oil spillages or floods in place.
- The water service development plan (WSDP) was last adopted in 2011/2011 Financial year and thus a new one needs to be developed as legislated.

Intervention: These matters will remain unresolved because there is no budget to review our plans.

#### KPA3: Financial Planning and budgets.

- The Municipality should develop a repairs and maintenance plan and budgeted for as per MFMA Circular 51.
- The municipality must reflect on their compilation and submission of financial report (Section 71, Section 52d, section 72, and yearly reports.

Intervention: The municipality depends largely on grants and reference to the repairs and maintenance plan is reflected under the finance KPA. Both comments are addressed under the finance section.

#### KPA4: Local Economic Development (LED).

- The Municipality should use current data to analyse socio economic profiles e.g. 2018 socio economic data is available from IHS Global Insight and Quantec.
- It is recommended that the Municipal IDP should clearly organise and reflect alignment between local priorities to the District, Provincial and national LED priorities.

Intervention: The sources that have the current data sell the access to this information and the municipality does not have the budget. The District is considering purchasing these sources on behalf of the municipalities. The second comment is addressed under the LED KPA.

#### KPA5: Good Governance and Public Participation.

- The Municipality should establish a performance management committee. There is no indication of the existence of a functional and effective Monitoring and Evaluation (M&E) system/unit.

Intervention: The municipality does not have a warm body for PMS and no committee has been established. The function of the committee resorts under Audit and Risk Committee and the Strategic Services Manager.

#### KPA6: Institutional Arrangement.

- The municipality must cascade performance management System (PMSP) to other levels. In addition, the municipality must reflect on occupational Health and Safety.

- The municipality must reflect on the critical and scarce skills that are a challenge to the municipality.

**Intervention:** The municipality is banking on the programme of SALGA where they are in the process of development of a standardised framework for the cascading of PMS to managers below section 56/57. There are programmes on occupational health and safety within the wellness unit. These programmes are reflected under wellness.

The skills that are a challenge to the municipality are: Urban Planner, Chief Internal Auditor, housing development inspectors.

### **Overall Rating**



Level of Performance	Scores	Performance Descriptions	Required Action
Low	1 – 33%	Poor	Immediate and intensive intervention
Medium	34 – 66%	Satisfactory	Minimum Support Required
High	67 – 100%	Good	Benchmarking
<b>Comparative Rating Analysis over Three-year Period</b>			
KPAs	Ratings 2018/19 review	Ratings 2019/20 Review	Ratings 2020/21 Review
KPA 1 – Spatial Consideration			High
KPA 2 – Service Delivery and Infrastructure Planning	Medium	Medium	Medium
KPA 3 – Financial Planning and Budgets	High	High	High
KPA 4 – Local Economic Development	High	High	High
KPA 5 – Good Governance and Public Participation	High	High	High
KPA 6 – Institutional Arrangements	Medium	Medium	High
Overall Rating	High	High	High

## 1.6 Process of Reviewing the IDP

The municipality has produced an integrated timetable of activities which include the IDP, Budget, Performance Management and annual reporting. The extract below is relevant to the IDP and budget processes. A detailed table of activities for reviewing the 2020/21 IDP, associated legislation and responsibility for each activity is as follows.

IDP/Budget Process plan progress Report





Review of objectives and strategies	Strategic Services Manager																Consulted with senior managers
IDP/Budget Steering Committee meeting (27 November 2020)	IDP/Budget/PMS Steering Committee																Not done
Compile Draft projects	All Directorates																Done

Deliverable /Activity	Responsibility	January				February				March				PROGRESS
		1	2	3	4	1	2	3	4	1	2	3	4	
Finalisation of draft projects /alignment with budget	All directorates													Done
IDP/Budget Steering Committee meeting to consider first draft (28 January 2021)	IDP/Budget/PM S Steering Committee													Held in February 2021
Mid-year Budget Engagement	Finance													Done

Consultation with stakeholders. Sector alignment. District Rep Forum (25 February 2021)	Strategic Services Manager																	Participated virtually
IDP/Budget Consultations	Mayor and ward councillors																	February – March 2021
Table draft IDP and budget to IDP/Budget/P MS Steering Committee (23 March 2021)	Strategic Services Manager and Finance																	
Tabling of Draft IDP/Budget and oversight report to Council (31 March 2021)	MPAC Chairperson & Council																	Draft approved on the 30 March 2021
Budget Consultations	Mayor and ward councillors																	April – May 2021
Final IDP and Budget submitted to Council	Mayor																	27 May 2021



## **Chapter Two – Situational Analysis**

### **2.1 DEMOGRAPHIC PROFILE**

#### **2.1.1 Introduction**

The analysis section is the cornerstone of the IDP. It provides an assessment of the existing level of development in the municipality. This session analyses the internal and external environmental trends and provides reliable information that may have a potential impact on the attainment of the municipality's mission and objectives. It focuses on the type of problems faced by the people of Sundays River Valley. The analysis considers people's perceptions of their problems, but also facts and figures. The analysis is structured according to the five (5) key performance areas which are premised by the demographic profile. The section is structured as follows:

- Demographic Profile
- Basic services and Infrastructure
- Local Economic Development
- Institutional Transformation and Organisational Development
- Good Governance and Public Participation
- Financial Viability and Management

In order to properly plan for the development of the SRVM, it is critical to understand the needs of the Sunday's River Valley population, its relevant demographics as well as the anticipated trends in development for the 2020/21 financial year.

#### **2.1.2 Description of the municipal area**

Sundays River Valley Municipality is in the Eastern Cape and is one of the seven local municipalities in the Sarah Baartman District. It is a Category B municipality with a collective executive system combined with a ward participatory system established in terms of the Local Government Municipal Structures Act 117.

It is approximately 50km from Coega Industrial Zone in Nelson Mandela Bay Metro. The municipality can boast its ecotourism and agricultural potential. The Addo Elephant National Park and its citrus production are two important drivers in the Sundays River Valley Municipality. The valley is characterised by harsh climate conditions, with summer temperatures rising in excess of 40°C. Rainfall is spread over the year and is between 250-500mm per annum. The valley is characterised by wide, fertile flood plains and is associated with low-lying land and steep, less fertile soil. The area outside the Sundays River includes the Paterson area, the coastal belt, and the west of Alexandria.

### 2.1.3 Population Profile

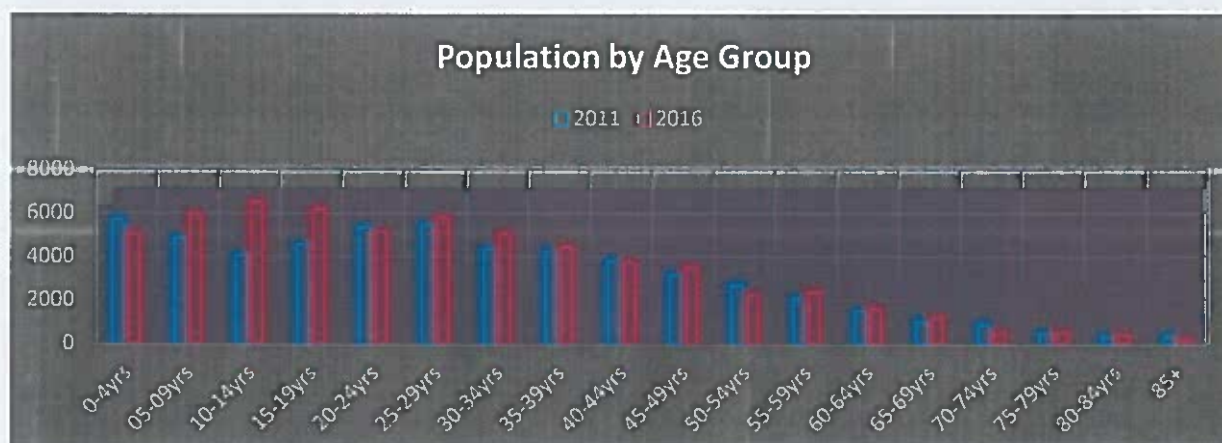
The source used for data is accredited and has reference. Most of the data is recent. Following are the sources of data:

- Stats SA 2016 Community Survey
- ECSECC 2016
- QUANTEC 2016
- Stats SA 2011

#### Population by Gender and Growth Rate: Stats SA community survey

Total Population			Growth Rate
Age group	2011	2016	2011-2016
0-4	5682	5001	-2.55
5-9	4839	5923	4.04
10-14	4057	6495	9.41
15-19	4560	6162	6.02
20-24	5344	5095	-0.95
25-29	5473	5784	1.11
30-34	4341	5013	2.88
35-39	4254	4422	0.77
40-44	3787	3721	-0.35
45-49	3145	3500	2.14
50-54	2679	2191	-4.02
55-59	2055	2342	2.61
60-64	1451	1556	1.40
65-69	993	1178	3.42
70-74	829	469	-11.39
75-79	441	474	1.44
80-84	283	340	3.67
85+	290	127	-16.51
<b>TOTAL</b>	<b>54503</b>	<b>59793</b>	<b>1.85</b>

Source: Stats SA: 2016 Community Survey



The graph indicates a negative growth rate in the 0-4yrs age group. This could possibly be the decline in the birth rate. Sundays River Valley has a large percentage (66%) of its people younger than 35 years, this means in future the valley will experience rapid population growth unless death rates rise sharply.

#### Population Group: Stats SA community survey

Table 1	Population group				
	Black African	Colored	Indian/Asian	White	Grand Total
Sundays River Valley	41,650	17,086	309	748	59,793

The population group is constituted by 70% black Africans, 29% colored and less than 1% for Whites and Indians.

#### Population by Gender

Table 2	Gender		
	Male	Female	Grand Total
Sundays River Valley	31,136	28,656	59,793

The population by gender is constituted by more males at 52% than females at 48%. This could possibly be the in-migration of men in the valley for seasonal work.

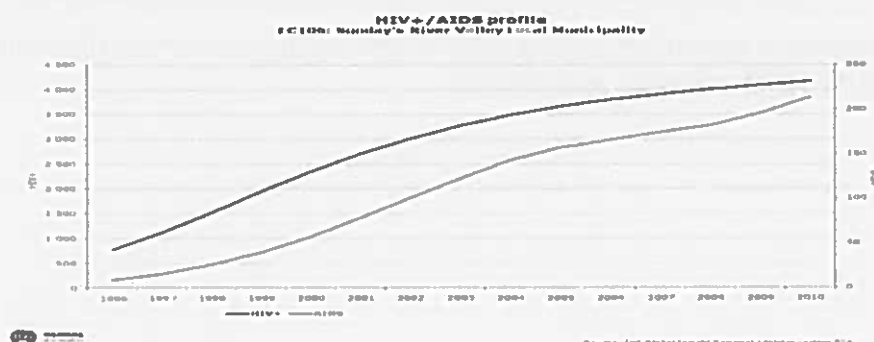
### Highest Education Levels

Education level	Number
No Schooling	6819
Grade 0 – 5	16466
Grade 6 – 11	28372
Grade 12	5831
N4	51
N5	25
N6	30
Diploma	324
Bachelor's Degree	88
Honors	27
Masters	36
Other	269
Do not know	1224
Unspecified	232
<b>TOTAL</b>	<b>59 794</b>

This table indicates that 75% of the total population have no grade 12 (no matric). Only 10% of the population has matric (grade 12). Less than 15% have further education. The youthful population suggests a need for prioritization of skills development and employment creation initiatives for youth.

### 2.1.4 HIV/AIDS Profile

HIV/AIDS pandemic has an impact on labour supply, through increased mortality and morbidity. This is compounded by loss of skills in key sectors of the labour market. The long period of illness associated with AIDS reduces labour productivity. One review reported that the annual costs associated with sickness and reduced productivity as a result of HIV/AIDS. These costs reduce competitiveness and profits. Government incomes also decline, as tax revenues fall, and governments are pressured to increase their spending, to deal with the rising prevalence of AIDS, thereby creating the potential for fiscal crises



The profile above indicates that the epidemic is reaching a plateau, with some 4 200 people or 9% of the population infected with HIV and some 200-300 AIDS sufferers. The in-migration of job seekers during the citrus season may be viewed as one of the contributory factors for the spread of the virus. There are prevalent sicknesses in SRVM communities such as tuberculosis, high blood pressure and arthritis.

## **2.2 KEY PERFORMANCE AREA: Infrastructure and Basic Services**

The municipality has developed an infrastructure maintenance plan that is used to source funding for maintenance. Very little goes to maintenance from the municipality's own budget.

The municipality does not have an emergency procurement plan; however, this is under development for the 2021/22 financial year.

This section deals with the assessment of existing levels of development within Sundays River Valley Municipality including service backlogs, problem areas, opportunities, strengths as well as risk areas.

The following are priority problems that need to be addressed as a matter of urgency

- Old, dilapidated and Irreparable infrastructure
- Poorly planned, poorly designed infrastructure (with inherent challenges)
- Improperly/Poorly installed infrastructure (with inherent challenges)
- Undersized infrastructure (due to poor planning for expansions)
- Neglected infrastructure (due to poor or no maintenance resulting in failures or due to insufficient finances to eradicate the backlog)
- Services provided at a loss resulting in loss of revenue due to water losses and illegal electricity connections
- Vandalism to water treatment works
- Repairs and upgrade to water and sanitation infrastructure
- Repairs and maintenance to surfaced and gravel roads

### **2.2.1 Water Service Authority Socio Economic Situation**

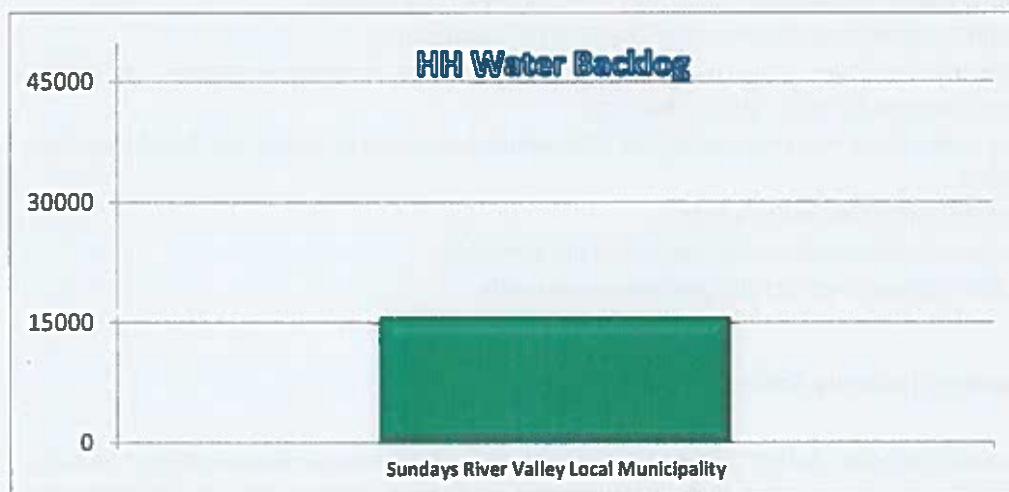
The municipality is a water services authority but is not compliant to legislation wherein a Water Services Development Plan must be developed. Due to financial constraints the WSDP cannot be developed in this Council's five-year term.

There is approximately 59794 people within 17222 households (HH) residing within the Sunday's River Valley Local Municipality. The average number of people per HH is 3,5.

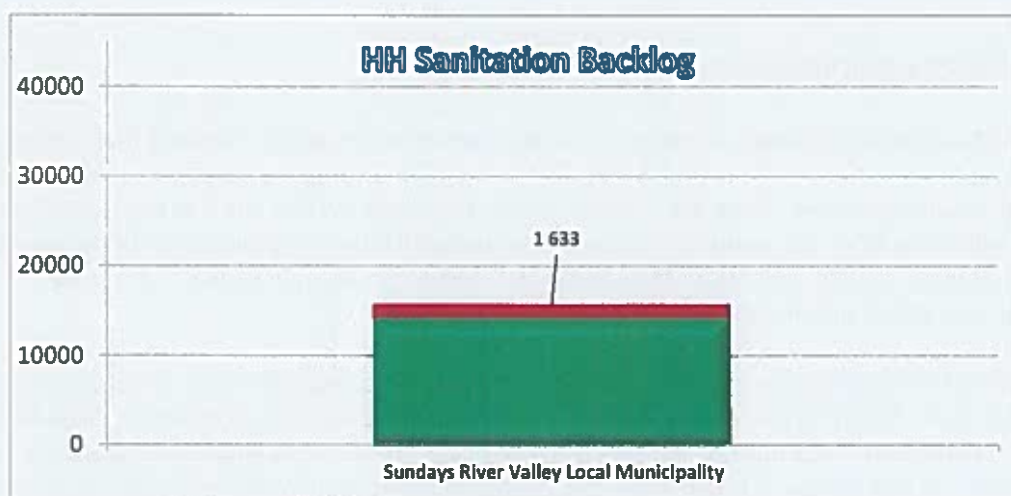
The water backlog has nearly been eradicated with small farming communities that do not have access to basic water supply, save the mushrooming informal settlements which have risen to 2 644 from a baseline of 14 578. The backlog has been 3% (495 HH), the informal settlements raised this backlog to 11% (1908 HH).

The sanitation backlog is insignificant with only 10% of the households still having a backlog which is mainly associated with the informal areas. These informal settlements increased the backlog from 5% (764 HH) to 9% (1633 HH). The challenges the Municipality is facing is related to ageing infrastructure and household's ability to pay for water services.

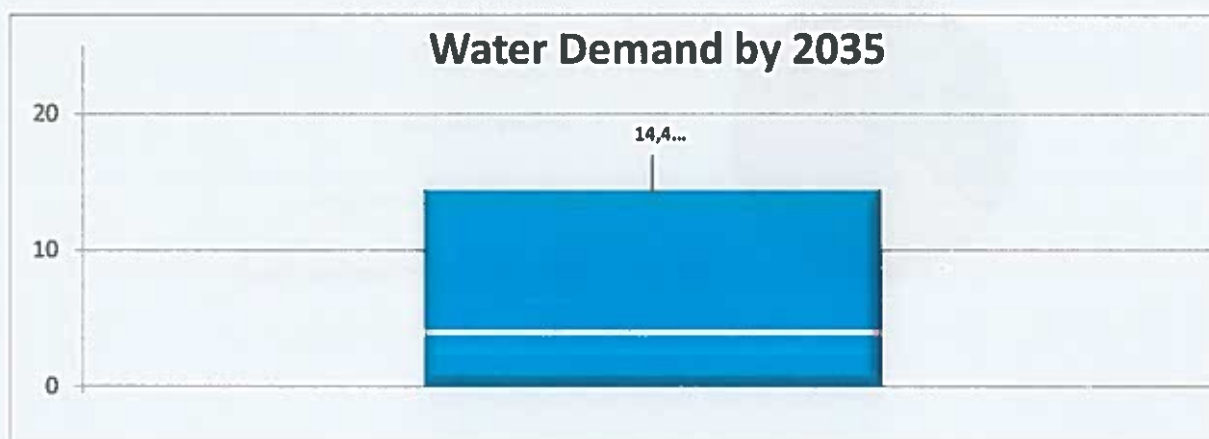
	Sunday's River Valley Local Municipality	
Communities	8	
HHs	17 222	
Population	59 794	
Avg HH Size	3,5	
		% HH with a Backlog
Water Backlog	1 908 (Informal settlements)	11%
Sanitation Backlog	1 633	9%







Water Security		Sunday's River Valley Local Municipality
	Groundwater (No. of BH with yield >5ℓ/s)	0
	Surface water (No. of dams)	4
	Water Demand (Mℓ/day)	
	2015	10,52
	2020	11,55
	2025	12,62
	2030	13,49
	2035	14,41



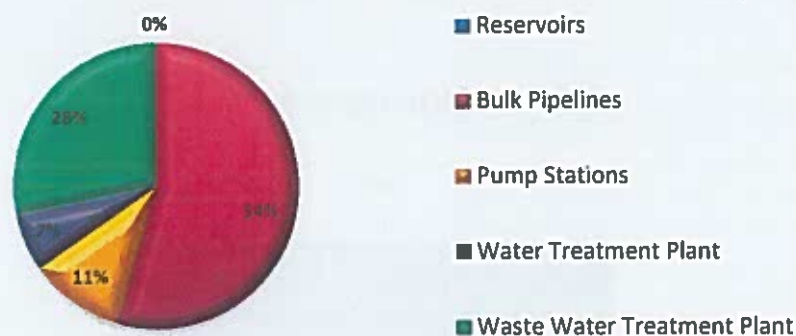
## 2.2.2 Functionality of Existing Infrastructure

There are approximately 6 water supply schemes and 4 sanitation schemes within Sunday's River Valley Local Municipality aiming to serve the people at and above RDP standard and comprises of 88 km of bulk pipelines, 19 reservoirs and 18 pump stations. There are 7 Water Treatment Works (WTW) and 4 Wastewater Treatment Works (WwTW) within the WSA. No works have been accredited with blue or greendrop certification. None of the total number of water supply schemes or the sanitation schemes is fully operational and has no refurbishment or upgrade requirements.

Approximately 12% of the total number of infrastructure components has reached their useful life and 20% are in need of refurbishment. Based on the information provided, the capital required to refurbish dilapidated infrastructure is estimated at R 419 million. The annual O&M budget required to ensure the operation of existing infrastructure is R38 million. It is therefore of utmost importance that WSAs have relevant and recent asset registers in place as well as proper documented O&M procedures.

Sunday's River Valley		Total	Refurbishment Need				O&M Occurrence				Lifespan Reached
			None	Low	Medium	High	None	Periodic	Sporadic	Regular	
Reservoirs	No.	19	18	1	0	0	0	0	19	0	1
Bulk Pipelines	Length (km)	88	38,6	0,4	48,8	0,0	0,0	0,0	67,6	20,2	0,0
Pump Stations	No.	18	13	3	2	0	8	0	10	0	6
Water Treatment Plant	Capacity	116,38	105	3,7	2,48	5,2	0	0	11,38	105	5,2
Waste Water Treatment Plant	Capacity	6,6	3,05	1,65	1,4	0,5	1,4	0	4,95	0	1

### Refurbishment Need





Sundays River Valley Municipality is a Water Service Authority (WSA) and is responsible for ensuring compliance with the Water Services Act 108 (1997). As a Water Service Authority, SRVM is responsible for ensuring that efficient, affordable, economical and sustainable water services are accessible to all its residents.

### 2.2.3 Electricity Backlogs

Due to the growing citrus industry and subsequent growth of the Valley population there has been strain on the bulk and reticulation system of electricity in formal areas. In informal areas there is a vast need for electrification to basic level of service. Informal settlements have grown and high mast lights are required in all the wards and this is the direct cause for high crime rate during night time.

The Municipality's areas of jurisdiction for electrical infrastructures are Kirkwood, Bergsig, and Aqua Park. The outlying areas are serviced by ESKOM. The Municipality was assisted by Vokon Africa to develop an electricity master plan that focuses on restructuring the electrical infrastructure in a way that will provide safety to operational staff, the general public as well as electrical infrastructure that is capable of stimulating growth for the area.

The Master plan (20 year) provides project costing for budget purposes based on cost estimates compiled for the different proposed infrastructure upgrading and/or strengthening projects that form part of the Electrical Master Plan.

### Alternative sources of energy

The municipality has advertised for the services of a professional service provider to explore the need for alternative energy infrastructure. The Sundays River Valley Municipality does not have waterfalls within its geographic location.

It must also be noted that EIA's and investigations by private sector actors are being done along the coastal areas between Nanaga and Alexandria for the suitability of wind turbines. Also, solar- powered geysers are installed in some areas, the rollout for these has been hampered by poor workmanship and slow progress. This notwithstanding, the Municipality has all intentions of rectifying the situation.

### 2.2.4 Roads and Storm-Water

There is insufficient funding to sustain a network of 160km of roads, as a result, the backlog is reversing leading to a need for substantial financial injection. The Office of the Premier is implementing the Rural Towns revitalization programme in Kirkwood, Aquapark, Bergsig and Moses Mabida. Below are projects which were under construction in Kirkwood and Moses Mabida.

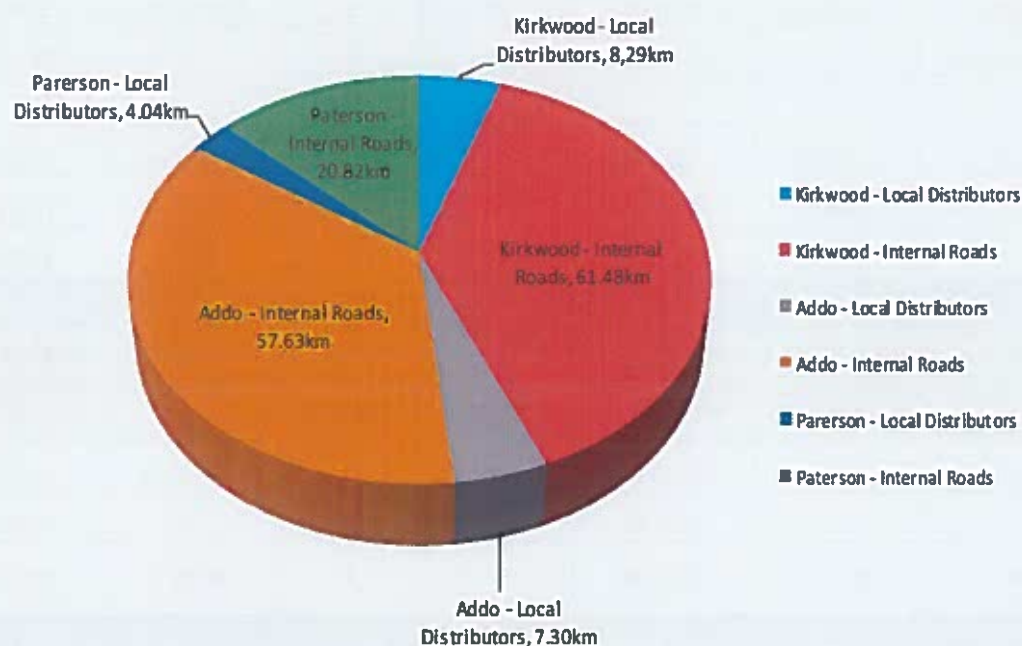


The municipality has a Roads Master Plan and it is used as a tool to lobby funding. The Office the Premier has managed to eradicate at least 7km of backlog since inception. Treasury has managed to eradicate at least 3,8km of Rural Access Roads in Paterson, Addo, Moses Mabida and Emsengenito date. However, Emsengeni taxi-loop is still incomplete). There are two roads projects that will be implemented through MIG in 2021/22 financial year. These will be the upgrading of



### Enon-Bersheba storm water (phase 1) and Msengeni taxi-loop.

The table below indicates the lengths of local distributor and internal roads in each area that require development. Existing roads and storm-water infrastructure are in a very poor condition with most of the local distributor and internal roads having a gravel surface.



Roads that are surfaced are in such a poor condition that they cannot be successfully rehabilitated without a complete re-construction.

The most critical issue common to all of the areas is the lack of proper storm-water management. Rudimentary storm-water infrastructure has been installed on some of the roads, while most overland flow is uncontrolled causing significant damage during high rainfall occurrences. The difference between pre and post development run-off are not catered for.

**Table : The Lengths of local distributor and internal roads in each area**

AREA	LENGTHOF BULK ROADS(m)	LENGTHOF INTERNAL ROADS(m)	WIDTH BULK ROADS(m)	WIDTH INTERNAL ROADS(m)	AREAOF BULK ROADS (m <sup>2</sup> )	AREAOF INTERNAL ROADS(m <sup>2</sup> )	NO.OF SITES
MosesMabida	2283.44	18402.01	6.	3	13928.98	62566.83	1320
Emsengeni	2091.96	9073.97	6.	3	12760.96	30851.5	808
Kirkwoodtown	0	16023.79	6.	5	0	88130.85	494
Aquapark	1458.09	3336.43	6.	3	8894.35	11343.86	414
Bergsig	800.21	3160.51	6.	3	4881.28	10745.73	261
Enon	1659.18	11487.77	6.	3	10121	39058.42	781
<b>SUBTOTAL</b>	<b>8292.88</b>	<b>61484.48</b>			<b>50586.57</b>	<b>242697.19</b>	<b>4078</b>
AREA	LENGTHOF BULK ROADS(m)	LENGTHOF INTERNAL ROADS(m)	WIDTH BULK ROADS(m)	WIDTH INTERNAL ROADS(m)	AREAOF BULK ROADS (m <sup>2</sup> )	AREAOF INTERNAL ROADS(m <sup>2</sup> )	NO.OF SITES
Langbos	4228.34	35264.56	6.	3	25792.87	119899.5	1600
Addo	0	5178.94	6.	3	0	17608.4	234
Valencia	3071.07	17182.98	6. 1	3 .	18733.53	58422.13	1581
<b>SUBTOTAL</b>	<b>7299.41</b>	<b>57626.48</b>			<b>44526.4</b>	<b>195930.03</b>	<b>3415</b>
Patterson	4037.98	20815.85	6.	3	24631.68	70773.89	1479
<b>SUBTOTAL</b>	<b>4037.98</b>	<b>20815.85</b>			<b>24631.68</b>	<b>70773.89</b>	<b>1479</b>
<b>TOTALS</b>	<b>19630.27</b>	<b>139926.81</b>			<b>119744.65</b>	<b>509401.11</b>	<b>8972</b>

**A number of projects that are listed in this regard are influenced by various factors:**

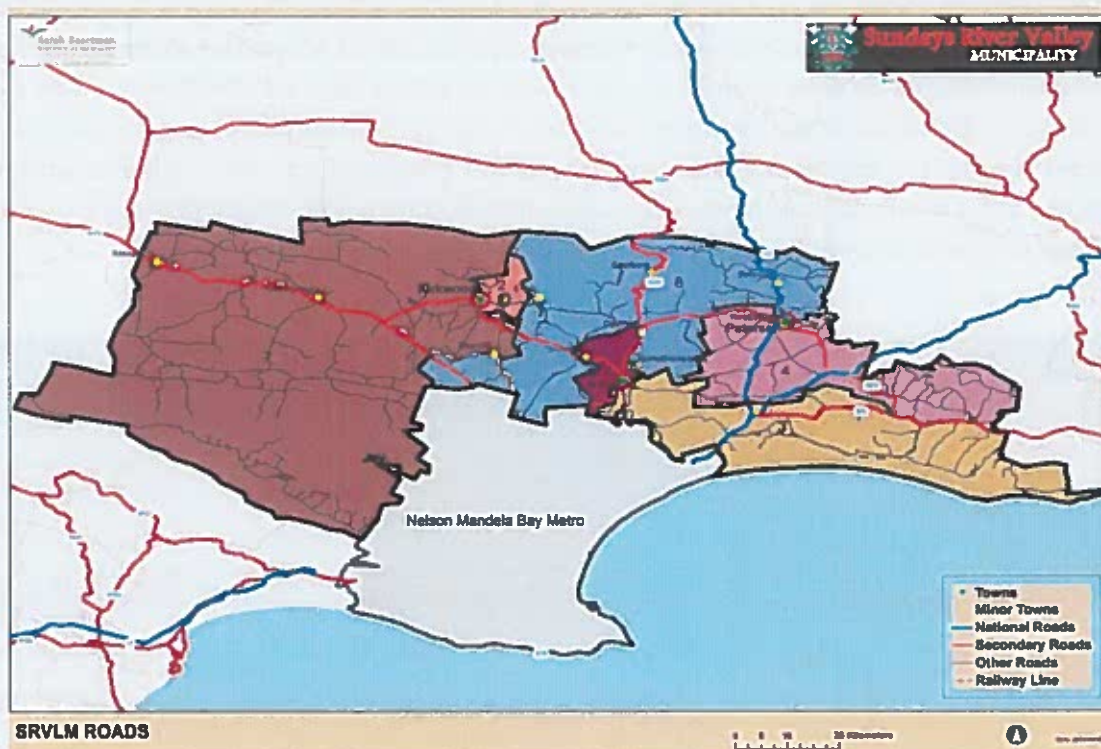
- The key source of funding for infrastructure, namely the Municipal Infrastructure Grant (MIG), first and foremost needs to serve the eradication of backlogs in basic services.
- The expected standard of communities (namely tarred surfaces) reduces the possibility of generating sufficient funding for such projects.
- Although standards in low income and informal settlements are of a far lower standard and in desperate need of upgrading, the maintenance of existing networks in formally established, middle- and higher-income groups requires financial allocations, particularly in areas where tourism plays a prominent role.



The Municipality is participating in a District Transport Forum. SRVM boast of a rail line that was once used to transport citrus produce to markets but currently it is in serious need for refurbishment as some parts of the rail are no longer serviced and hence inaccessible. In line with the State of the Nation Address with respect to the rejuvenation of the railway transport network, SRVM sees this as an opportunity put forth its railway network for consideration. A new railway line linking Addo and Colchester will be ideal for tourism route development and commuter transport for recreational purposes along the sea. There is an urgent need for the refurbishment of these railway lines in order to cut costs and reduce pressure on roads [the bulky nature of citrus produce is mainly suited for rail transport more than road]. A weigh bridge is the solution to minimise overloading and get some revenue for the municipality.

Area	Length of Bulk Roads (m)	Length of Internal Roads (m)	TOTALS
Moses Mabida	2,283.44	18,402.01	R 50 565 330.48
Emsengeni	2,091.96	9,073.97	R 28 473 555.19
Kirkwood Town	0	16,023.79	R 57 278 184.76
Aqua Park	1,458.09	3,336.43	R 13 331 030.75
Bergsig	800.21	3,160.51	R 10 373 351.74
Enon	1,659.18	11,487.77	R 32 294 270.14
Langbos / Nomathamsanqa	4,228.34	35,264.56	R 94 948 834.43
Addo	0	5,178.94	R 11 694 239.06
Valencia	3,071.07	17,182.98	R 51 988 566.19
Patterson	4,037.98	20,815.85	R 62 444 277.46
<b>SUB TOTAL</b>	<b>19,630.27</b>	<b>139,926.81</b>	<b>R 413 391 640.21</b>
ADD PROFESSIONAL FEES		14%	R 62 008 746
SUB TOTAL			<b>R 475 400 386</b>
ADD VAT @ 14%		14%	R 66 556 054
<b>TOTAL PROGRAMME COST</b>			<b>R 541 956 440</b>

The municipal area covers 3507.59 km<sup>2</sup> (6% of Sarah Baartman's to area). It can be accessed through the N10 and N2 national roads as indicated in the following map.



### 2.2.5 Agricultural Infrastructure Backlog

The municipality needs commonages that are fenced to be able to rent out to subsistence stock farmers. There is no pound in the municipal area and the situation poses a risk for road accidents. There are dipping tanks in all three nodal areas, however they all need to be upgraded. Handling facilities were erected in Bersheba, Nomathamsanqa, Addo/Valencia and Paterson.

### 2.2.6 SUNDAYS RIVER VALLEY MUNICIPALITY RURAL TOWN REVITALISATION PROGRAMME

#### Objectives

To improve the level of service of infrastructure in Kirkwood and surrounds. Namely: Roads, Micro Stormwater, aging water and sewer infrastructure

- To facilitate growth through stimulation of local economy.
- To facilitate the skills base of local SMME contractors through training and inclusion of identified packages of works
- To create employment and inject direct capital back into local communities.

Works have been identified to cover the three-year MTEF Capital plan. Summarized in table form below and graphically illustrated for Kirkwood and surrounds.

#### CAPITAL INFRASTRUCTURE PLAN

The Municipal Capital Budget is R42.7 million. Some of the salient projects to be undertaken over the medium-term includes, amongst others:

Description	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands			
Upgrading of Roads & Stormwater in Enon and Bersheba - Phase 1	6 210	–	
Upgrading of Sewerage Network in Paterson - Phase 2	5 140	6 482	12 808
Upgrading of Addo Water Reticulation	4 850	9 000	8 542
Upgrading of Paterson Water Reticulation	4 400	7 000	4 185
Upgrading of Nomathamsanqa Sports facility	2 000		3 250
Upgrading of Kirkwood Taxi Rank	2 864	4 900	
Upgrading of roads-Small town revitalization	7 265		
Electrification programme		8 000	4 500
Water Service program	10 000	10 000	
<b>Total Capital Expenditure</b>	<b>42 729</b>	<b>45 382</b>	<b>33 285</b>

Capital Expenditure will solely be funded by Grant allocation by National Treasury and Provincial Treasury. This is due to significant constraints of Council funds as highlighted in the above sections.

In addition to the above listed projects, in-kind Grant allocations have been made to the municipality, but projects for these are still to be confirmed.

RBIG – R 4 500 000

WSIG – R 15 000 000

INEP (Eskom) – R 18 000 000

INEP (Energy Efficiency & Demand Side Management Grant)- R 3 000 000



STATUS QUO OF CAPITAL EXPENDITURE

MIS NUMBER	PROJECT NAME	MIG AMOUNT REGISTERED (Rands)	BUDGETED IN 2021/22	SMME INVOLVEMENT	PROGRESS TO DATE
R/EC/15300/18/20	Upgrading of Roads & Stormwater in Enon and Bersheba – Phase 1	21,994,746.52	6,693,873	40 EMEs to be engaged	10 % Construction
S/EC/16483/18/21	Upgrading of Sewerage Network in Paterson - Phase 2	16,049,474.39	3,500,000	7 EMEs to be Engaged	40 % Construction
R/EC/2020/21/11/69	Upgrading of Emsengeni Taxi Loop - Phase 2	18,256,000.00	7,490,000	10 EMEs to be Engaged	On procurement, PSP Appointed
CS/EC/2020/21/11/67	Construction of Multi- Purpose Sports Recreational Facility in Nomathamsanqa in Addo	24,337,418.58	8,000,000	15 EMEs to be Engaged	On procurement, PSP Appointed
CS/EC/2020/21/11/68	Construction of a New Community Hall in Moses Mabhida	14,411,377.89	7,848,327	10 EMEs to be Engaged	On Procurement, PSP Appointed
N/A	PMU Administration	N/A	1,343,800	N/A	N/A

## **2. 2.8 Spatial Development Framework (SDF) - SUNDAYS RIVER VALLEY MUNICIPALITY**

The SDF and Land Use Management Scheme (LUMS) is being reviewed in 2020/21 financial year. A service provider, Urban Dynamics, was appointed and has started with the process. The revised IDP will consider the following elements:

- New developments that will require amendments of the SDF
- Requirements of the SDF guidelines
- The new SDF will reflect the spatial implications of ward investment in the urban and rural areas

The municipality has appointed three officials to participate in the planning tribunal (MPT) at district level. The municipality appointed a town planning official, the strategic services official and a senior manager from technical services department. Our planet GIS Explorer 3, 0 needs to be updated.

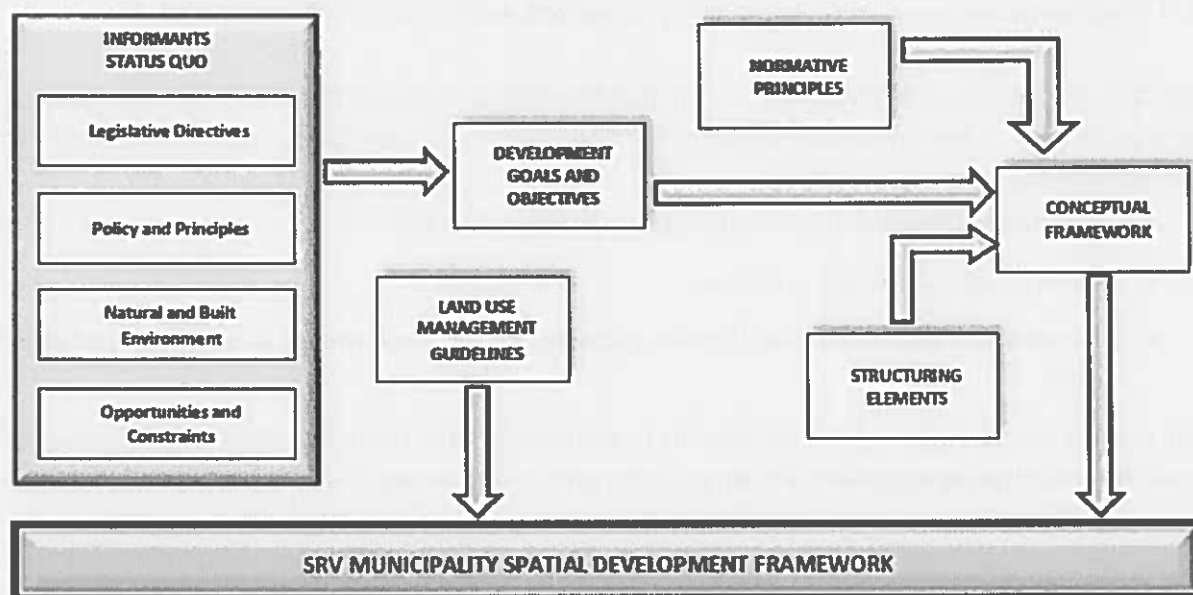
The SRVM Spatial Development Framework and Land Use Scheme project is currently ongoing, due to financial constraints that the project faced; it was delayed causing the completion of the project being moved towards the end of 2021. The district has confirmed its financial assistance and new TOR between the appointed service provider and the District will be entered into. The project has 7 phases and is now on phase 3.

