

● Integrated  
● Development  
● Plan



1 July 2022 to 30 June 2023

# 2022/23

2021/2026 Integrated Development Plan reviewed in terms of  
Chapter 5 of the Municipal Systems Act, No 32 of 2000

DRAFT



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METROPOLITAN MUNICIPALITY

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# GLOSSARY OF ABBREVIATIONS

|             |  |             |  |
|-------------|--|-------------|--|
| A.B.E.T.    | Adult Basic Education Training                       | M.D.R       | Multi Drug Resistant                               |
| A.D.M.      | Amathole District Municipality                       | M.G.D.S     | Metro Growth and Development Strategy              |
| AIDS        | Acquired Immune Deficiency Syndrome                  | M.H.S       | Municipal Health Services                          |
| A.N.C       | African National Congress                            | M.I.G.      | Municipal Infrastructure Grant                     |
| B.B.B.E.E.  | Broad-Based Black Economic Empowerment               | M.M.R.      | Maternal Mortality Rate                            |
| B.C.M.M     | Buffalo City Metropolitan Municipality               | M.S.A.      | Municipal Systems Act                              |
| B.C.M.D.A.  | Buffalo City Metropolitan Development Agency         | M.S.C.O.A.  | Municipal Standard Chart of Accounting             |
| B.K.C.O.B.  | Border Kei Chamber of Business                       | M.T.R.E.F.  | Medium-Term Revenue and Expenditure Framework      |
| C.S.P       | City Support Programme                               | N.D.P.      | National Development Plan                          |
| C.B.D.      | Central Business District                            | N.A.T.I.S.  | National Traffic Information system                |
| C.C.T.V     | Closed Circuit Television                            | N.E.M.A     | National Environmental Management Act              |
| C.I.T.P     | Comprehensive Integrated Transport Plan              | N.E.M.W.A   | National Environmental Management Waste Act        |
| D.P.L.G.    | Department of Provincial & Local Government          | N.E.M.B.A   | National Environmental Management Biodiversity Act |
| D.T.I.      | Department of Trade & Industries                     | N.E.R.S.A.  | National Electricity Regulator of South Africa     |
| E.C.D.O.H.  | Eastern Cape Department of Health                    | N.G.O.'s    | Non-Governmental Organisations                     |
| E.I.A       | Environmental Impact Assessment                      | N.H.A       | National Health Act                                |
| E.L.        | East London  | N.S.D.P.    | National Spatial Development Perspective           |
| E.L.I.D.Z.  | East London Industrial Development Zone              | P.H.C.      | Primary Health Care                                |
| E.P.W.P     | Expanded Public Works Programme                      | P.J.E.C     | Principal Job Evaluation Committee                 |
| G.D.P.      | Gross Domestic Product                               | P.M.S.      | Performance Management System                      |
| G.I.S.      | Geographic Information Systems                       | P.M.T.C.T.  | Prevention of Mother to Child Transmission         |
| G.R.A.P.    | Generally Recognized Accounting Practice             | P.O.S.S     | Public Open Spaces                                 |
| G.V.A.      | Gross Value Added                                    | P.P.E.      | Property, Plant & Equipment                        |
| H.D.I       | Human Development Index                              | P.P.P.'s    | Public Private Partnerships                        |
| H.R.        | Human Resources                                      | R.G.        | Restructuring Grant                                |
| H.I.V       | Human Immuno-deficiency Virus                        | R.M.S.      | Road Management System                             |
| I.C.Z.M.P.  | Integrated Coastal Zone Management Plan              | R.S.A.      | Republic of South Africa                           |
| I.D.C.      | Industrial Development Corporation                   | S.A.        | South Africa                                       |
| I.D.P.      | Integrated Development Plan                          | S.A.C.N.    | South African Cities Network                       |
| I.D.Z.      | Industrial Development Zone                          | S.A.L.G.A   | South African Local Government Association         |
| I.E.M.P.    | Integrated Environmental Management Plan             | S.A.M.W.U   | South African Municipal Workers Union              |
| I.G.R       | Inter-governmental Relations                         | S.A.N.S     | South African National Standards                   |
| I.M.A.T.U   | Independent Municipal and Allied Trade Union         | S.A.S.Q.A.F | South African Statistical Qualifications Framework |
| I.N.E.P.    | Integrated National Electrification Programme        | S.C.M       | Supply Chain Management                            |
| I.S.H.S.P   | Integrated Sustainable Human Settlement Plan         | S.D.        | Sustainable Development                            |
| I.C.T.      | Information and Communications Technology            | S.D.B.I.P.  | Service Delivery and Budget Implementation Plan    |
| I.W.M.P     | Integrated Waste Management Plan                     | S.D.F.      | Spatial Development Framework                      |
| K.F.A.      | Key Focus Area                                       | S.D.G       | Sustainable Development Goals                      |
| K.P.A       | Key Performance Area                                 | S.L.G.P.    | Strengthening Local Governance Programme           |
| K.P.I       | Key Performance Indicator                            | S.M.M.E.    | Small, Medium & Micro Enterprises                  |
| K.W.T.      | King William's Town (renamed to Qonce in 2021)       | S.P.S.P.    | Sector Policy Support Programme                    |
| L.E.D.      | Local Economic Development                           | T.B         | Tuberculosis                                       |
| L.G.S.E.T.A | Local Government Sector Education Training Authority | V.C.T.      | Voluntary Counseling & Testing                     |
| L.S.D.F.    | Local Spatial Development Framework                  | V.I.P.      | Ventilated Improved Pit Latrine                    |
| M.B.S.A.    | Mercedes Benz South Africa                           | W.H.O       | World Health Organisation                          |
| M.E.C.      | Member of the Executive Council                      | W.S.D.P.    | Water Services Development Plan                    |
| M.E.L.D.    | Mdantsane East London Development                    | W.S.P.      | Workplace Skills Plan                              |
| M.F.M.A.    | Municipal Finance Management Act                     | X.D.R.      | Extreme Drug Resistant                             |

***Xola Pakati***

## FOREWORD BY THE EXECUTIVE MAYOR



### **Fellow Residents of Buffalo City,**

The Council of Buffalo City Metro is presenting this Draft Review of the Integrated Development Plan (IDP 2021 – 2026). We are publishing this Draft IDP and Budget for your consideration and engagement during the Human Rights Month where our country commemorates the seismic event of the dreadful Sharpeville Massacre in whose memory Human Rights Day was declared as an undertaking that the government will never again murder civilians as a matter of State Policy.

During the Human Rights Month our nation reflects on our record of building a human rights culture since the advent of democracy. The large deficit with respect to our country's human rights record which we should expend our energies to closing, is with respect to the realisation of socio-economic rights, broadly defined to include the reduction of unemployment, poverty and inequality.

This Draft IDP and Budget is designed to be impactful on socio-economic rights and we believe that its implementation will increase the momentum to reduce unemployment, poverty and inequality.

In arriving at this Draft Integrated Development Plan and the Draft Budget, there was wide consultation with internal stakeholders in the municipality and previous priorities that were formulated with communities have been included. This was done within the spirit of ensuring that the Draft IDP and Budget serve to consolidate our current position as an instrument of service delivery for our people.

It is our view that an Integrated Development Plan and a Budget should not be a grand policy but a clear implementation document that diligently addresses the basic issues affecting our communities. What is important is that whilst doing this in the short to medium term, it should properly align with our long-term plan, the Metro Growth and Development Strategy.

We have geared all the actions in the IDP to be towards building a Buffalo City Metro that is well-governed, connected, green and innovative, and which is overall a place to live, work, invest and play.

We are hoping for frank and reasoned engagement of both the IDP and the Budget by residents of our Metro so that the final product better captures the views of most stakeholders.

It is important to note that the participation of our communities in our processes is not only limited to the budgeting process. The Council of our metro has an operating Ward Committee Public Participation Framework whose sole intention is to foster direct involvement of residents and local organisations in the decision-making processes of the municipality.

This framework provides processes that give effect to a culture of community involvement in decision making and further fosters accountability by public representatives. Councillors are thus expected to have monthly meetings in their wards where they receive people's suggestions and report on progress on earlier made proposals. We ask that our communities deeply consider the IDP document and the proposals contained in it.

The IDP and Budget public engagement process should better inform the product of the first State of the City Address that we will deliver as this term of Council. When we go to our people in the middle of the year, we should be giving a detailed and properly conceptualised account of how we are going to turn things around.

Reflected in this IDP is the fact that we have decided to privilege the upgrading and maintenance of social and economic infrastructure in our City. In order for us to fulfil our mandate of improving the lives of our people we have decided to ensure that 70 percent of our total capital budget is allocated to infrastructure development.

The total Draft Budget for the Municipality in the next financial year (2022/23) is R9, 9 Billion and the bulk of it will be spent on infrastructure projects. The Draft IDP and Budget have also been designed to be instruments of giving life to the objectives of our country's Economic Recovery and Investment Plan. We have already developed our own economic recovery framework which is centred on infrastructure investment as a stimulus for the creation of jobs. The aim is to ensure that the following fundamentals are addressed:

- Protecting the existing industrial base whilst stimulating more investment.
- Dedicated focus on infrastructure investment.
- The revitalisation of our tourism and hospitality value chain.

Through the Draft IDP and Budget we will continue to implement measures that will ensure rapid service delivery improvement. We will continue to implement major infrastructure projects but we will also prioritise projects such as pothole patching and road resurfacing within townships and suburbs. We will continue to upgrade our rural

roads, pipe water and provide sanitation to the most far-flung areas. We will build even more houses for the people and electrify new formal settlements and developable informal settlements.

We are confident that we will do this better if we are working with communities and stakeholders of the city. The engagement and comments that communities make on the Draft Integrated Development Plan and Budget will greatly enrich the plans and they are greatly welcomed.

A City Hard at Work

.....

Cllr Xola Pakati

Executive Mayor of BCMM

# *Andile Sihlahla*

## OVERVIEW BY THE CITY MANAGER



The metro growth and development strategy (Vision 2030) remains the City's strategic document. The ushering in of a new council after the 01<sup>st</sup> November 2021 local government elections coincided with the review of our metro growth and development strategy. This gives our new council an opportunity to engage with this document considering what we set to achieve in the past five years and what we intend to achieve during the current term of office.

Our metro growth and development strategy is made up of five pillars, namely: **An innovative and a Productive City, a Green City, a Connected City, a Spatially Transformed City and a Well Governed City.**

All these five pillars are linked to our five-year Integrated Development Plan (IDP) and the Built Environment Performance Plan (BEPP). The 2022/2023 IDP amongst many things seeks to build on the foundation laid by the previous terms' IDP by taking stock of what has been done and what is outstanding.

In the past two years the City observed a steady decline in revenue collection. This was exacerbated by the advent of Covid 19 pandemic which resulted in South Africa's economy growing below 1% in 2020/2021. This had a direct impact to Buffalo City Metropolitan Municipality as many jobs were shed and many businesses closing.

The immediate task during the 2022/23 financial year is the approval and implementation of our economic recovery and investment plan. This will be coupled by a vigorous drive-in maximising revenue collection, and this include discovering new revenue sources. The fact that Buffalo City is a Coastal City and hosts one of the leading international car manufacturing companies (Mercedes Benz South Africa) should be succinctly expressed in both our economic recovery plan and our local economic development policy.

Working together with Buffalo City Development Agency and in collaboration with other social partners we shall intensify the implementation of our Catalytic Projects/Programmes through massive investment on Infrastructure. Some of these projects are being implemented and some are at a planning stage.

In conclusion, during the previous term steady progress was made by achieving some of targets we set ourselves. It is again a commitment I make that during the 2022/2023 we shall continue to deliver services to our communities at a faster pace.

**A City Hard at Work**

.....  
A. Sihlahla  
City Manager of BCMM



# EXECUTIVE SUMMARY

## 1. INTRODUCTION

The Buffalo City Metropolitan Municipality's Council adopted its 2021/2026 IDP on 31 May 2021 in accordance with the Municipal Systems Act. This report represents the first revision of this five-year Integrated Development Plan for the review period of 2022/2023.

In accordance with Section 25(2) of the Local Government: Municipal Systems Act, No. 32 of 2000, an IDP adopted by a municipal council in terms of the Act may be amended in terms of section 34 and remains in force until an integrated development plan is adopted by the next elected council.

Section 25(3) of the Local Government: Municipal Systems Act provides the following options to the incoming council in respect of the IDP currently being developed:

- (a) A newly elected municipal council may, within the prescribed period, adopt the integrated development plan of its predecessor, but before taking a decision it must comply with section 29(1)(b)(i), (c) and (d)
- (b) A newly elected municipal council that adopts the integrated development of its predecessor with amendments, must effect the amendments in accordance with the process referred to in section 34(b).

**This document, therefore, sets out the outcomes of the planning process towards the review of the 2021/2026 Integrated Development Plan for the 2022/2023 period. It describes the following**

- The process followed to review Buffalo City's IDP;
- The key considerations or informants of the IDP Review; and
- The objectives, strategies, key performance indicators and targets that have been developed and aligned to the long-term Metro Growth and Development Strategy which was adopted by Council in 2015 and adjusted in accordance with legally prescribed processes.

## 2. THE PROCESS FOLLOWED

Buffalo City's IDP and Budget review was undertaken through an inclusive, integrated and procedurally consistent manner in line with an approved IDP/Budget/PMS Process Plan and Time Schedule which was compiled in accordance with Section 28 and 29 of the Municipal Systems Act and Section 21(1) of the Municipal Finance Management Act. A revised IDP/Budget/PMS Process Plan and Time Schedule IDP was approved by Council because some planned engagements were rescheduled as a result of the Local Government Elections held on 1 November 2021. Most of the engagements requiring the participation of Councillors had to be delayed until after the inauguration of the newly elected Council because pre-and post-election activities overlapped with key activities on the IDP/Budget/PMS Process Plan and Timetable like the Mayoral Imbizos, Mayoral Lekgotla and Council Lekgotla. As a result, most of these critical events took place during the months of January and February

**The strategic processes and activities undertaken in order to produce the Revised 2022/2023 (Revised) Integrated Development Plan, are summarised in the table below:**

| NO   | ACTIVITY DESCRIPTION   | DATES ACHIEVED           |
|--|--|--------------------------|
| <b>PREPERATION PHASE: JUL – AUG: Preparing for the IDP, Budget and Performance Management Process</b>          |  |                          |
| 1  | Top Management: <ul style="list-style-type: none"> <li>To consider and recommend that IDP/Budget/PMS Process Plan and Time Schedule be approved by Council (at least 10 months before the start of the budget year)</li> </ul>   | 13 July 2021             |
| 2  | Portfolio Committee: <ul style="list-style-type: none"> <li>To consider and recommend that IDP/Budget/PMS Process Plan and Time Schedule be approved by Council (at least 10 months before the start of the budget year)</li> </ul>  | 12 August 2021           |
| 3  | Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> <li>To consider and recommend that IDP/Budget/PMS Process Plan and Time Schedule be approved by Council (at least 10 months before the start of the budget year)</li> </ul>  | 13/08/2021               |
| 4  | Top Management: <ul style="list-style-type: none"> <li>To consider 2021/2022 First Adjustment Budget &amp; the 2020/2021 Fourth Adjustment budget and recommend these being approved by Council</li> </ul>   | 12/08/2021               |
| 5  | Council: To approve - <ul style="list-style-type: none"> <li>IDP/Budget/PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year).</li> <li>The 2021/2022 First adjustment budget (to be tabled before 25 August 2021) and the 2020/2021 Fourth Adjustment budget.</li> </ul>  | 25/08/2021               |
| <b>PHASE 1: SITUATIONAL ANALYSIS : SEPT – OCT: Situational Analysis of the metro</b>                           |  |                          |
| 6  | Technical IDP/Budget/PMS Workstreams: <ul style="list-style-type: none"> <li>Prepare a draft Situational Analysis Report for the Top Management Technical Planning Session; and</li> <li>Assess and identify information from adopted Sector Plans against the backdrop of the SITUATIONAL ANALYSIS, including the LSDFs for integration into the IDP Review document if possible</li> </ul>   | 11, 12 & 21 October 2021 |
| 7  | Political IGR Forum: <ul style="list-style-type: none"> <li>It is a Political Structure chaired by the Deputy Executive Mayor with representation from the Mayoral Committee, City Manager, HOD's, Representation from Sector Departments, Parastatals, and State-owned Enterprises.</li> <li>The purpose is to identify high level and recurring IGR issues hindering service delivery and requiring political intervention for escalation to other levels or structures and for successful resolution. It also receives feedback and progress on resolution and issues requiring escalation from the Technical and Political IGR Roundtable meetings.</li> </ul> | 17 Sept 2021             |
| 8  | Top Management Technical Planning Session: <ul style="list-style-type: none"> <li>Reflect on progress made with implementation of strategic priorities during preceding financial years; and</li> <li>Review SITUATIONAL ANALYSIS of the metro that inform priority choices</li> </ul>   | 26 & 27 October 2021     |
| <b>PHASE 2: OCT – DEC: Consolidation of Strategic priorities (between Council, Community and IGR Partners)</b> |  |                          |
| 9  | IGR Core Group Think Thank Session: <ul style="list-style-type: none"> <li>To Discuss &amp; Align Three Sphere Regulated Activities.</li> </ul>  | 15 October 2021          |

| NO  | ACTIVITY DESCRIPTION   | DATES ACHIEVED  |
|---|--|---|
|   | <ul style="list-style-type: none"> <li>To review the annual planning cycles of the Metro and other spheres of Government which impacts on strategic planning, budgeting, monitoring and reporting across spheres.</li> </ul>   |   |
| 10  | Budget Workshops with all directorates to address the following: <ul style="list-style-type: none"> <li>Financial Institutional Performance</li> <li>Cost Containment Measures</li> <li>2022/2023 Tariff Process</li> <li>Verification of Fleet &amp; Staff Keys</li> <li>IDP Strategic Priorities for 2021/2026 &amp; MTREF Capital Prioritization</li> <li>2021/2022 Mid-Year Adjustment Budget Reallocation (Capital &amp; Operating Budget)</li> </ul> | 17 November – 8 December 2021                                   |
| 11  | Technical IGR Forum <ul style="list-style-type: none"> <li>Deliberate on Buffalo City Gap Analysis on BCMM One Plan and IDP</li> </ul>   | 19 November 2021  |
| 12  | Council Lekgotla <ul style="list-style-type: none"> <li>To reflect on desired key outcomes over the Council's 5-year term based on its deep understanding of current and emerging City trends and realities as consolidated during Mayoral Lekgotla</li> </ul>   | 24 – 25 February 2022   |
| <b>PHASE 3: JAN – FEB: Programmes and Projects (Identifying, prioritising, costing programmes and projects)</b> |  |   |
| 13  | Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> <li>To introduce Councillors to the City's Organisational Procedures, Controls and Protocols used for integrated strategic planning, intergovernmental relations management, budgeting, performance management, ward allocation programme and establishment of ward committees programme</li> </ul>  | 18 January 2022   |
| 14  | Mayoral Lekgotla Session: <ul style="list-style-type: none"> <li>To review strategic objectives for service delivery and development</li> </ul>  | 20 – 21 January 2022  |
| 15  | National Treasury Mid-year Budget and Performance Assessment Review  | 15 February 2022  |
| 16  | BCMM IGR Framework Review Engagement: <ul style="list-style-type: none"> <li>To review the current BCMM IGR Framework with National and Provincial COGTA, Office of the Premier and BCMM departments</li> </ul>  | 17 – 18 February 2022   |
| 17  | Council Lekgotla: <ul style="list-style-type: none"> <li>To reflect on desired key outcomes over the Council's 5-year term based on its deep understanding of current and emerging City trends and realities as consolidated during Mayoral Lekgotla.</li> </ul>   | 24 – 25 February 2022   |
| <b>PHASE 4: FEB: Integration of Programmes and Projects</b>   |  |   |
| 18  | Budget Steering Committee: <ul style="list-style-type: none"> <li>To consider 2021/2022 Mid-year Adjustment Budget</li> </ul>  | 2 Feb 2022<br>(During BCMM Mayoral Committee Induction Session) |
| 19  | Three Spheres Planning Session: <ul style="list-style-type: none"> <li>To allow Provincial Sector Departments and State-owned Enterprises to inform BCMM of budgetary allocations and catalytic programmes to be implemented in the BCMM space and identify transversal gaps and challenges.</li> </ul>  | 22 Feb 2022   |
| 20  | Council: <ul style="list-style-type: none"> <li>To consider and adopt 2021/2022 Mid-year Adjustments Budget</li> </ul>   | 28 Feb 2022   |
| <b>PHASE 5: ADOPTION</b>  |  |   |
| <b>MAR: Approval of draft IDP</b>   |  |   |
| 21  | BCMM Political IGR Forum: To deliberate on the following: <ul style="list-style-type: none"> <li>IGR Framework Act, 2005 Review</li> </ul>   | 8 March 2022  |

| NO   | ACTIVITY DESCRIPTION   | DATES ACHIEVED   |
|--|--|--|
|  | <ul style="list-style-type: none"> <li>Process Plan for the Provincial IGR Review</li> <li>BCMM IDP/One Plan</li> <li>BCMM IGR Framework and Terms of Reference Review</li> <li>Three Sphere Session Feedback</li> <li>Orientation and Progress on the District Developmental Model and One Plan</li> </ul>  |  |
| 22   | Top Management: <ul style="list-style-type: none"> <li>To consider draft IDP, MTREF Budget and recommend the draft IDP, MTREF Budget and BEPP to Council</li> </ul>  | 8 March 2022   |
| 23   | Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> <li>To consult councillors and traditional leaders on draft IDP, draft MTREF and budget related policies</li> </ul>  | 16 March 2022  |
| 24   | External IDP/Budget/PMS Representative Forum: <ul style="list-style-type: none"> <li>To consult External IDP/Budget/PMS Representative Forum on the Draft IDP, Tabled MTREF Budget and draft policies</li> </ul>   | 23 March 2022<br>09h30- 15h00  |
| 25   | Council: <ul style="list-style-type: none"> <li>To approve the draft IDP, MTREF Budget and draft policies (at least 90 days before the start of the budget year)</li> <li>To consider the proposed budget of the entity and assess the entity's (BCMDA) priorities and objectives and make recommendations. Board of Directors to consider the recommendations and, if necessary, submit a revised budget.</li> <li>To consider Draft Revised SDBIP</li> </ul> | 30 March 2022<br>09h00   |
| <b>APR – MAY: Consulting the public and external stakeholders and final adoption</b> |  |  |
| 26   | BCMM IGR Core Group <ul style="list-style-type: none"> <li>To discuss the review of the BCMM Intergovernmental Relations Framework</li> </ul>  | 1 April 2022   |
| 27   | Top Management (IDP / Budget Steering Committee Meeting) <ul style="list-style-type: none"> <li>To consult Top Management on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders</li> </ul>  | 4 April 2022   |
| 28   | Consultation with councillors on IDP/Budget Roadshows <ul style="list-style-type: none"> <li>To consult councillors and traditional leaders on IDP/Budget Roadshows (Inland, Midland and Coastal Wards) and other engagements with stakeholders</li> <li>To discuss progress made with Ward Priorities and review for the new term of office</li> </ul>  | 13 April 2022 (Coastal Region)<br>14 April 2022 (Midland and Inland Regions)             |
| 29   | IDP/Budget Road Show <ul style="list-style-type: none"> <li>To consult the public on the Draft IDP, Tabled MTREF Budget and draft policies</li> </ul>  | 3 May 2022 (Coastal Region)<br>4 May 2022 (Midland Region)<br>5 May 2022 (Inland Region) |
| 29   | Special Top Management <ul style="list-style-type: none"> <li>To consider and recommend the Final IDP, MTREF Budget and BEPP, after considering the submissions made by the local community, National or Provincial Treasury, national or provincial organs of state or neighbouring municipalities</li> </ul>   | 10 May 2022  |
| 30   | Special Mayoral Committee / Budget Steering Committee <ul style="list-style-type: none"> <li>To consider and recommend the Final IDP, MTREF Budget and BEPP, after considering the submissions made by the local</li> </ul>  | 12 May 2022  |

| NO | ACTIVITY DESCRIPTION  | DATES ACHIEVED |
|----|---|----------------|
|    | community, National or Provincial Treasury, national or provincial organs of state or neighbouring municipalities   |                |
| 31 | Municipal Budget and Benchmark Engagement by National Treasury <ul style="list-style-type: none"> <li>To assess BCMM draft MTREF Budget</li> </ul>                  | 19 May 2022    |
| 32 | Councillors and Traditional Leaders' Workshop<br>To interrogate Final IDP, MTREF Budget and budget related policies   | 25 May 2022    |
| 33 | Council<br>To adopt IDP, Performance Management Measures and Targets, MTREF Budget, and the revised Policies (at least 30 days before the start of the budget year) | 31 May 2022    |

**Table 1: IDP Process followed**

### 3. IDP INFORMANTS

The 2022/2023 Review of the 2021/2026 IDP was undertaken within the framework of national and provincial legislation and policy directives, which include most notably the National Development Plan, Medium Term Strategic Framework (2019-2024), District/Metro Development Model, the South African Economic Reconstruction and Recovery Plan, the Provincial Development Plan (2030), Provincial Spatial Development Strategy, and Provincial Economic Development Strategy.