The land audit has been shifted to the next financial year (2021/22). Financial assistance in this regard is required.

The formulation of a spatial development strategy for the Sundays River Valley forms a prominent part of the Sundays River Valley Spatial Development Framework. The Spatial Development Strategies and the Land Use Management Objectives, Policies and Guidelines (Chapter 5) should function as a strategic planning unit to fulfil the vision and planning principles as outlined.

The spatial development strategies include, inter alia:

- A strategic assessment of the environmental impact of the Spatial Development Framework
- Land suitability criteria
- Representation of the desired spatial form of the study area to include future land development areas, desired utilization of space and the proposed urban edge
- A capital investment framework which outlines the medium-term expenditure framework with respect to the Spatial Development Framework and includes areas where strategic intervention and priority spending is required.



The Sundays River Valley SDF visioning, analysis and implementation strategies are based on PSDP pillars, to ensure alignment and integration. The PSDP proposes a future spatial development outcome for the western region of the Province and a number of Provincial-wide priority projects for implementation.

#### **Sunday River Valley Spatial Vision**

Based on the Sundays River Valley Municipality vision, IDP priorities, objectives and strategies and SDF key issues, the Spatial Development Framework vision for the Sundays River Valley Municipality incorporates key principles relating to the following:

- Provision of land for shelter, community facilities and socio-economic growth and upliftment.
- Ensure an integrated society that is planned and development on the key principles of sustainability.
- Support towards rural development and rural livelihoods.

#### **District Alignment and Synergy**

District alignment and synergy for the purposes of Spatial Development Framework planning and Land Use Management should incorporate and ensure integration based on the following key development parameters:

- Nodal hierarchy
- Main routes and accessibility
- District-wide local economic development, infrastructure and rural development projects
- Capacitation and institutional support
- Provincial priorities, programmes and initiatives
- Joint ventures and co-operative initiatives between Municipalities, the District Municipality and the Provincial Government



- Support mechanisms towards institutional capacity building and District-wide Integrated Development Plan rollout

### Area Based Plan and Land Reform

In addition, and in support of land reform in the District, the Cacadu Land Audit & Area Based Plan makes specific recommendations towards land reform and land reform corridors in the District. A key component of the Area Based Plan is the identification of key focus areas within which land reform should be developed and further explored.



### Area Based Plan & Land Reform

The area based plan identified various levels of key focus areas to address land reform targets in the district. The determination of focus areas is a key component in the government role out for accelerated land reform process.

Determination of focus areas were informed by four main determinates:

- Physical criteria for determination of focus areas.
- PLAS programme guidelines such as settlement along main corridors and consideration of the nodal development concept.
- Enterprise concentration, infrastructure and available support systems.
- Expansion of Municipal commonages.

### Issues as identified through ward based planning

As part of the Municipal Integrated Development Planning process, and extensive public participation process through ward-based planning identified a number of key issues.

No	PRIORITY	ISSUES
1	<i>Institutional Transformation and Organizational Development</i>	<ul style="list-style-type: none"> <li>• Compliance with applicable legislations</li> <li>• Promotion of a culture of performance management</li> <li>• Development of a credible IDP</li> <li>• Respond to capacity challenges and recruitment and retention of scarce skills</li> <li>• HR plan responding to long-term development plans</li> </ul>
2	<i>Provision of Infrastructure and Basic Services</i>	<ul style="list-style-type: none"> <li>• Bulk water supply and clean drinking water (wholesome water)</li> <li>• Upgrading, maintenance and management of roads-, sanitation-, storm water- and electricity infrastructure</li> <li>• Clean and healthy environment</li> <li>• Water conservation and demand management including blue and green drop assessments</li> <li>• Combat electricity and water meter tempering</li> </ul>
3	<i>Local Economic Development</i>	<ul style="list-style-type: none"> <li>• Poverty alleviation through creation of employment opportunities (EPWP and CWP)</li> <li>• Sustainable community investment programme</li> <li>• SMME Development Programme</li> <li>• Revitalization of Rural-Urban economies</li> <li>• Encourage participation and partnership opportunities for new investments</li> <li>• Enabling environment for existing and potential business to grow</li> </ul>
4	<i>Community Services (Forms part of Basic Services and Infrastructure)</i>	<ul style="list-style-type: none"> <li>• Upgrading and maintenance of community facilities (cemeteries, sports facilities and parks)</li> <li>• Library services creating a culture of reading and learning</li> <li>• Fire services and disaster management</li> <li>• Facilitate access to health services including fight against HIV and AIDS</li> <li>• Community safety forums</li> <li>• Waste removal, disposal and management</li> </ul>
5	<i>Good Governance and Public Participation</i>	<ul style="list-style-type: none"> <li>• Effective and efficient internal control environment</li> <li>• Effective and efficient communication and customer care services</li> <li>• Functional IGR Structures including ward committees</li> <li>• Council and Management oversight</li> </ul>
6	<i>Financial Viability and Management</i>	<ul style="list-style-type: none"> <li>• Fight against crime and corruption</li> <li>• Vigorous implementation of credit control and indigent registration</li> <li>• Clean audit</li> <li>• Proper billing system</li> <li>• Expansion of the current revenue base to ensure sustainability of service delivery levels</li> </ul>
7	<i>Spatial Planning</i>	<ul style="list-style-type: none"> <li>• Alignment to NSDP, PSEDs and PGDS</li> <li>• Land availability and ownership audit</li> <li>• Demonstrate how job creation is facilitate through spatial planning</li> </ul>

No	PRIORITY	ISSUES
		<ul style="list-style-type: none"> <li>• Contribute positively towards local economic development, sustainable livelihoods in rural areas and poverty alleviation</li> <li>• Demarcate areas for industrial development</li> </ul>

#### SDF KEY ISSUES PER TOWN

TOWN	ISSUES
<i>Kirkwood</i>	<ul style="list-style-type: none"> <li>• Strengthen business node and central business district</li> <li>• Identify land for future housing and expansion</li> <li>• Promote growth of Moses Mabida and Kirkwood in an integrated way</li> <li>• Accommodate infill areas in and around Moses Mabida</li> <li>• Provide for middle income housing group</li> <li>• Strengthen economic base and nodal function</li> </ul>
<i>Addo</i>	<ul style="list-style-type: none"> <li>• Identify areas for future expansion of middle- and low-income housing</li> <li>• Expansion of commonage and communal grazing areas</li> <li>• Need for a regional cemetery</li> <li>• Promote local economic development through land availability</li> <li>• Future expansion should integrate the Nomathamsanqa and Addo Valencia areas</li> <li>• Prioritize development of Molly Blackburn</li> </ul>
<i>Paterson</i>	<ul style="list-style-type: none"> <li>• Improve and develop infrastructure, support tourism and rural development</li> <li>• Improve development of key economic land uses, i.e. truck shop and Coega IDZ linkages</li> <li>• Improve infrastructure, housing rectification and service delivery</li> </ul>
<i>Enon/Bersheba</i>	<ul style="list-style-type: none"> <li>• Transfer of commonage land to the community</li> <li>• Support the demand for additional housing and land identification</li> <li>• Building formal clinic</li> </ul>
<i>Rural Areas</i>	<ul style="list-style-type: none"> <li>• Conduct detailed feasibility studies on sustainability of various rural areas and rural nodes</li> <li>• Finalize development and service issues relating to Zuney</li> <li>• Facilitate expansion of Dunbrody, possibly south of access road</li> <li>• Unpack and implement an Agri-village policy for support and development of rural areas</li> <li>• Develop housing and infrastructure at Langbos</li> <li>• Determine future and sustainability of the Kleinpoort and Glenconnor rural nodes</li> </ul>



## SPATIAL DEVELOPMENT CONCEPTUAL FRAMEWORK FOR SRV NODES

The Conceptual Framework is a broad outline and possible development pattern for the Sundays River Valley rural area and nodal settlements. The Conceptual Framework is based on input through the analysis, meeting the development goals and objectives, taking into account the normative principles and the structuring elements. The Spatial Development Framework for these individual areas and the rural inter land (Chapter 6) are a refinement of the Conceptual Framework.

### *Municipal Area*

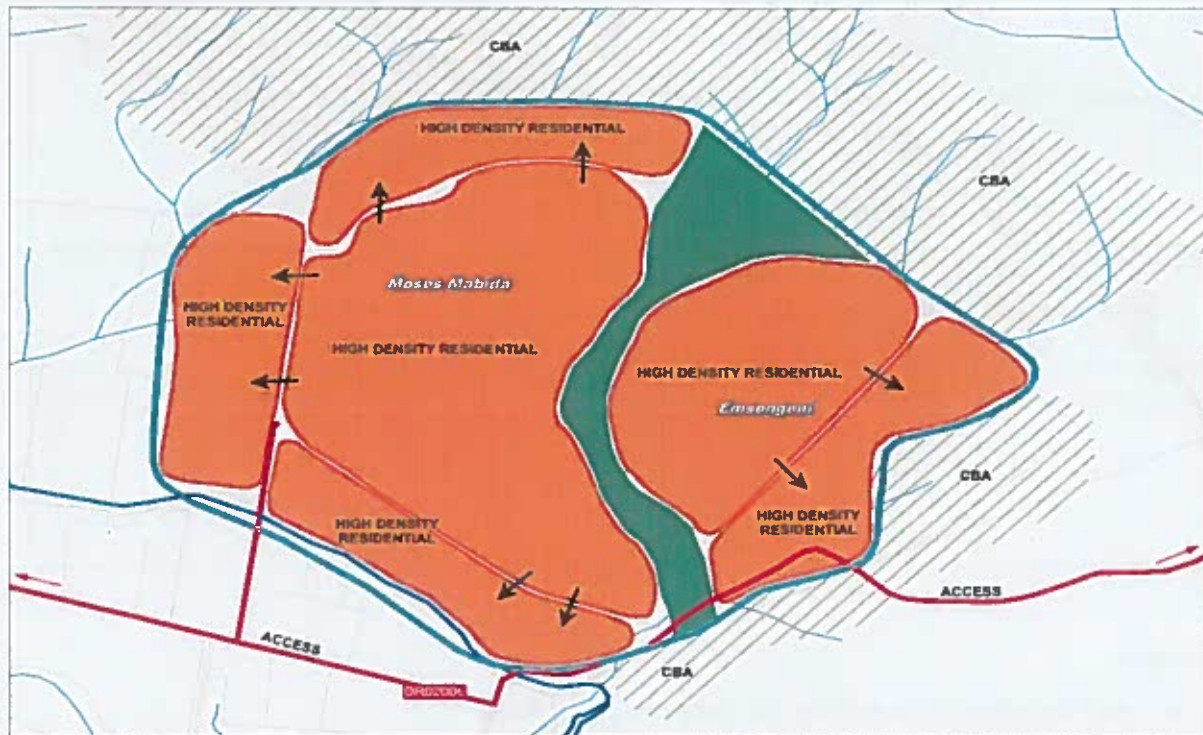


### Strategies for SRV

- Strengthening and support of the central business district along the R336 and establish this area as a key commercial and administrative node, within the District.
- Improve business visibility and interaction along the R336 with the possibility of a transportation hub on the intersection of the R336 and the Moses Mabida Road.
- Promote and support densification of existing low-density residential areas, north and south of the existing central business district.
- Ensure protection of the surrounding high potential agriculture land and critical biodiversity areas.
- Promote expansion of the industrial and mixed-use job creation component to the north and west of the existing station.

- Promote future expansion for high density subsidised residential development towards the east of the existing built up area, north of the Moses Mabida access road.
- The above-mentioned expansion to promote integration and more compact urban areas, preventing urban sprawl.
- Maintain a well-defined road hierarchy and internal reticulation system.
- Ensure future residential activities to be planned in an integrated manner with various housing typologies and non-residential land uses as per the relevant guidelines.

### **Moses Mabida**

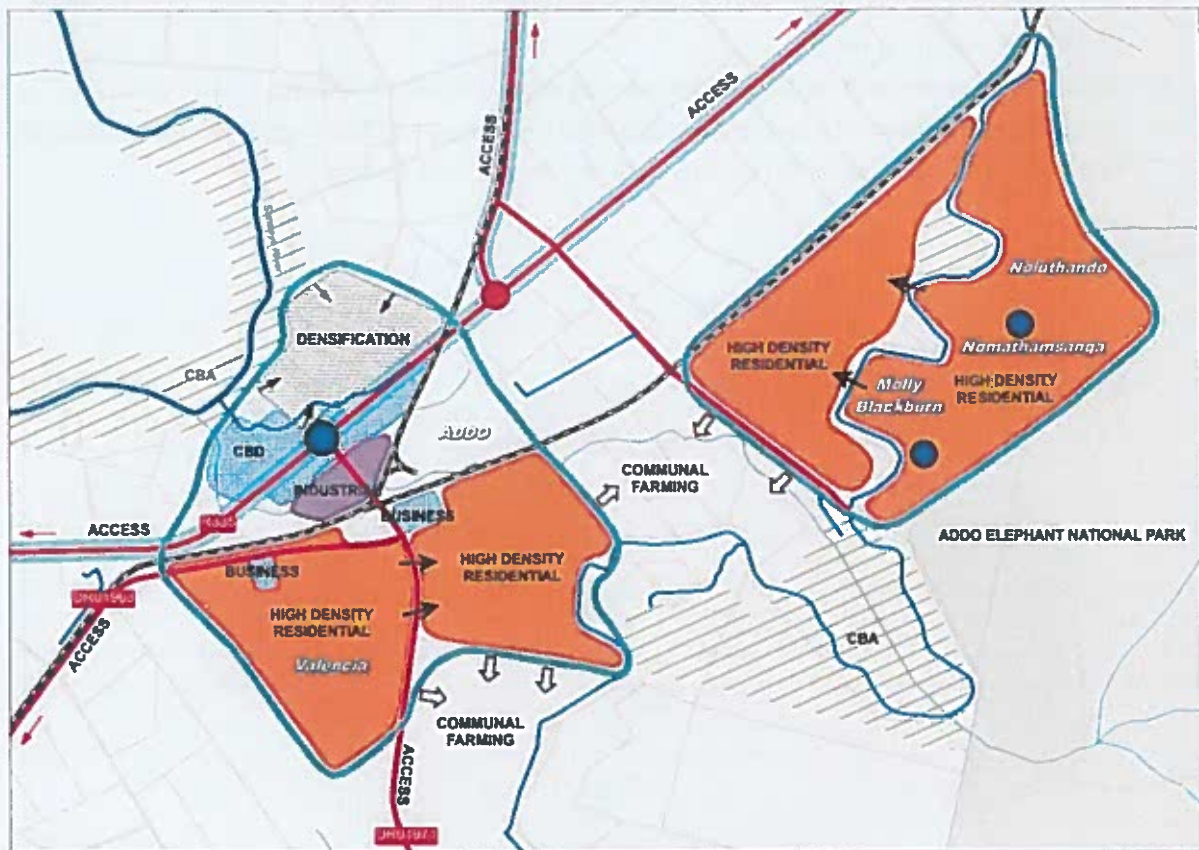


### **Strategies**

- Strengthen access and interactivity between Moses Mabida and Kirkwood by promoting integration of land uses and activities.
- Acknowledge future population growth demands and existing informal settlement areas to the south and north of Moses Mabida.
- Preservation of existing residential open space system and preservation of critical biodiversity areas to the north and east.
- Upgrade, plan and service informal infill areas to the south and north.
- Ensure that future expansion and growth are planned in an integrated manner to make use of existing infrastructure and services.
- Proposed future expansion west of the Moses Mabida access road.
- Possible infill development and densification, including reassessment of Moses Mabida open space system and possible accommodation of additional families.
- Maintain the urban edge and carefully consider future expansion of Moses Mabida, with specific reference to strengthening of the Kirkwood node.



## Addo

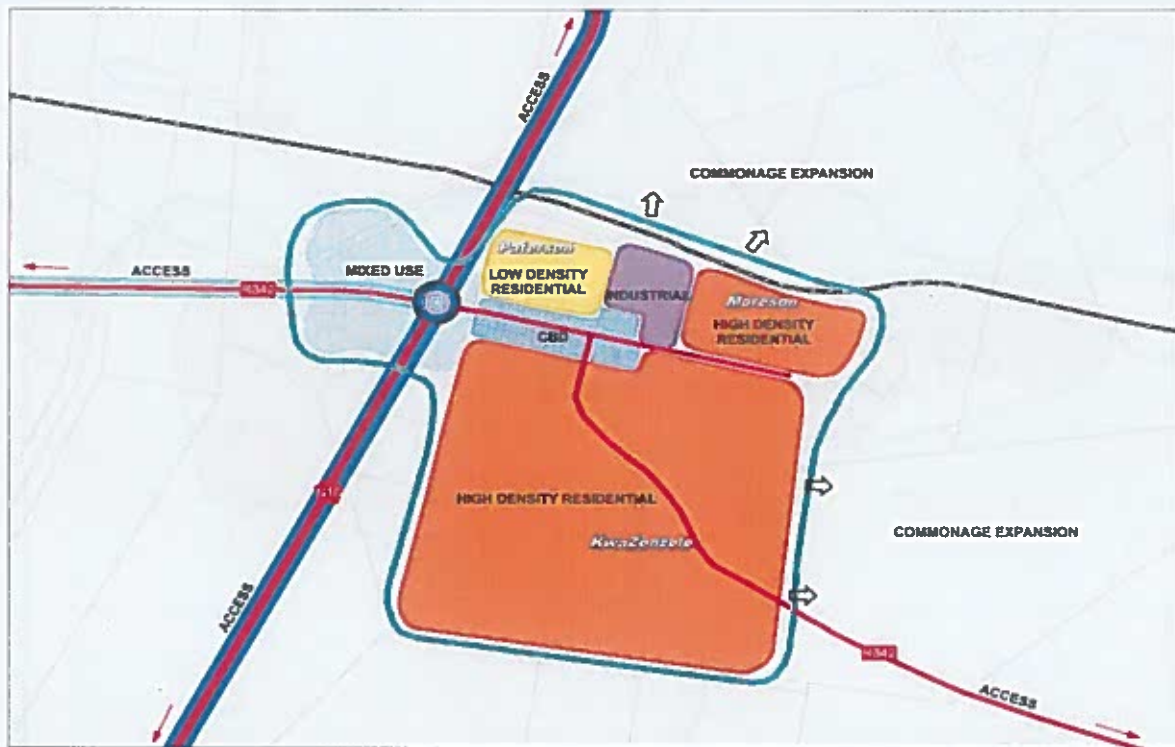


## Strategies

- Acknowledge access and tourism potential of the R335.
- Encourage strengthening of the Addo CBD area and prioritise expansion of future job creation and industrial development.
- Ensure business development opportunities and accessibility to non-residential land uses, especially south of the railway line.
- Promote densification of current vacant land north-east of the Addo central business district.
- Future expansion and development should take place between Nomathamsanqa and Valencia to ensure integration and a more sustainable use of infrastructure and facilities.
- Ensure integrity of Addo Elephant National Park with all future development.

## Paterson

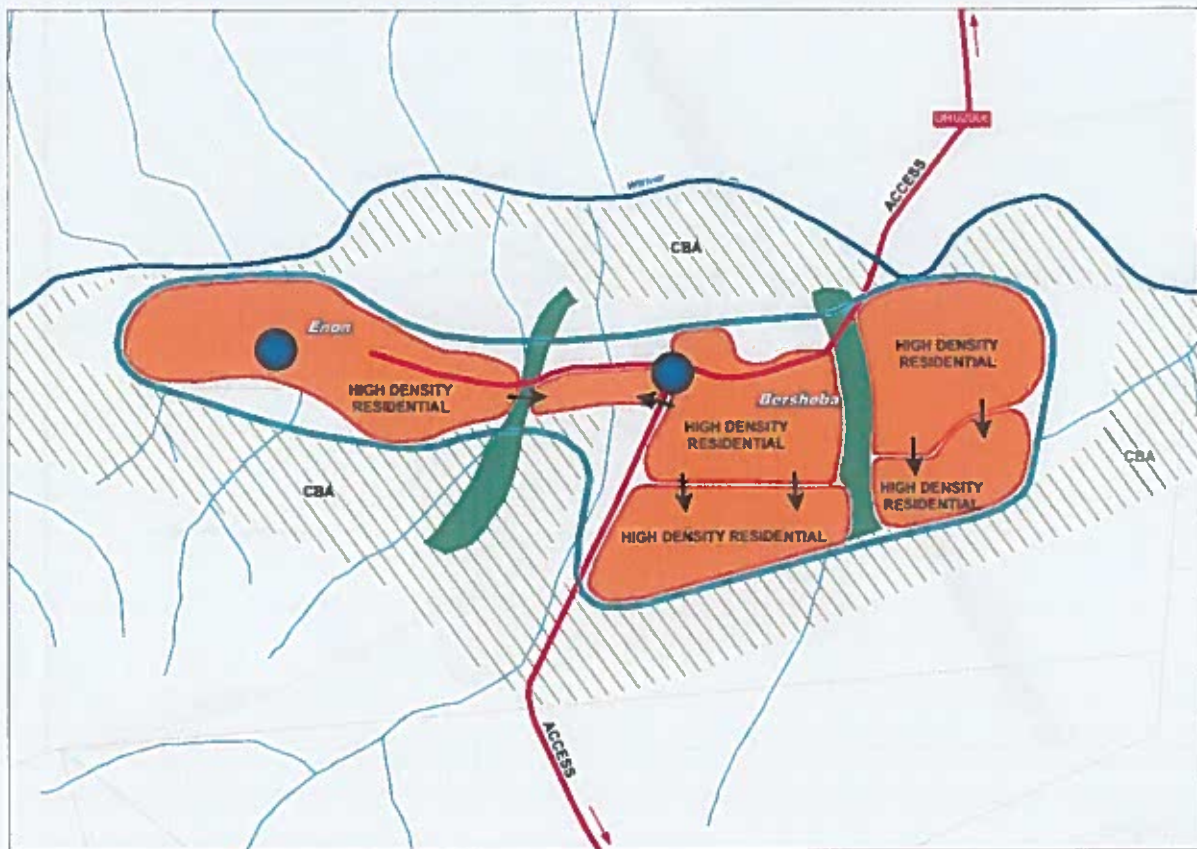




### Strategies

- Acknowledge the importance of the Paterson node as a service provider along the N10 and in the east of the Park entrance.
- Promote and support the strengthening of the central business district with direct linkages to the N10 and the possible development of a higher intensity mixed use tourism related node.
- Support and promote Paterson as the entrance towards the National Park along the R342.
- Promote commonage development and expansion of the commonage on surrounding land east of the N10.
- Expansion of future high-density residential component based on availability of infrastructure.
- Support service provision role of Paterson.

### Enon/Bersheba



### Strategies

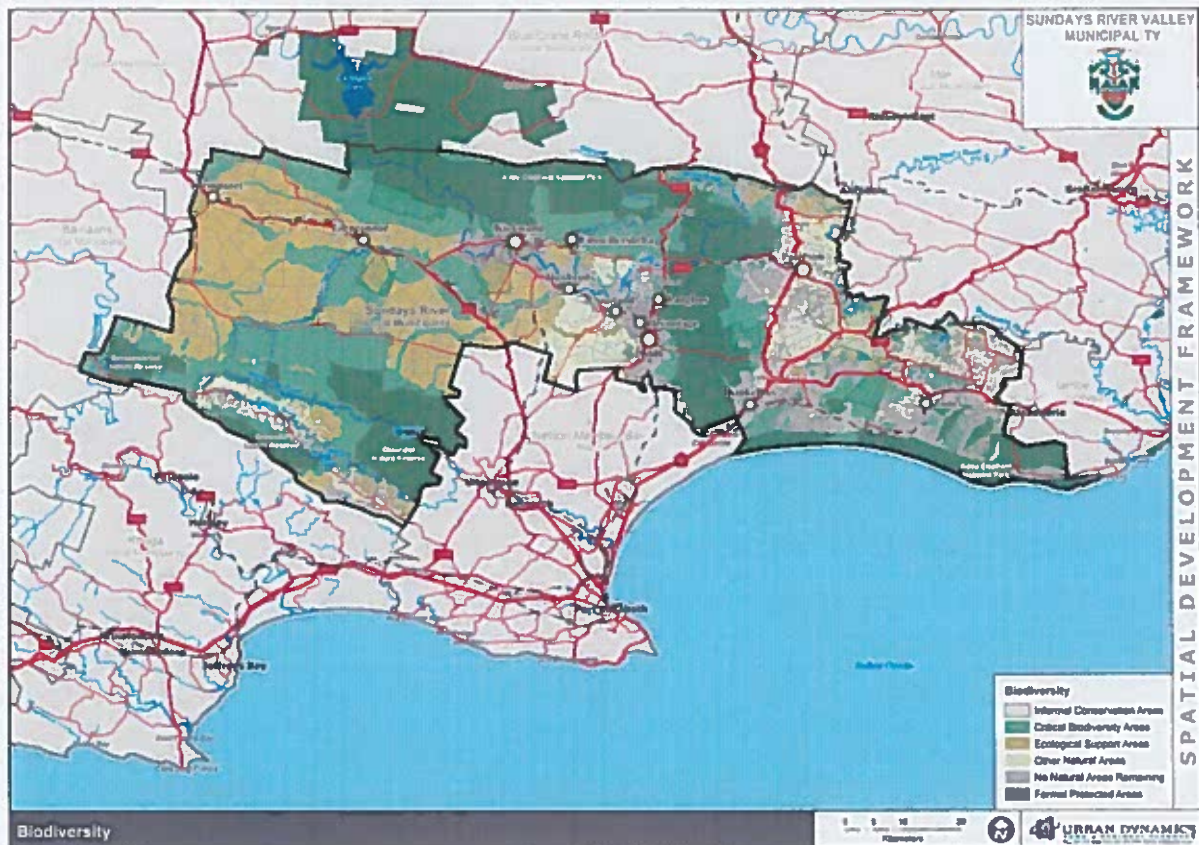
- Acknowledge the potential of Enon/Bersheba as a strong rural node.
- Strengthening of the business component and encourage a hierarchy for urban development.
- Future residential expansion to avoid critical biodiversity areas and encourage towards the south.
- Future expansion and development should be based on sustainability principles, availability of bulk services and availability of social infrastructure.
- Future development and drastic increase of population of Enon/Bersheba should be carefully considered and weighed up against the sustainability principles within the larger primary and secondary nodes.

### AGRI DEVELOPMENT

The municipality has good working relationships with the private sector and as such the plan below will result in the economic growth of Sundays River and much need needed job opportunities. This plan will be incorporated in the reviewed Spatial Development Framework.







## LAND SUSTAINABILITY

The desired spatial form of the Sundays River Valley area as well as the individual urban nodes are presented by graphic presentations and maps, indicating areas for future expansion and possible development. As noted previously, these guidelines should be read in conjunction with the land use management policies and guidelines. The depth and detail of a land suitability investigation for these expansion and development areas are performed within the scope of the Spatial Development Framework.

Therefore, these development areas are identified based on individual in-situ site visits and basic terrain analysis. The accompanying Spatial Form Maps provide information with respect to locality, size, property description, land ownership and proposed use.

Procedures with respect to detailed land suitability studies, legislative approvals, land use management procedures and land acquisition should be implemented prior to development of any portion of land within the study area. This applies to land proposed for development in this Spatial Development Framework.

Land suitability indexing and site identification of specialised land uses should be done as separate projects with the involvement of the relevant expertise. Specific reference is made to the identification of cemetery sites, landfill sites, new road construction and alignment, agricultural land etc. The

allocation and determination of these land uses fall outside the scope of the Spatial Development Framework and should be dealt with within the legislative and policy guidelines.

### Desired Spatial Form: Rural Development



### Desired Spatial Form: Kirkwood





Desired Spatial Form : Moses Mabida



Desired Spatial Form : Addo





## 2.2.9 Vacant Public and Private Land Required

### ADDO AREA (Addo CBD, Valencia AND Nomathamsanqa)

(Note areas is accordingly to the Spatial Development Plan)

#### High Density Residential

- (a) Area 3: Portion 179 of Farm Commando Kraal no 113 Uitenhage RD – Extension for Molly Black Burn housing project:

**Motivation: No land for housing development and for 500 houses approved**

- (b) Area 4 Portion 176,177 and 178 of Farm Commando Kraal no 113, Uitenhage RD-Phase two of housing project:

**Motivation: No land for housing development for approved housing development.**

- (c) Area 2 Portions 186,225 and 275 of Farm Commando Kraal no 113, Uitenhage RD – High Density Residential, portion for Communal farming and portion for LED – Business Hub.

**Motivation: The area is in the Addo Tourism corridor and is ideal for the Tourism Hub. Employment and Job creation fund is targeted for funding source.**

### Communal Farming

- (a) Area for Communal Farming: Portions 180, 181, 182, 184, 185, 187 and 218 of farm Commando Kraal no 113, Uitenhage RD.
- (b) Remainder of Farm 626

**Motivation:** Requests for land for commonages have been in our IDP for the past 10 years and land owners do not want to sell.. It is only Habata that has put its property on sale and the municipality has applied to the Department of Rural development and Land Reform for the purchase of these 3 portions (One for residential purposes)

### Addo Cemetery

- (a) Portion 306 of Farm Commando Kraal no 113, Uitenhage RD

**Motivation:** Cemeteries are full and community uses other wards which are almost full as well.

### **PATERSON AREA**

#### Communal Farming

- (a) Portion 2, 6 and 7 of Farm number 113, Alexandra RD

### **KIRKWOOD AREA (Include Aqua Park and Bersig)**

- (a) Area 2: Portion 83 of the Farm number 539, Uitenhage RD – Medium Density Residential
- (b) Area 3: Portions 57, 58, 59, 60, 61, 170 and 211 farm Strathsomers Estate number 42, Uitenhage RD – High Density Residential together with Portions 17, 257, 270, 271, 280 and 313 of the farm Strathosmers Estate number 42, Uitenhage RD – (Part of the Emsengei 1500 housing project)

### Industrial

- (a) Portions 52 and 518 of the Farm Strathsomers Estate number 42, Uitenhage RD – Industrial.

### **MOSES MABIDA AREA (Including Emsengeni)**

#### High Density Residential

- (a) Area 2: Portions 22, 23, 24, 66 and 290 of the Farm Strathsomers Estate number 42, Uitenhage RD – High Density Residential.

#### Communal Farming

(a) Portion 274 of the farm Strathsomers Estate number 42, Uitenhage RD.

The issue of land cannot be separated from a range of other development challenges, for example housing developments and agricultural initiatives. With the completion of the land audit, the Municipality will be in a much better position to use and manage land in line with its strategic direction. To this effect, CDM and Port Elizabeth Land Reform office of the Department of Agriculture and Land Reform have conducted an Area Based Plan and Land availability audit in 2008 to identify appropriate land to implement:

- Decisions on the optimal placement of settlements in space based on concepts of sustainable development, i.e. how to determine where certain developments (e.g. housing) and support services should be placed regardless of the status of land ownership.
- The expansion of agricultural development within the District in conjunction with the Redistribution Programs as managed by the Department of Land Affairs (DLA), where portions of land with current or future potential are targeted as possible acquisitions in terms of land reform policy.

**Unfortunately, key challenges still need to be addressed:**

- a. The Spatial Development Framework (SRV) indicates that a total of 82 ha<sup>1</sup> are required for housing developments. This has since tripled but the revised SDF will be able to inform development officials the extent of the land required and specific location.
- b. The LED situation analysis highlights the challenge of the availability of affordable land. The cost of serviced land is estimated at R60 000 – R90 000 per ha. Access to agricultural land includes:
  - ❖ Commonage for livestock
  - ❖ Food security
  - ❖ Unlocking irrigation potential

Enon-Bersheba community owns+ 11000 ha of communal land which is ideal for eco-tourism and agricultural development opportunities. This community has established a legal entity known as Witrivier Communal Property Association for the management of the commonage on the community's behalf. Council has approved terms of reference for the development of business plans for Enon-Bersheba citrus as well as the municipal-owned kk113 agricultural land. The municipality is supported by the National Department of Agriculture, Forestry and Fisheries and the Department of Rural Development and Agrarian Reform in such endeavours. Furthermore, lucrative economic prospects such as the public-private partnerships in the development of Enon-Bersheba communal land in the Eastern Cape exist.

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Land needs are based on a population growth of 3% per annum and a residential density of app. 30 units per ha.

Communities are also requesting the upgrading or development of new cemeteries and the Municipality is finding it increasingly difficult to respond to requests due to limited availability of suitable land.

Of SRV's 39 unsettled land claims, only four are for financial compensation and the remaining 35 seek land for livestock (34) and conservation/game (District and Metro profile). These figures need to be compared with the ABP/LAA situational analysis report on restitution status which counts 53 claims. Out of 53, 34 are said to be gazetted, 11 non-compliant, 1 settled and 4 are validated. The slow pace of land reform has resulted in some frustration and impatience in certain wards. This is supported by the African Peer Review panel which suggested that South Africa has to be encouraged to relax market-based approach to land reform and look for more imaginative ways to speed up the land transfer to blacks.

**Table: Land acquired**

Program	Ha Distributed	% Distributed	Beneficiaries	Rand Value
PLAS	1,278	12	50	27,765,000
SLAG	1,410	25	162	2,016,000
Commonage	0	0	0	0
LRAD	1 719	5	384	32,205,850

**Communities have requested the following:**

- ❖ The provision of new cemeteries in Moses Mabida, Nomathamsanqa and Bersheba

A priority indicated by the SDF refers to policy development that ensures speedy planning and development processing.

Linked to this issue is the involvement of the Municipality in projects related to the Department of Rural Development and Land Reform. The information has not changed since 2009/10 and it will be updated as soon as we receive relevant information. Of the 49%Ha LRAD distribution throughout the district, SRVM accounts for 5%Ha which translates to 1 719Ha, 384 beneficiaries and the land price value is R32,205,850 (DLA CAPEX 2007). This information is outdated but that's the only information at our disposal unless DRDLR provides us with the updated information.

**Table: Land Demand for Housing**

Major Town & Settlements	Approved Projects				Housing demand (short/medium term) (SDF/IDP)	Additional land requirement (ha) (SDF/IDP)
	No. of Projects	Houses Completed	Houses under Construction	Total		

Addo	6	1532	802	2334	1710	30
Kirkwood	3	1543	0	1543	1480	33
Paterson	2	0	1050	1050	900	9
<b>Total</b>	<b>11</b>	<b>3075</b>	<b>1852</b>	<b>4927</b>	<b>4090</b>	<b>72</b>

Source: DHLG &TA & LM SDF

### 2.2.10 Housing Delivery

The SRVM Housing Sector Plan 2014 was reviewed and revised in accordance with the prescripts of the Blue Book for Municipal Housing Planning and the related National Treasury Planning dispensation. SRVM intends all its residents to have access to safe and affordable permanent residential structures with secure tenure, ensuring privacy and providing adequate protection against the bad elements. The vision of this HSP is to create integrated and sustainable communities.

#### Housing Demand Profile

The housing backlog in the Sunday River Municipality is estimated to be 5543 with the largest demand being in Ward 3 and Ward 4 and a section of ward 2 (Bergsig area).

From the situation analysis' socio economic and demographic assessment, the following can be concluded:

- Around 1 749 households in Sundays River Valley presently live within traditional, rental, or informal structures and earn below R6 400.00 per month per household. Of these 1 556 households (or 88.9%) earn below R3 200.00 per month, representing the number of households that qualify for the full subsidy amount available from the Department of Human Settlement.
- The majority – being 8 000 households (or 81%) reside in brick structures, followed by 766 (7.8%) in traditional dwellings.
- Of the 4281 households that reside on farms / rural areas, it is estimated that at least 65% are low-income earners and therefore likely to be farm worker families. Based on this, it is estimated that there are approximately 2 782 farmworker families in the municipality. It is however not clear how many of these households live in inadequate shelter.
- The presence of 263 households presently residing in "informal" flats and / or rooms in backyards and 27 households that presently reside in informal settlements clearly indicate a demand for informal settlement upgrade or rental housing (in cases where occupants of shacks are using the shack as temporary accommodation as opposed to being homeless). However, a dot-count reflects a total of 744 informal structures counted in Addo, Kirkwood and Paterson.

The quantified housing demand based on information from the 2001 Census and 2007 Household Survey can be summarized as follows:



RURAL/FARMS	SOCIAL RENTAL AND	INFORMAL SETTLEMENT STRUCTURES	CHILD HEADED HOUSEHOLDS
2 782 (To be reviewed)	27	344 (744 – dot count)	0

#### Land Requirement for Future Development

Town	Population	Houses		Projects		Land Required
		Formal	Informal	Proposed	Approved	
Kirkwood	10 797		1 400	1 400		
Aqua Park		277	277	277	276	
Moses Mabida		250	1 300	1 300	250	33 ha
Emsengeni		766	766	766	766	
Valencia	10 287	666	1 575	1 575	666	12 ha
Nomathamsanqa		770	1 226	1 226	861	18 ha
Noluthando		0	801	801	-	-
Langbos		-	150	150	-	-
Paterson	4 468	-	-	-		-
Kwazenzele/Moreson		200	800	800	200	9 ha
Emanqindini			450	450	-	-
Enon/Bersheba	2 400	250	850	850	250	10 ha
Total	27 952	3 179	9 595	9 595	3 269	

#### Housing Sector Plan 2011-2016

The municipality has acquired former District Management Areas that require provision for housing and land.

- Rural settlements that exist do not require any additional land (With the exception of Kleinpoort and Glenconnor)
- Social and rental housing should ideally be accommodated on under-utilized land parcels

central to the urban areas, with good access to existing social and infrastructure facilities and serves.