**Other factors that were taken into consideration include:**

**a) Assessment Issues**

- The comments on the last adopted IDP provided by the MEC for Local Government in accordance with Sections 31 and 32 of the Municipal Systems Act;
- Findings contained in the National Treasury Benchmarking Report;
- One Plan National Quality Assurance Panel - an overview of the results of the quantitative assessment conducted by the One Plan National Quality Assurance Panel (NQAP) of the Metro's One Plan;
- Findings contained in the Auditor General's Report of the previous financial year/s; and
- Shortcomings and weaknesses identified through self-assessment.

**b) Review of the Strategic Elements of the IDP in terms of priorities of Council and the objectives of Management**

- Review of the Strategic elements of the IDP and Metro Growth and Development Strategy (MGDS) if required; and integrating the strategic intent throughout the budget process, including mSCOA alignment, and finalizing of the Service Delivery and Budget Implementation Plan (SDBIP);
- Review of elements of the Spatial Development Framework;
- Update of Master Plans and Sector Plans; and
- The update of the Financial Plan.

**c) Inclusion of new information where necessary**

- Consideration of the impact of Covid-19 Global Pandemic;
- Update of the Socio-Economic Profile; and
- Public Participation Input and revision of Ward Plans.

## 4. STRUCTURE OF THE IDP

Amongst other things, Buffalo City Metro's IDP outlines the long-term vision of the municipality, which is:

**“BUFFALO CITY: WELL-GOVERNED, CONNECTED, GREEN AND INNOVATIVE”**

It also details Council's development objectives and priorities, thus responding to the challenges that confront the City. Linked to the above vision is the five strategic outcomes which must be achieved by the year 2030.

**This Integrated Development Plan document is structured as follows:**

|                  |  |
|------------------|--|
| <b>SECTION A</b> | <b>INTRODUCTION</b><br>Provides an outline of the legislative imperatives which guide the review of the integrated development plan. An overview of national and provincial plans which were taken into consideration during the development of the plan. It also outlines the process that was followed in the review of the IDP. |
| <b>SECTION B</b> | <b>BCMM PROFILE AND ANALYSIS</b><br>This section provides an overview of the municipality focusing on the current situation, key challenges and opportunities in terms of each key performance area. Service delivery backlogs and level of access to municipal services is also outlined.   |
| <b>SECTION C</b> | <b>SPATIAL DEVELOPMENT FRAMEWORK</b><br>The SDF provides a spatial analysis of the Municipality, details the spatial development principles / guidelines with accompanying maps indicating the spatial objectives and strategies of the Municipality.  |
| <b>SECTION D</b> | <b>ONE PLAN: THREE SPHERES SERVICE DELIVERY BUDGET, PROGRAMMES AND PROJECTS</b><br>This section details the capital budget which is aligned to IDP Objectives as well as programmes and projects from all spheres of government operating in the BCMM space.   |
| <b>SECTION E</b> | <b>DEVELOPMENT OBJECTIVES, STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS</b><br>Contains the development objectives, strategies, indicators and targets for the entire term of Council.   |
| <b>SECTION F</b> | <b>FINANCIAL PLAN</b><br>A strategic framework for financial management, key financial policies and strategies are outlined in this section.   |
| <b>SECTION G</b> | <b>BCMM OPERATIONAL PLAN</b><br>This section outlines the structure of the municipality providing a breakdown for each directorate.  |

**Table 2: Structure of the 2021/2026 IDP and 2022/2023 IDP Review**

## 5. BCMM IDP RATINGS

Section 31 of the Local Government Municipal Systems Act stipulates that the MEC for Local Government in the province may, subject to any other law regulating provincial supervision of local government, assist municipalities with the planning, drafting, adoption and review of its integrated development plans. In this regard, all municipalities within the province must annually submit their IDPs for assessment by the Provincial Department of Co-operative Governance and Traditional Affairs (EC-COGTA). The overall aim of the assessment is to promote the crafting of credible IDPs.

The overall findings on the Final IDP 2021/22 of the Buffalo City Metropolitan Municipality can be summarized as follows:

- The municipality has tabled, adopted and submitted its 2020/2021 Reviewed Integrated Development Plan to the MEC for Local Government within 10 days of adoption in compliance with Section 32 of the Municipal Systems Act;
- The municipality has adopted and submitted the Council approved process plan; and

- The municipality has conformed to the core components of an IDP as prescribed by section 26 of the Municipal Systems Act (MSA).
- The summary of findings on gaps and improvement measures relating to all six KPAs is as follows:

| 2021/22 IDP Assessment Finding   |
|--|
| <b>KPA 1: Spatial Planning, Land, Human Settlement and Environmental Management</b>  |
| The municipality needs to review its Spatial Development Framework (SDF) to align with the SPLUMA 2017 SDF Guidelines.   |
| The municipality must reflect on how it applies the principles of the NSDP and PSDP to ensure sustainable planning.  |
| <b>KPA 2: Service Delivery and Infrastructure Planning</b>   |
| Must reflect on the Roads Asset Management System  |
| Must develop a 3 Year Capital Plan that includes roads planning  |
| Must reflect on the functionality of the Roads and Transport Planning Forum  |
| Must reflect on the establishment and functionality of the Waste Management Forum  |
| Must reflect on the gazetted waste management bylaws   |
| Must develop a Trade Effluent Policy and budget for its operations and maintenance   |
| Must develop Community Safety Plans and establish Community Safety Forum   |
| Must develop a Disaster Management Centre in compliance with the National Disaster Management Policy Framework   |
| Must reflect on the integration of risk assessment with spatial development  |
| Must develop specific disaster management emergency procurement measures   |
| Must reflect on the electricity backlog  |
| Must develop a 3 Year Capital Plan that is inclusive of electricity planning   |
| Must adopt an Infrastructure Maintenance Plan  |
| <b>KPA 3: Financial Planning and Budgets</b>   |
| Must incorporate in the IDP an Annual Financial Statement / Year-end Preparation Plan  |
| Must spend 100% of its capital budget and its grants   |
| Must establish the Indigent Steering Committee and ensure they are functional  |
| <b>KPA 4: Local Economic Development (LED)</b>   |
| The state of economic infrastructure of the municipality must be captured in the situational analysis.   |
| The comparative and competitive advantage of the municipality must be clearly articulated in the IDP document by an in-depth analysis of the natural, human and economic endowments of the area. |
| Must reflect on stakeholder and community involvement in LED activities  |
| <b>KPA 5: Good Governance and Public Participation</b>   |
| Must reflect on the implementation of the Integrated Service Delivery Model  |
| Must develop Ward Based Plans and reflect in the IDP   |
| Must reflect on the framework to regularly audit performance, compliance and finance management  |
| <b>KPA 6: Institutional Arrangements</b>   |
| Must reflect on strategies for employee wellness   |
| Must reflect on the compliance on Occupational Health & Safety   |
| Must reflect on how it ensures proper records keeping  |

**An IDP Assessment Improvement Action Plan has been drafted by the municipality and its implementation will be monitored internally by the IDP and Budget Integration Unit.**

An objective overall rating per Key Performance Area, ranging from low, medium to high as illustrated below, was assigned:

| Levels of performance | Scores    | Performance Description | Action Required                      |
|-----------------------|-----------|-------------------------|--------------------------------------|
| Low                   | 1 – 33%   | Poor                    | Immediate and intensive intervention |
| Medium                | 34 – 66%  | Satisfactory            | Minimum support required             |
| High                  | 67 – 100% | Good                    | Benchmarking                         |

The comparative ratings with the recent 2018/19 IDP assessment ratings for BCMM are shown as follows:

| KPA  | Rating 2019/2020 Revised IDP | Rating 2020/2021 Revised IDP | Rating 2021/2026 IDP |
|--|------------------------------|------------------------------|----------------------|
| KPA 1: Spatial Planning, Land, Human Settlement and Environmental Management | HIGH                         | HIGH                         | HIGH                 |
| KPA 2: Service Delivery & Infrastructure Planning                            | HIGH                         | HIGH                         | MEDIUM               |
| KPA 3: Financial Planning and Budgets  | HIGH                         | HIGH                         | HIGH                 |
| KPA 4: Local Economic Development  | HIGH                         | HIGH                         | HIGH                 |
| KPA 5: Good Governance & Public Participation                                | HIGH                         | HIGH                         | HIGH                 |
| KPA 6: Institutional Arrangements  | MEDIUM                       | HIGH                         | HIGH                 |
| Overall Rating   | HIGH                         | HIGH                         | HIGH                 |

Table 2: IDP Assessment Ratings 2018/19, 2019/20 and 2020/21

THE MEC FOR CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (EC-COGTA) STATED THAT BCMM HAS SCORED AN OVERALL **HIGH** RATING.



# SECTION A: INTRODUCTION AND BACKGROUND

## 1. LEGISLATIVE FRAMEWORK

Buffalo City Metropolitan Municipality's 2021-2022 Integrated Development Plan has been developed through guidance of various legislative requirements which define the nature, content and approach of the principal strategic planning document. Legislative requirements include the following:

### 1.1 Constitution of South Africa Act 108 of 1996

Sections 152 and 153 of the Constitution gives effect to the IDP by stipulating that a municipality must structure its administration, budgeting and planning processes to give priority to the basic needs of its communities and promote their social and economic development to achieve a democratic, safe and healthy environment.

### 1.2 Local Government: Municipal Systems Act 32 of 2000

Section 25 of the Municipal Systems Act states that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality. Section 35(1)(a) of the Systems Act defines an integrated development plan as:

- a) *the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality;*
- b) *binds the municipality in the exercise of its executive authority.*

Sections 28 and 34 of the Act stipulate the need for the annual review of the IDP and the development of a process plan which will guide the review.

### 1.3 Local Government: Municipal Finance Management Act 56 of 2003

Section 21(1)(a) of the Municipal Finance Management Act states that the Mayor of a municipality must co-ordinate the process for preparing the annual budget and for reviewing the municipality's integrated development plan and budget related policies to ensure the budget and integrated development plan are mutually consistent and credible. The Act further makes provision for development of the Service Delivery and Budget Implementation Plan as a mechanism to strengthen alignment between the IDP and Budget.

### 1.4 Local Government: Municipal Structures Amended Act 117 of 2002

This Act provides for the establishment of municipalities and defines the various types and categories of municipalities. It also regulates the internal systems, structures and office-bearers of municipalities.

### 1.5 Municipal Property Rates Act 6 of 2004

The objective of this Act is to regulate the power of a municipality to levy rates on properties within its jurisdiction. Rates represent a critical source of own revenue for municipalities in order to achieve their constitutional development mandate.

## 2. STRATEGIC AGENDA

### 2.1 BCMM Vision Statement

Buffalo City Metropolitan municipality is guided by the following long-term vision:

**“Buffalo City: well-governed, connected, green and innovative.”**

- We are a city that re-invented itself from a divided and fragmented past.
- We are a successful, prosperous and dynamic modern city: enterprising, green, connected, spatially integrated and well-governed.
- We are proud of our beautiful coastal city, capital of the Eastern Cape Province, home of a globally competitive auto industry with excellent educational and medical facilities.

### 2.2 Mission Statement

Buffalo City Metropolitan Municipality is a city that:

- Promotes a culture of good governance;
- Provides effective and efficient municipal services;
- Invests in the development and retention of human capital to service the City and its community;
- Promotes social and equitable economic development;
- Ensures municipal sustainability and financial viability;
- Creates a safe and healthy environment; and
- Places Batho Pele at the centre of Service Delivery.

### 2.3 Core Values

We are a city that espouses the following values:

- Good governance
- Fairness and equity
- Recognition of human capital
- Professionalism
- Service excellence
- Respect for cultural diversity
- Innovation
- Unity of purpose
- Ubuntu
- Financial Self-sufficiency

### 2.4 Strategic Outcomes

Buffalo City Metropolitan Municipality strives to realise the following 5 strategic outcomes by the year 2030:

- **An innovative and productive city:** with rapid and inclusive economic growth, and a decline in unemployment
- **A green city:** environmentally sustainable with optimal benefits from our natural assets. A clean and healthy city of subtropical gardens.
- **A connected city:** high-quality (and competitively priced) connections to ICT, electricity and transport networks (inside the city and to the outside world).
- **A spatially transformed city:** progressively overcome apartheid spatial divisions and fragmentation with township economies becoming more productive.
- **A well-governed city:** a smart and responsive municipality (working with other levels of government) that plans and efficiently delivers high quality services and cost-effective infrastructure, without maladministration and political disruptions.

## 2.5 Council Priorities (2021-2026) REVISED

The Mayoral Lekgotla, followed by the Council Lekgotla held annually are critical instruments of the IDP Process and aids the Executive Mayor in his/her responsibility for the preparation and implementation of the IDP, Budget & Performance Management. In his/her executive capacity the Executive Mayor has to:

- be responsible for the overall oversight, development and monitoring of the process or delegate IDP & PMS responsibilities to the City Manager;
- ensure that the budget, IDP & budget related policies are mutually consistent & credible;
- approve nominated persons that will be responsible for different roles and activities within the IDP/Budget process; and
- submit the IDP & the Annual Budget to the municipal Council for adoption.

These Council Priorities, arranged in accordance with the BCMM Metro Growth and Development Strategy (MGDS) and Integrated Development Plan, are aligned with the National and Provincial Policy Directives through the Medium-Term Strategic Framework (MTSF) 2019/2024 and Provincial Development Plan (PDP) 2030 as follows:

| <b>STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY</b>   |  |   |
|---|--|---|
| <b>Council Priorities</b>   | <b>MTSF 2019/2024</b>                                | <b>PDP</b>  |
| <b><i>MGDS Strategic Outcome 1: An innovative and productive city - The MGDS calls on Buffalo City to become a city that builds a strong identity as a place that is supportive of business. Key to this will be problem-solving to unlock business opportunities, reduce the cost of doing business and address infrastructure bottlenecks. This enabling environment will allow Buffalo City's comparative advantages to be realized, in sectors such as manufacturing, agriculture, property, tourism and knowledge-based services (ICT and business services).</i></b>  | Priority 2: Economic Transformation and Job Creation | Goal 1: Innovative, inclusive and growing economy |
| <b>1. INVESTMENT</b>  |  |   |
| <ul style="list-style-type: none"> <li>a) Finalize the Economic Recovery and Investment Plan, including industry level measures to address investment constraints and grow productivity, output, inclusivity, jobs.</li> <li>b) Support the facilitation of the Buffalo City Economic Recovery Compact, which will include pledges, concessions, trade-offs, collaborations and partnerships among and between key economic role-players.</li> <li>c) Make a stronger case for two automotive hubs in the Eastern Cape.</li> <li>d) Build BCMM's potential as a cheaper lifestyle city.</li> <li>e) Re-design suitable industrial and commercial spaces.</li> <li>f) Create and implement Incentives Schemes.</li> <li>g) Arrange engagement with Department of Public Works, Eastern Cape Development Corporation and Department of Land Reform</li> <li>h) Establish a development facilitation committee/desk to assess investment from private sector and make decisions quickly.</li> <li>i) Resuscitate non-fiscal incentives between BCMM and ELIDZ e.g., CM/CEO forums for engagements.</li> <li>j) Intensify the lobbying efforts towards the widening and deepening of the East London Port to accommodate new size vessels, consequently, enhance logistical infrastructure, improve the comparative advantage of the city and increase attractiveness of the location.</li> <li>k) Build capacity to package investment projects that are fundable and will result in a return on investment.</li> <li>l) Interrogate Gonubie small craft harbour to improve tourism and oceans economy.</li> </ul> |  |   |

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <b>2. SUB-NATIONAL COST OF DOING BUSINESS (SNDB)</b>   |                |     |
| Drastic reduction of red tape when measured through upward progression in the Sub-National Doing Business Index, including the automation of the property application process.   |                |     |
| <b>3. SMART CITY</b>   |                |     |
| a) Ensure strong integration between the Economic Recovery and Investment Plan (ERIP) and the Smart City Strategy being developed over roughly the same period of time, and specifically with the Digital Hub component of the Smart City Strategy which is being established to strengthen firm level competitiveness and productivity, not only in the automotive sector but in other key sectors such as agriculture.   |                |     |
| <b>4. ENTERPRISE DEVELOPMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Develop policy to formalise informal economy and provide basic infrastructure as an opportunity for employment.</li> <li>b) Establish BCMM relief fund to support SMMEs during times of disasters.</li> <li>c) Unlock value chains in key sectors (upstream and downstream opportunities). Whilst we are a largely automotive city, we should also support sectors and industries in which we could be competitive, including 1. the ocean economy value chain, 2. the agriculture value chain, particularly export-intensive and labour-intensive horticulture, 3. Advanced export manufacturing, anchored in local supply chains, new technological capabilities, and new logistics capabilities, and 4. light manufacturing more particularly the clothing and footwear industry, both for export and domestic consumption.</li> <li>d) Create suitable Informal Trading Hubs.</li> <li>e) Develop Supplier Development Programme (Localization Programme).</li> <li>f) Create SMME Fund.</li> <li>g) Provide start-up capital (finance, machinery &amp; equipment, intellectual property, etc.).</li> <li>h) Reduce administered costs (we are generally around number 5 of the 8 metros on rates and tariffs, but need to be the cheapest to counteract other disadvantages like location and distance from market)</li> <li>i) Expansion of the Departure Lounge at King Phalo Airport, Expansion of the runway.</li> <li>j) Rebranding and directional signage for the Airport.</li> <li>k) Revitalisation of Dimbaza, West Bank.</li> <li>l) Revitalization of Wilsonia and Fort Jackson.</li> <li>m) Automation of application processes.</li> <li>n) Access to under-utilized municipal assets (including land &amp; buildings).</li> <li>o) Develop and Implement Township Economy Strategy.</li> <li>p) Establish City Improvement Districts (CIDs).</li> <li>q) Develop and support local companies to take full advantage of the African Continental Free Trade Area.</li> <li>r) Continue to roll-out the Export Development Programme in line with the National Export Development Programme (NEDP).</li> <li>s) Resource the BCMM Export Helpdesk.</li> </ul> |                |     |
| <b>5. TOURISM</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Implement relief support measures for the tourism sector in the form of rates rebates, grant funding to stabilise the sector and put clear programmes in place to increase demand in order to recover the industry, compliance with Covid-19 and relaxation of travel restrictions.</li> <li>b) Collaborate with tourism operators in packaging more experiences for the cruise liner tourists.</li> <li>c) Develop Standard Operating Procedure (SOP) for the film sector.</li> <li>d) Develop a clear strategy and support programmes to attract business tourism into the city including development of a standard bid document for national and international events as part of tourism recovery measure.</li> <li>e) Implement campaigns directed at improving the cleanliness in the city.</li> <li>f) Gain access to key parcels of land to fast-track some of the key initiatives that seeks to promote tourism and film sector in Buffalo City.</li> <li>g) Attract niche markets e.g., religious tourism, adventure tourism, Mice tourism.</li> </ul>  |                |     |

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities  | MTSF 2019/2024 | PDP |
|---|----------------|-----|
| <ul style="list-style-type: none"> <li>h) Development and promotion of the Buffalo City Creative Industry economy which has been severely affected by Covid-19 pandemic. This should include development of the key infrastructure to fast-track the growth of the sector.</li> <li>i) Market and Promote Buffalo City as a tourist destination of choice.</li> <li>j) Provide support to communities to develop tourism in both townships and rural areas.</li> <li>k) Implements programmes to improve tourists' safety.</li> <li>l) Constant engagement with tourism stakeholders and communities with the aim of improving communication and awareness about the importance of tourism</li> </ul>   |                |     |
| <b>6. JOB READINESS &amp; SKILLS DEVELOPMENT</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Engage with Institutions of higher learning regarding skills development for BCMM skills needs.</li> </ul>  |                |     |
| <b>7. AGRICULTURE &amp; RURAL DEVELOPMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Access to markets for locally produced goods.</li> <li>b) Basic infrastructure such as Irrigation systems, Dipping Tanks, Fencing, Electricity, Tractors &amp; Implements, Livestock, field crops and horticulture</li> <li>c) Focus on niche markets (high value crops – garlic, ginger, nuts).</li> <li>d) Increase in economies of scale (co-operation).</li> <li>e) Improve commercialization support.</li> <li>f) Drought mitigation.</li> <li>g) Water saving technology (e.g. Drip Irrigation).</li> <li>h) Co-operation with Agric Colleges.</li> </ul>   |                |     |
| <b>8. INFORMATION &amp; KNOWLEDGE MANAGEMENT</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Develop instruments to measure quality of life in BCMM and establish baselines.</li> <li>b) Build research capacity in all BCMM Departments – To utilize ECSECC and institutions of higher learning.</li> <li>c) Resuscitate the Knowledge Management Forum and approve IKM Policy.</li> <li>d) Commission customer satisfaction survey every financial year.</li> </ul>  |                |     |
| <b>9. EMERGENCY &amp; DISASTER MANAGEMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Increase Law enforcement visibility to deal with high crime rate in the city.                             <ul style="list-style-type: none"> <li>• Step up law enforcement efforts, more particularly the enforcement of by-laws and the relevant legislation regarding building.</li> <li>• Improve partnerships with the South African Police Service and the Eastern Cape Liquor Board in order to monitor and close down illegally operating Taverns and coming hard on the drug dens and prostitution rings that are operating in certain places in the city.</li> <li>• Seek a court order to interdict the illegal car washes at the East London Beachfront and to prohibit even those who are taking their cars there for a wash. The Economic Development and Agencies Directorate must engage the car washers in order to find other suitable ways of supporting their informal businesses.</li> <li>• The containers that sprawl from buildings in many of our densely populated residential areas in town such as Southernwood, King Williams Town CBD and Quigney will be given due attention and we will enforce our by-laws to make these a thing of the past. Salons and Tuckshops should be operated within legal premises, and we will, unfortunately, have to be harsh on this up until this is achieved.</li> </ul> </li> <li>b) Ensure that all security cameras are operated by HPS&amp; ES by 1 January 2022.03.14</li> <li>c) Develop land invasion mitigation strategy.</li> <li>d) Land invasions are not stopped early enough by Law Enforcement before escalating to crisis level. Officials must respect their work and exhibit exemplary diligence in performing their tasks timeously and efficiently. Officials must go on a benchmarking mission to understand how other cities are managing the challenges pertaining to illegal land invasions.</li> <li>e) Establish structures.</li> <li>f) Integrate disaster risk reduction into all projects and programmes.</li> </ul> |                |     |

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities  | MTSF 2019/2024 | PDP |
|---|----------------|-----|
| <ul style="list-style-type: none"> <li>g) Conduct a comprehensive level 3 risk assessment.</li> <li>h) Prepare level 3 disaster plans for all sectors and BCMM.</li> <li>i) Capacitate disaster management centre.</li> </ul>   |                |     |
| <b>10. PUBLIC SAFETY - CCTV - LAW ENFORCEMENT SERVICES</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Roll out and installation of CCTV surveillance cameras throughout BCMM communities and BCMM buildings and installations.</li> <li>b) Position the City as a safe and secure City, free from violence, crime and anti-social behaviour by monitoring these areas with CCTV Surveillance cameras.</li> <li>c) Enforce Law &amp; Order by implementing the continuous roll out and installation of CCTV surveillance throughout BCMM Metro to monitor and prevent criminal behaviour in the Central Business Districts and other major economic/business areas, such as theft, robbery, smash and grab, snatch and run, drunk &amp; disorderly behaviour and resultant crime.</li> <li>d) Redevelopment of Security to be a highly functional unit.</li> <li>e) Security of assets</li> </ul>  |                |     |
| <b>11. PUBLIC SAFETY- TRAFFIC SERVICES</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Reduce Road Traffic fatalities &amp; accident rate at high frequency accident locations by 5%.</li> <li>b) Upholding and Enforcement of Traffic Regulations.</li> <li>c) Provide auxiliary services ie processing of fines issued &amp; paid, learners &amp; drivers licences issued and renewed on an agency basis for DOT.</li> <li>d) Promote enforcement of selected critical traffic offences and contraventions and strives to improve community relations by increasing the quality and quantity of contact between citizens and Law Enforcement agencies.</li> <li>e) Provide assistance to stranded road users and attend to broken-down and abandoned vehicles.</li> <li>f) Respond, attend to, safeguard and investigate road traffic accidents and incidents.</li> <li>g) Assist in reducing traffic congestion and accident hazards and improve road user security.</li> <li>h) Promote general traffic law compliance in general to reduce the number of road accidents and road rage incidents. Officers maintain high levels of visibility in targeted crime and disorder hot spots.</li> <li>i) Capacitate a full-service Traffic Centre, by establishing an infrastructure that will accommodate all staff- Operational and Auxiliary services with the inclusion of the Vehicle licensing &amp; registration that are currently situated in the CBD and the main office located in Braelyn. Identify land for construction of a full Traffic service one stop shop,</li> <li>j) Enable the continuation of services during loadshedding with the installation of back-up generators</li> <li>k) Capacitate Mdantsane learners centre with Public Ablution facilities currently underway as well as to cater for driving licences testing</li> <li>l) Capacitate the Gonubie Traffic centre</li> <li>m) Capacitate the Gonubie Traffic pound</li> <li>n) Capacitate the KWT traffic centre</li> </ul> |                |     |
| <b>12. SPECIAL PROGRAMMES</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Include mandatory / shared / cross cutting vulnerability reducing indicators and targets (similar to those in MFMA Circular 88) in respect of at least 2 local government specific vulnerability reducing indicators for each HoD.</li> <li>b) Collaborate with key partners to respond comprehensively and integratedly to the scourge of Gender-based Violence.</li> </ul>  |                |     |
| <b>13. SPORT, RECREATION, ARTS &amp; CULTURE</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Implement the Creative Industry Sector Relief Support Programme.</li> <li>b) Develop key arts and culture infrastructure i.e., Mdantsane Art Centre and King William's Town Art Centre</li> <li>c) Develop, Manage and Restore key heritage sites within BCMM.</li> <li>d) Package and promote BCMM's heritage.</li> <li>e) Consider capital projects in instances where a need is in line with the norms and standards.</li> <li>f) Make provision for adequate security to safeguard priority facilities.</li> </ul>  |                |     |