- Feasibility assessments will be required to determine the potential for in-situ formalization of informal settlements. This will in turn determine the need for land for relocation of structures from informal settlements.
- The alternatives for responding to the housing and care of child headed households will need to be investigated before a conclusion can be reached on land requirement

#### **LIST OF INFORMAL SETTLEMENTS FOR UPGRADING AND RELOCATION**

##### **WARD 1**

##### **Behind Khanyisa Crèche - FUNDED**

<b>Erf</b>	<b>Land Ownership</b>	<b>Zoning</b>
250	Municipality	Public Open Space
53	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
16 000.8 M <sup>2</sup>	32	Stand Alone Shacks

Category: B1 (Incremental In –Situ Upgrading)

##### **Lolo Village**

<b>Erf</b>	<b>Land Ownership</b>	<b>Zoning</b>
1213	Municipality	Public Open Space
1054	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
51 757 M <sup>2</sup>	76 <sup>1</sup>	Stand Alone Shacks

Category C (Relocation)

##### **Lower Bontrokhwe Village**

<b>Erf</b>	<b>Land Ownership</b>	<b>Zoning</b>
322	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
51 757 M <sup>2</sup>	76 <sup>1</sup>	Stand Alone Shacks

Category C (Relocation)

<b>Erf</b>	<b>Land Ownership</b>	<b>Zoning</b>
322	Municipality	Public Open Space
1054	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
51 757 M <sup>2</sup>	17	Stand Alone Shacks

Category C (Relocation)

##### **Nosini - FUNDED**

Erf	Land Ownership	Zoning
299	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
11 804 M <sup>2</sup>	8	Stand Alone Mud Shacks

**Category B1 (incremental Upgrading)**

**Platini - FUNDED**

Erf	Land Ownership	Zoning
1213	Municipality	Public Open Space
1212	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
65 908.9m <sup>2</sup>	36	Stand Alone Mud houses

**Category B1 & C, (Incremental in-situ upgrading/ Relocation)**

**Qolweni**

Erf	Land Ownership	Zoning
503	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
14 152.9m <sup>2</sup>	20	Stand Alone Shacks

**Category B1 & C, (Incremental in-situ upgrading/ Relocation)**

**Springane - FUNDED**

Erf	Land Ownership	Zoning
365	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
12 491.4 m <sup>2</sup>	7	Stand Alone Mud House

**Category B1 & C, (Incremental in-situ upgrading/ Relocation)**

**Zone 4**

Erf	Land Ownership	Zoning
1266	Municipality	Public Open Space
Farm No:42/475	Municipality	Authority 1
250	Municipality	Public Open Space
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
50 865 m <sup>2</sup>	97	Stand Alone Mud House

**Category B1 & C, (Incremental in-situ upgrading/ Relocation)**

**WARD 2**

**Aqua Park**

Erf	Land Ownership	Zoning
Farm No:42/134	Municipality	Agriculture
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
26 068 m <sup>2</sup>	80	Stand Alone Shacks

**Category B1 & C, (Incremental in-situ upgrading/ Relocation)**

#### **AREA 18**

Erf	Land Ownership	Zoning
Farm No:42/08	Department of Human Settlements	Agriculture 1
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
24 552.6 m <sup>2</sup>	13	Stand Alone Shacks

**Category B1 (incremental Upgrading)**

#### **Orange Farm**

Erf	Land Ownership	Zoning
372	Municipality	Agriculture 1
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
47 630 m <sup>2</sup>	50	Stand Alone Shacks

**Category C (Relocation)**

#### **Ward 6**

#### **Molly Blackburn - FUNDED**

Erf	Land Ownership	Zoning
113	Municipality	Undetermined
2043	Municipality	Open Space 2
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
15 580 m <sup>2</sup>	250	Stand Alone Shacks

**Category B1 & C, (Incremental in-situ upgrading/ Relocation)**

#### **Ward 7**

#### **Kleinpoort**

Erf	Land Ownership	Zoning
Farm no 669	Private	Agriculture
2043	Private	Agriculture
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
15 580 m <sup>2</sup>	50	Abandoned Railway Houses

**Category C (Relocation)****Glenconnor**

Erf	Land Ownership	Zoning
Farm no 151	Private	Agriculture
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
15 580 m <sup>2</sup>	30	Stand Alone Shacks

**Category B1 (incremental Upgrading)****WARD 4****EMANGQINDINI**

Erf	Land Ownership	Zoning
Farm no 875	Municipality	Open Space 2
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
15 580 m <sup>2</sup>	150	Stand Alone Shacks

**Ward 3****Valencia**

Erf	Land Ownership	Zoning
Unknown	Municipality	
<b>AREA OF SETTLEMENT</b>	<b>NUMBER OF HOUSEHOLDS</b>	<b>HOUSING TYPOLOGY</b>
	100	Stand Alone Shacks

**Category B1 (incremental Upgrading)**



## 2.3 KEY PERFORMANCE AREA: Community and Social Services Function

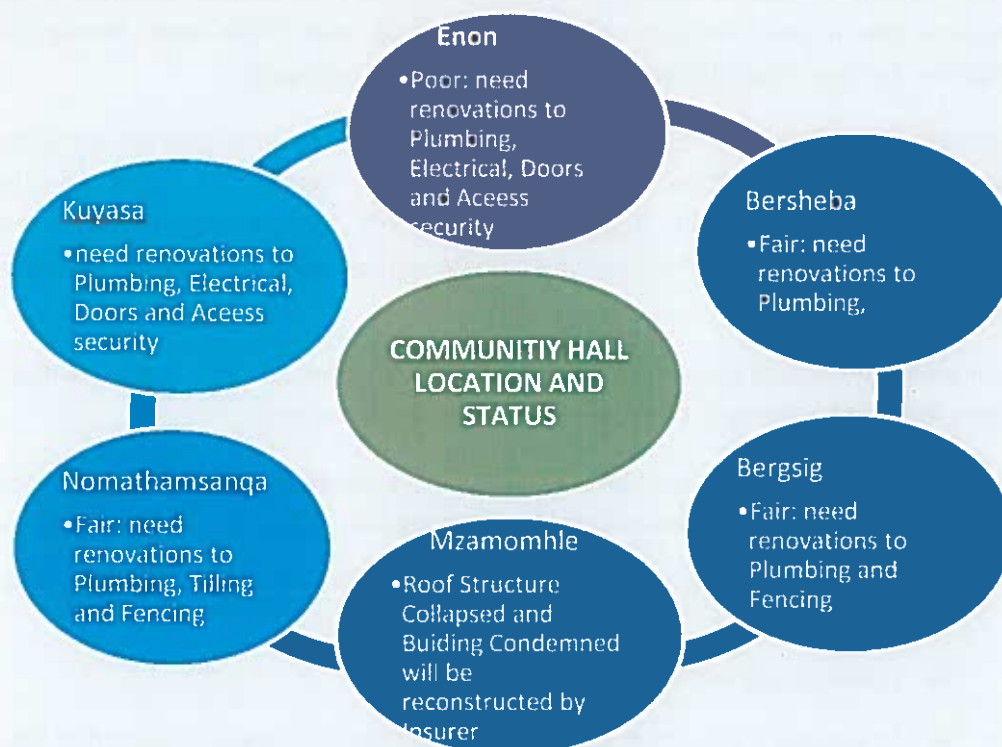
### 2.3.1 Community Facilities

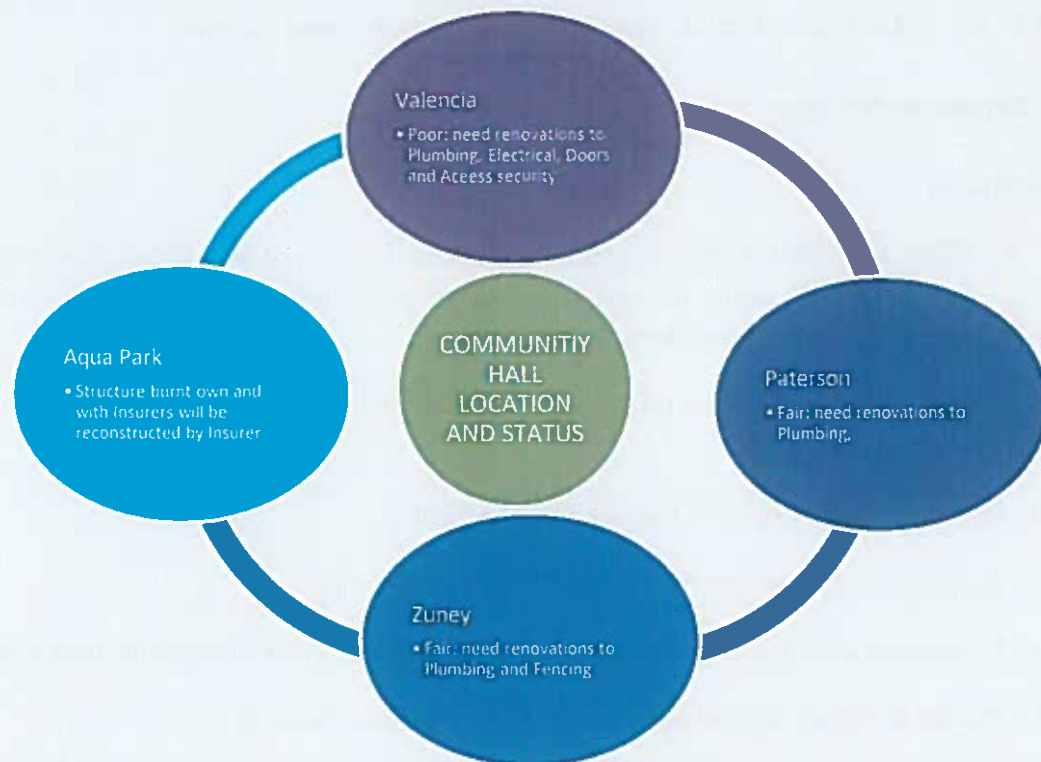
#### The definition

- ✚ **Public Amenities:** are resources, conveniences, facilities or benefits continuously offered to the general public for their use and or enjoyment, with or without charge (e.g. community halls, sports fields, and parks etc.)

The objectives of Public Amenities office under the directorate of Community Service are -but not limited

- To render public amenities that are safe and healthy
- To improve and maintain the standard of public amenities
- To uplift the standard of living of residents, especially the vulnerable groups such as the youth
- Provide landscape and general maintenance for public amenities
- Provide general maintenance and burial services on cemeteries





Communities have a range of needs that are social, cultural, recreational and informational. Strong and healthy communities are built on their capacity to meet these needs through encouraging participation, forming relationships and instilling a sense of belonging.

Thus, community facilities are not just about buildings and space – they are the arena for a range of services that provide opportunities for people to come together to meet, play, learn, share information and help each other. They are venues for arts, cultural, educational, recreational, and leisure activities, provide accommodation for voluntary groups, and are important gathering points in civil defence emergencies.

As the municipality it then becomes mandatory that as an institute to prescribe a set of norms and objectives for the Management of these facilities that should align to:

- ✚ The provision of a public facility to the local and wider community for recreation, community activities and services, training etc.
- ✚ To ensure equitable access to diverse recreation and social opportunities across the Municipality.
- ✚ To encourage multiple use of facilities.
- ✚ To safeguard the community by taking appropriate measures to control risk.
- ✚ To effectively manage assets held by municipality on behalf of the community.
- ✚ To develop a sense of belonging and ownership amid constituencies
- ✚ To build a sense of place/sense of community.

- ✚ To provide an economic return to municipality commensurate with the use of the facility.
- ✚ To manage facilities in an environmentally sensitive manner where appropriate.

These amenities are used for various events and activities ranging from music, meetings/ conference, burial activities and needs like church or weddings and municipal activities. Thus, it becomes imperative that an allocation of minimum standards for public amenities that should follow:

- a) Public amenities must be easily accessible, fenced and clear signage for emergency and security purpose
- b) Must have access to restrooms
- c) Must have disabled ramps
- d) Provide areas for information display
- e) Installed of electricity
- f) Complies with the OHS Act and all applicable health and safety
- g) Beautification and landscape
- h) Provision of signage and dust bins

SRVM has a total of nine (8) Community Halls, a total of eight cemeteries and a total of seven sports fields in the areas of Kirkwood, Addo and Paterson and smaller settlement such as Enon-Bersheba and Zuney.

## **SPORTFIELDS**

There are currently 6 facilities that are under the ownership of the municipality, but all have very minimal or no turf management or maintenance in place. But to note there is an issue with access control, but this exasperated by public vandalising the boundary barrier

Much needed maintenance is required for these facilities. The project should focus on the maintenance of turf, ablution facilities, a netball court, a security booth, a store room and a change room. Below is the status summary of the main components of the facility:

**The following scope of work is proposed for the project:**

- 1.1. Construction/upgrading of a Football Turf
- 1.2. Upgrading of a spectator grandstand
- 1.3. Grading of a gravel athletic track
- 1.4. Electrification of the facility (Ablution and change room facility)
- 1.5. Installation of Floodlights
- 1.6. Installation of a turf irrigation system

## **CEMETRIES**

The existing cemeteries in the Sundays River Valley municipal area of jurisdiction can be classified as municipal (owned, operated and maintained by the Sundays River Valley Municipality), semi-private (operated and maintained by specific religions or church denominations) and private (owned, operated and maintained private farm owners). The very poor geotechnical soil conditions exacerbate the poor image of the cemeteries in the region.

Sundays River Valley Municipal is faced with a number of challenges with regard to cemetery management. These can be grouped into the following categories:

- 1) shortage of land for cemeteries; Full cemeteries
- 2) cemeteries located on unsuitable land
- 3) insufficient budgets for cemetery management and purchase of new land; Funding
- 4) Illegal cemeteries
- 5) Unregistered cemeteries
- 6) Safety and security; Vandalism
- 7) Record-keeping
- 8) Sustainability

	LOCATION	REMARKS	EXPECTED LIFE
Ward 1	Moses Mabhida Location/Bontrug	The site has poorly designed or lack of proper access roads, fencing is in place but high risk of theft and vandalism. There are no facility or proper infrastructure in place. It has very poor geotechnical soil conditions with the soil been typified as rocky. The location of which is densely populated by surrounding informal settlement.	Presumption: taking into cognisance of population projections not an ideal location maybe short term 1-2 years. But no scientific calculation done
Ward 2	Bersig ERF 459 and ERF 460	Site recently expanded with new 1,2m high diamond mesh wire fence, with visible access gate. The cemetery has been well maintained in terms of vegetation overgrowth. There are no facility or proper infrastructure in place. The geotechnical soil conditions appear to be favourable and close classification to sandy loam. The location is isolated from residential units.	Presumption: 2 to 3 years taking into cognisance of locality population but no scientific calculation done
Ward 3	Valencia Portion 306 of COMMANDO KRAAL ESTATE, 113	<p>The site has poorly maintained or lack of proper access roads, there is no fencing in place or any structure demarcating the location. There are no facility or proper infrastructure in place the geotechnical soil conditions appear to be favourable and close classification to sandy loam. The location is isolated from residential units and caters for residence of Ward 3, 5 and 6.</p> <p>The total of land covers approx. 28 Hectares.</p> <p>The site and location present an opportunity to create</p>	Presumption: +10 years taking into cognisance of locality population, but no scientific calculation done



		what can be perceived as ideal design and enough cemetery that encapsulate all necessary amenities	
Ward 4	Paterson Cemetery, SRVM no erf number on windeeds	Site recently expanded with new 1,8m high diamond mesh wire fence-currently stolen, with visible access taking into cognisance of locality gate. The cemetery has been maintained in terms of population but no scientific vegetation overgrowth and litter. There are no facility or calculation done. proper infrastructure in place. The geotechnical soil conditions appear to be favourable and close Urgent action is needed classification to sandy. The location is located within the residential units with proximity to SAPS, but this has not deterred the theft of the fence.	
Ward 6	Erf 2071 in ADDO	site has been closed for burial, local narrative presumes closed for burials that there are individual plots that have been reserved. The location of which is densely populated by surrounding informal settlement.	
Ward 7	Glenconnor Portion 25 of UITZICHT, 155/UITENHAGE RD	The locality of Glenconnor currently utilises the cemetery of privately-owned property but is land that into cognisance of locality has been allocated for burial but not utilised. With the population, but no scientific property being registered under the Sarah Baartman calculation done District Municipality.	
	Wesbank Portion 108 of CLAAS KRAAL, 539/UITENHAGE RD	The site is located on Westbank side of farm location and caters for the farm dwellers of around the location	Presumption: +10 years taking into cognisance of locality population, but no scientific calculation done
Ward 8	Beersheba and Enon	The location of these two sites are located in a property that is said to belong to Witrevier Communal Property taking into cognisance of locality Association. Currently the two location's for Enon and Beersheba respectively is set to reach full capacity soon. But one advantage is the availability of land to choose from the hydrogeological condition suffice.	Presumption: less than 1.5 years taking into cognisance of locality population, but no scientific calculation done
	Miskraal: Farm 42 of Portion 420 STRATHSOMERS ESTATE	the site is located on R336 on Mistkraal locality and caters for the majority of farms that are transverse by R336 ending in Summerville	Presumption: 5-10 years taking into cognisance of locality population, but no scientific calculation done

In order for the Sundays River Valley Municipality to effectively and efficiently take care of its local government function regarding the provision and management of cemeteries, it recognised the need to:

1. Take stock of current cemetery provision and requirements within its area of jurisdiction;
2. Take awareness of recent trends within the municipality (such as HIV/Aids rate) and its impact;
3. Take cognizance of current growth patterns within the municipality in relation to existing cemetery provision;
4. Be pro-active in the identification and provision of new cemetery sites;
5. Optimize the utilization of existing and new cemeteries in the light of:

- a. The spatial extent of cemeteries and their impact on the form and growth of the town;
6. Develop a uniform cemetery policy that will consolidate and streamline the policies of the all extents within the Sundays River Valley Municipal area.

Land required for burial space in the Sundays River Valley municipal area should, due to the lack of accessibility and travelling distances between areas, not be determined for the region but rather on locality specifications. This may not materialize given the scarcity of available and suitable land. Each cemetery area needs to be evaluated individually due to the local burial patterns.

It is recommended that additional land be allocated and planned as soon as possible for certain areas/wards. Ideally this should be done in consultation with the stakeholders. Alternative solutions include expanding either or both existing cemeteries or developing a new cemetery to serve the deferent area, based on the current population projections.

The goal should also be that all cemeteries in the Sundays River Valley municipal area should be provided with proper and adequate infrastructure and facilities.

- Proper access roads.
- Fencing (particularly fencing that cannot be easily stolen such as electric fencing). Water supply.
- Cemetery infrastructure e.g. Toilets.

#### **Greater Kirkwood/Upper Valley**

The Greater Kirkwood area has seven schools of which three primary schools and one secondary school is situated in Moses Mabida. The Msengeni residential extension made provision for the construction of additional schools.

Community facilities are mostly concentrated in Kirkwood, such as community halls, the hospital, and main police station and sports fields. Facilities in Moses Mabida and Bergsig need to be upgraded – particularly, the cemetery site needs to be expanded. The Kuyasa Hall is currently utilised as a community gymnasium. In the Sarah Baartman District, SRVM is the first to have a community gymnasium and Combo Courts in the province. At Enon-Bersheba there are 2 primary schools and two community halls and cemeteries.

- **Lower Valley Addo**

Community facilities are limited to three primary schools and one secondary school (situated in Nomathamsanqa). Two clinics are in operation with a police station, library, 2 sports fields and 2 community halls. The provision of these facilities is not adequate. The facilities are over utilized and upgrading is needed. Sports facilities are limited to two sports fields in Nomathamsanqa and one sports field in Valencia. The sport field in Nomathamsanqa needs serious upgrading.



- **Paterson and Zuney**

Education and community facilities are limited to three primary schools, a secondary school, clinic, police station, two community halls, a library and a sports field. The Sundays River Valley IDP process identified a number of these facilities for upgrading and expansion. The cemetery in Paterson is close to being full.

Phase 1 in Addo sport field has been finished. Phase 2 will commence soon. Phase 2 for Nomathamsanga sport field will also commence soon. Moses Mabida sport-field is in the process of completing phase 2. Paterson sport-field has been completed. Valencia sport-field is in phase 2. Sport-field in Enon is in phase 2, as well as the sport field in Bergsig.

Sundays River has two (2) recreational fields (playgrounds); Bergsig and Paterson.

### 2.3.2 Health Services

The Sunday's River Valley is demarcated under Kouga Health Sub-district Authority together with Kouga Local Municipality and Kou-kamma Local Municipality. Primary Health Care Service Function has since 01 January 2010 been provincialized and this was to address duplication and fragmentation of services and to create and establish uniform norms and standards and ensure that the service is provided by the single authority (Eastern Department of Health) through District and Sub-district structures.

#### Health Care Infrastructure

SET CLINIC		Satellite			Mobiles	
1	3	1	0	1	3	0
Addo Town	Moses Mabida	Addo Town		Paterson		
Nomathamsanga	Bergsig					
	Kirkwood Town					

#### Achievements

- Sundays Valley Hospital has been accredited as an ARV site and it is a baby friendly hospital.
- The Kirkwood Clinic has relocated to Sundays Valley Hospital.

#### Challenges

The biggest challenge with Health Services is the poor provision of Emergency Medical Services (Ambulance Services) which require serious attention. The other challenge is the sizes of the Clinics, especially in Nomathamsanqa where the community has significantly grown and yet the facility not extended. The other two townships that must be considered for new clinics is Msengeni and Enon/Bersheba. These challenges will be pursued with the Eastern Cape Department of Health.

### 2.3.3. Education

The functional area is not the competency of the Sundays River Valley Municipality; however, SRVM plays a role of lobbying for the required services by the community. Through IGR structures an integrated approach to development is facilitated. The municipality cannot plan a new housing development without understanding the need and plans of education, for example a new housing development may need a school and a reserved site where such school could be built. Development issues that emanated from IDP community consultation are reflected below:

- Skills training centres are needed in the municipal area
- Learner transport is very critical especially for remote rural areas such as Zuney
- Education support services are needed for children with learning disabilities;
- It is required to introduce skills development for Municipal staff, the community, and especially emerging farmers. Emerging farmers mentorship programme is started and facilitated by the District
- General access to farm schools is problematic and restricts learners from attending school on a regular basis. The Zuney school is an example
- Crèches are needed in Aqua Park, Dunbrody, Midtskraal and West Bank. The Sakhuxolo preschool has since its establishment been sending several correspondences to the Department of Social development complaining about non-recognition of the number of learners despite proofs. That has impacted on the allocation of grants and supervisors suffer consequences. The municipality has in the past tried to intervene but to no avail.
- Langbos has Multipurpose Centre which include a crèche.
- Through Municipal involvement a crèche for Aqua Park is temporary housed at Aqua Park municipal hall.
- School Governing Councils are important institutions that should play a role in municipal planning activities and in ensuring that the quality of education is upheld. These engagements will take place through IGR structures.

#### School enrolment

School type	Total	Total	Principal	HOD	PL1
	Number	Number	Deputy		
Primary Schools	15	4198	18	11	93

Secondary	5	2133	7	8	53
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### **2.3.3.1 Libraries**

#### **Vision**

Is to reach the hard to reach SRVM communities using the power of information and innovation through libraries

This vision can be achieved through

- Formation of book clubs
- Hosting library awareness campaigns
- Career exhibitions
- Educational workshops
- Holiday activities
- Reading programs

#### **Goals**

To be a welcoming, safer space that provides free access to information through internet, printed material, periodicals and sharing of ideas at all times.

#### **Status Quo**

Sunday River Valley Municipality has six physical libraries, Mobile Library (Bakkie) and a wagon and consist of 16 staff members, being general workers, general library assistants, library assistants, one provincial librarian, Librarian and Principal Librarian.

At the moment all libraries operate on a manual circulation system.

All libraries in SRVM are connected to the internet, except Enon Library which is still in process to be connected by the SRVM IT Section. There is WIFI connection in Moses Mabida and Kirkwood Library. It is the intention of Council that all libraries and schools have WIFI connection and that the private sector and government institutions assist us in this regard.

In the past financial year, we have seen an increase in numbers of library users and it is evident in monthly statistics.

#### **PATERSON PRESENT STATUS**

- On the 07 October 2020 during the Virtual meeting it was resolved that DSRAC is still willing to move the library into the heart of the community.
- The little left of the original building basically constitutes rubble. Options presently considered by DSRAC are demolishing the ruins of original building and building a new structure or renovating two nearby buildings.
- These buildings, a portion of the bigger erf 115 that belongs to the municipality, are under-utilized. There is water and electricity at the site. The proposal will suit SRVM intentions for these buildings as hopefully there will be interest in utilizing the trading stalls when a library project kicks off the ground.
- There are various tenants who unlawfully utilize the trading stalls in front but since there is no activity there, they serve as security from vandalism of the whole structures.

#### **Nomathamsanqa present status**

- The long-term solution is to build a library at the community hall.
- For interim a book wagon is being utilised to service the area.
- In the previous financial year, the Sundays River Citrus Company assisted to transport the wagon to and from the area.

#### **Bersheba present status**

- In this area there is no library at the moment and they utilise Enon public Library which is too far to access especially for children and elderly.

#### **Functions**

- Provision of an adequate library service for all sectors of SRVM.
- Provision of access to library material for purposes of education, information, research, recreation and leisure for all the people residing within SRVM area.
- Provision of conducive study area for all learners, students and researchers in the locality of SRVM area. Our libraries, in addition to traditional library services, also function as community centers to provide in the diverse needs of our communities.

#### **Outreach Programs**

- Nalibali
- Book clubs
- Funda Mzantsi
- Library week
- Holiday program



- Use it or lose it project (libraries going green)
- Service to the blind and sight-impaired

#### **Awareness: Use it or lose it project (Libraries going green)**

- Library gardening (Crop planting project)
- Cleaning of library open spaces
- Beautification of libraries using recycled materials



#### **Achievements**

- 2019/2020 District winners of Library Week Winner for Book Reviews, Debate and Reading
- 2019/2020 Provincial Winners in English Reading Competition
- Participated in the National FundaMzantsi Competition (In reading, book reviews and Debate)
- 2019/2020 Hosted a successful District Library Week event
- 2019/2020 ten book clubs were formed
- Secured a donation from GIBB for libraries going green project
- 2020/2021 Three libraries have migrated from manual to computerised library management system (Brocade)

#### **Challenges**



- Staffing for Valencia, Paterson and Enon Libraries
- Library related Accredited trainings
- Library security systems (3 M gates)
- Lack of space at Enon Library
- Lack of libraries in Bersheba and Nomathamsanqa
- Relocation of Paterson Library
- Transportation of the Book Wagon Library to Nomathamsanqa

#### **Desired Solutions**

- Urgent additional staffing (Librarians and Library Assistants)
- More funding for training and development of library staff
- Appointment of relevant training service providers such as UKS
- Installation of Library security systems ( 3 M gates)
- Extension of Enon Library to the underutilized old post office section
- Introduction of Modular libraries or usage of Municipal buildings in Bersheba and Nomathamsanqa
- Speeding of consultation between DSRAC and SRVM to relocate Paterson Library
- Appointment of contract driver for Nomathamsanqa book Wagon

#### **2.3.4. Safety and Security**

The National Road Agency with Traffic services are conducting meetings on a regular basis to discuss issues of road safety and community safety at large. Regular road blocks are being conducted in major routes N10; N2; R366; R334; R75; R72;

With respect to general safety the municipality still experiences challenges around:

- Medium accident rate
- Municipal by-law with respect to stray animals and hawkers trading areas were promulgated but the level of enforcing them is very low. Peace Officers will attend to these challenges.
- The municipality intends soliciting proposals from potential partners for the development of a pound.
- Crime generally decrease in all areas but Paterson does not show any significant improvement

Although the rate of crime decreased over a period of 6 years (March 2004 to April 2010), there are however specific categories of crime that the community police forums and the police must work on. These stats are not current.

They are:

CATEGORY	ADDO		PATERSON		KIRKWOOD		
	2004	2010	2004	2010	2004	2010	
Total sexual crimes	39	58	9	19	67	77	
Assault with intent to inflict grievous bodily harm	230	191	84	90	489	287	
Burglary at residential premises	198	150	40	47	239	167	
Murder	16	13	2	4	10	19	
Stock theft	47	41	45	17	66	26	
Drug related crime	13	46	5	12	105	88	

Enon-Bersheba community in conjunction with the community police forum has requested that the unused mobile clinic at Bersheba be used as satellite police station. The police also support the call and an application to that effect was forwarded to the municipality and approved.

### **Traffic Services**

SRVM is rendering a full traffic service to the communities within the jurisdiction of the Municipality. The services rendered are as follows;

- Law enforcement,
- Traffic emergency services (accidents, incidents & disasters),
- Motor vehicle registration and licensing
- Roadworthy services (currently not functional due to upgrading).
- Drivers licensing functions is partly operational (applications for renewal of drivers' licences; application for learners' license; application for driver's license). Regular maintenance needs to be done for the testing route to be compliant with national norms.
- Application for professional driving permits & dangerous goods. We are registered as a grade "A" driver's license testing and roadworthy testing centre.

### **Drivers License Section Current Status**

- The section is functional and is working under pressure due to shortage of staff. We are currently need two examiners to attend to eye testing daily. Currently we have one person.
- We got 3 examiners in total of which one is assisting with eye testing.
- One clerk at the reception which is not enough to attend to public and answering the phone
- Tests needs to be cancelled after rain as the testing ground is inaccessible
- Relocate testing grounds to Sonop (submit proposal)
- The drivers licence building need repair and maintenance urgently

SRVM will be investigating the construction and establishment of the Weighing Bridge in the area of Addo and Mobile Weighing Spots/Scales across SRVM major National and Provincial Roads. This will improve Law Enforcement and ensure that Heavy Duty Vehicles travelling in our area don't overload and in return damage the existing road infrastructure. This has been transferred to the Office of the Municipal Manager.

### **2.3.5. Disaster Management Plan**

The Disaster Management Act defines disaster management to mean a continuous and integrated multi-sectorial, multi-disciplinary process of planning and implementation of measures aimed at:

- Prevention or reducing the risk of disasters
- Mitigating the severity of consequences of disasters
- Emergency preparedness
- A rapid and effective response to disasters
- Post-disaster recovery and rehabilitation
- All Local Authorities and the District Municipalities are required, in terms of legislation, to prepare disaster management plans as outlined in the Bill.
- Various District Municipalities have embarked on this process on a regional level, including the local municipalities

The draft Disaster Management Plan is available. The District Municipality has developed and adopted a Disaster Management Plan in December 2017 and all Municipalities are encouraged to customise the plan taking into consideration their respective contextualises. The Disaster Management function has always resided with the District Municipality, the enabling Act has allowed local municipalities to perform this function in conjunction with the District and as a result the following functions now apply

- Disaster prevention/risk reduction Disaster mitigation priorities and the promotion of sustainable livelihoods
- Disaster preparedness
- Disaster response and relief
- Post disaster recovery, rehabilitation and reconstruction
- Establishment of effective management of the function
- Strategies to ensure the involvement of the community and volunteers

- A satellite Fire Station in Paterson and Addo is required

Following the assessment exercise of the identification of priority risks, the disaster risks identified to be high priority of the district were accidents, fire and floods. The top ten priority risks in Sundays River Valley Municipality are:

- Water pollution
- Sewerage and drainage
- Heat wave
- Human epidemic diseases
- Electricity supply disruptions
- Service disruptions
- Severe storms
- Air pollution
- Illegal/uncontrolled solid waste disposal
- Fires

The staff compliment in the Fire & Disaster Unit is eight, inclusive of the Chief Fire Officer. The Chief Fire Officer in fire division and the section is headed by the Director of Community Services. Additional three of the fire fighters in the Unit are appointed through the funding from the SBDM in line with the Service Level Agreement entered into between SRVM and SBDM.

There are plans in place to operationalize a 24hourly emergency service of Day and Night shift system. Re-opening Satellite Station in Addo & Paterson which will assist the response related to fires and disasters and this again is in line with SRVM Council resolution of decentralisation and improvement of Emergency Services, the plans of the district budgeted funds for the development of an emergency centre in Paterson is still on the awaiting.

KPI	CHALLENGES	SOLUTIONS
Public Information & Education Relations	<ul style="list-style-type: none"> <li>▪ Equipment to perform demonstrations</li> <li>▪ Members to conduct awareness</li> <li>▪ Unavailability of most community members during working hours</li> <li>▪ High influx of people during citrus season make it difficult to reach them</li> </ul>	<ul style="list-style-type: none"> <li>▪ Availability of awareness material</li> <li>▪ Designated employed to facilitate such programs</li> <li>▪ A continuous community awareness, and avail our programs to partake in other community activities</li> <li>▪ Avail our information at working stations</li> </ul>
Fire Safety	<ul style="list-style-type: none"> <li>• Influx and Mushrooming of Spaza Shops</li> <li>• Noncompliance by Spaza Shops &amp; Street Vendors</li> <li>• Erection of buildings without proper preapproval plan</li> <li>• Buildings not complying to Fire Safety Regulations</li> <li>• Increase of informal settlements</li> </ul>	<ul style="list-style-type: none"> <li>• The approval of Fire By-laws by the Council</li> <li>• Availability of Peace Officers to enforce the by-laws</li> </ul>
Operations	<ul style="list-style-type: none"> <li>• Fast area to cover</li> <li>• Old fleet with continuous breakdown</li> <li>• Difficulties to handle an emergency</li> <li>• Big industrial buildings which challenges our capabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Need of satellite fire stations</li> <li>• New fleet to effectively perform as needed</li> <li>• Additional firefighters and purchase of latest technology equipment</li> </ul>

#### 2.3.6. Environmental Health Services (Municipal Health Services)

Municipal Health Services (MHS) what was historically known as Environmental Health and MHS is a function and a competency of Sarah Baartman District Municipality (SBDM) and SRVM is rendering MHS on behalf of SBDM in its area of jurisdiction. The Municipality is responsible for Municipal Health services which mainly focus on:



- Water quality monitor
- Communicable disease
- Waste Management
- Disposal of Dead.
- Food control
- Food premises licenses
- Health surveillance of premise

SRVM through the Service Level Agreement (SLA) that entered into with SBDM is allocated annual subsidy from the SBDM for this service (MHS). In order to render MHS, SRVM appointed two Environmental Health Practitioners (EHP's) in its staff establishment.

Environmental Approved Tariffs/ SERVICE	TARIFFS	
	NEW APPLICATION	RENEWAL
Certificate of Acceptability (CoA)	R157,50	R105,00
Certificate of unsound foodstuff (Condemns Certificate)	R210,40 per hour R1050 per item/foodstuff	N/A
Condemnation Fine per item		
Health Certificate (Creches, Schools, etc)	R157,50	R105,00
Application for exhumation	R1050,00	N/A
Application for reburials	R500	N/A
Re-issue of all Certificates	R105,20	N/A

Emanating from complaints about poor quality of water and waste management, Council has resolved that the budget for Environmental Health (MHS) is mainly focused on water quality monitoring, cleaning of illegal dumping spots, education and awareness programs. The above focus areas are elaborated herein under:

#### a) Water Quality Monitoring

The SRVM has three (3) Water Purification Plants (Kirkwood, Addo and Bersheba). Drinking water quality is being monitored on a monthly basis for bacteriological and chemical analysis as required and in compliance with the National Health Act and its quality measured against SANS 241 and the SRV sampling points are as follows:

- Kirkwood Town Clinic
- Kirkwood Water Purification Plant
- Bergsig Clinic
- Moses Mabida Community Hall
- Enon Post Office
- Bersheba Water Purification Plant
- Bersheba Albert Stores
- Addo Water Purification Plant

- Nomathamsanqa Communal Tap
- Sonwabo Street
- Valencia Apolis Street
- Moreson Stand Pipe
- KwaZenzele Communal Tap
- Glenconner
- Kleinpoort

On a monthly basis a total of fifteen (15) drinking water samples are taken to the laboratory for analysis. The results received from the laboratory are interpreted to ensure compliance, if there is a non-compliance; a re-sampling is taken to the laboratory within 7 days to check if the failure is repeated. If the failure is repeated in the re-sampling the early warning is sent to the Infrastructure and Technical Services for further investigation and intervention and the affected communities are alerted through issuing "Boil before Use Notice" as a precautionary measure and in the interest of public health protection. The results are reported to the Department of Water Affairs on a monthly basis through e-WQMS.

#### **b) Air Quality Management**

The municipality seeks assistance from DEDEAT to develop Air Quality Management Plan (AQMP). The district has however the AQMP but it has not yet been cascaded to local municipalities.

#### **c) Climate Change**

There is no policy for climate change. However, the municipality needs to systematically develop resistance to the impact of climate change and agriculture. Development planning should take into account at least the following:

- Infrastructure development needs to take account of the changing variables such as higher returns period for flooding and drought, more extreme weather events, and sea level rise.
- Development plans and programmes need to take into consideration the growing need for climate change mitigation and clean energy projects

### **2.3.7. Waste Management**

The municipality has a fully integrated waste management service which is executed by the department of Community Services (household collection, transportation and disposal) and Technical Services currently responsible for the management of the Landfill Sites. Refuse is collected two days per week in business areas and once for residential areas per week. In Lower Valley which include Addo, Valencia, Nomathamsanqa, Paterson, KwaZenzele, Moreson and Enon-Bersheba (Upper Valley) waste is collected by local Co-operatives.

There are three landfill sites in the Sundays River Valley Municipal area of jurisdiction, with all three fully operational. Two landfill sites (namely Kirkwood and Sunland) which in the past were a challenge as they were illegal (without an operating license) are currently licensed and the only challenge is in the poor management of the sites; hence funds will be sought from the National Department of

Environmental Affairs (DEA) through their Environmental Protection Infrastructure Programme (EPIP) and any other funders in the coming financial period. This is to improve the status of the landfill Sites and to ensure compliance with the License Condition and the requirements of the Waste Act. The current Integrated Waste Management Plan (IWMP) was done with the assistance of the Sarah Baart District Municipality. For the maintenance of the landfill sites we have entered into a service level agreement for the Sunland landfill site. The two remaining sites are maintained by the municipality at scheduled intervals.

#### **2.3.7. Environment**

The Spatial Development Framework provides a detailed analysis of the topography, vegetation and geology of the area. Of particular interest to the IDP we include the sections relating to recreation, tourism and conservation, considering their high relevance to the local economic development framework.

The Municipality has engaged with these sectors via participation in partnerships such as the Mayibuy'indlovu Development Program and the Addo Elephant National Park. Learners visit the park for environmental education programmes, and also involved in Water Week Celebrations, Arbour Day, Marine Week, National Science Week, Women' Day, Youth Day, South African National Parks Week and the CWP.

The Environmental Management Plan (as required by the IDP) is limited to the involvement of the Municipality with the Cacadu District Municipality process. Waste management at the municipality's waste sites does not comply. EIA needs to be conducted by external auditors from DEAT in order to manage waste site effectively. Currently all three waste sites are not registered. Poor management of waste site has a detrimental effect on the environment. The necessary step needs to be followed include among other: Proper management tools i.e. IWMP; fencing of sites; monitoring gates; waste recording; recycling; waste minimising; waste management awareness.

**Key environmental legislation requires that the IDP is aligned with:**

- The National Environmental Management (107 of 1998): The Municipality must provide services sustainably, encourage cooperative environmental governance and ensure that EIAs and Basic Assessments are implemented where required.
- The National Environmental Management: Biodiversity Act (10 of 2004): The Municipality should compile an alien plant management plan for municipal-owned land, and must consider threatened ecosystems (the Endangered Albany Alluvial Vegetation as integrated into the Biodiversity Sector Plan & SDF), while aligning with the National Biodiversity Framework (NBF), 2009 (gazetted in terms of this Act). The NBF requires municipalities, with other lead agents (e.g. Eastern Cape Parks), to assist with establishing provincial stewardship programmes, including managing alien invasive plants.
- The National Water Act (36 of 1998): The Municipality should not undertake activities that cause pollution of water resources, ensure that township developments include a 1:100 flood line on proposed layout plans, and it gives effect to the purpose of the Act (i.e. water resource protection)

- The National Environmental Management: Integrated Coastal Management Act (24 of 2008): The Municipality should develop a coastal management programme. In the case of the SRVM, the majority of the coastline is designated as a formal Protected Area and managed by South African National, apart from a small stretch south of Spring Mount.
- The National Environmental Management: Waste Act (54 of 2008): The Municipality must integrate its waste management plans with its IDP to secure ecologically sustainable development.
- The National Forest Act (84 of 1998): The Municipality should not remove forest without an authorisation from the Department of Forestry.

Numerous policy documents require the consideration of biodiversity in municipal planning for sustainable development, e.g. The National Spatial Development Perspective (2003), The National Strategy for Sustainable Development (2006), and The National Framework for Sustainable Development (2008), while the Provincial Spatial Development Framework requires the integration of important biodiversity areas, such as Critical Biodiversity Areas. The IDP is therefore required to be aligned with national and provincial programmes and strategies in terms of the Local Government: Municipal Systems Act (32 of 2000). Importantly, the Constitution (108 of 1996) necessitates ecologically sustainable development, as stated in the environmental clause of the Bill of Rights.

### **Tourism**

The recreation and tourism potential of the SRV area is fairly well developed with tremendous potential for further expansion and improvement. Recently, the area has gained a strong reputation as a tourism destination due to the development of conservation and eco-tourism in the area, with specific reference to the Greater Addo Park initiatives. Robust marketing is being carried out through the 7 wonders marketing strategy with Addo being the 1<sup>st</sup> wonder of our world. A number of tourism and conservation initiatives are currently underway with a large increase in eco-tourism and game farm orientated activities.

The expansions of the Addo Elephant National Park or the Greater Addo Initiatives are playing a major role in tourism and development in the area. This strength will continue and expand in the future with an emphasis on the eco-tourism and gaming industries. The Sunday's River Municipality is currently playing an important role with respect to these initiatives. Addo Elephant Park, amongst other parks has been identified by the National Department of Tourism as one of the parks that will roll out the domestic tourism scheme that encourages domestic tourism and promotion of social tourism. The aim is to develop the culture of travel by making it more affordable and accessible.