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities  | MTSF 2019/2024 | PDP |
|---|----------------|-----|
| g) Document policies where applicable, such as norms and standards for sports and recreation facilities.<br>h) Review some policies such as sports development policy and funding policy.   |                |     |
| <b>14. LIBRARIES &amp; HALLS</b>  |                |     |
| a) Transfer rural halls to BCMM together with appropriate budgets.<br>b) Introduce an automated online hall booking system.<br>c) Develop a Masterplan for the design and maintenance of all future halls.<br>d) Lobby for an increased and realistic budget from DSRAC for the operating of libraries.<br>e) Regularly update all library material, particularly Reference and children's books.<br>f) Implement e-books facilities at libraries.<br>g) Update all technological aspects of libraries ie. Media rooms, computer hubs, internet cafes, etc. |                |     |

## STRATEGIC OUTCOME 2: A GREEN CITY

| Council Priorities   | MTSF 2019/2024  | PDP                                  |
|--|---|--------------------------------------|
| <b><i>MGDS Strategic Outcome 2: A Green City - The strategies for the Green City Workstream include:</i></b> <ul style="list-style-type: none"> <li>• <b><i>Develop waste diversion programmes and strengthen existing Solid Waste Provision Model</i></b></li> <li>• <b><i>Integrate and strengthen Environmental Management &amp; Climate Change programmes within the City.</i></b></li> <li>• <b><i>To stimulate Investment appetite and enhance socio-economic values within the City's coastline through the implementation of a people centric beach management approach and restoration programmes</i></b></li> <li>• <b><i>Provide integrated Municipal Health Services to all communities of Buffalo City Metropolitan Municipality (BCMM)</i></b></li> <li>• <b><i>Integrate and strengthen public open space management, arboriculture, grass cutting and alien vegetation control within the City.</i></b></li> </ul> | Priority 5: Spatial Integration, Settlements and Local Government<br>5: Spatial Human and Local | Goal 5: Environmental Sustainability |
| <b>15. CLIMATE CHANGE</b>  |   |                                      |
| a) Integrate climate change responsive actions into the hierarchy of plans within the institution (budget and performance scorecards)<br>b) Implement climate protection programme.<br>c) Review existing Climate Change Strategy in line with NEMA.<br>d) Coordinate Eco system-based programme (wetlands restoration & stream/river management programme).   |   |                                      |
| <b>16. INTEGRATED ENVIRONMENTAL MANAGEMENT</b>   |   |                                      |
| a) Strengthen Environmental Education and awareness programmes.<br>b) Review the existing Integrated Environmental Management Plan (IEMP).<br>c) Facilitate Integration of ENVIRONMENTAL IMPACT ASSESSMENTS within the city.   |   |                                      |

## STRATEGIC OUTCOME 2: A GREEN CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <b>17. AIR QUALITY</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Development of Air Quality By-Laws.</li> <li>b) Review of Air Quality Management Plan.</li> <li>c) Purchase, Replacement &amp; Maintenance of Air Quality Equipment.</li> <li>d) Air Quality Monitoring Station.</li> </ul>  |                |     |
| <b>18. BIODIVERSITY CONSERVATION</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Fence Buffalo City Metropolitan Municipalities Nature Reserves.</li> <li>b) Upgrade, repair and maintain existing boardwalks.</li> </ul>   |                |     |
| <b>19. INTEGRATED COASTAL MANAGEMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Review Coastal Management Plan.</li> <li>b) Implement Estuary Management Plans</li> </ul>  |                |     |
| <b>20. MUNICIPAL &amp; ENVIRONMENTAL HEALTH</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Review Municipal Health Services Plan and Environmental Health by-laws.</li> <li>b) Develop Municipal Health Services equipment maintenance plan</li> </ul>  |                |     |
| <b>21. SOLID WASTE MANAGEMENT</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Implement Waste diversion from disposal towards waste beneficiation and waste economy.</li> <li>b) Develop Waste to energy projects.</li> <li>c) Implement Separation of waste at source programmes.</li> <li>d) Implement Recycling projects including the establishment of buy-back centres, drop-off points, transfer stations and formalisation of Waste Pickers.</li> <li>e) Establish community-based waste management service provision.</li> <li>f) Construct a hazardous waste cell within the existing general landfill site. Manage the agreement between Swedish government Gävle and Buffalo City Metropolitan Municipality on hazardous waste.</li> <li>g) Construct Cell 5 &amp; Cell 6 at Roundhill landfill site.</li> <li>h) Construct cells and upgrading of King William's Town landfill site.</li> <li>i) Focus on the removal of illegal dumps and regular street cleaning.</li> </ul> |                |     |
| <b>22. BEACHES (BLUE FLAG)</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Conduct Bathing Water quality sampling and testing programme.</li> <li>b) Implement Coastal protection and Waste Management projects through implementation of labour-intensive projects.</li> <li>c) Pilot blue flag beaches – Gonubie and Kidd's Beach.</li> <li>d) Revitalize and construct infrastructure in priority beach areas.</li> <li>e) Ensure licensing and monitoring of existing / new boat launch sites.</li> <li>f) Implement Sand dune management and rehabilitation project to manage coastal erosion.</li> <li>g) Development of a sand dune and beach management plan.</li> </ul>  |                |     |
| <b>23. GRASS CUTTING</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Clearing of invasive plants and the adequate disposal thereof.</li> <li>b) Acquisition of arboricultural equipment (mobile chipping machine, stamp-grinder etc)</li> <li>c) Acquisition of fleet (Cherry Picker Trucks, crew cage truck, tipper truck, tractors, bush cutters, trailers for rite on etc).</li> <li>d) Acquisition of park-homes for NU6 depot (change rooms).</li> </ul>   |                |     |
| <b>24. GREEN ENERGY</b>  |                |     |



| STRATEGIC OUTCOME 2: A GREEN CITY  |                |     |
|--|----------------|-----|
| Council Priorities   | MTSF 2019/2024 | PDP |
| <ul style="list-style-type: none"> <li>a) Broaden energy mix to include renewable energy and establish a green energy and technology cluster at Berlin.</li> <li>b) Consider developing Green city masterplan leveraging green industrialization.</li> <li>c) Consider leveraging the opportunities presented by Private sector green innovation in BCMM.</li> <li>d) Consider Electricity tariffs for renewables and embedded generation (how do we get the best deals for business and residents).</li> </ul>  |                |     |
| <b>25. WATER POLLUTION</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Reduce water wastage (estimated at 40%) and improve water demand management.</li> <li>b) Invest in new water storage, conveyance and treatment, as required (bulk water for coastal developments).</li> <li>c) Prevent pollution of water resources, and in particular pollution from informal sanitation. All of Buffalo City's River systems are vulnerable according to SANBI.</li> <li>d) Increase wastewater capacity as required (Quenera, Central, West Bank, Reeston, Mdantsane). The new tunnel from Central WWTW to Reeston WWTW should be prioritized.</li> </ul> |                |     |

| STRATEGIC OUTCOME 3: A CONNECTED CITY   |  |   |
|---|--|---|
| Council Priorities  | MTSF 2019/2024   | PDP   |
| <p><b>MGDS Strategic Outcome 3: A Connected City - The MGDS highlights that high-quality and competitively priced connections to ICT, electricity and transport networks (inside the city and to the outside world) are an essential requirement for a successful modern city.</b></p> <p><b>This includes:</b></p> <ul style="list-style-type: none"> <li>• <b>ICT – digitization and growth of knowledge-based ICT services on the back of more stable and faster broadband and greater access through free Wi-Fi.</b></li> <li>• <b>Electricity – upgrade electricity transmission and distribution.</b></li> <li>• <b>Ports – Expand and deepen East London Sea Port, and connectivity to the Port of Ngqura; expand East London Airport (include runway extension).</b></li> <li>• <b>Roads – Improve general road maintenance and reduce heavy road haulage through the city centre through N2-R72 bypass; open up new land parcels for development through new road infrastructure (NW Expressway, Quenera-Gonubie Road etc, aligned to the SDF).</b></li> </ul> | <p>Priority 5: Spatial Integration, Settlements and Local Government</p> | <p>Goal 2: An enabling infrastructure network</p> |
| <b>26. ROADS &amp; STORMWATER INFRASTRUCTURE &amp; TRANSPORT PLANNING AND OPERATIONS</b>  |  |   |
| <ul style="list-style-type: none"> <li>a) Collaborate with ELIDZ on infrastructure maintenance plans.</li> <li>b) Prioritise the development of a Pavement Management System (PMS) as a tool that provide a systematic method of road condition data collection, storage, analysis and modelling for decision-making associated with optimising resources across the network.</li> <li>c) Special attention should be given to storm water drainage system, and a special unit be established to deal with such.</li> <li>d) Unlock development and movement of freight in City through the currently unfunded: <ul style="list-style-type: none"> <li>• Rehabilitation of Douglas Smith Highway</li> </ul> </li> </ul>   |  |   |

## STRATEGIC OUTCOME 3: A CONNECTED CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <ul style="list-style-type: none"> <li>• Rehabilitation of Settlers way (Implementation stage)</li> <li>• Rehabilitation of Ziphunzana bypass</li> <li>• Rehabilitation of Bowls Road</li> <li>• Upgrade of Northeast Express way</li> <li>• Rehabilitation of Bridges and Stormwater</li> <li>• Beacon Bay to Gonubie link road phase 3 -8</li> <li>• Rehabilitation of Beacon Hurst drive</li> </ul> <p>e) Upgrade rural roads.</p> <p>f) Explore public transportation opportunities and options.</p>   |                |     |
| <b>27. ELECTRICITY</b>   |                |     |
| <p>a) Expand programmes and projects which support green energy initiatives.</p> <p>b) Electrify new formal settlements and developable informal settlements.</p> <p>c) Clamp down on illegal connections and improve on repairs and maintenance.</p> <p>d) Consider alternative power including a base load generation/ storage.</p> <p>e) Prioritise implementation of the energy loss reduction plan (illegal connections, tampering, vandalism and theft).</p> <p>f) Upgrade the 132 kV network to provide a stable supply and to allow for the import of renewable energies</p> <p>g) Mitigate the challenges caused by electricity loss.</p>   |                |     |
| <b>28. ICT</b>   |                |     |
| <p>a) Prioritise and implement Smart City initiatives as identified in the workstreams through support of the World Bank.</p> <p>b) Strengthen ICT backbone and extension of fibre network to improve reception and extend its role in the Smart City Objective.</p>   |                |     |
| <b>29. WATER AND SANITATION</b>  |                |     |
| <p>a) Resource backlog on emptying of existing Ventilated Improved Pit-latrines toilets.</p> <p>b) Revisit the municipal budget process to be needs based and priority driven, rather than balancing of available funding.</p> <p>c) Create a prioritization system for budget allocation for services.</p> <p>d) Adopt best technologies for managing water leakages and enforcement of punitive tariffs, viz. prepaid water metering as an example.</p> <p>e) Prioritise the Water Indaba and roll-out the feasible bulk water supply alternative to ensure a sustainable and viable mix.</p> <p>f) Secure funding for the upgrading of Umzonyana WTW and new Kei Road Water Treatment works to accommodate the increasing water demand due to unplanned population growth</p> <p>g) Improve the quality of water.</p>   |                |     |
| <b>30. BULK INFRASTRUCTURE</b>   |                |     |
| <p>a) Prioritise and operationalise sector CIDMS processes and the preparation of project life cycle plans to feed into asset management and city budgeting processes (budget adequacy).</p> <p>b) Prioritise funding to continue with critical strategic connectivity projects which are game changers in the integration nodes.</p> <p>c) Update all sector plans where these are outdated in order to inform project pipelining and prioritisation within each sector.</p> <p>d) Introduce alternative sources of water as a means of mitigating the adverse effects of the drought.</p> <p>e) Upkeep and upgrade of the WWTW and WTW to secure the future of sustainable water and sanitation services in BCMM.</p> <p>f) Provide piped water to rural dwellings, suburbs and townships.</p> <p>g) Provide sanitation to the most far-flung areas.</p> <p>h) Rigorously explore opportunities for Public Private Partnerships in funding its infrastructure.</p> |                |     |