Leisure tourism is the strongest subsector in the area. In partnership with the district municipality and Eastern Cape Parks Board, more marketing strategies will be enhanced. Accommodation in the form of bed and breakfast establishments and guesthouses outside game farms on the Addo Park boundary are secondary uses which show an increase in popularity and growth. A number of guidelines in support of the growing tourism industry with respect to Land Use Management are included in this Spatial Development Framework. Existing initiatives by the Municipality in preparing a Tourism Plan and Local Economic Development Plan should further enhance the tourism potential of the area.

A number of provincial, local and private reserves and nature areas exist within the study area. The STEP and Greater Addo Park project are further contributing to the conservation potential of the area.

***The following nature and conservation areas are dominant in the study area:***

- Addo Elephant National Park including Kuzuko Game Reserve, Woody Cape Nature Reserve, Alexandria Coast Reserve, Alexandria State Forest, San Soucie, Boschhoek, Boxwood and Congos Kraal
- Inthaba Lodge
- Goodhope Reserve
- Voetpadskloof/Citruslandgoed
- Scotia Safaris
- Shamwari Game Reserve
- Amakhala Game Reserve

It is of significance to note that planning domain of the Greater Addo Park initiative includes the towns of Paterson, Addo and Kirkwood.

### **Greater Addo Elephant National Park Project**

The spatial and economic impact of the Greater Addo Park within the study area is of critical importance, specifically regarding future planning and development and the integration of park activities and settlement patterns within the Sunday's River Valley Municipal area.

Expansion plans for the Park are focused around the establishment of a 372 000 ha terrestrial zone in addition to a 120 000 ha marine reserve which would include the Bird and St Croix Islands group in Algoa Bay. These plans would see Addo becoming the third largest conservation area in South Africa after the Kgalagadi Trans frontier Park and Kruger National Park. The expansion includes opportunities not only for a core conservation area managed by the SANParks, but also makes provision for a private contractual area within the planning boundary. Driving the expansion are efforts to conserve representative examples of the varied landscapes and their associated biodiversity patterns and processes, while simultaneously promoting sustainable development and eco-tourism in the region.

Critical to the expansion of Addo is the identification of a key area within a greater planning domain, loosely related to the proposed 'Greater Addo' boundary, which would conserve the unique features of the area. The dynamic conservation plan developed by the consultants for the region will allow SANParks to make informed decisions around which area should be prioritised for such conservation efforts.

It is the vision of SANParks that a critical core conservation area will be established that would be in excess of 250 000 ha and would be able to support viable free ranging populations of the 'Big 5' tourist draw cards. However, the Park will offer much more than just the lure of the 'Big 5' in a malaria free environment. With the proposed inclusion of a marine protected area, species such as the southern right whale and great white shark are guaranteed to ultimately make the park a 'Big 7' destination. Furthermore, with the emphasis on the conservation of biodiversity, a complete wildlife experience is



possible across a series of landscapes unrivalled in beauty, all within a single conservation area. At the moment the bulk tourism activities are restricted to the main elephant camp, which is only some 13 500 ha.

At the moment Addo receives about 115 000 visitors each year, of which 50% are foreign, and this figure is on the increase. A number of new developments are on the horizon to cater for a range of visitor aspirations from the first-time visitor or wildlife generalist, to the specialist, with the prime objective being to accommodate tourists for a longer period in the Park.

Not the least of these includes a new entrance gate and camp being planned near the Sunday's River and the N2 national road. Accommodation will range from the standard SANParks camps/camping sites and bush camps accessible to non 4x4 traffic, to sophisticated, "up-market" camps operated by concessionaires. Any developments will take place in designated zones to minimize the impact on sensitive environments.

The Park expansion also has opportunities for local communities to derive benefits from the Park. Developments and a number entered into sector are being run by a private tour operator, Bukani Tours.

The plans for expansion have also seen the creation of a suite of broader based forums and focus groups that include representation from local communities, business, tourism and industry.

### **People and Parks Project**

This project is supported by **Resource Africa**; it educates people about the parks and the Tangible and intangible benefits from the parks, Also about the seasons that the traditional healers can be allowed to dig their roots. Resource Africa auditioned traditional groups around SRV and the group from Paterson took the first place they going to be awarded by the equipment.

### **SPAR KIRKWOOD WILDFEES**

SVR has partnered with SBDM to market the area through events so as to draw more visitors into the hinterland. The SPAR Kirkwood Wildsfees is amongst the events that the LM supports as it has become the key event for attracting tourists into the area. It is a benchmark for community owned and fun family festivals nationally. It was initiated in 2002 by the then Sundays River Valley Tourism body as a means of promoting tourism to the valley, which borders on the world-famous Addo Elephant National Park. The main objective behind the growth of tourism to the Sundays River Valley is to create sustainable year-round jobs which provide meaningful work and marketable skills. As a measure of its success, over 80 new tourism products have opened in the valley since the first festival – with most sustaining jobs. Tourism investors are also showing more interest in the area after experiencing the popular Eastern Cape Flagship event.

Another major boost to tourism is the disease-free buffalo and other prime game from the Addo Elephant National Park and other national parks and top-quality breeders which have helped to grow

the nature tourism appeal of the province. The premier Game Auction held in collaboration with SANParks, is a core to the event and demand for their disease-free strain is high.

The Wildsfees is a legacy project and is firmly established as an annual event, with thousands of dedicated festinos. The event continues to grow and to be relevant to the people of the Sundays River Valley because it is proudly community-owned. It is a team effort that involves a large number of organisations and individuals from all walks of life in the Sundays River Valley and immediate surrounds.

This provides a good basis for Sundays River valley to develop event tourism

#### **TOURISM SMMEs**

It is evident that there are few established black owned businesses in the area and a key challenge is to identify business opportunities and support the development of businesses in relation to this. Further funding has been made available by SBDM to roll out township tourism and create opportunities based on such.

#### **LOCAL TOURISM ORGANISATION**

The LM working with other partners (ECPTA and SBDM) has worked towards strengthening the Local Tourism Organisation for tourism coordinated efforts and to ensure community participation in the structure. SBDM has further assisted with minimum budget for SRV to ensure that the area is further marketed through this structure.

#### **LOCAL TOURISM AWARENESS PROGRAMMES**

Through forged partnerships with Eastern Cape Parks and Tourism agency and the district Municipality, the LM further embarked on Tourism Awareness programmes that aim at increasing women and youth participation in the industry by creating awareness of the industry and opportunities within the industry. Both partners have set budget aside for future engagement with the communities so that they enter into the economic mainstream.

#### **The Biodiversity Sector Plan for the Sundays River Valley Municipality (2012)**

The Biodiversity Sector Plan (BSP) for the SRVM represents the biodiversity informant for all multi-sectoral planning procedures, such as the Integrated Development Plan and Spatial Development Framework. It is intended to support land-use planning and decision-making in order to achieve the sustainable development agenda. The BSP is comprised of a relatively fine-scale Critical Biodiversity Areas (CBA) Map, mapped at a scale of 1:20 000 (Skowno and Holness, 2012) (Refer Figure 1). Associated with the CBA Map is a set of biodiversity-compatible land-use guidelines, including a series of land and water use management guidelines. The BSP also includes an explanatory handbook (with a biodiversity profile) and the various maps used to prepare the CBA Map (e.g. vegetation, rivers, wetlands and land cover)<sup>2</sup>.

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<sup>2</sup>The production of the Biodiversity Sector Plan was funded by the French Global Environmental Facility and implemented by South African National Parks (Park Planning and Implementation: Conservation Services).

The CBA Map has refined the spatial accuracy of the Eastern Cape Biodiversity Conservation Plan's (ECBCP) CBA Map (Berliner and Desmet, 2007<sup>3</sup>), including the Subtropical Thicket Ecosystem Programme (STEP) Map (Cowling *et al.*, 2003<sup>4</sup>). In other words, it is a more accurate spatial representation of important biodiversity areas in the SRVM and therefore supersedes the aforementioned maps. The CBA Map divides the landscape into formal Protected Areas, Critical Biodiversity Areas, Ecological Support Areas, Other Natural Areas and No Natural Areas Remaining. The first three categories represent the biodiversity priority areas, which should be maintained in a natural to near-natural state, with low intensity developments possible. The remaining two categories are not considered biodiversity priority areas, and can be targeted for sustainable development. The land use guidelines are specified for Critical Biodiversity Areas and Ecological Support Areas, while the general land use management guidelines are specified for Critical Biodiversity Areas, Ecological Support Areas and Other Natural Areas.

## 2.4 KEY PERFORMANCE AREA: LOCAL ECONOMIC DEVELOPMENT

### PHASE 1 – SITUATION ANALYSIS

#### A. Is the socio-economic analysis underpinned by quality assured data? (Source and up-to-date)

The source used for data is accredited and has reference. Most of the data is recent. Following are the sources of data:

- Stats SA 2016 Community Survey
- ECSECC 2016
- QUANTEC 2016
- Stats SA
- Population by Gender and Growth Rate

Total Population			Growth Rate
Age group	2011	2016	2011-2016
0-4	5682	5001	-2.55
5-9	4839	5923	4.04
10-14	4057	6495	9.41
15-19	4560	6162	6.02

<sup>3</sup>Berliner, D. and Desmet, P. 2007. Eastern Cape Biodiversity Conservation Plan: Technical Report. Department of Water Affairs and Forestry Project No 2005-012, Pretoria. 1 August 2007.

<sup>4</sup>Cowling R.M., Lombard A.T., Rouget M., Kerley G.I.H., Wolf T., Sims-Castley R., Knight A., Vlok J.H.J., Pierce S.M., Boshoff A.F. and Wilson S.L. 2003. A conservation assessment for the Subtropical Thicket Biome. Terrestrial Ecology Research Unit Report No.43, University of Port Elizabeth.

20-24	5344	5095	-0.95
25-29	5473	5784	1.11
30-34	4341	5013	2.88
35-39	4254	4422	0.77
40-44	3787	3721	-0.35
45-49	3145	3500	2.14
50-54	2679	2191	-4.02
55-59	2055	2342	2.61
60-64	1451	1556	1.40
65-69	993	1178	3.42
70-74	829	469	-11.39
75-79	441	474	1.44
80-84	283	340	3.67
85+	290	127	-16.51
<b>TOTAL</b>	<b>54503</b>	<b>59793</b>	<b>9.8</b>

Source: Stats SA: 2016 Community Survey

The graph indicates a negative growth rate in the 0-4yrs age group. This could possibly be the decline in the birth rate. Sundays River Valley has a large percentage (66%) of its people younger than 35 years, this means in future the valley will experience rapid population growth unless death rates rise sharply.

#### Population Group: Stats SA community survey

Table 1	Population group				
	Black African	Coloured	Indian/Asian	White	Grand Total
Sundays River Valley	41,650	17,086	309	748	59,793

The population group is constituted by 70% black Africans, 29% coloured and less than 1% for Whites and Indians.

#### Population by Gender

Table 2	Gender		
	Male	Female	Grand Total
Sundays River Valley	31,136	28,656	59,793

The population by gender is constituted by more males at 52% than females at 48%. This could possibly be the in-migration of men in the valley for seasonal work.

### Highest Education Levels

Education level	Number
No Schooling	6819
Grade 0 – 5	16466
Grade 6 – 11	28372
Grade 12	5831
N4	51
N5	25
N6	30
Diploma	324
Bachelor's Degree	88
Honors	27
Masters	36
Other	269
Do not know	1224
Unspecified	232
<b>TOTAL</b>	<b>59794</b>

This table indicates that 75% of the total population have no grade 12 (no matric). Only 10% of the population has matric (grade 12). Less than 15% have further education. The youthful population suggests a need for prioritization of skills development and employment creation initiatives for youth.

### % levels of employment/unemployment

	Employed			Unempl oyed			Discourag ed work- seeker			Other not economically active		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
EC106: Sundays River Valley	10013	6072	16085	1243	1602	2845	455	689	1145	7511	9503	17014
Kirkwood	732	601	1333	110	101	211	26	25	50	885	1089	1974
Sundays River Valley NU	4391	1974	6364	138	343	481	90	238	328	2139	2307	4446
Enon	112	81	193	24	21	45	54	44	98	161	255	416
Bontrug	1072	850	1921	287	366	653	94	102	196	1260	1647	2906



Barsheba	173	115	288	20	36	55	12	8	20	123	172	295
Paterson	53	26	79	8	12	20	5	2	7	24	35	59
KwaZenzele	740	452	1193	351	392	743	92	112	204	544	786	1330
Nomathamasanqa	1697	1268	2966	213	224	437	68	122	190	1559	1984	3543
Addo	1043	705	1748	93	107	201	15	36	51	816	1228	2044

62% of the males in the valley is employed and only 38% of females are employed.

#### Sectors analyzed in terms of GVA and Employment

#### Employment by Sector

Industry	2005	2015
<b>Total</b>	<b>15,450</b>	<b>15,880</b>
Primary sector	9,440	6,793
Agriculture, forestry and fishing	9,437	6,790
Agriculture, forestry and fishing	9,437	6,790
Agriculture	9,296	6,689
Forestry	127	91
Fishing	14	10
Mining and quarrying	3	3
Mining and quarrying	3	3
Other mining and quarrying	3	3
Secondary sector	1,493	1,673
Manufacturing	718	949
Food, beverages and tobacco	431	768
Food	426	751
Beverages and tobacco	5	17
Textiles, clothing and leather goods	4	7
Wearing apparel	4	7
Wood and paper; publishing and printing	3	7
Wood and wood products	3	7
Petroleum products, chemicals, rubber and plastic	23	32
Basic chemicals	10	20
Other chemical products	10	10
Rubber products	3	2
Other non-metal mineral products	68	14
Non-metallic mineral products	68	14

Metals, metal products, machinery and equipment	40	44
Basic iron and steel products; casting of metal	2	2
Other fabricated metal products	21	21
Machinery and equipment	17	21
Transport equipment	71	37
Motor vehicles, parts and accessories	71	37
Furniture; other manufacturing	78	40
Furniture	4	8
Other manufacturing groups	74	32
Electricity, gas and water	49	59
Electricity, gas and water	49	59
Electricity and gas	22	36
Water	27	23
Construction	726	665
Construction	726	665
Construction	726	665
Tertiary sector	4,517	7,414
Wholesale and retail trade, catering and accommodation	1,527	2,622
Wholesale and retail trade	1,218	2,198
Wholesale and retail trade	1,218	2,198
Catering and accommodation services	309	424
Catering and accommodation services	309	424
Transport, storage and communication	313	535
Transport and storage	244	506
Transport and storage	244	506
Communication	69	29
Communication	69	29
Finance, insurance, real estate and business services	248	842
Finance and insurance	63	70
Finance and insurance	63	70
Business services	185	772
Professional business services	48	187
Business activities n.e.c.	137	585
General government	825	1,344
General government	825	1,344
National and Provincial government	753	1,147
Local government	72	197
Community, social and personal services	1,604	2,071

Community, social and personal services	1,604	2,071
Education (Private)	9	27
Health and social work (Private)	79	210
Other community, social and personal services	1,516	1,834

#### Sector Contribution to GVA

	2010	2011	2012	2013	2014	2015
<b>Total</b>	<b>1,367</b>	<b>1,440</b>	<b>1,502</b>	<b>1,559</b>	<b>1,619</b>	<b>1,653</b>
Primary sector	200	224	233	245	256	241
Agriculture, forestry and fishing	199	224	232	244	255	240
Agriculture, forestry and fishing	199	224	232	244	255	240
Agriculture	194	218	227	238	250	234
Forestry	5	5	5	5	5	5
Secondary sector	346	355	377	392	412	433
Manufacturing	266	274	294	309	325	340
Food, beverages and tobacco	219	226	247	262	278	292
Food	217	224	244	259	275	289
Beverages and tobacco	3	3	3	3	3	4
Petroleum products, chemicals, rubber and plastic	11	11	11	11	12	12
Basic chemicals	8	8	7	8	9	9
Other chemical products	3	3	3	3	3	3
Other non-metal mineral products	2	3	2	2	2	2
Non-metallic mineral products	2	3	2	2	2	2

Metals, metal products, machinery and equipment	5	6	6	6	6	7
Other fabricated metal products	2	2	2	2	1	1
Machinery and equipment	3	3	3	3	3	4
Transport equipment	11	12	12	12	12	12
Motor vehicles, parts and accessories	11	12	12	12	12	12
Furniture; other manufacturing	15	15	15	14	13	12
Other manufacturing groups	15	15	14	14	13	12
Electricity, gas and water	38	38	38	37	37	36
Electricity, gas and water	38	38	38	37	37	36
Electricity and gas	22	23	23	22	21	21
Water	15	15	16	15	15	15
Construction	43	43	44	46	51	57
Construction	43	43	44	46	51	57
Construction	43	43	44	46	51	57
Tertiary sector	820	861	892	922	950	979
Wholesale and retail trade, catering and accommodation	276	287	299	305	310	317
Wholesale and retail trade	247	258	269	274	278	285
Wholesale and retail trade	247	258	269	274	278	285
Catering and accommodation services	30	29	30	31	31	32
Catering and accommodation services	30	29	30	31	31	32
Transport, storage and communication	81	85	89	91	95	97

Transport and storage	70	74	78	80	84	86
Transport and storage	70	74	78	80	84	86
Communication	11	11	11	11	11	11
Communication	11	11	11	11	11	11
Finance, insurance, real estate and business services	134	145	154	169	182	197
Finance and insurance	32	33	34	33	32	33
Finance and insurance	32	33	34	33	32	33
Business services	102	113	120	136	150	165
Professional business services	73	82	89	104	106	120
Business activities n.e.c.	29	30	31	32	44	45
General government	228	238	243	247	253	257
General government	228	238	243	247	253	257
National and Provincial government	205	215	219	222	226	230
Local government	23	24	24	25	26	27
Community, social and personal services	101	105	107	110	111	111
Community, social and personal services	101	105	107	110	111	111
Education (Private)	9	9	9	10	8	9
Health and social work (Private)	31	33	34	34	40	41
Other community, social and personal services	61	64	64	66	63	61



### Income distribution in the economy

Annual Individual Income	No income	R 1 - R 48 000	R 48 001 - R 96 000	R 96 001 - R 196 000	R 196 001 - R 382 000	R 382 001 - R 764 000	R 764 001 - R 1 538 000	R 1 538 001 - R 3 076 000	R 3 076 001 - R 6 142 000	R 6 142 001 - R 12 284 000	R 12 284 001 - R 24 568 000	R 24 568 001 or more
EC106: Sundays River Valley	1730	547	970	3727	3944	2264	793	432	240	47	16	40
Kirkwood	125	43	82	206	274	244	151	108	63	10	2	11
Sundays River Valley NU	201	53	146	875	969	603	244	203	123	33	7	26
Enon	37	16	33	64	73	56	15	9	2	-	1	-
Bontrug	434	130	186	720	697	317	113	31	16	-	-	-
Barsheba	37	21	37	114	104	48	8	4	-	-	1	-
Paterson	14	-	1	10	10	13	17	10	3	-	-	-
KwaZenzele	267	110	135	427	400	222	66	25	10	2	-	1
Nomatham asanqa	440	120	257	860	876	455	106	24	11	-	3	1
Addo	175	55	92	451	540	308	75	18	12	1	1	-

### Grant Recipients in SRVM 2020

Local Office	Local Office Key	Grant Type		Number Of Beneficiaries	Number Of Children	Estimated Amount	Number Of Grants
KIRKWOOD/ADDO LOCAL OFFICE	260200	Old Age Grant		2 729		R4 857 620	2 729
			> 75 Years	697		R1 254 600	697
		Disability Grant	Permanent Disability	1 495		R2 661 100	1 495
			Temporary Disability	116		R206 480	116

	Foster Care Grant		419	R419 000	419
	Grant-In-Aid	141		R60 630	141
	Care Dependency Grant		117	R208 260	117
	Child Support Grant	(< 1 Year)	528	R227 040	528
		(1 Year)	708	R304 440	708
		(2 Years)	697	R299 710	697
		(3 Years)	631	R271 330	631
		(4 Years)	691	R297 130	691
		(5 Years)	736	R316 480	736
		(6 Years)	743	R319 490	743
		(7 Years)	709	R304 870	709
		(8 Years)	785	R337 550	785
		(9 Years)	744	R319 920	744
		(10 Years)	743	R319 490	743
		(11 Years)	799	R343 570	799
		(12 Years)	797	R342 710	797
		(13 Years)	805	R346 150	805
		(14 Years)	800	R344 000	800
		(15 Years)	706	R303 580	706
		(16 Years)	622	R267 460	622
		(17 Years)	523	R224 890	523
	Total		5 178	R15 157 500	18 481

Source SASSA

On a monthly basis approximately 18 481 grants are distributed to residents in the SRVM by SASSA, an amount of R 15 157 500 is paid out monthly and the grants or a total of R 182 000 000 per annum.

## Economic infrastructure

The SRVM has two primary economic sectors namely Agricultural Economic Sector and Tourism Economic Sector.

### Agricultural Sector

The primary agricultural sector is the leading and major economic sector. It remains the biggest and main contributor towards the overall SRVM economy. The SRVM has a good infrastructural base to support the development and growth of the agricultural sector. This consists of a well-developed irrigation system, road links as well as access to an airport and export base located within close proximity in Port Elizabeth. The majority of prime agriculture land in the SRVM area is largely privately-owned by white commercial entities operating citrus production as well as game farming activities in the area. There is a need for community gardens but land and water access remain major issues. A convincing number of women in the SRVM area have opted to

operate small food gardens in their own backyards for subsistence purposes. This unfortunately limits the ability of these communities to engage in massive food security production primarily to meet the bigger subsistence needs in the SRVM, but also to kick-start and sustain commercialized production activities aimed at improving local income generation capacity by the previously disadvantaged communities.

The municipality needs commonages that are fenced to be able to rent out to subsistence stock farmers. There is no pound in the municipal area and the situation poses a risk for road accidents. There are dipping tanks in all three nodal areas, however they all need to be upgraded. There is a need for livestock handling facilities in all the dipping tanks. Certain pieces of land that belong to the municipality and the community (kk 113 and Enon-Bersheba Citrus farm) have got an irrigation system that is currently vandalised. Enon-Bersheba communal land has fenced grazing camps and natural dams which must be provided with water. Access to water is the most glaring hindrance to the development of agricultural land. Some developing farmers resort to illegally abstracting water from the water canal.

The majority of people that are involved in agriculture are commercial and their infrastructure is in good condition. There are three tractors that were donated by the Department of Rural Development and Agrarian Reform and DRDLR for the emerging farmers of Sundays River. The farmers have established a committee that is responsible for the operational use of these tractors.

#### **Tourism Sector**

The Sundays River Valley is one of the three valleys in the Eastern Cape Province with a strong tourism potential, the others being the Gamtoos River Valley and the Langkloof. Tourism in the Sundays River Valley Municipality is viewed as the second largest industry to citrus production. The Sundays River Valley area offers a range of tourism products and experiences. These are largely eco-tourism products offering a variety of nature and conservation-based experiences to a large influx of foreign tourists. A number of projects aimed at increasing community participation within the local tourism industry have been identified. The majority of these projects are still in the planning phase resulting in what can be viewed as minimal participation by the SRVM community in local tourism at present. Communities in the SRVM, in particular those residing within the Addo area view the Addo National Park as a major catalyst that, with proper guidance and partnerships with locals, could assist them to participate effectively in tourism.

One learner was trained by the National Department of Tourism to collect data of tourism establishments in the Sundays River Valley.

#### **Infrastructure Profile**

Municipalities must ensure that people in their areas have at least basic services required to live a dignified life. These services include, but are not limited to:

- a) Access to water supply
- b) Sewage collection and disposal

- c) Access to electricity supply
- d) Access to sanitation
- e) Road Networks and storm-water

These services have a direct and immediate effect on the quality of the lives of the people in a community and the development of the municipality in particular. For example, if the water that is provided is of a poor quality or refuse is not collected regularly, it will contribute to the creation of unhealthy and unsafe living environments, drive away existing business and repel instead of attracting new business to SRVM. Poor services can also make it difficult to attract business or industry to an area and therefore limits job opportunities for residents

## **Water**

Raw water is extracted from boreholes on the outskirts of town. Raw water is pumped from the boreholes to two storage reservoirs. The water is chlorinated before being distributed to consumers. Sundays River Valley Municipality is the Water Service Authority (WSA) and is responsible for ensuring compliance with the Water Services Act 108 (1997), and that efficient, affordable, economical and sustainable water services are accessible to all its residents. The capacity of the Water Treatment Works at Kirkwood is 5.5Ml/day. The current water demand in Kirkwood is 3.15Ml/day. However, even though the Water Treatment Works is operating at full capacity the municipality fails to meet the demand of water. This indicates that there are high levels of non-revenue water losses in the reticulation system.

## **Sanitation**

The Sundays River Valley Municipality had previously shown drastic improvements to the Green Drop Score from 5.9% to 48%. The Sundays River Valley Green Drop Improvement Plan (GDIP) provides a system-specific work-plan to improve the 2012 Green Drop score of each of the 4 wastewater systems. The GDIP approach is to establish a baseline score for each Green Drop sub-requirement and then to identify a specific task to be undertaken by a specific individual with in a set target date.

The 'before' (2011) and 'after' (2013) Green Drop scores are provided as realistically possible, given that all the tasks had to be undertaken between June 2012 and February 2013. To date the Municipality has used the initial score of 48% as the its Baseline.

The GDIP forms the basis for a team effort by specific individual's identities involved in the improvement process to perform specific tasks within specific target dates

## **Electricity**

The Municipality's areas of jurisdiction are the following areas: Kirkwood, Bergsig, Moses Mabida and Aqua Park for electrical infrastructures. The outlying areas are serviced by ESKOM. The municipalities have engaged the services of BigenAfrica to develop a master plan that focuses on restructuring the electrical infrastructure in such a way that it will provide safety to operational staff, the general public as well as electrical infrastructures that would be capable to stimulate growth for the area. This exercise was completed in 2012.

The Master plan provides project costing for budget purposes based on cost estimates compiled for the different proposed infrastructure upgrading and/or strengthening projects that form part of the Electrical master Plan.

### **Waste Management**

The waste management objective is to provide quality, sustainable services to ensure a clean and healthy environment.

The Waste Management Sub-directorate provides an appropriate general waste collection service to households and businesses; cleansing services (street sweeping, litter picking, removal of illegal dumping on municipal public open spaces), as well as operating three general waste landfill sites.

The Upper Valley (Kirkwood Town, Moses Mabida, Bergsig, Msengeni and Aqua Park) is serviced in-house by SRVM cleansing staff.

The Lower Valley (Addo Town, Nomathamsanqa, Valencia, Greenfields and Noluthando, Paterson Town, Kwazenzele, Morrison and Enon/Bersheba) was once out-sourced to co-operatives or contractors but now it is taken over by the municipality.

### **Communication**

The number of households that have access to phones, either through cell phones or nearby public phones, grew from 2221 households in 2007 to 2494 in 2009. This was accompanied by a decline of about 311 households in 2009 which did not have access to phones, when compared to the base year of 2007 with 351 households.

	2007	2008	2009	2010
<b>Years</b>	2007	2008	2009	2010
<b>Total</b>	8858	9316	9317	9318
<b>In the dwelling/or cell phone</b>	2221	2463	2494	2525
<b>At a public phone nearby</b>	4436	4710	4756	4802
<b>At a neighbour nearby</b>	1205	1351	1366	1381
<b>At another location not nearby</b>	231	190	171	152

(Source: ECSECC 2010/2011)

### **Transport Networks**



Transportation is an essential ingredient of almost everything man does to supply himself with the necessities of life. Road transport is particularly important for developing countries, where it provides about 80 to 90 percent of the total inland and/or border crossing transport of people and goods. An effective road network can hasten progress in agricultural and rural development, industry and trade, the viability of urban areas, and the expansion of jobs, education and personal opportunity. The World Bank's Long-Term Perspective Study emphasizes that although better market incentives (especially related to prices and inputs) to farmers remain important factors in agriculture, the effects of these would be blunted if the physical barriers and economic costs of transporting goods to and from markets remain high.

SRVM boast of:

- ✓ 2 National Roads **N2** and **N10** which are in good condition and currently maintained by SANRAL.
- ✓ 4 Tarred Provincial Roads –R72, R75, R335, R336 which are fairly good condition save of the R335 and R336 which are in need of some patching ups.
- ✓ A number of gravel provincial roads that are in need of urgent attention as most of them are full of potholes.
- ✓ Municipal Streets – all internal municipal streets are in urgent need of repairs and some needs paving in order to looks attractive to business.

SRVM also boasts of a rail line that was once used to transport citrus produce to markets but is in serious need for refurbishment as some parts of the rail are no longer serviced and hence inaccessible. There is an urgent need for the refurbishment of these railway lines in order to cut costs and reduce pressure on roads [the bulky nature of citrus produce is mainly suited for rail transport more than road].

#### **LED priorities aligned with the national, provincial and district objectives**

Local economic development and the drafting of the Sundays River Valley municipal LED strategy and priorities is guided by the principles and objectives of the National Development Plan, the New Growth Path, the National Spatial Development Perspective (NSDP), etc.

The LED Plan had ensured synergy and alignment with the objectives of national and provincial government programmes. In addition to the Constitution, a number of government policies and statutes are relevant to LED at the local government level, which includes the following:

- White Paper on Local Government (1998)
- National Framework for Local Economic Development in South Africa
- National Spatial Development Perspective
- National Development Plan
- Accelerated & Shared Growth Initiative for South Africa (ASGISA)
- Joint Initiative on Priority Skills Acquisition (JIPSA)
- Provincial Growth and Development Plan: 2004 – 2014
- Spatial Development Plan: Eastern Cape Province

- Broad-Based Black Economic Empowerment Act (BBBEE), Act 53 of 2003

### **White Paper on Local Government**

The White Paper on Local Government (1998) reinforces the concept of developmental local government which is defined as:

“Local government committed to working with citizen and groups within the community to find sustainable ways to meet their social, economic and material needs and to improve the quality of their lives”

It further states that the powers and functions of local government should be exercised in such a way that it has maximum impact on the development of communities, to meet the basic needs of the poor and to grow the local economy.

Due to its influence on local economies, local government needs a clear vision for the local economy and needs to work in partnership with local business to maximise job creation and investment by taking responsible steps to ensure the overall economic and social conditions of the locality are conducive to the creation of employment opportunities.

**Relevance:** The White Paper guides LED at a local government level, as it advocates support services and leadership in the field of economic development, and provides a mandate for LED to create an enabling environment for sustainable economic growth.

### **National Framework for Local Economic Development in South Africa**

The National Framework for LED in South Africa seeks to mobilize local people and resources, within the framework of the PGDP and NSDP, to become competitive in the economic marketplace, both domestically and internationally. The anticipated outcomes of the framework over the next five years were:

- **Build Public and market confidence in municipalities** - good governance, effective intergovernmental coordination, infrastructure investment capability
- **Identify and exploit the comparative and competitive advantage of each region** – a better understanding of the opportunities and constraints in local economies should inform a more balanced development path
- **Intensification of enterprise support** – SMME has greater capacity to absorb labour and is key in improving equity in ownership of the economy
- **Sustainable Community Development**- interventions in areas where there are no markets to bring about sustained growth

**Relevance:** The National Framework for LED in South Africa sets out the roles and responsibilities of government in terms of conducting LED. At a provincial level, the primary responsibility of government is to ensure adequate leadership at a local level, while local government is responsible for direct policy making (i.e. development of by-laws, ensuring the proper rezoning of land, administering policy programs and projects, initiating economic development programs) Thus that the LED strategy/ plan would be the mind – map for economic intervention in the municipal space.

## **National Spatial Development Perspective**

The National Spatial Development Perspective guides all infrastructure investment and development spending.

Key to this is ensuring that:

- Economic growth is a prerequisite;
- Spending on fixed investment beyond constitutional obligation of basic services should focus on areas with economic potential;
- Areas with low development potential – beyond basic services, focus on social transfers,
- HRD and labour market intelligence to give people more sustainable opportunities;
- Channel future settlement and economic development opportunities into activity corridors adjacent to main growth centers.

**Relevance:** The primary emphasis of the NSDP is to reconfigure spatial relations and implement spatial priorities that meet the Constitutional directives of providing basic services and alleviating poverty and inequality. The NSDP thus identifies areas where there is either economic development potential or high levels of poverty. Therefore the municipal SDF would be utilized and inform LED programs / projects to implemented in the municipal space.

## **Accelerated & Shared Growth Initiative for South Africa (ASGISA)**

The Accelerated and Shared Growth Initiative for South Africa (ASGISA) is a strategy that aims to achieve a higher and sustained rate of economic growth, through greater socio-economic inclusion in the development of the South African economy.

The objectives set out by ASGISA include:

- Halve poverty from one-third of households in 2004 to one-sixth of households by 2014.
- Halve unemployment by about 30% in 2004 to less than 15% by 2014.
- Average annual economic growth rate of 4.5% per annum to 2009 and 6% growth per annum from 2010 onwards.

**Relevance:** Since ASGISA is the guiding economic policy document for South Africa, it is necessary for the Sunday River Valley municipality LED strategy / plan to align itself with the national priorities set out in ASGISA. In this respect the Sunday River Valley LED strategy should focus on the tourism, agro-processing and agriculture sectors. Furthermore, the LED strategy should focus its development plans on the target groups identified in ASGISA particularly women, youth and the disabled.

## **Spatial Development Plan: Eastern Cape Province**

The Spatial Development Plan (SDP) is intended as a coordinating document that sets out a broad framework for the investment of public funding and management of development in the Eastern Province, towards achievement of a common vision and set of objectives.

The objectives of the SDP are:

- To provide a coordinating Provincial spatial framework to dovetail public sector investment towards a common vision and set of objectives
- To provide a policy framework to give direction to all other development agencies in the Province regarding the priorities of government
- To make public investment programs more efficient
- To provide opportunities for creating an environment within which communities and the private sector can operate more effectively to achieve sustainable economic growth in the Province
- To protect natural systems
- To make efficient use of resources at a Provincial level
- To avoid duplication by different departments and spheres of government

## **Relevance**

The approach to investment and management as outlined in the Provincial Spatial Development Plan provides a framework for the development of both LED strategies and Spatial Development Frameworks at a local government level.

## **Broad-Based Black Economic Empowerment Act (BBBEE), Act 53 of 2003**

The objective of BBBEE Act is to substantially increase the number of black people who have ownership and control of new and existing enterprises, and the number of black people in executive and senior management positions. In this Act 'black people' refers to Africans, Colored's and Indians. 'Broad-based black economic empowerment' means the economic empowerment of all black people including women, youth, people with disabilities and people living in rural areas; through diverse but integrated socio-economic strategies that include but are not limited to:

- Increasing the number of black people that manage, own and control enterprises and productive assets;
- Facilitating ownership and management of enterprises and productive assets by communities, workers, cooperatives and other collective enterprises;
- Human resource and skills development;
- Achieving equitable representation in all occupational categories and levels in the workforce;
- Preferential procurement; and
- Investment in enterprises that are owned or managed by black people:

**Relevance:**

These BBBEE policy objectives will serve as a guide in the development of an LED strategy that promotes the participation of black people in the economic mainstream, as the successful implementation of BBBEE will be evaluated against the economic transformation and empowerment of rural and local communities.

**Growth and Development Summit Agreement, 2007**

The GDS Agreement was completed and signed in April 2007 and identified sector development as one of the strategic pillars of the strategy. Sector development seeks:

- a) To grow the numbers and improve the competitiveness and productivity of small, medium and micro enterprises
- b) To increase the numbers and productive capacity of SMMEs and large enterprises in the specific sectors of the economy
- c) To improve the quantity and quality of jobs created by SMMEs and large enterprises
- d) To increase the contribution of the targeted sectors in terms of employment and GGP contribution

**Relevance:** To ensure that the objectives of the GDS are expressed in the SRLM LED Plan.

**National Development Plan (Vision 2030)**

The National Development Plan (2011, p.1) presents a long-term Vision Statement of charting a new growth path for South Africa, stating that by 2030, the country should have eliminated poverty and reduced inequality by

- Creating jobs and improving livelihoods,
- Reduce poverty, and inequality,
- Expand economic infrastructure,
- Transit to a low carbon economy,
- Create an inclusive and integrated rural economy,
- Improved quality of education,
- Provide training and encourage innovation,
- Provide quality health care,
- Build a capable state,
- Fight corruption,
- Enhance accountability,
- Transforming society,
- Uniting the nation, and
- Provide adequate social protection



## **Industrial Action Plan**

The Industrial Action Plan advocates for the following:

- To contribute to rural development,
- Promote agro-processing,
- Development of cultural industries,
- Promote tourism,
- Advance technology development,
- Promotion and development of the green economy,
- Adopt energy efficient goods and services,
- Encourage mineral beneficiation,
- Strengthen linkages,
- Integration of sector strategies

The analysis of the economic profile and trends in Sundays River Valley Local Municipality (SRVLM) forms the basis of identifying comparative and competitive advantages and economic potential opportunities that may be exploited by the municipality for the benefit of local residents. Sundays River Valley is the leading region in citrus production in South Africa. SRVM has access to a constant supply of irrigation water through the canal and that makes production more favourable to areas that depend on rain water. The rationale for successful economic revitalization of SRVM lies in some of the following salient comparative and competitive features:

- Proximity of SRVM to the Nelson Mandela Bay Metro presents a readily available market for this rural community.
- Proximity of local business to the Coega harbour for cheaper export costs
- Land availability for new development that is already identified for future development initiatives
- Established local commercial farming and tourism infrastructure
- Possibility of relocation of District municipality and other Provincial Government Departments' offices to Kirkwood
- Established road and rail infrastructure
- Natural resources as portrayed by the local landscape and warm climate that sustains the key agriculture and tourism sectors
- SRVM is identified and funded by the Premier for town revitalization project.

The economy of the SRVM bears the typical characteristics of the rural area; with agriculture having a dominating role in the economy of the area. Although tourism is not formally regarded as a sector, its contribution to the area's economy is significant enough to take cognisance of.

The LED strategy reflects the economic development concepts listed below as a result of broad consultative process. These form part of the catalytic projects identified in the implementation plan and the IDP must be read in conjunction with that plan.

FOCUS PROJECTS	COMMENT and STATUS OF PROJECT
Enon-Besheba land Asset (10 200ha)	<p>A draft business plan for six-pronged project has been completed and presented to various stakeholders (Municipal Council, Ministers Hanekom and Nkwinti, the Witrivier Communal Property Association and the Enon-Bersheba community). The six facets of this development programme are:</p> <ul style="list-style-type: none"> <li>• 220 hectares of Citrus development that will be in three phases</li> <li>• 120 hectares of crop and grass farming</li> <li>• 14 hectares of food security programme</li> <li>• 1000 hectares for livestock farming</li> <li>• Addo Elephant Park conservation and lodge development or Game Ranch with combination of Game and Nguni cattle</li> <li>• A community College</li> </ul> <p>SRVM is embarking on funding mobilization for this lucrative programme.</p>
Portion 307 of site kk113	The development model is designed to develop citrus and crop for the benefit of the agri-park. The potential beneficiaries are ward 3, 5 & 6 and a community trust will be established
Addo Gateway	Tourism business development opportunities are earmarked through the Cacadu Development Agency and a budget of about R150million rand will be spent on this development
ERF 943	<p>Erf 943 is situated at the junction of the main road from Addo, turning towards Kirkwood; this site is "home" to the newly unveiled "heritage" mark for the Municipality.</p> <p>A combination of middle-income housing development and commercial site development will attract the necessary investment and enhance tourism in the area.</p> <p>To enhance the "heritage" aspect of the site, it is envisioned that the development concept may include a Museum, to capture the diverse historical narratives of the area, and a Tourism Information office. Included in the development will be commercial shops of varied offerings.</p> <p>The development model for this piece of land is envisioned to be a "partnership" between a private developer and the Municipality.</p>
Bio-energy solutions	The Development Agency intends to roll out this project at SRVM for approximately R100 million. The bio-energy sector is growing at a rapid pace throughout the globe, South African enterprises are providing more and more practical solutions to alternate energy; these applications must be evaluated for possible implementation in the region. Municipal waste and bio-mass are natural feed-stocks for such application. Smaller applications for industrial and commercial

	<p>application must be considered for spatial heating and thermal power.</p>
Bee-keeping	<p>Research has revealed the rising demand for natural honey, the Sunday River Valley area with its rich Citrus environment, is an ideal place to invest in larger scale bee-keeping projects.</p> <p>This relatively low capital scale project, with established market opportunities, is ideal for "emergent" farmers to exploit.</p> <p>The placement of beehives could take place throughout the region, to take advantage of the various natural honey feedstocks.</p>
Aqua-Culture and marine development	<p>It is of great advantage that the Sundays River Valley municipal area stretches to the Indian Ocean, this allows the potential establishment of both fresh water and salt water aquaculture enterprises.</p> <p>The advantage to be exploited is the proximity of the area to the Coegaharbour for exports, being the dominant market for most salt water aquaculture forms. Fresh water fish products could contribute to local food security.</p>
Rail Revitalization	<p>Rail infrastructure is already established, but significantly underutilized. Three focal areas of development are envisioned in carving the Developmental Strategy for the revitalization of the Rail Transport, and these are;</p> <ul style="list-style-type: none"> <li>• Moving goods to the markets</li> <li>• Transporting people</li> <li>• Tourism experience</li> </ul>
Infrastructure Development	<p>The underlying regional development needs are directly linked to improved and expanded infrastructure provision.</p> <p><b>Energy:</b> The current Eskom supply capacity is dramatically improved from 2,5MVA to 5MVA to provide sufficient power requirements for expanding commercial and residential demand.</p> <p><b>Water:</b> Existing water infrastructure requires maintenance and expansion into new development areas.</p> <p><b>Sewerage:</b> Under-capacity of sewerage processing facilities is limiting provision of basic services and will not allow for economic expansion.</p> <p><b>Road:</b> Road transport is an important sector of economic activity, especially in developing countries, where it plays an essential role in marketing agricultural products and providing access to health, education and agricultural inputs and extension services. Conversely, lack of accessibility or poor road conditions are barriers to agriculture, industry and trade, and may hinder the entire development effort.</p>

Nursery and Pruning operation	Demand for citrus trees is overwhelming as a result new operations have a waiting period of 3-5 years to get trees for planting. This is an investment identified for development at municipal owned lands.
Small towns revitalization	The municipality has developed a Small Towns revitalization Strategy and an implementation plan for the three major towns in SRVM (ie. Paterson Addo and Kirkwood). The Office of the Primier is currently implementing the revitalization strategy in Kirkwood town.
Orchard Development	The private sector intends to transform some of the orchards into retail business development precinct around the Kirkwood area. See the citrus packhouse and agri development plan included in this document.