## STRATEGIC OUTCOME 3: A CONNECTED CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| i) Pilot a City Improvement District-type arrangement, possibly targeting the “eds and meds innovation precinct” inner city (with Frere Hospital, Life St Dominics, East London Private Hospital, WSU, UFH, Buffalo City TVET College, and a range of schools in the area -Selborne, Clarendon etc).<br>j) Replace and upgrade ageing infrastructure |                |     |

## STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY

| Council Priorities  | MTSF 2019/2024  | PDP  |
|---|---|--|
| <p><b><i>MGDS Strategic Outcome 4: A Spatially Transformed City - The focus of the MGDS is on addressing the apartheid spatial form of Buffalo City. Key to this is increased densification, equalization of access to services and facilities, opening up new land for development close to economic nodes where people can find work, and developing transit-oriented corridors between economic nodes and marginalized residential areas. Specific initiatives highlighted in the MGDS include:</i></b></p> <ul style="list-style-type: none"> <li>• <b><i>Upgrade all informal settlements by 2030</i></b></li> <li>• <b><i>Implement township development with a focus on the Mdantsane Urban Hub</i></b></li> <li>• <b><i>Develop transit-oriented corridors (MELD, KWT-Bhisho)</i></b></li> <li>• <b><i>Develop innovation precincts</i></b></li> <li>• <b><i>CBD/inner city regeneration plan and build new settlements for a future-oriented city</i></b></li> </ul> | Priority 5: Spatial Integration, Settlements and Local Government | Goal 2: An enabling infrastructure network |

### 31. SPATIAL PLANNING & BUILT ENVIRONMENT

- a) Resolve the challenge of dilapidated and unsightly buildings which have characterised some areas of our towns through enforcement and other measures provided to us by law.
- b) Address delays in implementing Beachfront and Waterworld Projects.
- c) Release BCMM land in townships for housing and business purposes – Land Release programme.
- d) Establish an online Portal for Electronic Submission of Land and Building applications.

### 32. LAND & PROPERTIES

- a) Facilitate Land release by National & Provincial Government as well as Private Sector. The land is required for Community needs.
- b) Rectify properties which were erroneously transferred to the Municipality.
- c) Conduct a municipal property leasing audit.
- d) \* Buffalo City Metropolitan Development Agency should look at pedestrianizing Oxford Street and put fencing around the City Hall in order to change the face of the City and beautify the precinct. \* Central Business District must be re-organised so that it does not become a slum (e.g. buildings in Oxford Street needed a facelift).
- e) The City should move to densification and make land available to all classes to be able to build houses particularly middle class to move away from informal settlement (emphasis should be on less talk and more action).
- f) Avoid land invasions and illegal occupations through provisions of anti-land invasion dedicated unit or service provider.

### 33. CEMETERIES & CREMATORIUM

- a) Formulate a BCMM Cemetery Strategy.

## STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <ul style="list-style-type: none"> <li>b) Introduce an Electronic Burial Management System.</li> <li>c) Secure additional resources for maintenance of cemeteries.</li> <li>d) Secure more budget for fencing and internal roads.</li> <li>e) Identify Strategic land parcels for new cemeteries.</li> <li>f) Develop a Strategy to address cultural issues and uncoordinated burials.</li> <li>g) Second Crematorium to accommodate Midland, Inland and surrounding towns outside BCMM</li> <li>h) Identify Heritage Cemeteries.</li> <li>i) Explore idea of Crematorium for animals for more revenue generation.</li> </ul>  |                |     |
| <b>34. PARKS &amp; OPEN SPACES</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Development of City Wide Public Open Space &amp; Greening Master Plan (Parks, Landscaping &amp; Beautification)</li> <li>b) Mapping of all BCMM Parks and Public Open Spaces</li> </ul>  |                |     |
| <b>35. INTEGRATED HUMAN SETTLEMENTS</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Respond to the exceptionally high housing demand in BCMM by building more houses.</li> <li>b) Upgrade 154 informal Settlements through the Informal Settlement Upgrading Programme Grant (ISUPG).</li> <li>c) Review and update the current Informal Settlement Study (ISS) approved by Council in 2012 so that municipality is aware of the magnitude of informal settlements within the BCMM jurisdiction.</li> <li>d) Update and develop institutional related Housing Policies such as: Housing allocation Policy, and Housing Relocation Policy; Rental Policy and Social Housing Policy.</li> <li>e) Acquire well-located land. Once the land is acquired, feasibility studies, planning and surveying processes will have to be undertaken to pave way for construction of houses and relevant facilities and amenities.</li> <li>f) Depart from one man, one plot, Housing allocation Strategy due to land scarcity providing double storey buildings and duplexes.</li> <li>g) Avail planned and surveyed land to cater for the people who are in the National Housing Needs register, blue card holders, back yarders, overflow, and those who are in the informal settlements.</li> <li>h) Avoid land invasions and illegal occupations through provisions of anti-land invasion dedicated unit or service provider.</li> <li>i) Provide Serviced Sites for homeless and first-time homeowners as an option that needs to be explored due to funding challenges.</li> </ul> |                |     |

## STRATEGIC OUTCOME 5: A WELL-GOVERNED CITY

| Council Priorities  | MTSF 2019/2024  | PDP  |
|---|---|--|
| <p><b><i>MGDS Strategic Outcome 5: A Well-governed City - To achieve Buffalo City's 2030 Vision, the city will need a well-governed and responsive municipality. Key to this will be:</i></b></p> <ul style="list-style-type: none"> <li>• <b><i>Strong leadership that is able to build trust with stakeholders and communities, enable public participation in decision-making processes, and sustain consensus on the development agenda.</i></b></li> <li>• <b><i>Strong leadership that is able to minimize political disruptions</i></b></li> <li>• <b><i>The effective and efficient delivery of services</i></b></li> <li>• <b><i>Leveraging investment from the public and private sectors</i></b></li> <li>• <b><i>Ensuring financial sustainability</i></b></li> </ul> | <p>Priority 1: A Capable, Ethical and Developmental State</p> | <p>Goal 6: Capable democratic institutions</p> |

## STRATEGIC OUTCOME 5: A WELL-GOVERNED CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <b>36. COMMUNICATION &amp; CORPORATE MARKETING</b>   |                |     |
| a) Explore reliable/ easily accessible platforms to report service delivery emergencies.   |                |     |
| <b>37. INTERGOVERNMENTAL RELATIONS</b>   |                |     |
| a) Review BCMM IGR Framework   |                |     |
| <b>38. INTERNATIONAL RELATIONS</b>   |                |     |
| a) Review the BCMM international relations strategy post Covid-19 and its impact on BCMM's partnerships given the scarcity of resources across the world.  |                |     |
| <b>39. STRATEGIC PLANNING &amp; PERFORMANCE MANAGEMENT</b>   |                |     |
| a) Develop / procure an automated Capital Investment Prioritisation System, coupled with National Government support in refining Capital Expenditure Framework as the Long-term Financial Plan is crafted.   |                |     |
| b) Each service delivery Directorate must capture in the in the SDBIP measures to promote revenue collection, e.g., parking meters, hiring of halls, chalets, traffic fines, etc. To generate revenue is not only the responsibility of finance, but a responsibility of all directorates                |                |     |
| c) Address the issue of the audit of pre-determined objectives or PMS. We need to have coordinators responsible for each directorate to improve the reliability and accuracy of information planned and reported by directorates. Most of our audit findings are emanating from this aspect of auditing. |                |     |
| <b>40. HUMAN RESOURCES MANAGEMENT</b>  |                |     |
| a) There should be an improvement on consequence management and acting on positions should be avoided at all times.  |                |     |
| b) Upgrading of municipal buildings and ablution facilities to accommodate disabled people to, amongst others, enable the municipality to employ more persons with disabilities.   |                |     |
| c) Fill critical vacant positions  |                |     |
| <b>41. INTERNAL HUMAN CAPITAL AND SKILLS DEVELOPMENT</b>   |                |     |
| a) Implement a structured change management programme. Councillors and Management must be able to articulate clearly and consistently what the BCMM vision and strategies are.   |                |     |
| <b>42. EMPLOYEE PERFORMANCE MANAGEMENT</b>   |                |     |
| b) Review performance management policies.   |                |     |
| c) Improve employee productivity.  |                |     |
| d) Review issues of overtime attendance and policies.  |                |     |
| <b>43. GOVERNANCE &amp; INTERNAL AUDITING</b>  |                |     |
| a) Audit opinion and the Auditor General's report is very concerning and any concrete plans to turn things around as the City had obtained qualified audit opinions from 2017 / 2018, 2018 / 2019 must be shared with Council and progress reported.   |                |     |
| b) Internal control measures such as Municipal Public Accounts Committee and Audit Committee should be intensified, and they should provide a plan or come up with a strategy to improve audit outcomes.   |                |     |
| c) Service delivery monitoring on quarterly basis to give progress reports on priority issues.   |                |     |
| d) Strengthen oversight role by Members of the Mayoral Committee and Councillors to ensure budget is spent timeously.  |                |     |
| e) Executive Mayor's office to give clarity on issue of roles and functions between Sport and Solid waste Directorates   |                |     |

## STRATEGIC OUTCOME 5: A WELL-GOVERNED CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| f) In Council's monitoring of service delivery and performing of their oversight function, the Office of the Mayoral Committee, which is led by the Executive Mayor, the Speaker and the Chief Whip, accompanied by the City Manager and senior management must visit all clusters (Inland, Midland and Coastal Urban and Rural Regions), on a quarterly basis to give progress reports on priority issues from those wards and, furthermore, give councillors an opportunity to engage with ward councillors.   |                |     |
| <b>44. REVENUE MANAGEMENT</b>  |                |     |
| a) Address integrity issues in the billing system as part of the efforts of improving the collection rate of the city.<br>b) Give particular attention to the challenge of billing up until it is resolved in a manner that does not disadvantage communities and negatively impacts on the financial viability of the municipality; and report quarterly to Council on progress made.<br>c) Review and implement cost-effective tariffs.<br>d) Identify alternate sources of revenue to supplement the existing revenue streams.<br>e) System analysis on smart metering (analysis of strength and weaknesses on the system)<br>f) Public awareness on smart metering |                |     |
| <b>45. EXPENDITURE &amp; SUPPLY CHAIN MANAGEMENT</b>   |                |     |
| a) Undertake expenditure reviews to find wastage and areas where there is less value for money, which can then enable reprioritization.<br>b) Devise a strategy on the city's expenditure on local small businesses, more particularly those owned by young people within the law and report on progress in that regard in each quarter. This is inclusive of local content and local sourcing of labour, machinery and supplies done by big companies working with our municipality.  |                |     |
| <b>46. BUDGET &amp; TREASURY</b>   |                |     |
| a) Develop and adopt a Long-Term Financial Model (LTFM) and Long-Term Financial Strategy (LTFS) to enhance financial sustainability of the City over the long-term.<br>b) Strengthen evidence-based prioritization especially now in the context of reduced grants and reduced own revenue (given our resource endowment, we are trying to do too much across too many catalytic programmes).  |                |     |
| <b>47. CORPORATE ASSET MANAGEMENT</b>  |                |     |
| a) Make adequate budgetary provision for maintenance of infrastructure and acquiring of new assets.<br>b) Roll-out of Enterprise Resource Management to enhance Asset Management system.<br>c) Capital Asset replacement prioritisation  |                |     |

### 2.6 Strategic Alignment Matrix

The Strategic Framework expressed in this IDP is the primary informant of the BCMM Five-year Performance Scorecard, Multi-year Budget, Annual Service Delivery and Budget Implementation Plan and Performance Agreements of Senior Managers. The setting of key performance indicators and targets against which the performance of the municipality and its senior management and leadership are measured derive its mandate from this IDP.

The introduction of Key Focus Areas (KFAs) formed part of the 2019/2020 IDP Review and is informed by the need to create more functional synchrony between the strategic imperatives captured in the IDP and the core competencies of the municipality. One of the benefits of the inclusion of KFAs in the IDP is that it improves accountability, since KFAs can be assigned to specific officials and be accentuated in their performance agreements to champion.

| Strategic Outcomes   | Strategic Objectives   | Key Focus Areas                                       |
|--|--|---|
| STRATEGIC OUTCOME 1 (SO1): An innovative and Productive City | To enhance the Quality of Life of the BCMM community with rapid and inclusive economic growth and falling unemployment | KFA 1: Enterprise Development                         |
|  |  | KFA 2: Trade and Investment Promotion                 |
|  |  | KFA 3: Innovation and Knowledge Management            |
|  |  | KFA 4: Tourism & Marketing                            |
|  |  | KFA 5: Job Readiness & Training (External)            |
|  |  | KFA 6: Rural Development & Agrarian Reform            |
|  |  | KFA 7: Arts, Culture and Heritage Resource Management |
|  |  | KFA 8: Sport Development (Programmes)                 |
|  |  | KFA 9: Sport and Recreation Facilities                |
|  |  | KFA 10: Libraries and Halls                           |
|  |  | KFA 11: Emergency and Disaster Management             |
|  |  | KFA 12: Traffic Management                            |
| STRATEGIC OUTCOME 2 (SO2): A green city                      | To promote an environmentally sustainable city with optimal benefits from our natural assets.                          | KFA 13: Environmental Management and Climate Change   |
|  |  | KFA 14: Air quality                                   |
|  |  | KFA 15: Beaches, Parks and Open Spaces                |
|  |  | KFA 16: Vegetation Control and Biodiversity           |
|  |  | KFA 17: Municipal and Environmental Health            |
|  |  | KFA 18: Solid Waste Management                        |
| STRATEGIC OUTCOME 3 (SO3): A connected city                  | To maintain a world class logistics network.   | KFA 19: Roads and Storm water Infrastructure          |
|  |  | KFA 20: ICT   |
|  |  | KFA 21: Transport Planning and Operations             |
|  |  | KFA 22: Energy Supply Efficiency                      |
| STRATEGIC OUTCOME 4 (SO4): A Spatially Transformed city      | To develop and maintain world class infrastructure and utilities.  | KFA 23: Water and waste water                         |
|  |  | KFA 24: Spatial and Urban Planning                    |
|  |  | KFA 25: Sustainable Human Settlements                 |
|  |  | KFA 26: Built Environment Management                  |

| Strategic Outcomes                              | Strategic Objectives                                     | Key Focus Areas  |
|---|--|--|
|   |  | KFA 27: Urban, Rural and Township Regeneration                             |
|   |  | KFA 28: Property Management and Land Use                                   |
|   |  | KFA 29: Cemeteries and Crematoria  |
| STRATEGIC OUTCOME 5 (SO5): A well-governed city | Promote sound financial and administrative capabilities. | KFA 30: Risk Management  |
|   |  | KFA 31: Stakeholder Participation & Customer Relations                     |
|   |  | KFA 32: Intergovernmental Relations (IGR) and International Relations (IR) |
|   |  | KFA 33: Communications (Internal and External)                             |
|   |  | KFA 34: Corporate Marketing (Branding)                                     |
|   |  | KFA 35: Revenue Management   |
|   |  | KFA 36: Expenditure and Supply Chain Management                            |
|   |  | KFA 37: Budget and Treasury  |
|   |  | KFA 38: Corporate Asset Management   |
|   |  | KFA 39: Internal Human Capital and Skills Development                      |
|   |  | KFA 40: Gender, Elderly, Youth and Disabled (Vulnerable Groups)            |
|   |  | KFA 41: Performance Management and Monitoring and Evaluation               |
|   |  | KFA 42: Fleet Management   |
|   |  | KFA 43: Employee Performance Management                                    |
|   |  | KFA 44: Human Resources Management   |
|   |  | KFA 45: Internal Audit   |

**Table 3: BCMM Strategic Framework**



### 3. ALIGNMENT WITH GLOBAL, NATIONAL AND PROVINCIAL STRATEGIC IMPERATIVES

#### 3.1 Sustainable Development Goals

In September 2015, countries adopted a set of goals to **end poverty, protect the planet, and ensure prosperity for all** as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years until 2030. The goals are as follows:

- Goal 1: End poverty in all its forms everywhere.
- Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- Goal 3: Ensure healthy lives and promote well-being for all at all ages.
- Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- Goal 5: Achieve gender equality and empower all women and girls.
- Goal 6: Ensure availability and sustainable management of water and sanitation for all.
- Goal 7: Ensure access to affordable, reliable, sustainable economic growth, full and productive employment and decent work for all.
- Goal 8: Promote sustained, inclusive and sustainable industrialization and foster innovation.
- Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Goal 10: Reduce inequality within and among countries.
- Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable.
- Goal 12: Ensure sustainable consumption and production patterns.
- Goal 13: Take urgent action to combat climate change and its impacts.
- Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
- Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
- Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.

#### 3.2 Agenda 2063: The Africa we want

AGENDA 2063 is Africa's blueprint and master plan for transforming Africa into the global powerhouse of the future. It is the continent's strategic framework that aims to deliver on its goal for inclusive and sustainable development and is a concrete manifestation of the pan-African drive for unity, self-determination, freedom, progress and collective prosperity pursued under Pan-Africanism and African Renaissance. The genesis of Agenda 2063 was the realisation by African leaders that there was a need to refocus and reprioritise Africa's agenda from the struggle against apartheid and the attainment of political independence for the continent which had been the focus of The Organisation of African Unity (OAU), the precursor of the African Union; and instead to prioritise inclusive social and economic development, continental and regional integration, democratic governance and peace and security amongst other issues aimed at repositioning Africa to becoming a dominant player in the global arena.

Agenda 2063 encapsulates not only Africa's Aspirations for the Future but also identifies key Flagship Programmes which can boost Africa's economic growth and development and lead to the rapid transformation of the continent. Agenda 2063 also identifies key activities to be undertaken in its 10 year Implementation Plans which will ensure that Agenda 2063 delivers both quantitative and qualitative Transformational Outcomes for Africa's people.

### 3.3 Government's 12 Outcomes

National Government has identified 12 outcomes which cut across all three spheres of government. To achieve this requires collaboration from all key stakeholders and government spheres. The 12 outcomes of government were to be achieved in the period between 2014 to 2019. Even though some of the outcomes may fall outside the competency of local government, municipalities still have a role to play in key outputs to ensure that they are achieved. The 12 outcomes are as follows:

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

From the above, relevant outcomes of government have been taken into consideration during the development of the five-year integrated development plan, the following annual reviews and they will further inform the performance plans of each BCMM directorate.

### 3.4 National Outlook

The national sphere of government develops and promulgates legislation, policies, plans and strategies which have to be implemented by all spheres of government. When developing their own plans and policies, other spheres, particularly local government, have to ensure alignment with the national and provincial spheres. Key national and provincial plans include the National Development Plan, National Spatial Development Perspective, Medium Term Strategic Framework (2019-2024), Back to Basics and 2030 Vision for the Eastern Cape.

#### 3.4.1 National Development Plan

The National Development Plan (NDP) is a plan for the country to eliminate poverty and reduce inequality by 2030 through uniting South Africans, unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capability of the state and leaders working together to solve complex problems. It presents a long-term strategy to increase employment by fostering economic growth, improving the quality of

education, skills development and innovation and building the capability of the state to play a developmental and transformative role.

*Some of the critical actions required to make the National Development Plan a reality include:*

- A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
- Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
- Public infrastructure investment at 10 percent of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.

Chapter 5 of the NDP focuses on environmental sustainability and resilience through an equitable transition to a low-carbon economy, which will also have implications on the way the spatial planning and development in South Africa is approached.

Chapter 6 sets out specific targets and goals towards establishing a more inclusive rural economy through integrated rural development. The focus here is on increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.

Chapter 8 focuses on the country's spatial planning system and requires that:

- all municipal and provincial SDFs are translated into 'spatial contracts that are binding across national, provincial and local governments';
- the current planning system should 'actively support the development of plans that cross municipal and even provincial boundaries', especially to deal with biodiversity protection, climate-change adaptation, tourism and transportation; and
- every municipality should have an 'explicit spatial restructuring strategy' which must include the identification of 'priority precincts for spatial restructuring'.

Within the context of aiming to transform the space economy and the unsustainable human settlement patterns of the past, the NDP proposes that specific focus areas for intervention should include: -

- Responding in a systematic and sustained way to dysfunctional spatial patterns of settlement that were entrenched in the past (i.e. it is crucial to break with the past way of fragmented and sprawling spatial development);
- Using housing development processes as tools to assist in the re-structuring of urban settlements, over time;
- The improvement of planning systems and, particularly, the strengthening of collaborative approaches towards development planning and management between different spheres and agencies of government; and
- In the latter regard, a priority is the progressive development of capacity of responsible agencies of government to administer their functions, including planning.

### 3.4.2 Medium Term Strategic Framework (MTSF) 2019-2024

The National Development Plan (NDP) 2030 issued in 2012 set out a long-term vision for the country and provides the programme through which South Africa can advance radical economic transformation through development planning. The Medium Term Strategic Framework (MTSF) 2014-2019 outlined the plan and outcome-based monitoring framework for implementing the NDP during the country's fifth democratic administration. This MTSF 2019-2024 outlines the priorities to be implemented in the sixth administration. It also outlines the priorities and intervention across South Africa's national development pillars.

Following the first seven years since the adoption of the NDP 2030, its implementation through the MTSF 2014-2019, this MTSF is informed by the lessons of the past 5 years and 25 years of our democracy and the Reconstruction and Development Programme (RDP).

The MTSF 2019-2024 is the translation of the government Priorities outlined by the President at the 2019 State of the Nation Address (SONA) that are derived from the electoral mandate for the next five-year period. The seven priorities of this strategic framework are embedded into the three pillars. The priorities, which will be achieved through more focused implementation, coordination and integration by the various levels of government including state owned enterprise, the private sector and civil society, are as follows:

- 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 safe communities
- Priority 7: A better Africa and world

### 3.4.3 National Spatial Development Perspective (NSDP)

The objective of the National Spatial Development Perspective is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework. It therefore acts as an indicative planning tool for the three spheres of government. Outcomes of such economic investment profiling that involved all spheres of government is the East London Industrial Development Zone (ELIDZ). The NSDP also informs the Spatial Development Framework of the Municipality.

### 3.4.4 Back to Basics – Serving our Communities Better

The Buffalo City Metropolitan Municipality adopted the national and provincial Back to Basics support package on 29 July 2015. COGTA, through the Presidential Local Government Summit, developed the Back-to-Basics approach.

It identifies five areas that require a Local Government focus:

- i. Putting people and their concerns first.
- ii. Supporting the delivery of municipal services to the right quality and standard.
- iii. Promoting good governance, transparency and accountability.
- iv. Ensuring sound financial management and accounting.
- v. Building institutional resilience and administrative capability.

*The package sought to achieve the following objectives:*

- i. Address people's concerns about service delivery and ensure immediate and visible improvements.

- ii. Create a functional and responsive municipality.
- iii. Create a sound base for economic growth and job creation in the metro.
- iv. Entrench good governance and accountability for performance within the metro – both at political and administrative levels.
- v. Root out corruption and mismanagement.
- vi. Engage metro stakeholders and enlist them in the turnaround of the metro's fortunes.
- vii. Improve the state of service provision in communities.
- viii. Stabilize the metro's finances and build up reserves in order to sustain a capital investment programme.

#### *Back to Basics 10 Point Plan*

- Positive community experiences
- Municipalities receiving disclaimers over 5 years
- Revenue enhancement programme
- Appointment of Senior managers in municipalities
- Service and Infrastructure
- Implementation of forensic reports
- Metropolitan B2B programme
- Strengthening roles of District Municipalities
- Spatial regional integration zones/ spatial contracts
- Strengthen capacity and role of provincial COGTA departments

#### 3.4.5 The Integrated Urban Development Framework (IUDF)

The IUDF is the government's policy position to guide the future growth and management of its urban areas. It seeks to foster a shared understanding across government and society about how best to manage urbanization and achieve goals of economic development, job creation and improved living conditions for all.