### Stakeholder and community involvement in LED activities

An environment for Public Participation is sectoral based where you find different fora for every sector identifiable in the valley. There is a business chamber, SMME forum, Cooperatives forum, Addo Elephant National Park business stakeholders forum and collaboration with the district we serve in the district LED forum.

### PHASE 2 – STRATEGIES & PROJECTS

Does the municipality have mechanisms for business expansion and retention for existing businesses and attraction of further investment?

One of the critical goals identified in the LED strategy is to develop business attraction, retention and expansion that considers SMME's and large businesses. This goal has set of strategic objectives, programs and projects.

Goal	Objective	Programme	Project	
develop business attraction, retention and expansion that considers SMME's and large businesses	Prevent economic leakage by undertaking 4 buy-local campaigns per annum  <u>Improving the Local Business Investment Climate</u> by 2025	Tourism development enterprises at Enon - Bersheba	Undertake import and Export assessment research	M.M, Chief Financial Officer (CFO), Director Corporate Services & LED MANAGER
		Attract and retain investments and people to make business in the Town centre	Develop Investment Incentive strategy / policy (retention and attraction )	
			Develop EnonBersheba, Santa Clara and KK 113 Farms.	

	SMMEs are supported through the mentorship and business support programs annually.	<u>Investment in sites and premises for Business</u>	Enhance 4 marketing and branding programs per annum.	
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**Has the municipality set targets for enterprise development support e.g. SMME and Cooperatives?**

The Sector and Enterprise development practitioner is facilitating venture funding which remains a key issue, and is establishing linkages with government and establishing new venture funds for SMMEs. The municipal SMME development programme seeks to turn around the vicious cycle of poverty, unemployment and inequality.

The current programmes that are being facilitated in support and growth for SMMEs in the area are as follows:

Support programme	Description
SMME and Co-operative Promotion and Awareness programme	Support initiatives designed to increase the promotion of the SMMEs including Co-operatives
Education and Training	Promotion of education and training on SMMEs and Co-operatives
SMME and Co-operative Research and database	Research plays an important role in informing government policy and strategy on collective entrepreneurship and SMMEs promotion.
Business Support Services	Registering of new businesses via the website of CIPC. Registration of businesses under the Central Database System. Referrals and Advice. Call for business funding proposals
Products for Targeted Procurement from Small Enterprises	30% of local procurement be secured from local SMMEs including co-operatives.
SMME Outreach and Training programmes	To bring close the services of small business development e.g. SEDA, ECDC, DTI
Business infrastructure support	Focus will be given to the provision of facilities for use by small businesses in specialised manufacturing and service industries, as well as strengthening of hubs for rural small businesses Renovation of old buildings for use by small businesses will also be considered.

**Does the municipality have mechanisms to support the implementation of public employment programmes (CWP/EPWP)?**

SRVM has established an EPWP committee and it comprises of Sector and SMME Coordinator, Supply Chain Management Practitioner and PMU Manager. This is one mechanism to enhance the



implementation of EPWP. The municipality is expected to receive in 2021/2022 MIG allocation around R1 million which will be ring-fenced for EPWP. EPWP policy was developed and adopted by council.

#### **Are there mechanisms to support small towns' revitalization initiatives?**

The Sundays River Valley Municipality (SRVM) had an obligation (commitment) to fulfil targeted outputs and achieving the outcome of improving the lives of the local communities, by developing initiatives that supports the rehabilitation of the town as local center of economic activities and nodes of centralized and focused delivery of service. The aim is to ensure that the competitiveness of these small towns i.e. Kirkwood, Addo and Paterson is enhanced in order to attract investments and to retain the current investors.

In 2014/2015 the Municipality compiled the SRVM Smalls Town Revitalisation Strategy, and the Provincial Committee and relevant stakeholders has approved its implementation, thus the Municipality has sourced a professional and experienced service provider to assist with the implementation there of.

#### **Policies to promote economic development**

The municipality has the following policies and by-laws that promote economic development:

- Street trading by-law
- Food control by-law
- Animal control by-law
- Co-operative Development policy
- SMME Development policy
- Informal Trading policy
- Draft Commonage Management policy
- Tourism Sector Plan
- LED Strategy 2013
- Spatial Development Framework
- EPWP Policy
- Supply Chain Management Policy
- Small Town Revitalization Strategy 2014
- Water Safety Plan 2014

#### **2.5 KEY PERFORMANCE AREA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION**

The Municipal buildings are situated in Kirkwood; these are the main offices in Middle Street. There are also satellite offices in the towns of Addo and Paterson. These are managed by a service delivery co-ordinator, who is one of the senior official in the municipal manager's office. In Kirkwood, the main buildings are for the Finance department, the Council Chambers, Traffic Services and the Municipal Managers Office – all of these buildings are in the same street in Kirkwood. The offices for the Technical Department were located in the township of Moses Mabida but were burnt in 2014 as a result the Technical Services Department is now located in Middle Street Kirkwood. There are

challenges with regard to accessing basic municipal services for places afar like Zuney (near Alexandria) where those citizens have to travel to Kirkwood for the most basic of services. Council has employed a local person and established a Satellite Office to be of assistance to residence in that area.

Sundays River Valley Municipality has developed the IDP/Budget process plan and it was adopted by Council on the 27 August 2020. The process plan was not followed 100% because of postponement of certain activities and COVID 19 lockdown, however all the identified activities were done to some extent. Communities were invited to participate in the IDP processes through outreach programmes facilitated by the public participation officer and the speaker as well as the strategic manager and the Mayor. We did not advertise for stakeholders to participate in the IDP processes, however during the establishment of war rooms in all wards we developed a register of stakeholders and they were workshopped on their roles and responsibilities. One of their roles is to participate in IDP processes which included the identification of ward priorities and developing action plans for the implementation of those ward plans.

The Municipality is in the process of improving its communication and access to information by all sectors of the community. There are healthy relations between the political and administrative components of the municipality. There are also cordial relations between the ward committees and the general public. The council is stable and sits as per the schedule of Council meetings save during the Covi-19 lockdown. All section 56 managers excluding CFO were appointed and section 79 committees are functional.

#### **2.5.1 Ward Committees**

The Municipality has eight (8) Ward Committees that were established as per the number of demarcated Municipal wards. The Municipality has adopted guidelines for the establishment of the ward committees that complies with the terms of reference for the establishment of the ward. The ward committee meetings are scheduled such that the ward inputs are able to find express in standing committees and council meetings agendas. To compensate for out of pocket expenses, members receive a stipend of R1000 per month. The Municipality is committed to ensure that it has a fully functional ward committee system. SRVM area does not have traditional leaders except the representation of traditional healers in some ward committees.

Convening ward committee meetings is a serious challenge. Few ward committee meetings took place during this financial year, though important documents like the draft Annual report, IDP and Budget did find its way through the Ward Committees. The ward committees reside with the Office of the Speaker.

Ward based planning is utilized in the Municipality – this process of interactive engagement with local stakeholders allows the Municipality the opportunity to engage while also making the IDP process realistic. The ward plans for all the wards are in place and were reviewed in the 2020/21 financial period. Ward based planning is also a mechanism of making the IDP belong to the community and this allows IDP objectives to be framed at a local level where this allows a bottom-up approach to strategic planning.

#### **2.5.2 Public participation**

A five-year public participation framework plan was adopted by Council in March 2014. The implementation of public participation strategy is the responsibility of the Municipal Manager assisted by the public participation official. The consultation process is done through Council Outreach Programmes, Mayoral Imbizo's, Ward Committees, IDP consultation and review process and IDP & Budget road shows. The Sundays River Valley Municipality ensure the stakeholders and communities are involved in a range of issues with particular emphasis on the following:

- Integrated Development Planning Process;
- Annual Budgeting process;
- Performance management system;
- Policies and By-laws development and implementation;
- Pressing issues of HIV and Aids, Unemployment and social cohesion;
- Project planning, implementation and monitoring;
- Strategic plans of the municipality
- Covid-19 Joint Operations Committee
- Development in general

The office of the Speaker is currently responsible for public participation. There is a readily available stakeholders' register that specifies the contact details of stakeholder representatives.

#### **Comments on Effectiveness of Public Engagements**

- Poor attendance by communities
- Poor planning from the administration especially when it comes to communication meetings and dissemination of information
- Unnecessary postponements of meetings because of non-submission of items
- Not all Ward committee issues finds expression in council
- Some members of the ward committee are not active in the community and the forums they are representing are not holding them accountable
- Some councillors are not holding report-back meetings in their constituencies after their ward committee meetings
- Failure of councillors to submit their schedule of report back meetings to the Speakers

#### **SOCIAL COHESION**

To promote social cohesion within the communities the following activities are honoured:

- Multi-coded sporting events
- Links forged with other departments like correctional services with the aim of integrating the prison community with local communities
- There are arts and culture festivals that include a wide range of artistic disciplines (story-telling, visual arts and craft, speech and drama, poetry, dance and music

- There are sport and recreational activities that are facilitated by the Municipality through the Office of the Sport and Recreational Officer

### **2.5.3 Community Development Workers**

A memorandum of understanding was signed between the municipality and the department of local government and traditional affairs in respect of CDWs responsibilities. The CDWs ought to report monthly to the municipality but this does not happen. The challenge is that the round tables are not sitting as planned due to poor attendance by CDWs.

It is to be noted that not all wards have CDWs dedicated and designated in their respective wards. Out of 8 wards there are only 4 CDWs.

### **2.5.4 Communication Strategy**

The municipality has established a Communications Unit. A Communication Officer was employed and resumed her duties from October 2018. The position is located in the office of the Municipal Manager. A Communication strategy document has been produced and approved by council in 2019. The plan was further reviewed in 2020 and it is being implemented.

ITEM	SUPPORTING INFORMATION	BUDGET	PERIOD
Signage for Municipal Buildings	These Items will include Notice boards, Signage posts both inside at outside of the municipal buildings. The importance of these Items is to make sure that our municipality is visible.		Annually
Engagement with the key stakeholders	This will ensure that the municipality has a direct relationship with all the stakeholders who are working with the municipality and within the municipality. This will promote coherence and harmonize projects.		Quarterly
Marketing of the Town Revitalization Concept	SRVM has been listed amongst the small towns in the Eastern Cape which will benefit from Small Revitalization Programme which is funded by the Office of the Premier. This project needs to be marketed so that SRVM can unleash its potential and be a tourism destination center in Sarah Baartman District. The project is marketed in our monthly internal newsletter and the quarterly newsletter and also on our social media pages.		2019/20 – 2021/22
Communication Support to various Awareness campaigns	This will ensure that the public is aware of all the municipal activities that way improving the image and reputation of the municipality. This would also improve the trust that people have on the municipality to deliver services.		As required

Radio Space on Local and national Radio Station	The essence of buying space in Radio stations is to reach out the bigger audience of SRVM. The aim is also account to our population in a bigger and interactive platform.		Quarterly
Promotional/Marketing Material	The importance of having marketing material is to sell the brand of the municipality to our people and those who are coming from outside the Valley.		Annually
IRG Meetings	Inter-governmental meetings are legislated meetings which coordinates stakeholders for the purpose of main streaming service delivery and priorities services for our community.		Quarterly
Website content management and social media pages	Having a properly functioning website is very good for any institution for marketing purposes and to ensure that the public has easy access to all the public documents, relevant information about jobs and activities of the municipality. Keeping it up to date is very important.  We live in a digital age, communicating digitally is fast, effective and efficient. It is therefore very important to be available in all social media platforms. SRVM has a Facebook and Twitter page.		As required
Media advisory, release, statement	Issuing media statements regularly assists in maintaining the image of the municipality and improve the public perception of the municipality in a broader platform. Proactive communication assists in tackling the media to avoid chaos and leaking of wrong information.		As required

#### 2.5.5 Special Programs Unit (SPU)

Special Programmes Unit (SPU) is established and is charged with the responsibility of coordination and facilitation of designated (vulnerable) groups for development and empowerment. The unit is located in the office of the Mayor politically and the Municipal Manager administratively. Special Programs Officer (SPO) is heading the unit assisted by the HIV/AIDS coordinator on HIV//AIDS programs and two focal persons (Youth Coordinators). The unit has developed vulnerable groups' mainstream policy and Youth Development Strategy.

As per the Sundays River Valley Municipality (SRVM), designated groups are:

- a) Women
- b) Youth
- c) Disable
- d) Elderly and



#### e) Children

The above-mentioned policy and the Youth Development Strategy focus on the integration of programs and services targeting the identified groups. These policies seek to respond in a progressive manner to the issues and challenges faced by the identified groups within the local government mandate and policy framework.

The Unit has established a number of structures that respond to the needs of the vulnerable groups. These include but are not limited to; Women's, Youth, Disability, and Elderly Forums. The primary purpose of these structures has been to mainstream the agenda of vulnerable groups into the everyday workings of the municipality. Youth Forums are established in all wards however, what is still outstanding the establishment of the Sundays River Valley Youth Council. Women, Disability and Elderly Forums are established.

##### **2.5.5.1 HIV/AIDS**

The wellness official coordinates the applications and procedures related to support, education, capacity building, training, promotion and awareness within the Municipality and broader community on HIV/AIDS infection and other related disease impacting on the quality of life through communication. She also ensures that specific policies are adhered to. The coordinator develops intervention Plan for the Municipal Employees and the communities. She establishes communication forums with Non-governmental organizations and other stakeholders and private sector. We do not have an HIV/Aids Plan and the municipality intends to customise one from other local municipalities.

#### **OCCUPATION HEALTH & SAFETY**

Enforce policies, procedures and practice dictating healthy and safety controls of the Municipality and execution of the investigations of incidents, also enforce the application of the promulgated safety regulations through inspections of work sites and determining the extend of the occupational safety and awareness. Ensure unsafe conditions and hazards are identified and minimizing the threat of the injury to person /damage of property.

#### **WELLNESS**

It is an intervention strategy based on the work place to help employees contend with life challenges that may impact negatively on their performance. This is applicable whether the problem is one of physical illness, mental or emotional stress, marital or family conflicts, financial problems or other concern.

##### **2.5.5.2 Youth Focal Persons**

The two Youth Coordinators are focal persons within the Special Programs Unit. They are responsible for coordination and facilitation of Youth and Children empowerment programs. During the formulation of the SRVM Youth Development Strategy, coordinators had embarked on the youth outreach consultation process to solicit their inputs and views on how they see youth development. Their inputs and views were incorporated in the strategy and the implementation plan is informed by the young people submissions.

### 2.5.6 Intergovernmental Relations

SRVM has a functional IGR structure consisting of all the sector departments operating in the SRVM area together with other sectors such as the private sector and SMMEs. The Terms of Reference for the IGR were approved by Council. The IGR is functional with the consistent adherence to the legislative guidelines of convening IGR at least once quarterly. The municipality decided to treat the Covid-19 Joint Operations Committee meetings as part of our IGR engagements since during the time of this pandemic it was difficult for the IGR to meet. The IGR meetings are held every quarter and the following issues that communities have raised need to be addressed; most of them are recurring.

DEPARTMENT	PRIORITY ISSUE
Human Settlements	Rectification program in all areas. New RDP houses in all areas. Sewer pipe connections for housing development. Land for housing development. Title deeds. Temporary housing structures Formalization of informal settlements
Roads and Public Transport	Tarring entrance roads to townships. Support with potholes within municipal roads. Weigh bridge Transport for learners
Water and Sanitation	Water tanks Service infrastructure for planned middle income housing development in Addo. Bucket System in Paterson and Zuney 3000ha water rights Fencing of canals
Rural Development and Land Reform	Land Audit. Land for stock farming. Land disputes (Evictions, land sales to the detriment of long-time occupiers. Research on impact of land transfer/sale to emerging farmers.
Department of Health	Clinic for Enon-Bersheba community. Currently the mobile clinic visits the vast area once a week. Clinic at Valencia situated on outskirts of community Day care hospital at Nomathamsanqa needed and small clinics that cannot cope with the high population figures
SANRAL; TRANSNET	Renewal of railway line/service Transfer of railway houses to the occupants or municipality Transfer of houses to occupants in ward 7: Glenconnor
Sarah Baartman District Municipality	Provision of land for local economic development projects Emergency centre in Paterson
Social Development	Proper monitoring of funded projects

	Assistance in establishing a drug committee
SASSA	Coordination of food parcel programmes and proactive interventions.
Department of Education	FET College/ Community college Transport for learners. Teacher shortage in Sandisulwazi – Paterson (No Maths and Science Teachers)
SAPS	Improved patrolling and quicker response time to incidents, especially in Addo. Improve working relations between police forums and the police
Department of Minerals	Illegal mining of sand in Paterson and Enon-Bersheba
CoGTA	Multipurpose facility at Paterson
Department of labour	Department only visits once per week in Kirkwood and many people are not serviced. Appalling farm dwellers working conditions. Farm dwellers require ID registration

1. The strategy to make IGR responsibilities effective is to hold separate meetings with specific few sectors at a time and address all pertinent issues.

1. There is a functional IDP representative forum and Transport Forum. The special programmes officer and local stakeholders participated in the development of the district-wide youth, women and disable policies and these will be cascaded to local municipality through internal processes. The municipality would appreciate any assistance in the form of funds or deployment of officials to conduct these workshops. We participate in the Addo National Park Forum. The municipality participates in the District Economic Development Forum and District support team. The Local Aids Council was established but is now functional since the appointment of an HIV-Aids coordinator. The Mayor, Municipal Manager and CFO do attend Mayor's Forum, MM's Forum and CFO's Forum respectively. MuniMEC engagements are also attended by the Mayor and the Municipal Manager. Technical services attend PMIT quarterly meetings.
2. Some sector departments do attend IDP representative forum meetings but the attendees at local level are not given decision-making powers (not strategic managers) as a result their presence is often not effective.
3. Assistance is required in the development of IGR policy framework for a local municipality.
4. SRVM participates in the initiatives for inter-municipal planning around the Performance Management Systems. The District has established a district PMS forum. SRVM receives support from the District in respect to the use of their e-PMS tool.

#### Activities with other Municipalities

Sundays River Valley Municipality is working with Blue Crane Route Municipality in the Zuurbeg High Impact Project – this is the upgrading of the road (R335) that link the two municipalities. The unemployed youth and SMMEs benefit substantially in this project. The project is implemented in two phases, namely – Airfield Development (phase 1) and R335 Addo Development (phase 2).

The planning phase with regards to a project on the revitalization of the rail network between the amalgamated Ikhwezi Municipality and SRVM has since blocked. The new municipal managers will have to restart these negotiations.

At a District level we are also in an agreement (SLAs) with Municipalities nearby with regards to Fires and Disaster Management.

### ***Legal Matters***

The size of the Municipality makes it difficult to have a fully -fledged legal unit, as such the function is outsourced to outside legal service providers.

### ***Audit***

#### **Audit opinions and Audit Action Plan:**

During the past three financial years the municipality has received the following opinions from the Auditor General:

2017/18 – Qualified Opinion

2018/19 – Disclaimer

2019/20 - Disclaimer

Bases for Disclaimer of opinion were as follows but not limited to the below stated:

<b>AUDITOR-GENERAL REPORT ON FINANCIAL STATEMENTS</b>	
<b>STATUS OF AUDIT REPORT</b>	<b>DISCLAIMER</b>
<b>NON-COMPLIANCE ISSUES</b>	<b>REMEDIAL ACTION TAKEN</b>
The irregular expenditure incurred during the financial period was incorrectly calculated on the contracts below:	Irregular register to be reviewed on a monthly basis by Accountant SCM.
During the testing of the unauthorised expenditure, it was identified that there were amounts that were incorrectly calculated:	Unauthorised to be performed using circular (68). Review of schedule and sign off by CFO
During the compliance audit of conditional grants, it was noted that the DoRA requirement in section 12(5) that the evaluation report was submitted on 10 September 2020, which is more than two months after 2019/20 financial year end.	Director Technical to ensure timely submission
There were differences identified in the recalculation of the commitments relating to the following contracts:	SCM Accountant needs to review the entire population registers. SCM to ensure to provide r appointments letters and variation orders of all projects.
During the testing of commitments, the following contracts from the contract register could not be traced to the commitments register:  Further, the following contract from the commitment register was recorded as completed in the contract register even though there was still a commitment at year-end	SCM Clerk to Regularly update the contract register and the Accountant to review at year end.

The following legal confirmation was not submitted as requested by auditors:  Pumeza Bono	To ensure SLA with the legal representative includes of non-compliance for confirmation to external stakeholders
The following amount was listed in the external legal confirmation obtained from the legal representatives; the amount was however not included in the client's contingent liabilities disclosed:	To identify responsible person for all Litigations, to include SLA and request confirmations.
The irregular expenditure incurred during the financial period was incorrectly calculated on the contracts below:	Irregular register to be reviewed on a monthly basis by Accountant SCM.
During the testing of the unauthorised expenditure, it was identified that there were amounts that were incorrectly calculated:	Unauthorised to be performed using circular (68). Review of schedule and sign off by CFO
During the compliance audit of conditional grants, it was noted that the DoRA requirement in section 12(5) that the evaluation report was submitted on 10 September 2020, which is more than two months after 2019/20 financial year end.	Director Technical to ensure timely submission
There were differences identified in the recalculation of the commitments relating to the following contracts:	SCM Accountant needs to review the entire population registers. SCM to ensure to provide r appointments letters and variation orders of all projects.
During the testing of commitments, the following contracts from the contract register could not be traced to the commitments register:	SCM Clerk to Regularly update the contract register and the Accountant to review at year end.
Further, the following contract from the commitment register was recorded as completed in the contract register even though there was still a commitment at year-end	To ensure SLA with the legal representative includes of non-compliance for confirmation to external stakeholders
A sample of land was selected on the deeds register, however, the auditors could not trace the following items to the fixed asset register:	We need to review Asset register and Land audit.
No information was submitted to confirm the WIP recognised for the following projects:  No appropriate and reliable evidence was submitted to substantiate the retention recognised for the following projects	1). Resolved during Audit. 2). Review contact suppliers and engage technical department, update retention register
Buildings During physical verification of fixed assets, conditions of impairment were noted for the assets listed below. However, upon tracing the assets to the FAR it was noted that the condition was incorrectly classified as fair  The depreciation amount for the following items does not agree with the auditors recalculated amount.  The useful lives of the following items in the FAR did not agree with the useful life per the accounting policy disclosed in the AFS	1). Resolved. 2). We must have approval from treasury
Infrastructure  The depreciation amount for the following items does not agree with the auditors recalculated amount:  The auditors could not physically verify the following assets due to a limitation of scope imposed by the client:	Review Asset Policy and update asset policy proposed useful life Annexure 'A'. We need to do complete verification for consumer meters to get full list . Asset register to be reviewed for completion. Employee selected has sufficient knowledge.
The following issues were identified during the audit of PPE: The depreciation amount for the following items does not agree with the auditors recalculated amount: Buildings Infrastructure	Provide a list and determine a need of impairment based on activeness.



The auditors could not verify the following asset due to a limitation of scope imposed by the client:	
The procurement plan for the 2019/20 financial periods was not approved by the accounting officer or delegated person	Procurement plan must be Authorised to develop 'delegation powers'
The following suppliers were awarded quotes without declaring the interest they have with employees employed by the state.	All awards bid to attach declaration form prior before payment can be made
Tender invitation to the following contract did not include CIDB requirements even though the work falls under construction. This resulted in the award being awarded to a supplier that is not registered with CIDB.	Refresh SCM training. Review of bid document and signed off by CFO.
Three bids were responsive for the contract, however, two of the responsive suppliers did not quote an automatic truck as requested by the specification. They quoted a manual truck instead. The Bid adjudication committee then decided to remove the specification for the truck to be automatic which then allowed short Nissan to be the winning bidder as stated on the table below.	Training of SCM Officials . All BAC must be reviewed by Internal audit before it goes to MM.
During testing of provision for rehabilitation of landfill site it is noted that the prior year closing balance was restated with no supporting evidence provided which resulted in a misstatement in movements for the current year.	To provide revised report 2019 financial year
During the audit of revenue from exchange transactions, the following limitations were noted in respect of the following Service Fee revenue recognized: Water and Sanitation: Consumption per unit used, for revenue from sanitation, could not be verified due to lack of supporting information for units used. Billings for revenue from water consumption could not be confirmed as billing for customers is based on 14KL flat with no meter readings having been done. Billings for revenue from water consumption could not be confirmed as billing for customers is based on 14KL flat with no meter readings having been done.	Installation of meters and engage technical department for recreation of building plans
Three bids were responsive for the contract, however, two of the responsive suppliers did not quote an automatic truck as requested by the specification. They quoted a manual truck instead. The Bid adjudication committee then decided to remove the specification for the truck to be automatic which then allowed short Nissan to be the winning bidder as stated on the table below.	Recalculation of property rates compare against billing system.Replacement of faulty Electrical meters

## EMPHASIS OF MATTERS

- The critical one is the fruitless, wasteful and unauthorised expenditure.

## AUDIT OF ANNUAL PERFORMANCE REPORT

- Auditors could not obtain sufficient appropriate evidence for basic services and infrastructure as the annual report was presented without accurate and complete underlying performance records.

### MPAC:

The Municipal Public Accounts Committee sits every quarter. It was agreed that meetings of the MPAC

should be more frequent. However due to COVID 19 pandemic, some MPAC meetings could not progress effectively as desired. MPAC meetings are coordinated from corporate services office.

Invites are advanced to the Office of Auditor General and the Chairperson of the Audit Committee to advice on matters that need attention for Council to progress to an unqualified opinion.

An audit implementation plan should be reviewed at every meeting of MPAC.

#### **Audit Committee and Internal Audit Function:**

The municipality has an effective audit committee of three members with expertise in various areas, namely, Accountancy, Tax, Audit, Governance, Law, Performance Management, Human Resources and Risk Management.

The audit committee operates within an Audit Committee Charter adopted by Council and is reviewed on an annual basis. The charter gives the audit committee the authority to direct activities of the Internal Audit Function. The Internal Audit function also operates within an approved Internal Audit Charter which gets approved by the Audit Committee and is adopted by Council.

The Audit Committee recommends a three-year rolling Audit Strategy and an annual Internal Audit Plan, which gets adopted by the SRVM Council. As part of the strategy and annual internal audit plan, the Internal Audit function prioritizes the review of the IDP prior to its adoption and advice accordingly. Furthermore, the implementation of the IDP is regularly reviewed on a quarterly basis to evaluate the progress made to achieve the municipal strategic goals. Quarterly reports on the evaluations made for the implementation of the IDP are presented to Audit Committee, EXCO and through to Council for oversight.

The function of the Audit Committee is negatively impacted by the absence of the Chief Internal Auditor.

#### **Audit Action Plan**

The report of the Auditor General with detailed findings is populated in an audit action plan template. The audit action plan was included in the Annual Report 2019/20. An extract is reflected in subsections above.

#### ***Political Governance Structures***

##### **WARD**

CLLR MC PAYI	-	WARD 1 (ANC)
CLLR ZA TOM	-	WARD 2 (ANC)
CLLR A DANCEY	-	WARD 3 (ANC)
CLLR LE BAKA		WARD 4 (ANC)
CLLR SC NODONTI	-	WARD 5 (ANC)

CLLR S H RUNE	-	WARD 6 (ANC)
CLLR AM NDAWO	-	WARD 7 (DA)
CLLR NG KAUSELE	-	WARD 8 (ANC)

**PR**

CLLR K SMITH	-	(DA)
CLLR Blou	-	(EFF)
CLLR N JACK	-	(ANC)
CLLR F ADAMS	-	(ANC)
CLLR M Kebe	-	(ANC)
CLLR M BOSMAN	-	(DA)
CLLR L ERASMUS	-	(DA)
CLLR N BIXA	-	ANC)

OPERATIONAL PLANS ACROSS ALL KPA's				
#	PRIORITY AREAS	OBJECTIVE	STRATEGIES	PROJECTS
1.	Public participation	Timely consultation and public participation	(1) Mayoral imbizos (2) Sector consultations (3) IGR (4) Petitions strategy/policy (5) Ward committees and ward meetings	IDP/Budget consultative meetings War rooms Ward committee meetings Annual report/public hearings
2.	Special programmes	Representation, participation and inclusion of vulnerable groups in the municipal agenda	(1) Establishment of forums for each vulnerable sector (2) Each structure must have a strategy/plan of action (3) awareness campaigns (training and skills) (4) advocacy and awareness campaigns for each group	-Awareness campaigns -Advocacy
3.	Communication	To ensure effective communication and enhanced municipal image	Implementation of communication strategy (both internal and external)	The strategy will detail out the projects to be executed
4.	PMS	To ensure a fully functional Performance Management System	Cascading performance management system Formulate a project team with clear terms of reference Training of all staff who will take part in the cascading of pms (a phased approach)	Piloting of cascading to all managers reporting to section 56  Training of all staff who will take part in the cascading pms (a phased approach)
5.	HIV/AIDS	To intensify awareness and education in SRVM	-Awareness and advocacy programmes  -Engagement with various stakeholders	Implementation of the HIV/AIDS plan

OPERATIONAL PLANS ACROSS ALL KPA's				
#	PRIORITY AREAS	OBJECTIVE	STRATEGIES	PROJECTS
6.	Audit	An improved audit outcome	Review of the HIV/AIDS plan 1. Audit improvement plan (development, implementation and monitoring of the plan). 2. Implementation and monitoring of audit committee recommendations 3. Fraud prevention	1. Audit improvement plan (development, implementation and monitoring of the plan). 2. Implementation and monitoring of audit committee recommendations 3. Implementation of the fraud prevention plan (awareness and institutionalization of the fraud prevention strategy)
7.	Risk management	To institutionalize risk management	Risk assessment and creating awareness on risk management Implementation of the risk management strategy	Implementation of the risk management strategy
8.	Oversight and compliance	Effective and efficient oversight function	Implementation of Council resolutions	Implementation of Council resolutions
9.	Administration	Effective and efficient records management system	1. EDMS – electronic document management system 2. Implementation of the system	1. Training on the system 2. Awareness
10.	Recruitment/HR	Filling of vacancies	-Appointment to be made within 3months after the vacancy occurred. -Appointment of qualified and competent staff -There is a need to declare all critical posts	Appointment to be made within 3months after the vacancy occurred. -Appointment of qualified and competent staff -There is a need to declare all critical posts



OPERATIONAL PLANS ACROSS ALL KPA's				
#	PRIORITY AREAS	OBJECTIVE	STRATEGIES	PROJECTS
11.	Training and capacity building	Capacity building and empowerment programs to ensure skills enhancement of staff and Councillors	<p>Implementation of Workplace Skills Plan</p> <p>-There needs to be an investment in skills training in particular fields that the Municipality is struggling with/lacks</p> <p>-To make available opportunities for internship programs</p> <p>- We need to capacitate and optimize the functionality of the training and development committee</p>	<p>-Development of the Human Resources Strategy</p> <p>Implementation of Workplace Skills Plan</p>
12.	Employment equity	To ensure that the municipality has employment equity plan and that targets are met	<p>-Implementation of Employment Equity</p> <p>-Adherence to equity norms as set in the equity plan informed by regional and national norms</p> <p>-To advertise vacant posts as per equity targets</p>	To recruit as per Employment Equity Targets and recommendations of Director General from Department of Labour
13.	Employee wellness	To establish a culture of good health and safety standards for all the employees of SRVM	<p>To have frequent interactions between general employees, management and Councillors</p> <p>To offer assistance to all employees – financial advice, family related and work related issues</p> <p>Development of a wellness plan to address all worker related issues</p>	Conducting of employee health and safety programs
14.	ICT	To optimise the information and communications technology(ICT) function to support organizational performance	<p>-To capacitate the ICT department</p> <p>-To optimize the functionality of the ICT steering committee</p> <p>-linkage of satellite offices to the municipal network</p>	Implementation of the Draft Recovery Plan, back-up system, business continuity plans and ICT policies

OPERATIONAL PLANS ACROSS ALL KPA's				
#	PRIORITY AREAS	OBJECTIVE	STRATEGIES	PROJECTS
15.	Decentralization of municipal offices	To make municipal services available to all people in the Valley	<p>To decentralize municipal services/departments to all satellite offices</p> <p>To make sure all satellite offices are connected to all ICT servers (ICT/telephone lines etc)</p> <p>To engage all stakeholders (customers, union and employees) on the approach of decentralization of municipal services</p>	Needs assessment of the services needed in the different areas (also an assessment of ICT needs)

ADMINISTRATON				Action Plan
Records Management	De-centralised registry/archive	Challenges	Interventions/Progress	
			<input type="checkbox"/> Review Manual and records Management Policy and send for approval by Council <input type="checkbox"/> Design and introduction of an electronic records management system. <input type="checkbox"/> Appointment of 8 personnel members	<input type="checkbox"/> Manual and Policy to Management and Council <input type="checkbox"/> Training on registry and archives procedures <input type="checkbox"/> Acquiring of office space and equipment
Secretariat	Coordination of reports and distribution of agendas		<input type="checkbox"/> Adherence to Rules of Order of Council <input type="checkbox"/> Oversight by Speaker of Council <input type="checkbox"/> Capacitate Unit with more resources i.e. personnel and equipment	<input type="checkbox"/> Training and mentoring of staff <input type="checkbox"/> Acquisition of resources including office space and equipment
Telecommunication	Unstable Network		<input type="checkbox"/> Roll out of telephone equipment <input type="checkbox"/> Activation of VOIP	<input type="checkbox"/> Review Telecommunication Policy <input type="checkbox"/> Telephone Management System to be activated

<b>Ward Committees</b>	<input type="checkbox"/> Meetings not convening as scheduled <input type="checkbox"/> Implementations of resolutions not adhered to.	<input type="checkbox"/> Ensure adherence to the Rules of Order of Council, and oversight by the Speaker of Council	<input type="checkbox"/> Training of Ward Committee members <input type="checkbox"/> Monthly reports of performance of members to be submitted to Office of Speaker by Ward Councillors.
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<b>HUMAN RESOURCE</b>	<b>Challenges</b>	<b>Intervention</b>	<b>Action Plan</b>
Leave Administration	<p>Manual capturing of leave</p> <p>Leave books and attendance registers not submitted to HR in time for capturing</p> <p>Leave not captured on time</p> <p>Lack of training</p>	<ul style="list-style-type: none"> <li>Installing of the software, training to users still pending.</li> </ul>	<p>Training to users by December 2019</p> <p>Procurement of Software by March 2020</p>
Designing of Job Descriptions	<p>Completion of Job Descriptions in line with Job Evaluation prescription</p> <p>Organisational Structure not signed</p> <p>Fees not paid</p>	<p>Organisational Structure approved by Council</p> <p>Jd's completed and signed</p>	<p>Loading of JD's and Organisational Structure into the system by December 2019 for evaluation</p>
Administration of conditions of services	<p>Implementation of Allowances outside the policy</p>	<p>Policy reviewed</p> <p>Documentation is available</p>	<p>Awareness program amongst staff on policy matters</p> <p>Review of approvals and relevant documentation</p>

ICT	CHALLENGES	PROGRESS	ACTION PLAN
IT governance frame work, IT Strategy and related policies	Inconsistency in attendance of steering committee as a consequence it stalls successful review of these policies	<p>Submit draft policies.</p> <p>Submit adopted policies providing proof of council approval.</p> <p>Give evidence of ICT workshop register as proof</p>	<ul style="list-style-type: none"> <li>Review of terms of reference, ICT strategy and policies</li> <li>Quarterly meetings of steering committee to be adhered to</li> </ul>
DRP	Finalize DRP in an ICT steering committee.	DRP submitted to Council	Convene steering committee to allocate responsibilities
Patch management	Procurement processes delayed and budgetary shortfall	Specification developed and submitted to SCM by end of July 2018	Procure software for control of patch management by August 2018
Active Directory. Windows 10 roll out.	Network breakages.	70 percent of computers on our network updated with Win10 operating system. Active Directory is operational.	Format remaining computers on the network by end of August 2018

Network connectivity	Network inconsistencies	Audited and remedial plan in place	Labeling of network points.
Internet access	Network breakages	Microwave internet installed and working optimally	Investigation of source of disruptions and procurement processes by 16 July 2018 Continuous maintenance
Satellite offices	System not compatible at the moment	VPN connected	Currently connecting Sat offices to systems
Server room	Unable to make changes and alterations to building.	Application for permission for renovations	Access control measures to be implemented by December 2018

## 2.6 KEY PERFORMANCE AREA: INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

### 2.6.1. Organizational structure

- The entire organizational structure is under review and will be adopted together with the IDP and Budget on the 31 May 2021
- The approved staff complement for the Municipality is 267.
- There are currently 219 filled positions which include 3 section 56 positions with one acting municipal manager and acting director Corporate Services;
- SBDM is assisting the municipality with job evaluation and currently the municipality is busy designing job descriptions of all employees of Sundays River. The job descriptions are available but they are all undergoing a process of review.

### 2.6.2 Municipal Functions

The Constitution (Chapter 7, section 152(1) and (2) as well as Section 153 (a) and (b) obliges and outlines the functions and services that are to be performed by local government. The Sundays River Valley Municipality (SRVM) obtains these functions through either allocation by legislative framework, Authorization by Minister of Provincial and Local Government or adjustment by the Provincial MEC for local government. The underlying table specifies some out of a number of functions that SRVM performs.

**Powers & Functions – Sundays River Valley LM - Review and Update**

POWERS FUNCTIONS	AND Sundays River Valley	Changes Updates to current situation
Air pollution	Yes	No
Building regulations	Yes	Yes
Child care faculties	Yes	Yes
Electricity reticulation	Yes	Yes
Fire fighting	Yes	Yes
Local tourism	Yes	Yes
Municipal airports	Yes	No
Municipal planning	Yes	Yes



Municipal health services	No	No
Municipal public transport	Yes	No
Pontoons and ferries	Yes	
Storm water	Yes	Yes
Trading regulations	Yes	Yes
Water (Potable)	Yes	Yes
Sanitation	Yes	Yes
Beaches and Amusement facilities	Yes	No
Billboards and the display of advertisements in public places	Yes	Yes
Cemeteries, funeral parlours and crematoria	Yes	Yes
Cleansing	Yes	Yes
Control of public nuisance	Yes	Yes
Control of undertakings that sell liquor to the public	Yes	Yes
Facilities for the accommodation, care and burial of animals	Yes	Yes
Fencing and fences	Yes	No
Licensing of dogs	Yes	Yes

Licensing and control of undertakings that sell food to the public	Yes	Yes
Local amenities	Yes	Yes
Local sport facilities	Yes	Yes
Markets	Yes	Yes
Municipal abattoirs	Yes	Yes
Municipal parks and recreation	Yes	Yes
Municipal roads	Yes	Yes
Noise pollution	No	No
Pounds	Yes	Yes
<b>POWERS AND FUNCTIONS</b>	<b>Sundays River Valley</b>	<b>Changes Updates to current situation</b>
Public places	Yes	Yes
Refuse removal, refuse dumps and solid waste Disposal	Yes	Yes
Street trading	Yes	Yes
Street lighting	Yes	Yes
Traffic and parking	Yes	Yes

**SRVM - Institutional Issues – Local Municipality Scan**

ISSUES	SUNDAYS RIVER VALLEY	Changes – Updates – Corrections
Staff Establishment	295	267
Vacancies Organizational Structure	57	48
Filled Positions	240	219
Salary % of Total Budget	32%	38%
Free Basic Services(6k/ water, 50 KWElectricity)	√	✓
By-laws	√	✓
Internal Audit	√	✓
Audit Committees	√	✓
Revenue Collection	65%	65%
AFS	√	✓
Budget	√	✓
Audit Report		✓
Audit	√	✓
MFMA Implementation (Compliance Cost)	√	✓
GAMAP / GRAP Compliance	√	✓
SCM Compliance	√	Not 100%
Asset Register	√	✓
MM	√	Acting Municipal Manager
CFO	√	✓

<b>Job Evaluation</b>	100%	0%
<b>Information Management System</b>	√	✓
<b>Delegations</b>	√	✓
<b>PMS</b>	√	✓
<b>Skills Development Plan</b>	√	✓
<b>Employment Equity Plan</b>	√	✓
<b>Assistance Plan</b>	√	✓
<b>Occupational Health &amp; Safety</b>	√	✓
<b>Website/Communication Plan</b>	Yes, Website No Plan	✓
<b>Customer Care Strategy (Batho Pele)</b>	No	No
<b>Indigent Policy</b>	√	✓
<b>HIV/AIDS Plan</b>	√	✓
<b>Focus Groups - Good Gov. Survey</b>	√	No
<b>Programme (Youth, Gender, Disability)</b>	√	✓
<b>Financial Delegations</b>	√	✓
<b>Procurement Framework</b>	√	✓
<b>Audit Committees</b>	√	✓
<b>Disaster Management Plan</b>	√	✓
<b>Project Management Unit</b>	√	✓

<b>Organisational Structure</b>	√	✓
<b>Fin. Maintenance Budget</b>	√	✓
<b>Capital Expenditure Budget</b>	√	✓
<b>Number of Wards</b>	7 On 1July 8wards	8

### Staff Complement

DIRECTORATE	POSITIONS STRUCTURE	ON	FILLED POSITIONS	VACANT POSITIONS
OFFICE OF MAYOR	6		4	2
MUNICIPAL MANAGER	16		14	2
CORPORATE SERVICES	25		21	4
FINANCIAL SERVICES	40		30	10
COMMUNITY SERVICES	104		85	19
TECHNICAL SERVICES	76		65	11
TOTALS	267		219	48

### 2.6.2. Internal Policies

An essential requirement for rendering services is that political office bearers and public managers should work jointly in formulating policies of an institution. Public managers are tasked with the responsibility of formulating policies, implementing policies and analysis and evaluating the impact these policies have on general welfare of the people.

The Municipality has over the past years adopted a plethora of policies with the primary objective of running a clean administration on the principles of good cooperative government. In addition, the policies are intended to be reviewed on annual basis to test their relevance and compliance with the strategic objectives of Council. The following policies and plans have been reviewed (some developed) and approved in terms of the turnaround plan of Council:

- Delegation of authority
- Standing rules and orders
- Education and development policy
- Telecommunication policy
- Recruitment and selection policy
- Staff transfer

- Health and safety policy
- HR Plan
- Fraud Prevention policy
- Training and Retention policy
- Information security policy
- Data and systems security policy
- Server room access security policy
- Password policy
- Computing and networking acceptable use guidelines policy
- 3G card policy
- Employment equity plan
- HIV/AIDS policy
- Incapacity/ill health policy
- Sexual harassment
- Smoking policy
- Substance abuse policy
- Retirement planning
- Unauthorized absence
- Uniform protective clothing

### **2.6.3. Human Resource Management**

The Department Cooperative Governance and Traditional Affairs assisted the municipality with the development of an HR Plan in 2018 and it has not been submitted to Council for adoption.

The Local Labour Forum is established to deal with employee relations and demands. The composition is comprised of four delegates per delegation between employer and employee parties. It meets in accordance with the approved schedule of Council – this is once every six (6) week intervals. Challenges that were experienced for LLF not to meet regularly have been overcome.

#### **2.6.3.1 Employment Equity Plan**

The Employment Equity Act (55 of 1998) addresses the legacy of our country regarding race, gender and disability. The Act advocates for improvement of the equity targets. It is intended to ensure that the workplace is free of discrimination and that employers take active steps to promote employment equity. Chapter 3 of the Act requires employers to take certain affirmative action measures to achieve Employment Equity. Furthermore, the Municipality is committed to ensure that the administration of the Sunday's River Valley is more broadly representative of the communities it serves and to create an organizational culture that is non-discriminatory.



The Municipality also reports on the implementation of the previous year's plan. The plan was submitted to Council for adoption on the 31 May 2018. The Department of Labour reviewed our plan and the following challenges were identified:

The equity and training committee monitors the implementation of the plan on a quarterly basis through meetings. The Head of departments (section 57 managers) shall play a vital role in the implementation of the plan through selection and placement strategies. The Director Corporate Services was appointed as the Employment Equity manager. The implementation will also include monitoring, evaluating, reviewing and renewing the plan and reporting on progress.

The summary of the Act is displayed in all council offices as required by law. Council is forever attempting to comply with the Employment Equity Plan in terms of its annual targets notwithstanding the cash flow challenges.

#### **2.6.3.2. Skills Development Plan**

- The Skills Development Act of 1998 requires employers to plan and implement learning that will enable employees to acquire skills and qualifications that will enhance their performance, whilst also optimizing the organization's functioning.
- The Municipality is committed to implementing its IDP and the key to this is ensuring that further learning programs and skills development are informed by the Plan, which is regularly updated in compliance with the Act.
- The Workplace Skills Plan is submitted annually to LGSETA by 30 April as required.
- The Skills Development Plan is in place but its implementation is compromised by the cash flow problem.

## **2.7 KEY PERFORMANCE AREA: FINANCIAL VIABILITY AND MANAGEMENT**

### **2.7.1. Overview of Financial Viability**

Sundays River Valley Municipality can be categorized as a developing or growing municipality simply because it has a citrus farms and national parks making it one of the economic hubs of the Sarah Baartman District.

Developing municipalities will require significant additional resources and funding to conduct the growth that is expected of them. With the demands for growth come risks that need to be managed. The priority from a financial risk perspective is the viability and sustainability of the Municipality.

The financial sustainability of the municipality remains our main priority therefore Sundays River Valley Municipality needs to ensure that its operating budget is balanced and cash-funded (realistically anticipated revenue to be received / collected that covers expenditure). As there are limits on revenue, it is necessary to ensure that services are provided at levels that are affordable; and, that the full costs of service delivery are recovered. However, to ensure that households which are too poor to pay for even a

portion of their basic services at least have access to these basic services; there is a need for the subsidization of these households through an indigent support subsidy.

The operating budget should also generate reasonable and sustainable cash surpluses to assist with the financing of capital budget expenditure since Sundays River Valley infinitely cannot continue to finance capital projects with external borrowings. Net financial liabilities (total liabilities less current assets) as a percentage of total operating revenue (capital items excluded) should be below acceptable target levels to ensure long-term financial sustainability. Current assets should be maintained and renewed or replaced in time to ensure that services are rendered at the desired quality levels over the long-term

#### **2.7.1.1 Financial Viability and Management: SWOT Analysis**

The SWOT analysis gives context to the entire 5 Year Plan as seen in the table below:

<b>STRENGTHS</b> <ul style="list-style-type: none"> <li>• Strong and influential financial policies, procedures and practices as evidenced by inputs to MFMA Circular 68, 71 and Compilation of AFS guide from NT</li> <li>• GRAP Compliant AFS</li> <li>• Strong and capable management (Core functions performed internally)</li> <li>• Strong balance sheet</li> <li>• GRAP and MFMA Compliant Budgets</li> </ul>	<b>WEAKNESSES</b> <ul style="list-style-type: none"> <li>• Low revenue and debt collection rate.</li> <li>• Grant dependency</li> <li>• Misalignment of indigent registers.</li> <li>• Ineffective implementation and monitoring of internal controls</li> <li>• Poor customer service</li> <li>• Vulnerable liquidity position</li> <li>• Lack of automated system to implement policies and processes</li> </ul>
<b>OPPORTUNITIES</b> <ul style="list-style-type: none"> <li>• Expanding our revenue base e.g. provision of bulk electricity and providing services to the affluent areas</li> <li>• Participation in strategic national networking symposiums</li> </ul>	<b>THREATS</b> <ul style="list-style-type: none"> <li>• High unemployment rate</li> <li>• Culture of non-payments by consumers</li> <li>• Skills attraction and retention due to low</li> <li>• Institutional instability</li> <li>• Lack of consequence management</li> </ul>

#### **2.7.2 STAFF COMPONENT**

The department is headed by the Chief Financial Officer with the following departments:

Department	Number of active employees	Function
Revenue	25	Ensure timely billing to generate revenue, Cater for FBS, Ensure implementation of credit control and debt management
Expenditure	3	Ensure proper accounting principles applied to produce actual expenditure
Budget	2	Preparation of Budget in line with IDP and SDBIP Compile reports to determine financial status of municipality
Assets	3	Safe guard the assets of the municipality Recording of assets of the municipality
Supply Chain Management	5	Procure all needs of the municipality in terms of approved regulations

### 2.7.3. OVERVIEW OF MUNICIPAL BUDGET

One of the biggest challenges of the Financial Plan is matching increased service demands with a relatively stagnant revenue base.

These challenges make the need for realistic and timeous financial planning even more critical. The Financial Plan is necessarily informed by available resources. This contradicts strongly with the demands of the Strategic Plan which is visionary and goal oriented, striving to achieve an improved quality of life for all the residents and communities in the Sundays River Valley Municipality. However, a Strategic Plan without the support of a disciplined Financial Plan is ultimately doomed as unattainable and "pie in the sky". The Financial Plan provides the framework within which human challenges can be addressed in a realistic and often incremental manner based on the available resources. It steers away from creating unrealistic expectations, frustrations and anger. Sundays River Valley Municipality is faced with the enormous task of eradicating its massive backlogs in service provision. This would require massive resources to address. It is now paramount to concentrate on the financial planning part of this IDP to determine how and when these backlogs can be addressed on a sustainable basis and within the context of available resources.

The Sundays River Valley Municipality's budget is MFMA compliant with principles of the MFMA now fully introduced and entrenched in the Municipality's financial affairs. Yet, the municipality needs to address its financial challenges on the following basis by:

- Further improving the Municipality's image by using the new procedures to enhance service delivery.
- Ensuring that the systems introduced continuously improve during the year.
- Preserving the Municipality's cash flow position.
- Further enhancing public participation in the next budget cycle.
- Continuing to improve on information provided to decision makers.
- Ensuring that growth in services is more closely aligned with citizen's expectations.
- Adjusting the organisation in line with information produced from the performance management system

### 2.7.3.1 THREE YEAR MUNICIPAL BUDGET

Financial viability and management remain one of the key priorities of Council. It remains more critical in the light of the current economic situation, which among other things requires self-sustenance and prudent financial controls. The Municipality's cash flow situation still needs to improve further. The plan is to build up a working capital reserve of two to three months' expenditure of the Municipality in the ensuing years. The budget for the municipality is summarised as follows

STATEMENT OF FINANCIAL PERFORMANCE		2020/21	2021/22	2022/23	2023/24
		Rands	Rands	Rands	Rands
Revenue		272 862 746.81	288 376 267.29	288 069 984.97	292 299 258.91
Expenditure		- 220 012 879.93	- 210 043 037.43	- 228 802 984.97	- 236 374 258.91
Surplus/(deficit) for the year		52 849 866.88	78 333 229.86	59 267 000.00	55 925 000.00
CAPITAL ASSET ACQUISITION		2020/21	2021/22	2022/23	2023/24
		Rands	Rands	Rands	Rands
Capital expenditure		- 42 061 658.92	77 960 200.00	59 267 000.00	55 925 000.00
CASH MANAGEMENT		2020/21	2021/22	2022/23	2023/24
		Rands	Rands	Rands	Rands
<b>Cash inflows</b>					
Rates and services		68 139 930.03	69 855 537.67	80 333 868.32	96 400 641.98
Transfers and subsidies		154 150 000.00	168 374 500.00	161 632 675.00	158 843 708.75
Interest		413 396.00	275 314.10	286 877.30	299 499.90
Other income		5 554 147.03	5 601 474.50	5 836 736.43	6 093 552.83
<b>Cash outflows</b>					
Capital assets		- 42 061 658.92	77 960 200.00	59 267 000.00	55 925 000.00
Borrowing repayment		- 1 158 864.12	660 000.00	660 000.00	660 000.00
Operating expenditure( salaries, suppliers, interest , etc)		- 184 724 873.06	165 821 875.96	174 973 960.04	184 961 929.77
net cash and cash		312 076.96	335 249.70	13 189 197.00	20 090 473.68
opening bank balance		2 436 947.00	2 749 023.96	2 413 774.27	15 602 971.27
closing bank balance		2 749 023.96	2 413 774.27	15 602 971.27	35 693 444.95

### 2.7.3.2 REVENUE AND EXPENDITURE FRAMEWORK

The table that follows indicates the expected operating revenue and expenditure for the Sundays River Valley Municipality. It includes revenue that would actually flow into the Municipality as well as allowances for billed, but not collected income. The "bottom line" is the disposable operating revenue, i.e. the amount that the Municipality would have to allocate in terms of this.

Table below is summary of revenue by source:

## Income statement

	Budget schedule			
	FINAL BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24
<b>Revenue By Source</b>				
Property Rates	51 500 000.00	53 187 056.17	55 420 912.53	57 859 432.68
Service charges - electricity revenue	24 742 348.51	29 690 818.22	32 333 301.04	35 210 964.83
Service charges - water revenue	14 668 097.09	15 240 152.88	15 880 239.30	16 578 969.83
Service charges - sanitation revenue	3 027 101.00	3 145 157.94	3 277 254.57	3 421 453.77
Service charges - refuse revenue	5 973 891.00	6 206 872.75	6 467 561.40	6 752 134.11
Service charges - other				
Rental of facilities and equipment	6 449.06	6 700.57	6 982.00	7 289.21
Interest earned - external investments	413 396.00	275 314.10	286 877.30	299 499.90
Interest earned - outstanding debtors	4 271 491.00	4 438 079.15	4 624 478.47	4 827 955.53
Dividends received				
Fines, Penalties and Forfeits	2 370 700.02	2 463 157.32	2 566 609.93	2 679 540.77
Licences and permits	1 415 024.97	1 470 210.94	1 531 959.80	1 599 366.03
Agency services	3 145 533.00	3 268 208.79	3 405 473.56	3 555 314.39
Revenue transfers and subsidies- operational	116 660 771.00	97 498 500.00	102 365 675.00	102 918 708.75
Operational Revenue	587 140.00	610 038.46	635 660.08	663 629.12
Gains on disposal of PPE				
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>228 781 942.65</b>	<b>217 500 267.29</b>	<b>228 802 984.97</b>	<b>236 374 258.91</b>
Transfers and subsidies - capital				
Transfers and subsidies - capital (monetary allocation)	43 532 600.00	70 876 000.00	59 267 000.00	55 925 000.00
Transfers and subsidies - capital (in-kind - all)	548 204.16			
<b>Total Revenue (including capital transfers)</b>	<b>272 862 746.81</b>	<b>288 376 267.29</b>	<b>288 069 984.97</b>	<b>292 299 258.91</b>

The most significant source of internal income is the income from the rates and service charges. The current budgeted percentage of internal revenue is 65%. The collection rate for the service income still requires a lot of improvement to ensure the achievement of the service delivery targets. The Sundays River Valley Municipality is implementing its credit control and debt management policy to ensure that this is achieved and that all outstanding debts are collected. The collection of these outstanding debtors is a priority of the Municipality and is receiving the most urgent attention. The Municipality has initiated the following interventions to address revenue collection challenges, namely data cleansing exercise, changing faulty meters, restriction and/or disconnection of services where applicable, and intelligent meter installation project. These interventions address the challenges around the billing system including the accuracy thereof as well as the use of arrears from the past to encourage and reward payment of the current account.

## REVENUE GENERATION

In order to serve the community and to render the services needed, revenue generation is fundamental for financial sustainability. The reality is that we are faced with developmental backlogs and poverty challenging our revenue generation capacity. The needs (being capital or operational of nature) always exceed the available financial resources. This becomes more obvious when compiling the annual budget and marrying it with the community's needs as recorded in the IDP. This is a worldwide problem and therefore available financial resources should be utilised where it delivers the biggest impact on outcomes that will improve the quality of life of our local communities.

### A. Revenue Management

- Date cleansing will be re-performed to ensure the integrity of billing information and accuracy of customer accounts.
- Acquisition of meter reading equipment to eliminate estimates and inaccuracy
- Updating and re-registering of indigent list to ensure effective targeting and improved systems
- Installation of prepaid meters to monitor losses and improve revenue
- Punitive steps are being instituted against non-payment by customers as is the case with any other financial transaction and institution.
- Revenue enhancement strategy has been developed and is implemented in phases to stabilise financial performance

## B. Collection of Outstanding Debt

The payment ratio as per audited 2020 Annual Financial Statement revealed a net debtors' days of 262 days based gross debtors less allowance for debt impairment over billing for the year. The high levels of debt to suggest deficient efforts to collect billed revenues due to:

- Poor implementation of the debt and credit control policy
- Tariffs are not cost-reflective and municipality subsidises customers for electricity
- Large number of indigents not registered, however a robust drive to register indigents is now underway

The municipality is in the process of implementing intelligent/smart meters throughout which will assist in ensuring that consumers buy water and electricity in advance and also restricted consumers receive water up to the free basic service level and nothing more. This will elicit response from consumers and will not increase debt and thus increase collection rate.

## EXPENDITURE BY TYPE

	Budget schedule			
	FINAL BUDGET 2020/21	BUDGET 2021/22	BUDGET 2022/23	BUDGET 2023/24
<b>Expenditure By Type</b>				
Employee related costs	85 492 509.00	80 442 893.44	85 344 949.63	90 548 383.14
Remuneration of councillors	7 906 393.00	7 664 557.55	8 143 592.39	8 652 566.92
Debt Impairment	31 771 506.88	44 221 161.47	46 166 892.57	48 244 402.74
Depreciation & asset impairment	-			
Finance charges	4 646 500.00			
Bulk purchases	33 442 396.00	38 476 170.97	41 398 660.93	44 582 427.12
Other materials	7 846 828.23			
Contracted services	25 229 649.33			
Expenditure Transfers and subsidies	-			
Other expenditure	23 677 097.50	39 238 254.01	40 886 260.68	42 685 256.15
Loss on disposal of PPE				
<b>Total Expenditure</b>	<b>220 012 879.93</b>	<b>210 043 037.43</b>	<b>228 802 984.97</b>	<b>236 374 258.91</b>

Table above is summary of expenditure by type



Best practice methodologies relating to operating expenditure utilised by the municipality include but not limited to:

- infrastructure repairs and maintenance as a priority;
- Budgeted expenditure is to be funded by realistically anticipated cash backed revenues; and, operational gains and efficiencies to result in operating surpluses to fund capital expenditure from own cash backed funds. The latter is a great challenge.

#### **C. Under spending on Repairs and Maintenance**

The medium to long-term consequences of under-spending on repairs and maintenance shortens the useful life of assets and thus necessitates earlier replacement. SRVM under spends on repairs and maintenance due to:

- Increasing expenditure trend-Cash flow constraints
- Insufficient budget to ensure the continued provision of services
- Lack of repairs and maintenance plans

The municipality will appoint a service provider to assist with the development of masterplans for all infrastructure categories. This exercise will kick-start in the 2021/22 financial year as it is extensive in nature and has not been performed previously. Upon completion of all masterplans with a repair and maintenance plan be drafted taking into account all factors necessary to ensure we get maximum use for our assets and cater for the communities accordingly.

For now, the municipality will continue to perform repairs and maintenance on a corrective base which is not ideal as by doing so we are not a responsive institution but a reactive one which is against our strategic goal.

#### **D. Spending on non-priorities**

SRVM prioritises cost items that have a direct impact on communities, however few exceptions are noticed with respect to:

- Expenditure not budgeted for being incurred
- The absence of procurement plan to manage cash throughout the year

However, the municipality has responded to the 2017 State of the Nation Address by the President, the cost containment measures announced by the Minister of Finance in 2013 were re-emphasised. The municipality has taken a stand with this regard and will be reviewing the approved cash containment measures in line with national priorities for 2022/23.

## **E. DISTRIBUTION LOSSES**

The Municipality experiences water losses which are as a result of unaccounted for water and water leaks. It should also be noted that unbilled water also contributes to the increase in unaccounted for water especially in Enon and Bersheba and Moses Mabida.

To reduce the unbilled water losses due to incorrect meter reading, illegal water connections and unmetered water connections, the supply area is to be zoned into smaller control areas and bulk meters installed. The reading routes will then be aligned to the supply zones and reading of both the individual meters and the bulk meter will be aligned for each zone to facilitate water balancing. Variances will be analysed so as to identify the reason for losses. The Municipality must embark on a water loss monitoring exercise where the different areas are being monitored using the bulk meters, so as to identify areas where there are excessive water losses, and when identified a plan of action is put in place to reduce the water losses.

The municipality also experiences electricity losses which is a result of illegal connection and unmetered electricity connections. To eliminate the electricity losses, the municipality must perform a meter audit and identified households where prepaid meters are to be installed. Prepaid meter will be installed as an on-going exercise and customer are continuously encouraged to come forward so we can convert accordingly.

### **2.7.4 Financial Recovery Plan**

The municipality has a financial recovery plan. This is currently being implemented so to address cash flow challenges. The plan includes the following key objectives:

- Payment arrangements to service long outstanding debt
- Network and financial system maintenance
- Establishment of functional FBS unit
- Better implementation of credit and debt policy
- Communication strategies
- Prioritization of service delivery

### **2.7.5 Policies and By-laws**

Council's financial policies are reviewed annually and amended according to need and/or legislative requirements. The municipality has the following policies:

- Asset Management policy,
- Indigent Support policy,
- Rates policy,
- Credit control policy,
- Financial Management Policy,
- Bank & Investment policy,
- Write Off policy,
- Supply Chain Policy, and

- Tariff Policy
- Customer care policy
- Fruitless, Wasteful and Irregular expenditure
- Policy on usage and safety of assets.
- Payroll Policy
- Cash Containment Policy

The borrowing policy, funding and reserves and long-term financial plan are included in the financial management policy. These policies upon approval by Council are promulgated into by laws and gazetted thereafter. Rates and Traffic by-laws were approved by Council and gazette.

National Treasury has introduced a new Standard Chart of Accounts for municipalities which are commonly referred to as mSCOA. Sundays River Valley Municipality has implemented mSCOA and functioning on the correct mSCOA version 6.4 database as from 1 July 2020 and therefore will already base the 2021/22 budget on mSCOA principles (version 6.5) with effect from 01 July 2021.

mSCOA is a business reform which requires multi-dimensional recording and reporting of every transaction across the 7 segments of mSCOA. It also provides a uniform and standardised financial transaction classification framework for all municipalities in South Africa and will facilitate improved alignment between the IDP, budget, SDF and other strategic processes within the municipality. The unique mSCOA segments include the following:

- Project – Does the transaction relate to a specific project and if so, what type of project;
- Function – Against which function or sub-function should the project be recorded;
- Municipal Standard Classification – Against which organizational vote or sub-vote should the transaction be recorded;
- Item – What is the type and nature of the income or expenditure;
- Funding – Against which source of funding is the payment allocated and against which source is the revenue received;
- Regional Indicator- Which geographical area is deriving the benefit from the transaction and;
- Costing – Provides for the re-distribution of primary costs between functions

#### **2.7.6 Revenue Enhancement Strategy**

For Sundays River Valley Municipality to maintain and also continue to improve the quality of services provided to its citizens, it needs to generate the requisite revenue. Local communities must understand that the continued generation of cash via prudent budgeting, credible income policies and sound financial management systems are critical to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty and the resources required to address these challenges will, inevitably, exceed available funding. Hence, difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macro-economic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which strives to ensure a 75% annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

A logical approach should be that trading services should be cost-reflective, which implies that sufficient revenue should be raised to cover all the costs associated with the provision of these services. The inflation forecast for the MTREF period is on an average 4% per annum, excluding ESKOM. The municipality's aim is to not exceed inflation in its annual tariff adjustments, but the following factors hamper this goal and are often beyond the control of the municipality:

- ESKOM electricity increases
- bulk water purchases and
- national collective agreements on salary increases

The Finance Directorate will be embarking on a number of strategic thrusts and actions within its resources capacity to maximise or, at best, maintain revenue raising at its current levels. This will ensure that Council can continue to meet its constitutional requirements.

A comprehensive revenue enhancement strategy is undertaken and it includes:

- Cleaning of the debtor database to ensure that all consumers are levied for all services received at the correct tariff for such service.
- Reviewing and formalising an indigent policy for the municipality.
- Ensuring that all consumers that qualify in respect of such approved indigent policy are registered.
- Implementing credit control measures to significantly improve payment levels and ensure that consumers that can pay do so.
- Reviewing Council's tariff policy in respect of the subsidy of free basic services and to ensure that the actual cost of services is recovered through the respective tariffs.
- Restructuring of the operational budget to ensure that the budget is cash funded and that it reflects actual payment levels in respect of bad debt provision.
- Investigating distribution losses in respect of electricity and water to ensure that electricity and water purchased is billed
- Appointment of a debt collection agency to assist in collecting outstanding debt
- Restructuring offices to ensure efficiency in operations

#### **2.7.7 GRAP Compliances-Asset Management Strategy**

The municipality completed GRAP 17 implementation during 2019/20 financial year and has now a comprehensive database of all assets within the organisation. An asset management unit has been established and has 3 staff members capacitating the unit.

The asset register is updated and functional for municipal assets. A service provider has been appointed and works tirelessly to ensure the section attends best to audit findings and improve the unit in its entirety.

The following functions are performed:

- Conducting physical verification of movable assets on a quarterly basis to ensure the accuracy of the Fixed Assets Register
- Ensuring that all Municipal assets are insured adequately
- Ensuring that all Municipality assets are tagged/barcoded
- Performing Impairment testing on infrastructure assets
- Liaising with Head of Departments to ensure that the safekeeping and safeguarding of assets under their control is prioritised
- Reviewing of useful lives and residual values on an annual basis
- Depreciation of all asset classes
- Disposal of all auctioned assets
- Capitalised all assets purchased in financial year

#### CHALLENGES WITH ASSETS SECTION:

- Ageing infrastructure assets with inadequate investment plans for replacements
- Minimal repairs & maintenance been done on infrastructure assets due to funding constraints.
- Low asset turnover ratio
- Absence of an electronic infrastructure asset management system from project construction to repairs and maintenance.

#### PROPOSED SOLUTIONS:

- External grant funding is to be sought to address the minimal repairs and maintenance due to our revenue base being predominantly rural/indigent.
- An Integrated Asset Management System is to be investigated and cost taking into consideration growing municipal assets base.

#### ACHIEVEMENTS:

- Ensuring that all completed projects in prior years were capitalised i.e. recorded on the Asset Register so to ensure all Infrastructure Assets are recorded accurately, including those still in work-in-progress.
- Developing and maintaining working relationships with key Department/Units within the Municipality, especially the Technical Services Department.

### **2.7.8 Annual Financial Statements**

The 2019/20 annual financial statements were prepared in accordance with Generally Recognized Accounting Practice Standards, National Treasury formats.

**Basis used to prepare the municipality's annual financial statements**

- Accrual basis of accounting
- Standards of GRAP approved by the Accounting Standards Board.
- Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted
- On the basis of a going concern

It is the responsibility of the accounting officer to make sure that the annual financial statements are prepared based on the prescribed format and submitted to Auditor General on time as prescribed by the MFMA. An AFS process plan was developed to safeguard against non-compliance and compilation of the AFS. It has been implemented from March and will be an on-going process till AFS are submitted.

The Financial Statements attached relate to the previous 2 years of audited financial information 2018/19 and 2019/20 financial years.

The municipality has developed an AFS plan for the 2020/21 financial year to ensure all items are dealt with and the audit file is in place come submission time. Below find high-level AFS preparation plan:



SUNDAY'S RIVER VALLEY LOCAL MUNICIPALITY			REVIEW
MID-TERM AND ANNUAL FINANCIAL STATEMENT 2020/21			First Review
Assignment	Description of assignment	STAFF RESPONSIBLE FROM LM	
Planning and Mobilisation	Project Governance (Establish PSC, frequency of meetings)	CFO	CIA / Treasury Support
Planning and Mobilisation	Review and approve project plan	CFO	CIA / Treasury Support
Planning and Mobilisation	Project Steering Committee Meetings	CFO	CIA / Treasury Support
Opening balances	<ul style="list-style-type: none"> <li>Reconcile prior period accounting system TB and ensure that it agrees to the audited prior year financial statements.</li> <li>Reconcile the process for the "roll-forward" of the balances for the year ended 30 June 2020 on Caseware.</li> <li>Confirm balances agree to the final audited financial statements for 2020.</li> </ul>	CFO	CIA/ Treasury Support
AG queries 2016	Addressing all AG queries raised in prior year	Senior accountant.	CFO / Treasury Support
Review of GRAP compliant accounting policies	<ul style="list-style-type: none"> <li>Review the accounting policies that management proposes to include in the 2019/20</li> <li>Financial statements based on available best practice.</li> </ul> Review procedure manuals, policies and systems descriptions	CIA & Treasury	Audit Comm
Inventory	1. Perform stock taking and reconcile inventory listing at mid-year and year-end. 2. Ensure stock count documentation in order	Assets	CFO

	3. Obtain water valuation report from expert at mid-year and year-end.		
Trade Receivables	1. Perform monthly debtors reconciliations. 2. Perform provision calculations at mid year and year end & obtain council resolution for write off of bad debt 3. Check for creditors with debit balances. 4. Obtain warrant books with warrant duplicates which support fines recognised as receivable. 5. Reconcile warrants issued to GL. Ensure that there is adequate supporting documentation for Other Receivables.	Income	Treasury Support
Other Receivables	Ensure that there is adequate supporting documentation for Other Receivables.	Income	Treasury Support
Cash & cash equivalents	1. Perform the monthly bank reconciliations. 2. Update and reconcile the investment register. 3. Obtain bank confirmations.	Susan ,Kosi and Mapukata	CFO
Investment Property	Compare FAR to GL. Check against deeds office for transfers	Assets	CFO
Property, Plant & Equipment (Inc. Intangible Assets & Heritage Assets)	Perform monthly recons and Compare FAR to GL. Ensure supporting documentation on file	Assets	CFO
Borrowings	1. Obtain monthly loan amortisation tables. 2. Obtain loan confirmations at year-end.	BTO	CFO
Finance lease obligation	1. Update lease register. 2. Prepare lease amortization schedules. 3. Reconcile schedule to TB. 4. File all lease agreements.	Assets	CFO
Trade payables	1. Perform monthly reconciliation of creditors sub-ledger to the general ledger (control account). 2. Compile the accruals listing. 3. Review suspense accounts. 4. Obtain leave register and calculate the leave gratuity and leave accrual / provision.	Expenditure Internal Audit & Income section	CFO



	5. Perform monthly payroll reconciliations. 6. Ensure that debtors with credit balances are correctly accounted for.		
VAT payable	Perform VAT Reconciliations for 2020/21	Expenditure	Treasury Support
Consumer deposits	1. Obtain consumer deposits listing and receipts. 2. Reconcile listing to GL.	Income	Treasury Support
Current portion of unspent conditional grants and receipts	Perform the conditional grants reconciliations monthly	Grants and Investments	CFO
Employee benefit obligations	Obtain actuarial valuation reports and documents pertaining to fund and scheme rules and ensure that employee benefit obligations are correctly accounted for and disclosed.	BTO	Treasury Support
Provisions	1. Obtain the municipality's estimate of the current costs of restoring the environment surrounding the landfill sites and documentation used to arrive at the estimate.	Assets	Treasury Support
Accumulated Surplus	Review journals and supporting documentation. Reconcile consolidated billing reports to GL.	BTO & CFO	Treasury Support
Services charges		Income	Joko & Treasury Support
Rental of facilities and equipment	1. Ensure registers of deposits, rentals and all direct income received are prepared.	Income	Joko & Treasury Support
License and permits	Reconcile eNatis reports to the GL.	Traffic	Treasury Support
Other income	Compile the register of all sundry income.	Income	Joko

<b>Interest earned - external investments</b>	1. Obtain and review the investment register and reconcile to bank statements. 2. Reconcile interest received per the investment register to the GL.	Grants and Investments	CFO
<b>Income from agency services</b>	1. Repurchase calculation of income from agency services based on contract. 2. Reconcile calculation to GL.	Income	Treasury Support
<b>Property rates</b>	Perform rates reconciliation between valuation roll per the property valuer and the valuation roll per the accounting system.	Income	Joko
<b>Government grants and subsidies</b>	Recognise grant revenue in GL on monthly basis	Grants and Investments	CFO
<b>Fines</b>	1. Obtain warrant books with warrant duplicates which support fines recognised as revenue. 2. Reconcile warrants issued to GL.	Income	Treasury Support
<b>Personnel</b>	1. Reconcile payroll reports to GL. 2. Obtain evidence that the local bargaining forum has approved general salary increases. 3. Review salary run documentation. 4. For municipal houses, obtain rental agreements entered into between the municipality and the employees. 5. Obtain wage register. 6. Obtain list of promotions. 7. Obtain list of terminations.	Expenditure	CIA
<b>Remuneration of councillors</b>	Reconcile payroll reports to GL.	Expenditure	CIA
<b>Depreciation and amortisation expense</b>	Ensure that the depreciation per the FAR agrees to the GL and AFS.	Assets	CFO
<b>Impairment losses &amp; Disposals</b>	1. Ensure that the impairment loss per the FAR agrees to the GL and AFS. 2. Perform provision calculations and gains & losses on disposals at year end.	Assets	CFO



	3. Obtain council resolution for disposals and write offs		
Finance costs	1. Reconcile finance costs per finance lease amortization schedules to GL. 2. Reconcile finance costs per provision of landfill site estimate to GL. 3. Review the GL for interest charged on overdue accounts.	Expenditure & Assets	ONO & CFO
Lease rentals on operating leases	1. Lease agreement and straight-lining schedule. 2. Reconcile straight-lining schedule to GL.	BTO & Expenditure	CFO
Repairs and maintenance	Review repairs & maintenance expense accounts to confirm no assets included.	Expenditure & Assets	CFO
Bulk purchases	1. File all payment vouchers supporting GL. 2. Reconcile payment vouchers to GL.	Expenditure	CFO
General expenses	1. Auditors fees - reconcile GL to supporting documentation. 2. Consulting fees - reconcile GL to supporting documentation. 3. Ensure totals recorded in the AFS agree with the Trial Balance.	BTO & Expenditure	CFO
Cash flow Statement	Prepare GRAP compliant cash flow statement.	BTO & CFO	CIA & Treasury Support
Budget vs Actual/ Unauthorised expenditure	1. Compare actual expenditure to the approved annual budget for the 2020/21 financial period. 2. Compare the expenditure to date to the contract amount per the contract register and include instances where expenditure exceeds the contract amount to the unauthorised expenditure register for 2020/21	BTO	Treasury Support
Irregular Expenditure	1. Review payment vouchers and contracts awarded for irregular expenditure.	SCM	Treasury Support

	2. Update the irregular expenditure register for 2020/21.		
<b>Commitments</b>	1. Review the contract register for 2020/21 and confirm commitments, which should be the difference between the contract amount and the expenditure to date. 2. Review the bid adjudication committee reports for 2020/21 to confirm that bids awarded but not contracted are included as part of commitment for 2020/21.	SCM & Grants	Treasury Support
<b>Preparation of AFS 2020/21</b>	Prepare the 2020/21 AFS	CFO ,Accountants& Interns	CIA / Treasury Support
<b>Submission of AFS</b>	Submit AFS to management, Internal Audit		CIA / Treasury Support
	Prepare audit working paper file	CFO ,Accountants& Interns	CIA / Treasury Support
	Submit AFS to MPAC, Audit Committee, Council Submit AFS to the Treasury/AG		
<b>Findings raised by CIA, AC &amp; MPAC</b>	Attend to findings raised by CIA, AC & MPAC	CFO & Accountants	CIA / Treasury Support
<b>Audit support</b>	1. Responding to AG RFIs and COAFs 2. Adjusting AFS with AG queries		



### **2.7.9 Financial Analysis**

The selected trends and financial ratios relating to Sundays River Valley Municipality for the previous two years are listed below. These provide a platform to analyze the current financial situation of the municipality.

RATIO		FORMULA	DATA SOURCE	NORM RANGE	INPUT DESCRIPTION	DATA INPUTS AND RESULTS
* R 000 *						
1. FINANCIAL POSITION						
A. Asset Management/Utilisation						
1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year reports, IDP and AR	10% - 20%	Total Operating Expenditure Taxation Expense Total Capital Expenditure	100% 220 012 880  42 061 659
2	Impairment of Property, Plant and Equipment, Investment Property and Intangible assets (Carrying Value)	Property, Plant and Equipment + Investment Property + Intangible Assets Impairment / (Total Property, Plant and Equipment + Investment Property + Intangible Assets) x 100	Statement of Financial Position, Notes to the AFS and AR	0%	PPE, Investment Property and Intangible Impairment PPE at carrying value Investment at carrying value Intangible Assets at carrying value	100%  768 739 726 104 059 000 3 487 363
3	Repairs and Maintenance as a % of Property, Plant and Equipment and Investment Property (Carrying Value)	Total Repairs and Maintenance Expenditure / Property, Plant and Equipment and Investment Property (Carrying value) x 100	Statement of Financial Position, Statement of Financial Performance, IDP, Budgets and In-Year Reports	8%	Total Repairs and Maintenance Expenditure PPE at carrying value Investment Property at Carrying value	100% 7 477 177 768 739 726 104 059 000
B. Debtors Management						
1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off) / Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports, IDP and AR	95%	Gross Debtors closing balance Gross Debtors opening balance Bad debts written Off Billed Revenue	95% 201 043 852 163 030 153  106 553 629
3	Net Debtors Days	((Gross Debtors - Bad debt Provision) / Actual Billed Revenue) x 365	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget and AR	30 days	Gross debtors Bad debts Provision Billed Revenue	 201 043 852 136 871 395 106 553 629
C. Liquidity Management						
1	Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investments) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports and AR	1 - 3 Months	Cash and cash equivalents Unspent Conditional Grants Overdraft Short Term Investments Total Annual Operational Expenditure	100% 2 748 662    220 012 880
2	Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Current Assets Current Liabilities	 90 789 144 52 078 435
D. Liability Management						
1	Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure x 100	Statement of Financial Position, Statement of Cash Flows, Statement of Financial Performance, Budget, IDP, In-Year Reports and AR	6% - 8%	Interest Paid Redemption Total Operating Expenditure Taxation Expense	 1 158 864  220 012 880  
2	Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	Statement of Financial Position, Statement of Financial Performance, Budget, IDP and AR	45%	Total Debt Total Operating Revenue Operational Conditional Grants	 2 025 939 228 781 943 116 660 771

### **2.7.10 Free Basic Services**

Since 1994 the South African government has introduced numerous laws, policies and strategies to improve the socio-economic conditions of poor households. At the national level there is social assistance in the form of cash grants that target different groups e.g. children, foster children, people with disabilities, older persons and the unemployed. These social grants have been very successful, contributing in large part to combating absolute poverty in the country.

There is also a system that operates at the local government level, relating to the provision of benefits in kind in respect of basic municipal services e.g. water, sanitation, electricity, and refuse removal known as indigent support. The Sundays River Valley Municipality has an Indigent Policy in place; the indigent support entails:

- Provision of "free basic" water up to 6 kiloliters every month
- Provision for "free basic" sewer services
- Provision for "free basic" electricity at 50 kilo watts
- Provision for "free basic" refuse services
- Provision of " free basic " Alternative Energy 5 liters of Gel

The household income beneficiary threshold qualification for indigent support is R 3 500 per household. The register of Indigent consumers is being updated monthly and is limited to consumers who have made application and have been approved. However, some consumers have not applied even though they qualify for the Indigent Programme. This is mostly due to a lack of knowledge about the programme. In most areas of the municipality (satellite offices), a Free Basic Service unit is being developed to ensure they educate and advise the customers accordingly.

The FBS section being established will have staff who dedicate their time and energy only on the allocated accounts as the service provider for debt collection has been allocated certain portfolios, building the necessary relations with the respective debtors and ensuring that the debts are recovered in the shortest possible time.

The municipality has 14 thousand customers and 2413 are registered as indigent with a book debt value of R51 million.

### **2.7.11 Supply Chain Management Strategy**

The Municipality has a Supply Chain Management Unit that is fully functional and established within the Finance Department. All SCM activities are performed in line with Chapter 11 of the MFMA (No. 56 of 2003), PPPFA (No. 5 of 2000) and the 2017 Preferential Procurement Regulations and the SCM Policy. The Unit has four elements, namely, demand, acquisition, logistics and disposal management.

Sundays River Valley municipality has a centralised system of supply chain. The municipality is yet to fill the position of Supply Chain Management head amidst the recent resignation of the previous staff member. The office has now only one official, demand officer. The three vacancies within this unit have been included in the organogram and are identified as critical post which will be filled soonest.

Only one bid committee is functional, being Specification Committee. The Evaluation Committee and Adjudication Committee are not functional due to the current structure of the office, which hampers on service delivery as any awards made will be considered irregular in nature.

The supply chain management policy has been reviewed. This includes subcontracting of the portion of the project scope to local emerging entities owned by persons from the historically disadvantaged groups.

The turnaround time for procurement is 30 days.

Quotations for transactions below R 30,000 are solicited from entities listed on the Treasury's Central Supplier Database (CSD) according to their areas of specialization/commodities and business location. All procurement requests exceeding R30 000 up to R200, 000 are advertised on the municipal website and notice boards for at least seven (7) days. Transactions above R200 000 are processed in terms of the competitive bidding process.

The Annual Procurement Plan is currently being developed for 2021/22 financial year. This tool plays a vital role in the competitive bidding process by ensuring the timeous finalization of the procurement processes including appointment of bidders within the anticipated timelines. This ensures a proactive approach towards the timeous implementation of projects thereby ensuring the achievement of the service delivery targets. All role-players need to comply with the set procurement timeframes and avoid unnecessary delays in the procurement processes. The annual procurement plan includes capital and recurrent operational projects across the Municipality which in terms of their transactional value, are expected to exceed a minimum threshold for going out to tender and those that are often demanded under urgent or emergency cases. To curb the issue of unjustifiable deviations from the normal processes, irregular, fruitless and wasteful expenditure, the Municipality has wants to established panels of service providers. This will assist in ensuring that the SCM Unit eliminates all issues of non-compliance with the SCM Policy and mitigate/eliminate audit findings in the AG report.

The following are some of the challenges faced by the SCM Unit:

- Non-compliance with the procurement plan and timeframes by the various role players involved in the competitive bidding processes;
- Late finalization of bids;
- Non-adherence to inventory management procedures due to staff capacity and competence levels.

For capital projects from Technical Services, the involvement of Consultants will have to be eliminated in the future and the technical assessment of bids be done in-house. The Municipality has implementing the SCM Policy on Infrastructure Procurement. All capital projects are subject to the subcontracting requirements as contained in the SCM Policy.

## **2.7.12. Revenue management**

The municipality bills its customers on a monthly basis as per norms and standards of revenue management. The municipality billing systems has undergone data cleansing and this has been finalized. This affected the collection rate as billing was performed later in the year but revealed detailed findings which were attended to proactively. Corrections on the billing system that will be guided by the changes on the valuation rolls and also the data cleansing that was done and has already commenced for 2021/22 financial year.

### **Financial liquidity**

The municipality's current liabilities exceed the current assets for 2019/20 financial year (0.69). The acceptable ratios should be current ratio 2:1. This indicates that financial challenges and probable liquidity problems as the municipality has insufficient cash to meet its short-term obligation.

As seen in the above ratios, the municipality is exposed to significant cash flow risk due to challenges in collection of outstanding amounts due to it and inversely affecting ability to meet its long- and short-term obligations.

### **2.7.13 Internal Controls**

There are internal mechanisms in place within the municipality. A delegation register exists to ensure segregation of duties and isolation of responsibilities. These are some internal controls within the municipality but not limited to the following:

- Access controls- ICT
- Policies and Procedure Manuals in place
- Oversight through Audit Committee and MPAC
- Monthly reporting to relevant stakeholders.
- The compilation and submission of financial report (Section 71, Section 52d, section 72, and yearly reports is monitored through the CFO's performance plan and these report are submitted as per the required legislation

### **Risk Assessment**

Risk management is a continuous process and the assessment is done once a year by the municipality. A risk assessment workshop was undertaken for the municipality under the facilitation of Internal Audit department. In this session risk identification was performed as these directly or indirectly jeopardise the ability of the municipality to achieve its goals.

The main aim of this exercise was to help the municipality prioritise its risks given constraints in resource capacity to deal with all risks. Risk treatment strategies were developed and monitoring of this regime is of pivotal performance to provide ongoing assurance of their effectiveness.

### **Financial Filing and Audit File**

There are filing systems in place as required by the Archives Act. Financial filing is facilitated by Pastel where all records are kept accordingly. Audit file for 2018/19 were prepared electronic and hard copy (files). These were submitted to Auditor General. The audit files are prepared in lines with Circular 50 of National Treasury. The municipality is currently implementing its EDMS system

### **Audit Opinion**

During the past three years the municipality received the following audit opinions from the Auditor General office:

- 2017/18- Qualified Opinion
- 2018/19 – Disclaimer Opinion
- 2019/20 – Disclaimer Opinion

Bases for Disclaimer opinion were as follows but not limited to the below stated:

- Irregular Fruitless and wasteful Expenditure
- Material misstatements and misallocations
- Aggregation of Prior year errors
- Water Losses
- Property, Plant and Equipment

Below are recurring audit findings:

- Vat treatment
- Irregular expenditure
- Information not submitted
- Contingent liability schedule incomplete
- Reconciliations not performed

An audit action plan has been developed to address audit findings raised by the Auditor General. Progress to date includes but not limited to the following:

- Procedure manuals being developed
- All Reconciliations being performed
- Allocations of receipts and expenditure are done on time
- Investigations performed for instances of UIFW
- System has been modified to attend supplier listing query
- All specifications are now approved
- PPPA system for evaluation and adjudication is now used
- All declaration forms signed accordingly
- Asset tracking systems purchased and utilized



### 2.7.13 Valuation Roll

The current valuation roll was implemented with effect from the 1 July 2020. The valuation roll is effective until the June 2025. The total valuation upon which assessment rates are levied is R8.7 billion.

The municipality has just appointed a Service provider to compile a currently implemented valuation roll and supplementary valuation rolls accordingly.

### 2.7.14 Grant Allocations

The following table shows details in relation to operating grants to be received from other spheres:

REVENUE FROM TRANSFERS	2021/22	2022/23	2023/24
	Rands	Rands	Rands
<b>Transfers: Operational- National</b>			
Equitable share	90 418 000.00	96 445 000.00	96 817 000.00
FMG	3 000 000.00	3 000 000.00	3 100 000.00
EPWP	1 237 000.00	-	-
<b>Transfers: Operational- Provincial</b>			
Library services	1 200 000.00	1 200 000.00	1 200 000.00
<b>Transfers: Operational- District</b>			
Environmetal subsidy	1 543 500.00	1 620 675.00	1 701 708.75
<b>Transfers: Operational- Other</b>			
LGSETA	100 000.00	100 000.00	100 000.00
<b>Total operational grants</b>	<b>97 498 500.00</b>	<b>102 365 675.00</b>	<b>102 918 708.75</b>
<b>Transfers: Capital</b>			
<b>Transfers: Capital- National</b>			
MIG	34 876 000.00	28 785 000.00	29 925 000.00
Energy Efficiency & Demand Side Management Grant	3 000 000.00	3 982 000.00	-
INEP	18 000 000.00	6 500 000.00	6 000 000.00
Water Services Infrastructure Grant	15 000 000.00	20 000 000.00	20 000 000.00
<b>Total capital grants</b>	<b>70 876 000.00</b>	<b>59 267 000.00</b>	<b>55 925 000.00</b>
<b>Total Grants</b>	<b>168 374 500.00</b>	<b>161 632 675.00</b>	<b>158 843 708.75</b>

### 2.7.15 Litigation Register

NAME OF ENTITY/ SUBSIDIARY	MANAGEMENT DESCRIPTION OF MATTERS  (Including current status, amount claimed and legal counsel's reference if known)	MANAGEMENTS ESTIMATE OF THE FINANCIAL EXPOSURE  (Including costs and disbursements)	LEGAL COUNCIL'S REMARKS
TANDO TSOBO	CRIMINAL MATTER	R 250 000. 00	APPLICATION FOR LEAVE TO APPEAL SENTENCING. FILED PETITION AND AWAITING HIGH COURT DECISION.
MINISTER OF WATER AND SANITATION	MUNICIPALITY BEING SUED BY PLAINTIFF TO PAY FOR WATER USAGE	R 500 000.00	PARTIES ATTEMPTING TO SETTLE
J MFAMA & OTHERS	EVICTON	R 100 000. 00	AWAITING OUTSANDING INFORMATION FROM CLIENT
SANPARKS AND OTHERS	REVIEW APPLICATION AGAINST MUNICIPALITY AND 7 OTHER RESPONDENTS	R 150 000.00	APPLICANT IS APPLYING FOR LEAVE TO APPEAL JUDGEMENT
A MEYER	PENSION FUND CONTRIBUTIONS	R 50 000.00	LETTER TO CLIENT ADVISING OF EMPLOYEE AND EMPLOYER CONTRIBUTION INCLUDING INTEREST. AWAITING FURTHER INSTRUCTIONS FROM CLIENT.
R A ABDULLAH	REVIEW MATTER	R 350 000.00	FILING RESPONDENTS RECORD AND ATTENDING TO INDEX AND FILE ANSWERING AFFIDAVIT
ZAMA ZONDO CONSTRUCTION	CLAIM FOR DAMAGES IN THE AMOUNT OF R 10 844 335.00	R 12 000 000.00	CLAIM HAS BEEN DEFENDED AND AN EXCEPTION IS BEING PREPARED
JONGISIZWE VEGETABLES TRUST	CLAIM FOR DAMAGES IN THE AMOUNT OF R 8000 000.00	R 9 000 000.00	CLAIM HAS BEEN DEFENDED AND AWAITING TRIAL DATE
QAMASANDE TRADING	CLAIM FOR DANAGES IN THE AMOUNT OF R 28 350 000.00	R 30 000 000.00	CLAIM HAS BEEN DEFENDED AND AWAITING TRIAL DATE
RUDOLPH C ORBAN TRADING AS RUDCOR CONSTRUCTORS	COURT ORDER	R 743 373.65	

## CHAPTER 3: STRATEGIC FRAMEWORK

Our vision, mission and values are underpinned by Council vision to see Sundays River Valley Municipality providing first class service delivery by year 2022/23.

### 3.1 OUR VISION

**A people centered Municipality providing efficient and effective services to communities.**

### 3.2 OUR MISSION

**To deliver effective, efficient services in an accountable and transparent manner and to create an inclusive, safe, sustainable socio-economic environment for improved quality of life.**

### 3.3 OUR VALUES

**ACCOUNTABILITY  
TRANSPARENCY  
INTEGRITY & HONESTY  
COMMUNITY ORIENTATED**

### 3.4 STRATEGIC DIRECTIONS

The Sundays River Valley Municipality is a category B municipality with a Collective Executive System made up of a ward participatory system established in terms of the Local Government: Municipal Structures Act 117. It is one of the seven local municipalities under the SBDM. The municipality takes

its legislative mandate from the provisions of Section 152 of the South African Constitution which is as follows:

- To give priority to the basic needs of the local community.
- To promote the development of the local community.
- To ensure that all members of the local community have access to at least a minimum level of basic municipal services (this takes precedence over others).
- To ensure sustainability of services, municipality and settlements.

To give effect to the above mandate, the municipality has approved the following priority areas:

- **Provision of Infrastructure and Basic Services.**
- **Local Economic Development.**
- **Community and Social Services.**
- **Institutional Transformation and Organizational Development.**
- **Good Governance and Public Participation.**
- **Financial Viability and Management.**

### **STRATEGIC OBJECTIVES**

#### **Provision of Infrastructure and Basic Services**

- Upgrade electricity network for future development
- Ensure access and a continuous supply of good quality water and sanitation to each user by 2030
- SRVM Community has access to good quality roads built according to applicable standards
- To ensure compliant reporting in all respects of all grants
- To promote programmes of shared economic growth, land redistribution and general economic redress for the poor and disenfranchised
- To enhance internal capacity in order to improve service delivery performance

#### **Community and social services**

- Communities have sufficient and affordable solid waste disposal options to encourage clean and healthy environment
- To ensure provision of water quality monitoring and food control
- To ensure the provision of effective and efficient fire and disaster management services throughout the SRVM
- To ensure provision of traffic services including improved revenue
- Communities of SRVM with specific reference to youth have access to suitable and affordable recreational and sport facilities as well as public amenities.

#### **Local economic development**

- Establish of policy framework for LED related policies and strategies by 2026
- To create an conducive environment employment creation

- Support the capacity and training development of small businesses and increase the number of viable emerging businesses by 2026
- Create a platform for networking required for effective business decisions
- Support the establishment and strengthening of enterprises, including cooperatives and other forms of collective ownerships

#### **Institutional transformation and organizational development**

- To ensure the municipality approves the organogram and fills vacancies to support the implementation of the IDP
- Capacity building and empowerment programmes to ensure skills enhancement of staff
- To ensure effective public participation of ward committees
- To optimize the information and communications technology (ICT) function to support organizational performance
- To enhance employee wellness through prevention and provision of therapeutic programmes and physical fitness
- To ensure effective and efficient records management

#### **Financial viability and management**

- To produce financial reports that meet the requirements of National Treasury department
- To ensure compliant reporting in all respects of all grants
- To ensure a sustainable cash flow
- To ensure debt is managed sustainably
- To ensure proper procurement of goods and services terms of chapter 11 of MFMA
- To ensure proper asset management

#### **Good governance and public participation**

- Annual review and development of IDP/Budget
- Improve functionality, performance and professionalism in the municipality
- To enhance Council oversight
- To establish and strengthen service delivery partnerships between the municipality, district, sector departments, communities and civil society
- Mainstreaming of vulnerable groups policy in all municipal directorates
- To ensure a fully functional Performance Management System

### **3.5 THE NATIONAL DEVELOPMENT PLAN – VISION 2030 AND BEYOND**

In 2011 the National Planning Commission (NPC) conducted a diagnosis of the challenges facing South Africa. This process culminated to the NPC producing a Diagnostic Report which report highlighted critical challenges facing the people of this country from joblessness, poor education, disease burden health, corruption etc. The situation that the country finds itself has had an effect of leaving the majority of the population trapped in a vicious circle of poverty and a growing gap of the haves and those that have not. See the figure 1 below. To arrest this situation the NPC has developed a 20-year National Development Plan (NDP).

The plan asks for a major change in how we go about our lives. In the past, we expected government to do things for us. What South Africa needs is for all of us to be active citizens and to work together – government, business, communities – so that people have what they need to live the lives they would like. South Africa can become the country we want it to become. It is possible to get rid of poverty and reduce inequality in 20 years. We have the people, the goodwill, the skills, the resources – and now, a plan. This is how the plan proposes we achieve the goal of fighting poverty and reducing inequality:

#### **CREATE JOBS**

- Create 11 million more jobs by 2030:
- Expand the public works programme
- Lower the cost of doing business and costs for households
- Help match unemployed workers to jobs
- Make it possible for very skilled immigrants to work in South Africa
- Reward the setting up of new businesses, including partnering with companies
- Increase value for money for tourists by selling regional packages that meet all pocket sizes. Consider a single visa for SADC visitors

#### **EXPAND INFRASTRUCTURE**

- Invest in a new heavy-haul rail corridor to the Waterberg coal field and upgrade the central basin coal network
- Enable exploratory drilling to see whether there are viable coal seam and shale gas reserves, while investigations continue to make sure that operations do not damage the environment
- Move Eskom's system operator, planning, power procurement, power purchasing and power contracting functions to the independent system and market operator
- Closely regulate the electricity maintenance plans of large cities
- Set up an investment programme for water resource development, bulk water supply and wastewater management this year, with reviews every five years
- Fix and build transport links, in these key areas:

#### **TRANSITION TO A LOW-CARBON ECONOMY**

- Speed up and expand renewable energy and waste recycling, and ensure buildings meet energy-efficient standards



- Set a target of 5 million solar water heaters by 2030
- Introduce a carbon tax
- Scale up investments and R&D for new technologies

### **TRANSFORM URBAN AND RURAL SPACES**

- Stop building houses on poorly located land and shift more resources to upgrading informal settlements, provided that they are in areas close to jobs
- Improve public transport
- Give businesses incentives to move jobs to townships
- Fix the gap in the housing market by combining what banks have to offer with subsidies as well as employer housing schemes • Give communal farmers, especially women, security of tenure

### **EDUCATION AND TRAINING**

- Develop a nutrition program for pregnant women and young children, to be piloted by the Department of Health for two years
- Make sure all children have two years of pre-school
- Get rid of union and political interference in appointments and appoint only qualified people

## **3.6 LOCAL GOVERNMENT TURN AROUND STRATEGY (LGTAS)**

Due the challenges facing local government in the country the Minister of Cooperative Government and Traditional Affairs has developed a LGTAS to try and arrest this situation. The Strategy was developed after an extensive consultation process throughout the country which culminated in a State of Municipalities Report 2009.

The LGTS provides that an ideal municipality would among other things:

- i. Provide democratic and accountable government for local communities
- ii. Be responsive to the needs of the local community
- iii. Ensure the provision of services to communities in a sustainable manner
- iv. Promote social and economic development
- v. Promote a safe and healthy environment
- vi. Encourage the involvement of communities and community organizations in matters of local government
- vii. Facilitate a culture of public service and accountability amongst its staff
- viii. Assign clear responsibilities for the management and coordination of those administrative units and mechanisms.

The outcomes of meeting these objectives include:

- a) The provision of household infrastructure and services

- b) The creation of liveable, integrated and inclusive cities, towns and rural areas
- c) Local economic development
- d) Community empowerment and distribution

### **3.7 The Sundays River Municipal Management Charter**

Municipal management charter according to the SDBIP addresses the following priority areas to ensure financial viability and sustainability of the Sundays River Valley Municipality:

- Implementation of a credible budget.
- Effective budget monitoring.
- Maintain and implement an effective credit control policy.
- Increase revenue collection with at least 20% to 70%.
- Review Supply Chain management policy and ensure regular reporting on Supply Chain matters.
- Effective monitoring of creditors.
- Effective and up to date billing system.
- Provision of clean, adequate drinking water to all.
- Unqualified audit opinion.
- Develop a credible IDP.
- Fixing of roads in the municipal area.
- Good governance.
- Improved liquidity of the institution and reduction of the debt book (restore the financial viability).

### **3.8 mSCOA – Municipal Standard Chart of Accounts**

The Municipal Regulations on Standard Chart of Accounts were promulgated on 22 April 2014. The regulations determine that all municipalities must adopt a standard chart of accounts with effect from 1 July 2017. It is necessary for the Minister of Finance to specify national norms and standards for the recording and collection of local government budget, financial and non-financial information which will include in some instances the specification of information required for national policy coordination and reporting. This will result in an improved understanding of the role of local government in the broader national policy framework and linkage to other government functions. A key objective of the proposed Regulations is to enable the alignment of budget information with information captured in the course of the implementation of the budget.

These Regulations apply to all municipalities and municipal entities and indicate its applicability and relevance to each specific municipal environment while accommodating organisational uniqueness and structural differences. These Regulations also proposes the specification of minimum business process requirements for municipalities and municipal entities as well as the implementation of processes within an integrated transaction processing environment. Sundays River Valley municipality has started with implementation of the regulations to the following extent:

- 1) Establishment of a Project Steering Committee and a Project Implementation team
- 2) Developing terms of reference for the Project Steering Committee and Project Implementation team
- 3) Conducting a municipal self-assessment
- 4) Conducting an IT-infrastructure assessment
- 5) Draft mSCOA risk register is currently being developed
- 6) Review of vote structure is currently in progress

The implementation of the regulations is imposing additional financial burdens onto the municipality which could be regarded as a risk for non-compliance. Some of the financial burdens is partly relieved by grant funding that has been earmarked for the implementation.

The municipality is committed to ensure full compliance by 1 July 2017

### 3.9 COMMUNITY PRIORITIES

Sundays River Valley Municipality engaged in community consultations that were done at a ward level in line with the community-based planning approach. The municipality employed the community based planning approach to stimulate participatory governance by awarding community members a fair opportunity to deliberate on issues affecting them in their respective wards. Furthermore, this approach was implemented to inevitably include the local community in decision-making, planning and generally allowing them to play an active part in their own development.

#### WARD PRIORITIES AND DESIRED OUTCOMES

##### Ward 1: Cllr Payi

Ward	PRIORITIES	NEW PRIORITIES
1	<ol style="list-style-type: none"> <li>1. Land for human settlement development</li> <li>2. And Middle-class houses</li> <li>3. Land Audit must be done</li> <li>4. Provision of adequate, clean drinking water</li> <li>5. Build one or two more reservoir for the area</li> <li>6. The enforcement of bylaws by the municipality</li> <li>7. Old Water systems that links water must be phase out</li> <li>8. Installation of 1 High masts light in Qolweni Extension.</li> <li>9. Installation of Street lights in the entrance road</li> <li>10. Tarring and paving of internal roads each financial year</li> </ol> <p><b>Priority Roads</b></p> <ul style="list-style-type: none"> <li>- Themba lethu Street to Bixele Street</li> </ul>	<ol style="list-style-type: none"> <li>1. Building of a multi-purpose community hall</li> <li>2. Land Audit and provision of title deeds</li> <li>3. Build one or two more reservoir for the area and attend to leaks</li> <li>4. Installation of 1 High mast light in Qolweni Extension and Lolo Village.</li> <li>5. Street names signposts and street lights at entry road</li> <li>6. Upgrade disaster road Themba lethu to Bixele Street to &amp; St Marks</li> </ol>

<ul style="list-style-type: none"> <li>- St Marks Street</li> <li>- Ban Kira Street to Thabo Mbeki Streets</li> <li>- Zone 4 Street</li> <li>➤ But not limited to this street the entire area needs internal street upgrading</li> </ul> <ol style="list-style-type: none"> <li>11. Speed humps around the Ring road and near the Clinic and Schools</li> <li>12. Maintenance of storm-water and High Mast lights</li> <li>13. Dry-blading of gravel roads in Moses Mabida</li> <li>14. Kuyasa Hall to be refurbished as a Multipurpose Sport Centre</li> <li>15. Building of a youth centre and FET college</li> <li>16. Removal of illegal dump sites in the ward</li> <li>17. Renaming of municipal properties (stadiums, hall, taxi rank)</li> <li>18. Electricity connection and Formalizing of informal settlements</li> <li>19. Water Stand pipe and Solar energy for informal settlements</li> <li>20. Street naming and signage</li> <li>21. Skills development for the youth</li> <li>22. Internship localizes</li> <li>23. Town beautification and Playing park for children</li> <li>24. Renovation of the Moses Mabida taxi rank</li> <li>25. Provision of free Wi-Fi</li> <li>26. Renovation and fencing of Mzamomhle Hall</li> <li>27. Rectification of Old RDP Houses and Pre 1994 Houses</li> <li>28. Fencing and securing of the water reservoir and all 6 cemeteries</li> <li>29. Burial Registration to be developed</li> <li>30. Closure of the small water canal in zone 4 and Platini Area</li> <li>31. Provision of refuse bins and Solar Gezer in ward</li> <li>32. Timeous refuse removal and provision of refuse bags</li> <li>33. Maintenance of cemeteries and identification of a site for new cemeteries</li> <li>34. Proper monitoring to projects and PSC</li> <li>35. Registration of indigents for free basic services (Electricity)</li> </ol>	<ol style="list-style-type: none"> <li>6. Play parks for kids and Steve Tshwethe Stadium</li> <li>8. Surfacing/grading of internal roads</li> <li>9. Rebuilding Mzamomhle Community hall</li> <li>10 Formalisation of informal settlements &amp; provision of standpipes</li> </ol>
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	<p>36. School infrastructure is Old and deplorable, there is a need for new infrastructure</p> <p>37. Construction of Sanitation Infrastructure in Qolweni Extension and to connect all RDP houses that are not connected to the existing infrastructure</p> <p>38. The DHS with SRVM to conduct a housing audit and to provide title deeds to home owners.</p> <p>39. Installation of water meters</p> <p>40. Water that does not come out of taps in areas around the dam</p> <p>41. Sport and recreation programs for the youth</p> <p>42. Rezoning of all business sites that operate in the ward and calleted rates</p> <p>43. Police satellite office</p> <p>44. Animal pound</p>	
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**Ward 2: Cllr Tom,**

WARD	WARD PRIORITIES	NEW PRIORITIES
2	<p>1. State of houses in the area is deplorable. Some of these old houses still have asbestos.</p> <p>2. Provision of title deeds.</p> <p>3. Provision of solar panels for lighting.</p> <p>4. Maintenance of cemeteries.</p> <p>5. Fencing of the community hall in Bergsis.</p> <p>6. The empty school in Bergsig is vandalized and it can be put into good use for the community.</p> <p>7. Provision of constant safe drinking water</p> <p>8. High mast lights for Bergsig and Aqua Park.</p> <p>9. There are electrical boxes that are open and exposed.</p> <p>10. Mobile clinic for Msengeni and Aqua Park.</p> <p>11. Caretakers for the sport-field.</p> <p>12. Fencing of water canal as it has had dangerous consequences especially the children of Aqua Park and Bergsig.</p>	<p>1.Rebuild houses especially pre-1994 houses at Bergsig</p> <p>2.Completion of main road in Msengeni</p> <p>3.Training Centre at Bergsig</p> <p>4.Indoor Sports Centre In The Hall (Renovate The Hall)</p> <p>5.Public Gym and Community hall at Aqua Park</p> <p>6.Fencing of the Canal</p> <p>7.High-Mast Light and repair kiosks at Bergsig</p> <p>8.Connection of electricity in RDP houses at Aqua Park</p> <p>9.Relocation of testing ground at Aqua Park</p> <p>10 Maintenance of landfill site</p> <p>11. Street naming sign boards</p>

	13. An indoor sport center for the youth. 14. Solution to illegal electricity connections especially around Aqua Park and Bergsig	
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### Ward 3: Cllr Dancey A

WARD	WARD PRIORITIES	Zuney Area	NEW PRIORITIES
3	<ol style="list-style-type: none"> <li>1. Land for development and human settlement for the people of the area.</li> <li>2. KK113 land to be used for the development of the area.</li> <li>3. A school for the children.</li> <li>4. The scholar transport arrangement is unregulated and unsafe.</li> <li>5. Provision of safe and constant drink water.</li> <li>6. Fixing of non-functional high-mast lights.</li> <li>7. Sewerage spills are constant in Walase Street.</li> <li>8. Tarring of roads: Walase and Jacaranda.</li> <li>9. Identification of land or lease of existing building for the local crèche.</li> <li>10. Public toilets in Voorstraat.</li> <li>11. Installation of storm-water pipes as the areas is constantly flooded after heavy rains.</li> <li>12. Installation of high-mast lights</li> <li>13. Provision of temporary sanitation structures in informal settlements.</li> <li>14. Assistance of SMMEs with skills development and</li> </ol>	<ul style="list-style-type: none"> <li>• Electrification of Rosedale</li> <li>• Land for farming and human settlement in Grotvlei</li> <li>• Provision of resources to the satellite office</li> <li>• Caretaker of the hall</li> <li>• SMME development initiatives</li> <li>• Youth development initiatives</li> <li>• Sportfield (use of the land in Langbos)</li> <li>• Illegal evictions and killing of livestock</li> <li>• Mobile clinic with complete resources every two (2) weeks</li> </ul>	<p><b>Zuney</b></p> <ol style="list-style-type: none"> <li>1. Land for housing and Farming at Muller Farm and the Municipality to take ownership of Woody Cape</li> <li>2. Electricity at Rosedale, DeGriep and Groentuin</li> <li>3. Water (Groentuin) and toilets at Dekom</li> <li>4. Scholar transport from Nanaga to Alexandria (after grade 9).</li> <li>5. Sport and Playgrounds near Zamukukhanya Sch.</li> </ol> <p><b>VALENCIA</b></p> <ol style="list-style-type: none"> <li>1 Upgrading of pump station Jacaranda, Adams and Wallas streets</li> <li>2 Public ablution facilities in Addo Town</li> <li>3 Santa Clara Hub development</li> <li>4. Release of Municipal land for development and provide bulk services</li> <li>5. Revitalization of old RDP houses (old Valencia)</li> </ol>



	<p>information of opportunities for work.</p> <p>15. Appropriate land for the local crèche</p>		<p>6.Three high mast lights</p> <p>7.Transfer of KK113 to a community Trust</p>
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#### Ward 4: Cllr Baka

WARD	WARD PRIORITIES	NEW PRIORITIES
4	<ol style="list-style-type: none"> <li>1. Training and skills development for unemployed youth.</li> <li>2. The Municipality needs to partner with a sector department to stop the illegal sand mining in the area.</li> <li>3. Grading of internal gravel roads.</li> <li>4. The community desperately needs a library closer to it. The children had to cross the N10 to reach the one that was there.</li> <li>5. The community needs land for farming, and human settlement.</li> <li>6. Fencing for the cemetery.</li> <li>7. Police vans are insufficient to deal with the area.</li> <li>8. Decentralization of municipal functions to well-equipped satellite office in Paterson.</li> <li>9. There is still land that is a remainder of the Paterson 450 housing project. This can be used for the development of the area.</li> <li>10. Sewerage is entering the local dam.</li> <li>11. Eskom tariffs are abused by local shops as they increase the price to make a profit.</li> <li>12. Repairing of the toilets in the community hall.</li> <li>13. Indoor sports and recreation center for both the old and young.</li> <li>14. Internships for the young.</li> <li>15. Awareness and advocacy programmes dealing with drug and alcohol abuse in the area.</li> <li>16. Wi-fi for the library and the broader community.</li> <li>17. Rectification of old houses (roofs mainly).</li> </ol>	<ol style="list-style-type: none"> <li>1. Street lights maintenance and Eskom to connect one</li> <li>2. Formalisation of informal settlements (Emanqindini) and grading of internal street</li> <li>3. Sand mining and Aloe processing feasibility study</li> <li>4. Multi-purpose centre and grading of clinic to NHI Standards</li> <li>5. Cleaning of illegal dumping sites</li> <li>6. Town revitalization</li> <li>7. Upgrade of Paterson sewer network (phase 2)</li> <li>8 Storm water drainage (access road)</li> <li>9 Bush clearing behind Emanqindini houses</li> </ol>

	18. Provision of title deeds to home owners. 19. Formalization of informal settlements. 20. Electrification of informal settlement near the Stadium. 21. Proper monitoring of capital projects in the area. 22. Connection to the electricity grid. Also, there needs to be a long and short term plan to deal with the informal areas without any connection to the electricity. 23. Connection of the new high-mast lights in Emanqindini. 24. Removal of the bushy area in Emanqindini 25. Eradication of the bucket system	
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#### Ward 5: Cllr Nodonti SC

Ward	Ward priorities	NEW PRIORITIES
5	1. Provision of constant good drinking water for the community. 2. Speed humps on the main road. 3. District Municipality to move to Addo and this may be the catalyst needed to have other sector departments (Social Development, Human Settlements, and the Department of Health etc.) to also move to the area. 4. To decentralize emergency services as they are now based in Kirkwood (Fire and ambulances especially). 5. Removal of illegal dumping sites 6. Provision of refuse bags and mobile refuse bins. 7. Land for farming (there is land available behind Samkelwe School) 8. Land for a cemetery as the current cemetery used is far, there is land available for this (Vyeer). 9. Addo development area for middle income houses (Opposite the police station)	1.New housing (Luthando 801) development and formalisation of squatter camp (Pre 1994 and post 1994 unfinished houses) 2.Luthando, Mandela Village, Ntakazilali&Zwelitsha Store needs infrastructure -Upgrade internal streets development -Stormwater drainage -Sewer system 3.Upgrade Hall into multipurpose (provision of sector department services) 4 Areas with challenge of water both ward 5 & 6 5.Upgrade of clinic facilities (NHI) provision of facilities 6 Upgrade sport field

	<p>10. Library to be built near the people as there is land available (the land that was used as a car wash site in the Main rd after the Hall).</p> <p>11. A sport-field or indoor sport center for the youth.</p> <p>12. Local shop owners add on the electricity tariff (electricity for R10 costs R15).</p> <p>13. No access to internet in the area and the young people of Addo cannot apply online and have access to information.</p> <p>14. Grading of internal gravel roads.</p> <p>15. Street naming to be prioritized.</p> <p>16. The citrus fields are near the communities and as a result the substances sprayed on the fields has an adverse effect on the people.</p> <p>17. Illegal occupation in the Addo 300 project.</p> <p>18. Provision of refuse bins and Jojo tanks.</p>	<p>7 Upgrade the reservoir at Luthando and clean the slurry coming out of it (Preferably construct a new WTW at the reservoir).</p> <p>8 Ward 5 need a capital project since was none for a long time.</p>
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#### Ward 6: Cllr Rune, SH

WARD	WARD PRIORITIES	NEW PRIORITIES
6	<p>1. Provision of constant good quality drinking water.</p> <p>2. Municipal function to be decentralized to a well-equipped satellite office (Addo rent office).</p> <p>3. Development of the Molly Blackburn area.</p> <p>4. Proper and effective management and monitoring of the complaints management section of the Municipality in Nomathamsanqa.</p> <p>5. Skills training and youth development programmes.</p>	<p>1 Land for stock farming</p> <p>2. Consider AV Bukani primary school (empty classrooms for library and technical education streams</p> <p>3. Upgrade of clinic and access to ambulances/fire services</p> <p>4 Ceazers Dam recreation facilities</p>

	<ol style="list-style-type: none"> <li>6. Office space and equipment for the office of the councilor.</li> <li>7. District Municipality to transfer its land to the Local Municipality for development of Addo.</li> <li>8. Grading of internal gravel roads. Also, the paving of roads such as Duduza and Slovo.</li> <li>9. Speed humps in the main road.</li> <li>10. Municipality to look into sewerage spills from the canal to the water reservoir.</li> <li>11. Removal of the illegal dumping site (Slovo)</li> <li>12. Block paving of the taxi route</li> <li>13. Town revitalization. This entails the general development of the Addo town and neighboring areas. The people of Molly to be moved closer to town so as to capitalize/benefit from such revitalization.</li> <li>14. Municipal land used for development of the area (to be used for residential and business sites)</li> </ol>	<ol style="list-style-type: none"> <li>5. Upgrade internal roads</li> <li>6. Langbos and Molly formalization of informal settlements</li> </ol>
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#### Ward 7: Cllr Ndawo

WARD	WARD PRIORITIES	NEW PRIORITIES
7	<ol style="list-style-type: none"> <li>1. Sanitation spills are near peoples' homes and consequently near the old and young. Glenconor</li> <li>2. People of Glenconor want connection to electricity; this is an informal settlement.</li> <li>3. The Primary School in the area is without teachers.</li> <li>4. Land for farming.</li> <li>5. There is no community hall, people hold meetings outside.</li> <li>6. Grading of gravel roads in the area of Glenconor.</li> <li>7. A sport-field for the young.</li> <li>8. Ambulance take a very long time to respond.</li> <li>9. The people need a shelter for public transport. There is no taxi rank in the area,</li> </ol>	<ol style="list-style-type: none"> <li>1. Upgrade of internal roads (especially testing routes)</li> <li>2. Kirkwood treatment works.</li> <li>3. Building a Community hall</li> <li>4. Land for housing</li> <li>5. Sports grounds</li> <li>6. Scholar Transport to Kirkwood</li> <li>7. Access to electricity &amp; solar panel -Rectify additional charges on electricity rates</li> </ol>

	<p>the people depend of hikes from cars passing by.</p> <p>10. There are only two communal toilets and these need to be regularly maintained as there are constant spills to homes nearby.</p> <p>11. Electricity tariffs/rates are abused by local shops who add on to the tariffs rate (electricity for R10 will cost you R15).</p> <p>12. There is no reliable scholar transport system for learners who attend High School in Kirkwood.</p> <p>13. There is a strong need for land for human settlement.</p> <p>14. Fencing for the local cemetery.</p> <p>15. The mobile clinic is not consistent in its visit and rarely brings a doctor for the more complex cases and the hospital is far away.</p> <p>16. Fixing of potholes</p> <p>17. Maintenance of provincial roads</p> <p>18. Grading of provincial roads</p> <p>19. Transfer of houses belonging to Transnet</p>	
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**Ward 8: Cllr Kausele N**

WARD	WARD PRIORITIES	NEW PRIORITIES
8	<ol style="list-style-type: none"> <li>1. Eradication of the bucket system in Greenfields (Enon).</li> <li>2. Provision of constant good quality water in Greenfields</li> <li>3. Construction of a playground in Bershaba</li> <li>4. Speeding up of the transfer of the communal land (Witrivier)</li> <li>5. Grading of internal gravel roads</li> <li>6. Refuse is being dumped in the dam by the service provider</li> <li>7. Maintenance of the cemetery in Summervally as well as the removal of the illegal dumping site</li> <li>8. Sports and recreation programmes</li> </ol>	<ol style="list-style-type: none"> <li>1. Build new Clinic</li> <li>2. Multi-purpose Centre (skills development, internet café, Library)</li> <li>3 1 high mast light</li> <li>3. Conduct study for formalisation of informal settlements</li> <li>4. Land development <ul style="list-style-type: none"> <li>-sand mining and quarry</li> <li>-farming /land development</li> <li>-aloe planting &amp; processing</li> </ul> </li> <li>5. Tar Gravel from Enon/Besherba to town</li> </ol>

<ul style="list-style-type: none"> <li>9. Caretakers for the halls (both Enon and Bersheba)</li> <li>10. Regular maintenance of the Bersheba cemetery</li> <li>11. Sewerage spilling into houses near the Treatment plant especially on weekends when it is not manned</li> <li>12. Upgrading of the road to Kirkwood town</li> <li>13. Provision of constant good quality water in the houses of the Enon/Bersheba 450 project</li> <li>14. Turn-around time for the responses of the ambulance is horrible: more than 4 hours.</li> <li>15. Mobile clinic is inconsistent and at times without medication/ fixed clinic building)</li> <li>16. Fixing of non-functional high-mast lights</li> <li>17. Mhlophekazi Primary school without teachers</li> <li>18. Grading of gravel roads in Enon</li> <li>19. Upgrading of the water reservoir</li> <li>20. Proper sanitation infrastructure in Enon</li> <li>21. Upgrading of the road (taxi route)</li> <li>22. Upgrading of the Bersheba entrance road</li> <li>23. Graveyard (Enon)</li> <li>24. Installation of water meters</li> <li>25. Proper functioning street lights in Enon</li> <li>26. Introduction of conservation, agriculture and eco-tourism projects</li> </ul>	<ul style="list-style-type: none"> <li>6. Change septic tank at Bersheba creche to a normal sewer connection system</li> <li>7. Land for cemetery was identified but Council needs to look at its suitability</li> <li>8. Installation of solar geysers</li> </ul>
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### 3.10 Alignment of National plans and Provincial plans with those of SRVM.

National Development Plan	Government Outcome	Provincial Growth and Development Strategy – EC.
Economic growth	<b>Outcome 4:</b> Decent employment through inclusive economic growth <b>Outcome 11:</b> Output 3: Implementing the Community Work Programme;	Systematic eradication of poverty through a holistic, integrated and multi-dimensional approach to Pro-poor programming.
Rural development	<b>Outcome 7:</b> Vibrant, equitable, sustainable rural communities contributing towards food security for all	Agrarian transformation and strengthening of household food security.
Economic growth	<b>Outcome 4:</b> Decent employment through inclusive economic growth	Consolidation, development and diversification of the manufacturing base and tourism potential.
Expand infrastructure	<b>Outcome 11:</b> Output2: Improving access to basic services;	Infrastructure development
Building a capable state	<b>Outcome 5:</b> Skilled capable workforce to support an inclusive growth path	Public sector and institutional transformation.

## CHAPTER FOUR: EXTERNAL AND INTERNAL PROJECTS

### 4.1 Project Templates

4.1.1.1. Land and Spatial Development													
No.	Budget Account number	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			
							R	Funding Source	Funding Status	2022 /23	2023 /24	2024 /25	ITEM CATEGORY
1	C0177-7/IA01952/F0791/X120/R1423/001/Tech	Upgrading of Roads &Stormwater in Enon and Bersheba – Phase 1	8	Infrastructure	Planning		R6,693,873.00	MIG		-	-		CAPEX
2	C0183-4/IA01952/F0791/X139/R1419/001/	Upgrading of Sewerage Network in Paterson - Phase 2	4	Infrastructure	Planning		3,500,000.00	MIG		-			CAPEX
3	NEW PROJECT ACCOUNT NEEDS TO BE CREATED	Upgrading of Emsengeni Taxi Loop - Phase	2	Infrastructure			7,490,000.00	MIG					CAPEX

[illegible]



1.	NEW PROJECT ACCOUNT NEEDS TO BE CREATED	Electrical infrastructure upgrade - kirkwood)	ALL	Infrastructure	Planning	15,000,000.00	15,000,000.00	INEP	Funded					CAPEX
2.		Supply of LED Bulbs, street lighting, supply of electricity bulbs to households	1&2	Infrastructure	In Progress	3,000,000.00	3,000,000.00	ENERGY	Not Funded					OPEX
3		ELECTRICAL PANELS INFRASTRUCTURE	ALL	Technical	Planning	500,000.00	500,000.00	OWN						CAPEX
4.1.4 Roads and Storm Water														
No.	Budget Account number	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)				ITEM CATEGORY
							R'000	Funding Source	Funding Status	2022 /23	2023 /24	2024 /25		
1.		ROADS FURNITURE	ALL	Infrastructure	In Progress		250,000.00	OWN						CAPEX
2.		TRANSPORT ASSET - COMPACTOR PLATE	ALL	Infrastructure	In Progress		2,000.00	OWN						CAPEX

3		STORMWATER INFRASTRUCTURE - IRRIGATION BLOCKS-	ALL	TECHNICAL	Planning	200,000.00	200,000.00	OWN								CAPEX
4		STORMWATER INFRASTRUCTURE - SLUDGE PUMP	ALL	TECHNICAL	Planning	65,000.00	65,000.00	OWN								CAPEX
5		TRANSPORT ASSET - WATER CARTING TRUCK	ALL	TECHNICAL	Planning	1,500,000.00	1,500,000.00	OWN								CAPEX
6		PLANT AND MACHINERY- GENERATORS	ALL	TECHNICAL	Planning	900,000.00	900,000.00	OWN								CAPEX
4.1.5. Refuse Removal																
No.	Budget Account number	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2020/2021 Budget		Medium Term Expenditure Framework (R'000)							
							R'000	Funding Source	Funding Status	2021 /22	2022 /23	2023 /24	ITEM CATEGORY			









4.1.10. Libraries													
No.	Budget Account number	Project	Word	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			
							R	Funding Source	Funding Status	2021/22	2022/23	2023/24	ITEM CATEGORY
1		Library Services					1,200000		Funded				OPEX
4.1.11. Traffic Services													
No.	Budget Account number	Project	Word	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Bugdet			Medium Term Expenditure Framework (R'000)			
							R	Funding Source	Funding Status	2021/22	2022/23	2023/24	ITEM CATEGORY
1.			all						Funded	250000,00			CAPEX

4.1.12 Fire and Disaster Services													
No.	Budget Account number	Project	Word	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			
							R'000	Funding Source	Funding Status	2021/22	2022/23	2023/24	ITEM CATEGORY
1.			ALL	Disaster Management plan			R312500		Not Funded	2000000,00	0,00	0,00	CAPEX
2.													
3													
LOCAL ECONOMIC DEVELOPMENT													
4.1.13 Tourism Development													
No.	Budget Account number	Project	Word	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			
							R'000	Funding Source	Funding Status	2021/22	2022/23	2023/24	ITEM CATEGORY
1.										100000,00	100 000,00		
4.1.14. SMME support and Co-operative Development													
No.	Budget	Project	Word	Responsible Dept.	Implementation Status	Total Project Cost	2020/2021 Budget			Medium Term Expenditure Framework (R'000)			

	Account number					ct Cost	R'000	Funding Source	Funding Status	2021/22	2022/23	2023/24	ITEM CATEGORY
1.		SMME Support	All	LED			R20 000.00	Mun.	Funded	50 000,00	50 000,00		OPEX
2		SPU support	All	LED				Mun.	Funded	150 000.00	250 000.00	350 000.00	Opex
4.1.15. LED infrastructure Development													
No.	Budget Account number	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			ITEM CATEGORY
							R'000	Funding Source	Funding Status	2021/23	2023/24	2024/25	
1.		Informal Traders	all	LED			100 000.00		Not Funded	50 000,00	50 000,00		OPEX
2													
Good Governance and Public Participation													
4.1.16. Corporate Services													
No.	Budget Account number	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			ITEM CATEGORY
							R'000	Funding	Funding Status	2021/22	2022/23	2023/24	



[illegible]

	Account number				Cost	R'000	Funding Source	Funding Status	2021/22	2022/23	203/24	ITEM CATEGORY
1.		Special programmes				150 000 00	own		150 000,00			OPEX
2.												
3												

### Institutional Transformation and Organizational Development

#### 4.1.19. IDP/Internal Audit

No.	Budget Account number	Project	Ward	Responsible Dept.	Implementation Status	Total Project Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			ITEM CATEGORY
							R	Funding Source	Funding Status	2021/22	2022/23	2023/24	
1		Performance management	Admission	MM			100 000						OPEX
2		Risk management	all	MM			200 000.00						OPEX
3		Audit committee	Admission				200 000.00						OPEX

4.1.20. Policy Development													
No.	Budget Account number	Project	War d	Respons ible Dept.	Implement ation Status	Total Proj ect Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			
							R	Fundi ng Sourc e	Fundi ng Statu s	2022/ 23	2023/ 24	2024/ 25	ITEM CATEG ORY
1.													
FINANCIAL VIABILITY AND MANAGEMENT													
4.1.21. Finance													
No.	Budget Account number	Project	War d	Respons ible Dept.	Implement ation Status	Total Proj ect Cost	2021/2022 Budget			Medium Term Expenditure Framework (R'000)			
							R'000	Fundi ng Sourc e	Fundi ng Statu s	2021/ 22	2022/ 23	2023/ 24	ITEM CATEG ORY
1.	CO263- 1/A00092/f002/x049/R082 4/001/FIN	Buildings Store	Adm in	Finance			100,000. 00	own					OPEX
2.	New project account needs to be created	Infrastruct ure-Water Meters	Adm in	Finance			300,000. 00	own					OPEX
3		External Audit	Adm in	Finance			2,500,00 0.00						OPEX
4		Financial system	adm in	Finance			2,500,00 0.00						OPEX

	Fixed Asset Register	Adm in	Finance		30,000.00					OPEX
	Bata cleansing	adm in	Finance		200 000					OPEX

#### NATIONAL PROJECTS IMPLEMENTED AT SUNDAYS RIVER VALLEY MUNICIPALITY

Sector Department	Project Name	Project Description	Project Status	Time Frame	Total Project Budget
Department of Environment, Forestry and Fisheries	EC- WftC Addo National Park to Woody Cape section	The project is about Coastal and Community Clean-up. 84 km of beach will be cleaned, Dune rehabilitation along the coast, Gabion construction and maintenance, Fence clearing and erecting, Waste management, Picnic sites, Estuary clean up, Sign boards, Boardwalk Maintenance, Visitors Facilities, Hiking trails, Environmental Awareness and Alien invasive plants clearing.	Planning	March 2019 – Feb 2021	R6 500 000

Department of Agriculture Mand Reform and Rural Development	TRANCRAA area transferred in Sundays River – EnonBersheba	Trancraa area transferred	Implementation	Not Indicated	Not Indicated

## CHAPTER FIVE: MONITORING AND EVALUATION

### 5.1. INTRODUCTION

In South Africa, municipal performance management has its policy origins in the White Paper on Local Government. It proposed performance management together with the integrated development planning and public participation, as important tools central to the notion of developmental local government. The White Paper noted that, "Involving communities in developing some municipal key performance indicators increases the accountability of the municipality. Some communities may prioritize the amount of time it takes a municipality to answer a query, others will prioritize the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is enhanced, and public trust in the local government system is enhanced.

### 5.2. PERFORMANCE MANAGEMENT SYSTEM IN LEGISLATION

In terms of Chapter 6, Section 38 of the Municipal Systems Act, of 2000, a municipality must (a) establish a performance management system that is:

- i) Commensurate with its resources;
- ii) Best suited to its circumstances; and
- iii) In line with the priorities, objectives, indicators and targets contained in its Integrated Development Plan.

Not only does the Act prescribe that a performance management system must be implemented, it also prescribes in the act on how the performance management system must be developed.

#### **MSA Sec 39 Development of performance management system**

The executive committee or executive mayor of the municipality or, if the municipality does not have an executive committee or an executive mayor, a committee of councilors appointed by the municipal council must

- (a) Manage the development of a performance management system;
- (b) Assign responsibility in this regard to the e municipal manager and;
- (c) Submit he proposed system to the municipal council for adoption

#### **MSA Sec 40 Monitoring and review of performance management system.**

A Municipality must establish mechanisms to monitor and review its Performance management system.



## **MSA Sec 41 Core Components**

1. A municipality must in terms of its performance management system and accordance with and regulations and guidelines that may be prescribed

1(a) Set appropriate key performance indicators which are to be used as a yard stick for measuring performance, including outcomes and impact with regard to the municipality's development priorities and objectives set out in its integrated development plan

(b) Set measurable performance targets in respect of each of those development priorities and objectives

(c) With regard to each of those development priorities and objectives and against the key performance indicators and targets set in terms of paragraph (a) and (b)

(i) Monitor Performance; and

(ii) Measure and review performance at least once a year;

(d) Take steps to improve performance with regard to those development priorities and objectives where performance targets were not met. (e) Establish a process of regular reporting to

(i) the council, other political structures, political office bearers and staff of the municipality; and

(ii) the public and appropriate organs of the state.

1. The system applied by a municipality in compliance with subsection (10 (c) must be advised to in such a way that it may serve as an early warning indicator of underperformance.

### **5.3. PERFORMANCE MANAGEMENT AT SUNDAYS RIVER VALLEY MUNICIPALITY**

The performance management function is located within the Office of the Municipal Manager. This is by virtue of the delegation of responsibilities in terms of the PMS policy. The municipality uses an electronic system that requires Directorates to populate performance information in their discharge. The electronic system with the information fed into it makes it easier to access such information, and to consequently compile the quarterly and annual performance reports mandated by legislation. It also allows management to assess the strides taken to achieve the objectives as set. With the myriad responsibilities of local government, management is aware that it takes continuous attention, dedication and in particular stamina from management to keep focusing on performance management in order to keep it alive in the organization.

### **5.4. GENERIC LOCAL GOVERNMENT INDICATORS**

It should be noted that the following generic indicators are compulsory and are captured in the IDP and are reflected in the performance plans of section 56m managers and are apportioned per corresponding KPA.

- The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;

- The percentage of households earning less than R1100 per month with access to free basic services;
- The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- The number of jobs created through municipality's local economic development initiatives including capital projects
- The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- The percentage of a municipality's budget actually spent on implementing its workplace skills plan; and

#### 5.5. KPIs FROM COGTA

KEY PERFORMANCE AREA	No of indicators	s.47 Report Writing	Departmental Monitoring
Institutional Development & Organisational Transformation.	11	04	11
Basic Services	24	24	24
LED	07	03	07
Financial Viability & Management	10	10	10
Good Governance & Public Participation	08	08	08
Cross Cutting Issues	04	03	04
<b>TOTAL</b>	<b>64</b>	<b>52</b>	<b>64</b>

#### KEY PERFORMANCE INDICATORS FOR KPA 1

1	Vacancy rate for all approved post
2	Appointments in S57 posts
3	% of S57 attending at least 1 training course
4	% of Managers in Technical Service with professional qualification
5	Level of effectiveness of PMS in the DM
6	Level of effectiveness of PMS in the LM
7	Adoption and implementation of HRD including WSP
8	% of staff that have undergone skill audit within the current 5 year term
9	% of councilors who attended a leadership training within the current 5 year term
10	% of staff complement with disability
11	% of female employees
12	% of staff aged 35 or less

#### KEY PERFORMANCE INDICATORS FOR KPA 2

1	% of HH with access to potable water
2	% of HH with access to FBW
3	Clinics with access to water
4	Schools with access to water
5	Household in formal settlements using buckets
6	% of HH with access to sanitation services
7	% of HH with access to FB sanitation
8	Clinics with access to sanitation services
9	Schools with access to sanitation services
10	% of HH with access to electricity services

11	% of indigent HH with access to FBE
12	% of indigent HH with access to Free alternative Energy sources
13	% of households living in informal settlements
14	% of informal settlements that have been provided with basic services
15	% of housing that conforms to the minimum building standards for residential houses
16	% of HH without access to gravel or graded road
17	% of road infrastructure requiring upgrade
18	% of planned new roads infrastructure actually constructed
19	% of capex reserved for road upgrading and maintenance effectively used
20	% of HH with access to refuse removal
21	Existence of an effective waste management plan
22	Existence of an effective indigent policy
23	Existence of an approved SDF
24	Existence of a Land Use Management System (LUMS)

#### KEY PRFORMANCE INDICATORS FOR KPA 3

1	Existence of an LED Unit
2	% of LED budget spent on LED activities
3	Existence of an LED Strategy
4	Functionality of LED forums (# of meetings)

5	Plans to stimulate the second economy
6	% of SMME supported during the Financial Year
7	# of Job created through PPP
8	# of job created through EPWP

#### KEY PERFORMANCE INDICATOR FOR KPA 4

1	AG's Audit opinion
2	% of expenditure of Capital budget
3	Salary budget as a % of the total Opex
4	Total municipal own revenue as % of the total actual budget
5	Rate of municipal consumer debt reduction
6	% of MIG budget appropriately spent
7	% of MSIG budget appropriately spent
8	Functionality of the Audit Committee
9	Trade creditors as a % of total actual revenue
10	Submission of AFS after the end of financial year

#### KEY PERFORMANCE INDICATORS FOR KPA 5

1	% of ward committees established
2	% of ward committees that are functional
3	Existence of an effective system to monitor CDWs
4	Existence of an IGR strategy

5	Effective of IGR structural meetings
6	Existence of an effective communication strategy
7	Number of mayoral imbizos conducted
8	Existence of a fraud prevention mechanism

#### **KEY PERFORMANCE INDICATORS FOR CROSS-CUTTING ISSUES**

1	Timely submission of the Annual Report
2	Effective IDP process for the period under review;
3	Metro and District Municipalities with developed Disaster Management Policy Frameworks and Plans;
4	Existence of an HIV/Aids Strategy.



# DRAFT SDBIP



**cooperative governance**

Department  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA

## **Extract of Addendum 2 to MFMA Circular No. 88**

### **Indicators applicable to Local Municipalities for 2021/22**

Date: 01 June 2021

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# **1. Introduction**

The following document reflects an extract of indicators from Addendum 2 to MFMA Circular No. 88 issued on 17 December 2020. The purpose of the document is to make clear to the 166 Local Municipalities (see Appendix A for a complete list) the indicators that are applicable to them for pilot during the 2021/22 financial year. The issuing of Addendum 2 to MFMA Circular No. 88 marks a further step towards the introduction of a singular, differentiated set of indicators for all of local government in line with broader planning, budgeting and reporting reforms. Appendix D provides some background information on the reporting reforms process and explains how the common set of indicators for local government was developed.

The consultations that produced these indicators were undertaken in terms of the provisions of Section 43 of the Municipal Systems Act (MSA) 32 of 2000 which provides for the Minister, after consultation with MECs for local government and organised local government representing local government nationally, to prescribe and regulate key performance indicators to local government. The following indicators were developed through the course of engagements with M&E stakeholders in Provincial Departments of Cooperative Governance and consultations with representatives of municipalities over the course 2019 and 2020. Letters were written to the Municipal Managers of all municipalities, as well as national stakeholders, with an invitation to participate in consultations as well as to submit comments on the draft indicators. All consultative engagements and inputs proved formative in the crafting of the indicator set. All engagements and written submissions are considered part of the process of intended reform of the Local Government: Municipal Planning and Performance Management Regulations of 2001.

In order to incrementally introduce the reform, these indicators are considered as the basis for a pilot in the 2021/22 municipal financial year. As the following extract from the circular explains:

*"... municipalities will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at Tier 1 and 2 levels of readiness.*

*For this pilot process, the applicable indicators as included in the Annexures will be monitored and reported on, on a quarterly and annual basis, to the DCoG and the provincial departments of Cooperative Governance and Traditional Affairs (COGTAs). No reporting in the MSA section 46 statutory annual performance report (APR) will be required.*

*Municipalities will continue to plan and report on the KPIs adopted in the indicator tables of the IDP and SDBIP in the section 46 APR as required for 2021/22.*

*This "parallel" pilot process will allow and encourage municipalities to plan, implement and report on the MFMA Circular No. 88 indicators, without limiting their statutory performance planning and reporting in fear of audit findings before they have not adequately institutionalized the process. e.g. It will further avoid the situation where municipalities replace or remove existing indicators on a function (e.g. with regard to water) in the official IDP and SDBIP, and only include the related MFMA Circular No. 88 indicators with no performance reporting on the function in the statutory section 46 Annual Performance Report due to the pilot process."*

## How to use this document

The following sets out overview tables and summaries of Technical Indicator Descriptions (TIDs) for the indicators applicable to local municipalities. They have been organised in terms of the Back-2-Basics Pillars (e.g. Putting People First, Service Delivery, Good Governance, Sound Financial Management and Building Capable Local Government Institutions) and formalised in MFMA Circular No. 88.

All the indicators shaded in Grey in the *Indicator overview tables* are listed at Tier 3 and Tier 4 readiness, meaning that they are not yet ready as prescribed indicators given methodological and data availability considerations. Tier 3 and Tier 4 indicators are not included in the list of *Summary TIDs* for this reason. Only *Summary TIDs* for Tier 1, Tier 2 and Compliance indicators intended for application as part of the 2021/22 pilot have been included in this document.

The appendices of the document include the list of local municipalities, a glossary, acronyms and an explanatory note for the indicators.

Subsequent to the issuing of this document the Department of Cooperative Governance will be providing further guidance and support to provincial departments and municipalities towards the introduction and application of MFMA Circular No. 88 as part of planning for the 2021/22 financial year.



## 2. Indicator overview tables for local municipalities

The following are overview tables of all indicators considered applicable to local municipalities. They include Tier 3 and Tier 4 indicators in Grey. The indicators do not occur in sequence and there may appear to be some gaps in the reference numbers of the indicators because of their differential application. This is to be expected and is not a reflection of incomplete or missing indicators.

### Putting people first

Outcome	Outcome Indicators	Output Indicators
GG2. Improved municipal responsiveness	GG2.1 Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	GG2.11 Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)
		GG2.12 Percentage of wards that have held at least one councillor-convened community meeting
	GG2.2 Attendance rate of municipal council meetings by recognised traditional and Khoi-San leaders	NO OUTPUT INDICATOR PROPOSED
	GG2.3 Protest incidents reported per 10 000 population	GG2.31 Percentage of official complaints responded to through the municipal complaint management system

**Service delivery  
Energy & electricity**

Outcome	Outcome Indicators	Output Indicators
EE1. Improved access to electricity	EE1.1 Percentage of households with access to electricity	EE1.11 Number of dwellings provided with connections to mains electricity supply by the municipality EE1.12 Number of dwellings provided with connections to mains electricity supply by Eskom within the municipal area EE1.13 Percentage of valid customer applications for new electricity connections processed in terms of municipal service standards
EE2. Improved affordability of electricity	EE2.1 Percentage of households with electricity connections receiving Free Basic Electricity EE2.2 Percentage of low-income households that spend more than 10% of their monthly income on electricity EE2.3 Average electricity subsidy per residential municipal customer	EE2.11 Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE) NO OUTPUT INDICATOR PROPOSED NO OUTPUT INDICATOR PROPOSED
EE3. Improved reliability of electricity service	EE3.1 System Average Interruption Duration Index EE3.2 Customer Average Interruption Duration Index EE3.3 System Average Interruption Frequency Index EE3.4 Customer Average Interruption Frequency Index EE4.1 Renewable energy capacity available within the municipal jurisdiction as a percentage of Eskom supply capacity to the municipality	EE3.11 Percentage of unplanned outages that are restored to supply within industry standard timeframes EE3.21 Percentage of planned maintenance performed NO OUTPUT INDICATOR PROPOSED NO OUTPUT INDICATOR PROPOSED EE4.11 Total renewable energy capacity available through IPPs EE4.12 Installed capacity of approved embedded generators on the municipal distribution network EE4.13 Percentage of municipal buildings utilising renewable electricity
EE4. Improved energy sustainability	EE4.2 Electricity usage per capita EE4.3 Road transport fuel usage per capita EE4.4 Percentage total electricity losses	NO OUTPUT INDICATOR PROPOSED NO OUTPUT INDICATOR PROPOSED NO OUTPUT INDICATOR PROPOSED

# **Environment & waste**

Outcome		Outcome Indicators	Output Indicators
ENV1. Improved air quality		ENV1.1 Annual number of days with GOOD air quality	INDICATOR NOT APPLICABLE
		ENV1.3 Percentage of households experiencing a problem with noise pollution	NO OUTPUT INDICATOR PROPOSED
		ENV2.1 Tonnes of municipal solid waste sent to landfill per capita	NO OUTPUT INDICATOR PROPOSED
ENV2. Minimised solid waste		ENV2.2 Tonnes of municipal solid waste diverted from landfill per capita	NO OUTPUT INDICATOR PROPOSED
		ENV2.3 Total collected municipal solid waste per capita	NO OUTPUT INDICATOR PROPOSED
ENV3. Increased access to refuse removal		ENV3.1 Percentage of households with basic refuse removal services or better	ENV3.11 Percentage of known informal settlements receiving basic refuse removal services
		ENV3.2 Percentage of scheduled waste collection service users reporting non-collection	NO OUTPUT INDICATOR PROPOSED
		ENV4.1 Ecosystem/vegetation type threat status	ENV4.11 Percentage of biodiversity priority area within the municipality
ENV4. Biodiversity is conserved and enhanced		ENV4.2 Ecosystem/vegetation type protection level	ENV4.21 Percentage of biodiversity priority areas protected
		ENV4.3 Wetland condition index	ENV4.31 Hectares of rehabilitated and maintained wetlands within the municipal area
			INDICATOR NOT APPLICABLE
ENV5. Coastal and inland water resources maintained		ENV5.1 Recreational water quality (coastal)	INDICATOR NOT APPLICABLE
		ENV5.2 Recreational water quality (inland)	INDICATOR NOT APPLICABLE

### Housing & community facilities

Outcome	Outcome Indicators	Output Indicators
HS1. Improved access to adequate housing	INDICATOR NOT APPLICABLE	HS1.13 Hectares of land acquired for human settlements in Priority Housing Development Areas
HS3. Increased access to and utilisation of social and community facilities	HS3.1 Percentage of dwellings with access to public open spaces	HS3.11 Percentage of expenditure on the operations and maintenance of neighbourhood parks and public outdoor spaces in poor and lower-middle income neighbourhoods
	HS3.4 Percentage utilisation rate of sports fields	NO OUTPUT INDICATOR PROPOSED
	HS3.5 Percentage utilisation rate of community halls	NO OUTPUT INDICATOR PROPOSED
	HS3.6 Average number of library visits per library	NO OUTPUT INDICATOR PROPOSED
	HS3.7 Percentage of municipal cemetery plots available	NO OUTPUT INDICATOR PROPOSED

### Fire and disaster services

Outcome	Outcome Indicators	Output Indicators
FD1. Mitigated effects of fires and disasters	FD 1.1 Number of fire related deaths per 100 000 population	FD 1.11 Percentage compliance with the required attendance time for structural firefighting incidents
	FD 1.2 Number of disaster and extreme weather-related deaths per 100 000 population	NO OUTPUT INDICATOR PROPOSED

### Local economic development

Outcome	Outcome Indicators		Output Indicators	
	LED1. Growing inclusive local economies		LED1.11 Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	
LED2. Improved levels of economic activity in municipal economic spaces	LED1.2 Employment rate in the municipal area		LED1.21 Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	
	LED1.3 Percentage of the labour force classified as unskilled or low-skilled		LED1.31 Number of individuals connected to apprenticeships and learnerships through municipal interventions	
	LED1.4 Income per capita within the municipal area		NO OUTPUT INDICATOR PROPOSED	
	LED1.5 Percentage of all qualifying households in the municipal area classified as indigent		NO OUTPUT INDICATOR PROPOSED	
	LED2.1 Rates revenue as a percentage of the total revenue of the municipality		LED2.11 Percentage of budgeted rates revenue collected	
LED3. Improved ease of doing business within the municipal area	LED2.2 Rateable value of commercial and industrial property per capita		LED2.12 Percentage of the municipality's operating budget spent on indigent relief for free basic services	
	LED2.3 Percentage of economic nodes in the municipality experiencing year on year growth		NO OUTPUT INDICATOR PROPOSED	
	LED3.1 Average cost to a business to apply for a construction permit with a municipality		INDICATOR NOT APPLICABLE	
			LED3.11 Average time taken to finalise business license applications	
			LED3.12 Average time taken to finalise informal trading permits	
LED3.2 Average cost to transfer a property as a percentage of total property value			LED3.13 Average number of days taken to process building applications of 500 square meters or more	
			LED3.21 Percentage of revenue clearance certificates issued within 10 working days from time of completed application received	

Outcome	Outcome Indicators	Output Indicators
	LED3.3 R-value of investment inflows	LED3.31 Average number of days from the point of advertising to the letter of award per 80/20 procurement process
		LED3.32 Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission
	LE3.4 Average change in the R-value of Commercial Property within the municipality	NO OUTPUT INDICATOR PROPOSED

#### Transport & roads

Outcome	Outcome Indicators	Output Indicators
TR5. Improved access to public transport (incl. NMT) TR6. Improved quality of municipal road network	TR5.4 NMT paths as a percentage of the total municipal road network length	TR5.41 Length of NMT paths built
	TR6.1 Percentage of fatal crashes attributed to road and environmental factors	TR6.11 Percentage of unsurfaced road graded
		TR6.12 Percentage of surfaced municipal road lanes which has been resurfaced and resealed
		TR6.13 KMs of new municipal road lanes built
TR7. Improved road safety	TR6.2 Number of potholes reported per 10kms of municipal road network	TR6.21 Percentage of reported pothole complaints resolved within standard municipal response time
	TR7.1 Road traffic fatalities per 100,000 population	NO OUTPUT INDICATOR PROPOSED
	TR7.2 Average number of fatalities per fatal crash	NO OUTPUT INDICATOR PROPOSED



## Water & sanitation

Outcome	Outcome Indicators	Output Indicators
WS1. Improved access to sanitation	WS1.1 Percentage of households with access to basic sanitation	WS1.11 Number of new sewer connections meeting minimum standards
WS2. Improved access to water	WS2.1 Percentage of households with access to basic water supply	WS2.11 Number of new water connections meeting minimum standards
WS3. Improved quality of water and sanitation services	WS3.1 Frequency of sewer blockages per 100 KMs of pipeline	WS3.11 Percentage of callouts responded to within 24 hours (sanitation/wastewater)
	WS3.2 Frequency of water mains failures per 100 KMs of pipeline	WS3.21 Percentage of callouts responded to within 24 hours (water)
	WS3.3 Frequency of unplanned water service interruptions	NO OUTPUT INDICATOR PROPOSED
	WS3.4 Percentage of customers satisfied with water and sanitation services	NO OUTPUT INDICATOR PROPOSED
WS4. Improved quality of water (incl. wastewater)	WS4.1 Percentage of drinking water samples complying to SANS241	WS4.11 Percentage of water treatment capacity unused
	WS4.2 Percentage of wastewater samples compliant to water use license conditions	WS4.21 Percentage of industries with trade effluent inspected for compliance
		WS4.22 Percentage of wastewater safely treated
	WS4.3 Percentage of wastewater effluent volume complying with license conditions (weighted by flows by plant)	WS4.31 Percentage of wastewater treatment capacity unused
WS5. Improved water sustainability	WS4.4 Green Drop Score	NO OUTPUT INDICATOR PROPOSED
	WS4.5 Blue Drop Score	NO OUTPUT INDICATOR PROPOSED
	WS5.1 Percentage of non-revenue water	NO OUTPUT INDICATOR PROPOSED
	WS5.2 Total water losses	WS5.21 Infrastructure Leakage Index
	WS5.3 Total per capita consumption of water	WS5.31 Percentage of total water connections metered
	WS5.4 Percentage of water reused	NO OUTPUT INDICATOR PROPOSED

### Sound financial management

MFMA Circular No. 71 has previously identified 32 indicators suitable for municipalities and municipal entities issued in terms of Section 216(1)(c) of the Constitution and Section 2 of the MFMA. The circular gives guidance on financial norms and standards to ensure sound and sustainable management of fiscal and financial affairs in municipalities and municipal entities. In order to ensure consistency and complementarity between reform processes with the pre-existing directive, and with acknowledgement of the benefit of inter-departmental co-ordination on this matter, the application of 32 financial management indicators in MFMA Circular No. 71 in local municipalities continues. However, National Treasury has indicated it will be revisiting these indicators in the near future in line with the broader reform agenda.

### Good governance

Outcome	Outcome Indicators	Output Indicators
GG3. Improved municipal administration	GG3 1 Audit Outcome	GG3.11 Number of repeat audit findings
		GG3.12 Percentage of councillors who have declared their financial interests
		GG3.13 Percentage of administrative staff who have declared their financial interests
GG4. Improved council functionality	GG4 1 Percentage of councillors attending council meetings	GG4 11 Number of agenda items deferred to the next council meeting
	GG4.2 Functionality of the Municipal Public Accounts Committee (MPAC)	NO OUTPUT INDICATOR PROPOSED
GG5. Zero tolerance of fraud and corruption	GG5.1 Number of alleged fraud and corruption cases reported per 100 000 population	GG5.11 Number of active suspensions longer than three months
		GG5.12 Quarterly salary bill of suspended officials
	GG5.2 Number of dismissals for fraud and corruption per 100 000 population	NO OUTPUT INDICATOR PROPOSED
	GG5.3 Number of convictions for fraud and corruption per 100 000 population	NO OUTPUT INDICATOR PROPOSED

### Building capable local government institutions

Outcome	Outcome Indicators	Output Indicators
GG1. Improved municipal capability	GG1.1 Percentage of municipal skills development levy recovered	NO OUTPUT INDICATOR PROPOSED
	GG1.2 Top management stability	GG1.21 Staff vacancy rate
		GG1.22 Percentage of vacant posts filled within 3 months

## Compliance indicators

Ref.	Indicator
C1 (GG)	Number of signed performance agreements by the MM and section 56 managers:
C2 (GG)	Number of ExCo or Mayoral Executive meetings held:
C3 (GG)	Number of Council portfolio committee meetings held:
C4 (GG)	Number of MPAC meetings held:
C5 (GG)	Number of recognised traditional leaders within your municipal boundary
C6 (GG)	Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters:
C7 (GG)	Number of formal (minuted) meetings - to which all senior managers were invited-held:
C8 (GG)	Number of councillors completed training:
C9 (GG)	Number of municipal officials completed training:
C10 (GG)	Number of work stoppages occurring:
C11 (GG)	Number of litigation cases instituted by the municipality:
C12 (GG)	Number of litigation cases instituted against the municipality:
C13 (GG)	Number of forensic investigations instituted:
C14 (GG)	Number of forensic investigations conducted:
C15 (GG)	Number of days of sick leave taken by employees:
C16 (GG)	Number of permanent employees employed
C17 (GG)	Number of temporary employees employed:
C18 (GG)	Number of approved demonstrations in the municipal area:
C19 (GG)	Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings:
C20 (ENV)	Number of permanent environmental health practitioners employed by the municipality:
C21 (ENV)	Number of approved environmental health practitioner posts in the municipality
C22 (GG)	Number of Council meetings held:
C23 (GG)	Number of disciplinary cases for misconduct relating to fraud and corruption:
C24 (GG)	Number of council meetings disrupted
C25 (GG)	Number of protests reported
C26 (GG)	R-value of all tenders awarded
C27 (GG)	Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations:
C28 (GG)	R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations:
C29 (LED)	Number of approved applications for rezoning a property for commercial purposes:
C30 (GG)	Number of business licenses approved:
C31 (GG)	Number of approved posts in the municipality with regard to municipal infrastructure:
C32 (GG)	Number of positions filled with regard to municipal infrastructure:
C33 (GG)	Number of tenders over R200 000 awarded:
C34 (GG)	Number of months the Municipal Managers' position has been filled (not Acting):
C35 (GG)	Number of months the Chief Financial Officers' position has been filled (not Acting):
C36 (GG)	Number of vacant posts of senior managers:
C37 (GG)	Number of approved posts in the treasury and budget office:
C38 (GG)	Number of filled posts in the treasury and budget office:

Ref.	Indicator
C39 (GG)	Number of approved posts in the development and planning department:
C40 (GG)	Number of filled posts in the development and planning department
C41 (GG)	Number of approved engineer posts in the municipality:
C42 (GG)	Number of registered engineers employed in approved posts
C43 (GG)	Number of engineers employed in approved posts:
C44 (GG)	Number of disciplinary cases in the municipality:
C45 (GG)	Number of finalised disciplinary cases:
C46 (ENV)	Number of approved waste management posts in the municipality:
C47 (ENV)	Number of waste management posts filled:
C48 (EE)	Number of approved electrician posts in the municipality:
C49 (EE)	Number of electricians employed in approved posts:
C50 (WS)	Number of approved water and wastewater management posts in the municipality:
C51 (WS)	Number of filled water and wastewater management posts:
C52 (HS)	Number of maintained sports fields and facilities
C53 (HS)	Square meters of maintained public outdoor recreation space
C54 (HS)	Number of municipality-owned community halls
C56 (EE)	Number of customers provided with an alternative energy supply (e.g. LPG or paraffin or biogas according to supply level standards)
C57 (EE)	Number of registered electricity consumers with a mini grid-based system in the municipal service area
C58 (EE)	Total non-technical electricity losses in MWh (estimate)
C59 (EE)	Number of municipal buildings that consume renewable energy
C60 (WS)	Total number of sewer connections
C61 (WS)	Total number of chemical toilets in operation
C62 (WS)	Total number of Ventilation Improved Pit Toilets (VIPs)
C63 (WS)	Total volume of water delivered by water trucks
C67 (FD)	Number of paid full-time firefighters employed by the municipality
C68 (FD)	Number of part-time and firefighter reservists in the service of the municipality
C69 (FD)	Number of 'displaced persons' to whom the municipality delivered assistance
C71 (LED)	Number of procurement processes where disputes were raised
C73 (FD)	Number of structural fires occurring in informal settlements
C74 (FD)	Number of dwellings in informal settlements affected by structural fires (estimate)
C76 (LED)	Number of SMMEs and informal businesses benefitting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders
C77 (LED)	B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based
C78 (LED)	B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned
C79 (LED)	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement
C86 (LED)	Number of households in the municipal area registered as indigent
C89 (GG)	Number of meetings of the Executive or Mayoral Committee postponed due to lack of quorum

## Compliance questions

No.	Compliance Questions
Q1.	Does the municipality have an approved Performance Management Framework?
Q2.	Has the IDP been adopted by Council by the target date?
Q3.	Does the municipality have an approved LED Strategy?
Q4.	What are the main causes of work stoppage in the past quarter by type of stoppage?
Q5.	How many public meetings were held in the last quarter at which the Mayor or members of the Mayoral/Executive committee provided a report back to the public?
Q6.	When was the last scientifically representative community feedback survey undertaken in the municipality?
Q7.	What are the biggest causes of complaints or dissatisfaction from the community feedback survey? Indicate the top four issues in order of priority.
Q8.	Please list the locality, date and cause of each incident of protest within the municipal area during the reporting period:
Q9.	Does the municipality have an Internal Audit Unit?
Q10.	Is there a dedicated position responsible for internal audits?
Q11.	Is the internal audit position filled or vacant?
Q12.	Has an Audit Committee been established? If so, is it functional?
Q13.	Has the internal audit plan been approved by the Audit Committee?
Q14.	Has an Internal Audit Charter and Audit Committee charter been approved and adopted?
Q15.	Does the internal audit plan set monthly targets?
Q16.	How many monthly targets in the internal audit plan were not achieved?
Q17.	Does the Municipality have a dedicated SMME support unit or facility in place either directly or in partnership with a relevant roleplayer?
Q18.	What economic incentive policies adopted by Council does the municipality have by date of adoption?
Q19.	Is the municipal supplier database aligned with the Central Supplier Database?
Q20.	What is the number of steps a business must comply with when applying for a construction permit before final document is received?
Q22.	Please list the name of the structure and date of every meeting of an official IGR structure that the municipality participated in this quarter:
Q23.	Where is the organisational responsibility for the IGR support function located within the municipality (inclusive of the reporting line)?
Q24.	Is the MPAC functional? List the reasons why if the answer is not 'Yes'.
Q25.	Has a report by the Executive Committee on all decisions it has taken been submitted to Council this financial year?



### 3. Summary Technical Indicator Descriptions (TIDs)

The following is a set of summary Technical Indicator Descriptions for each of the indicators applicable to Local Municipalities.

Summary TIDs are provided for Tier 1, Tier 2 and Compliance Indicators so as to only provide the essential descriptive indicator information for the 2021/22 financial year.

Please refer to Appendix B of Circular No. 88 for full TIDs and details for Tier 3 and Tier 4 indicators. Municipalities are not expected to plan and report against Tier 3 and Tier 4 indicators for the 2021/22 financial year.

#### Putting people first

<b>Indicator Ref. &amp; Title</b>	GG2.1 Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)
<b>Rationale</b>	This indicator shows the level to which the municipality supports ward committees, how functional formal mechanisms for public participation are in the municipality, and that they are active and properly constituted.
<b>Definition</b>	The percentage of ward committees that are deemed to be 'functional' out of all wards in the municipality. Functional is defined as- they have an agreed annual ward committee action plan by end of Q1 of the year under review and had at least four quorate meetings in that year.
<b>Indicator formula</b>	$\frac{((1) \text{ Functional ward committees})}{(2) \text{ Total number of wards}} \times 100$
<b>Indicator origin</b>	The Guidelines for the Establishment and Operation of Municipal Ward Committees, issued by the Minister for Provincial and Local Government in the Government Gazette No 27699, dated 24 June 2005, provides that "A ward committee must meet at least quarterly" (item 11 (2) (d)). It also provides that "A metropolitan or local municipality must make rules regulating the frequency of meetings of ward committees (item 11, (2), (a)). CoGTA Back to Basics. The indicator relates to MTSF Priority 1: Building a capable, ethical and development state. It is aligned to the Outcome- Functional, efficient and integrated government.
<b>Frequency of reporting</b>	Annual
<b>Notes on the calculation</b>	None
<b>Local municipality readiness</b>	Tier 2
<b>Reporting responsibility</b>	Municipality

<b>Indicator Ref. &amp; Title</b>	GG2.11 Percentage of ward committees with 6 or more ward committee members (excluding the ward councillor)
<b>Rationale</b>	This indicator demonstrates the extent to which ward committees are active in terms of filled