The IUDF is a response to and builds on various chapters in the National Development Plan, more specifically Chapter 8 which deals with "Transforming human settlements and the national space economy".

*To achieve this transformative vision, four strategic goals are introduced.*

- **Spatial Integration:** To forge new spatial forms in settlement, transport, social and economic areas.
- **Inclusion and access:** To ensure people have access to social and economic services, opportunities and choices.
- **Growth:** To harness urban dynamism for inclusive, sustainable economic growth and development.
- **Governance:** To enhance the capacity of the state and its citizens to work together to achieve spatial and social integration.

The above strategic goals give rise to a series of policy levers, the implementation of which depends on its integration into municipal development planning tools such as the SDF, IDP and BEPP.

*The nine policy levers include:*

- **Integrated Urban Planning and Management:** the prudent use of land and natural resources to build sustainable communities.
- **Integrated transport and mobility:** the development of efficient urban form centred around integrated transport, which supports economic and social development.

- **Integrated and sustainable human settlements:** redressing the prevailing apartheid geography, restructuring cities, shifting ownership profiles and choices, and creating more humane, safe living and working conditions.
- **Integrated urban infrastructure:** the development of resource efficient urban infrastructure that provides for both universal access and more inclusive economic growth.
- **Efficient land governance and management:** growing investments through land and property resulting in inclusive, multi-functional urban spaces.
- **Inclusive economic development:** Cities and towns that are dynamic and efficient, foster entrepreneurial and innovation, sustain livelihoods, enable economic growth and generates the tax base needed to sustain and expand public services and amenities.
- **Empowered active communities:** Cities and towns that are home to socially and culturally diverse citizens, who are actively involved in the city.
- **Effective urban governance:** Managing the intergovernmental dynamics within the city.
- **Sustainable finances:** Cities and towns that are supported by a fiscal framework that acknowledges the developmental potential and pressures of urban spaces and manages finances effectively and efficiently in order to access necessary resources and partnerships for inclusive urban growth.

#### 3.4.6 District/Metro Development Model

The President, during his 2019 State of the Nation Address, delegated the 6th Administration to develop and implement a new integrated district-based approach to address service delivery challenges. Taking this mandate forward, the Minister for Cooperative Government and Traditional Affairs, during her Budget speech, announced that the Department would develop and implement a new district development model to address service delivery challenges of the 44 districts and 8 metropolitan municipalities.

The District Development Model seeks to address the silos and the lack of coherence of planning and implementation in all spheres of government. The challenges intended to be solved through the District Development Model includes:

- i. Silos at a horizontal and vertical level.
- ii. Narrowing the distance between the people and government by strengthening the coordination role and capacities at the District/Metro.
- iii. Delivering Integrated Services whilst strengthening Monitoring and Evaluation and impact at district and local levels.
- iv. Ensuring inclusive and gender mainstreamed budgets based on the needs and aspirations of our people.
- v. Maximising impact and aligning resources at our disposal.
- vi. Changing the face of our rural and urban landscapes by ensuring alignment between urban and rural development.
- vii. Ensuring sustainable development accelerating to eradicate poverty, create employment and improving people's quality of life.

The model has been piloted in three municipal spaces: namely OR Tambo District Municipality, eThekweni Metropolitan Municipality and Waterberg District Municipality with the intention to roll-out in all 52 districts and metros in the country. The DDM is anchored on the development of a One Plan for each district and metro spaces. The One Plan is an intergovernmental plan setting out a 25-30-year long-term strategic framework (consisting of short, medium and long-term actions) to guide investment and delivery in relation to each of the 52 district and metropolitan spaces. It is critical that the One Plans are jointly developed and agreed to by all three spheres of government.

### 3.4.7 The South African Economic Reconstruction and Recovery Plan

The South African Economic Reconstruction and Recovery Plan has three phases: Engage and Preserve – which includes a comprehensive health response to save lives and curb the spread of the pandemic; Recovery and Reform – which includes interventions to restore the economy while controlling the health risks; and lastly, Reconstruct and Transform – which entails building a sustainable, resilient and inclusive economy. In terms of the Plan, the following priority interventions will be made:

- Aggressive infrastructure investment;
- Employment orientated strategic localization, reindustrialization and export promotion;
- Energy security;
- Support for tourism recovery and growth;
- Gender equality and economic inclusion of women and youth;
- Green economy interventions;
- Strengthening food security;
- Mass public employment interventions;
- Strengthening food security; and
- Macro-economic interventions

Metros are expected to develop Economic Reconstruction and Recovery Plan's to ignite economic recovery (driven by Executive Mayors).

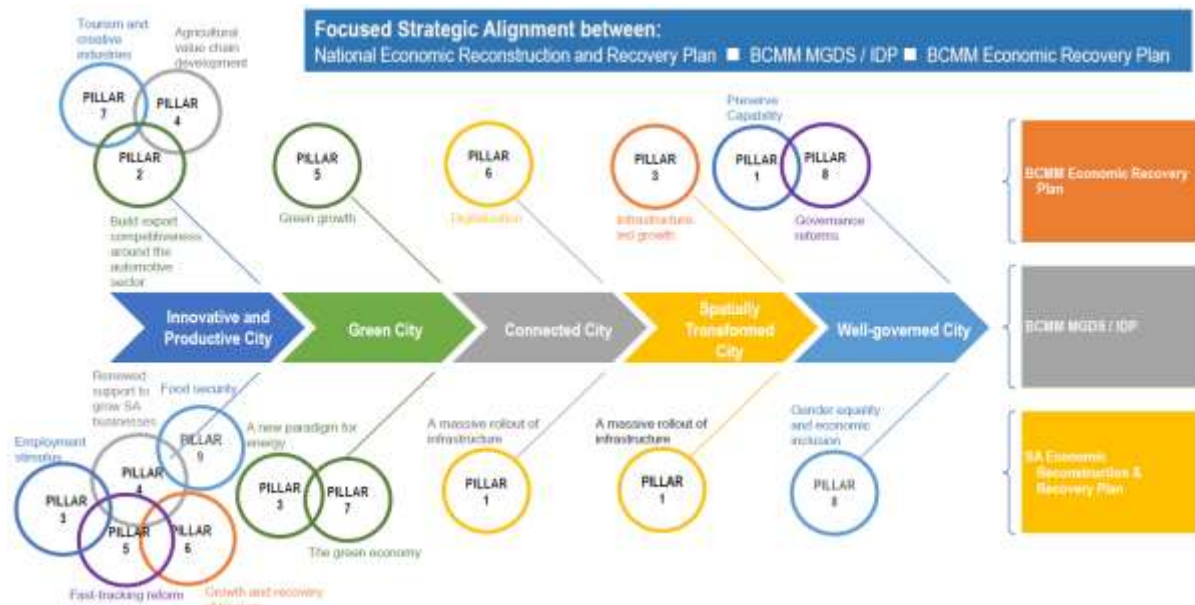
Line departments and Ministries will be responsible for the implementation of programmes relevant to their departments. This work will be coordinated by the Presidential Advisory Technical Team and the National Treasury's Operation Vulindlela, with centralized capacity in the Presidency to drive and co-ordinate implementation. The District Development Model will underpin the implementation of all programmes identified in the Plan.

The implementation and its impact shall be evaluated annually and where necessary adjustments shall be made in pursuit of the National Development Plan: Vision 2030, which aims to: -

- Grow the economy at a rate of 5,4%;
- Reduce the unemployment rate to 6%;
- Increase investment as a share of GDP to 30%;
- Reduce inequality as measured by the Gini Coefficient to 0.60; and
- Total eradication of poverty

It is important that there is seamless integration between the NDP, the South African Economic Reconstruction and Recovery Plan, the metro's long-term strategy, IDP, SDF and the BCMM Economic Recovery Plan.

**The following is a graphic illustration of the high-level alignment between the National Economic Reconstruction and Recovery Plan, the BCMM Metro Growth and Development Strategy, Integrated Development Plan and BCMM Economic Recovery AND Investment Plan:**



**Figure 1: BCMM Alignment with National Economic Reconstruction and Recovery Plan**

### 3.5 Provincial Strategic Agenda

#### 3.5.1 Provincial Perspective: 2030 Vision for the Eastern Cape

In alignment with the NDP, the Eastern Cape’s 2030 Vision aims to provide creative responses to the province’s challenges. A sustainable future for the Eastern Cape rests on people centred development to achieve the following related goals:

- Goal 1: An innovative, inclusive and growing economy
- Goal 2: An enabling infrastructure network
- Goal 3: An innovative and high-value agriculture and rural sector
- Goal 4: Human development
- Goal 5: Environmental sustainability
- Goal 6: Capable democratic institutions

These goals will be pursued with a focus on rural development to address inherited structural deficiencies. The legacy of apartheid has left the rural regions of the Eastern Cape underdeveloped, with an urban economy that is unduly stressed and experiencing slow growth. Addressing this spatial unevenness in endowment and development will take time and hard work but it can be done.

### 3.6 Local Informants

#### 3.6.1 Community Needs and Priorities

In developing its Integrated Development Plan, Buffalo City Metro takes its tune from residents and the broader public of the Metro who participate in a number of public consultation processes and programmes such as the annual Mayoral Imbizo and IDP/Budget Roadshow. It is through these engagements that residents are able to define and shape their needs and priorities which must be taken into consideration during planning and budgeting. BCMM aims to address identified needs and priorities through the 2021/2026 Integrated Development Plan and Budget as revised annually. Key needs and priorities raised, as revised for the fifth generation IDP relate to the following service delivery issues:



|                                       |   |
|---------------------------------------|---|
| 1. Housing                            | 2. Roads, pedestrian bridges and Storm Water Drainage |
| 3. Water and Sanitation               | 4. Waste Management                                   |
| 5. Cemeteries                         | 6. Electricity  |
| 7. Sports Fields                      | 8. Community Halls                                    |
| 9. Safety and Emergency Services      | 10. Water Meters and Billing                          |
| 11. Agriculture and Rural Development | 12. Unemployment and Job Creation                     |

**Table 4: Community Needs and Priorities**

Detailed needs and priorities per ward are attached as an annexure.

### 3.6.2 BCMM Service Delivery Charter

Buffalo City Metropolitan Municipality developed a Service Delivery Charter in an effort to ensure that services are delivered in an effective and efficient manner and they meet acceptable standards. The Service Delivery Charter enables BCMM communities to know the level of services they can expect from the municipality, both in terms of basic service delivery norms and standards as well as response time to emergencies. Buffalo City finalised and adopted its Service Delivery Charter in 2017.

### 3.6.3 Rapid Response Task Team

Another effort by the municipality to ensure a speedy response to service delivery concerns has been the establishment of the Rapid Response Task Team (RRTT). The modus operandi of the RRTT is to send teams wherever challenges or early warning signs emerge. This Task Team gathers all the necessary facts and direct them to the relevant departments for responses either in a report form or interventions. In cases where the Executive Leadership is required to address local communities, leadership is briefed before engagement with the relevant stakeholders materializes.

### 3.6.4 Metro Growth and Development Strategy

Buffalo City Metropolitan Municipality adopted the Metro Growth and Development Strategy which is the vision towards 2030. The MGDS is the primary foundation for BCMM's future to work in partnership to achieve goals, programmes and encourage business and investment into a common direction. The strategic outcomes for long term development of the city are identified in the MGDS.

The MGDS is the City's 15-year economic trajectory towards vision 2030. The implementation of the MGDS will cross throughout the 15-year time- frame over three IDPs (5 years each) to 2030. The MGDS will be subject to monitoring and evaluation processes.

A large component of the programmes and projects identified require partnerships between the City and its stakeholders in order to achieve vision 2030. The MGDS vision 2030 implementation plans are encapsulated into the five strategic outcome areas and are aligned to the IDP process.

### 3.6.5 Buffalo City Metropolitan Development Agency

Buffalo City Metropolitan Development Agency (BCDMA) was established in 2004 and incorporated in terms of the Companies Act, as a Non-Profit Company (Section 21). Initial funding for its establishment was sourced from the

Industrial Development Corporation (IDC) and it undertook some projects (some finished, some not). BCMDA board dissolved in 2009 and all functions reverted to the City Manager. BCMM embarked on a process to resuscitate the BCMDA and on 1 February 2015 a new board of directors was appointed.

i) Approved mandate of the BCMDA

BCMM Council approved the following mandate of the Buffalo City Metropolitan Development Agency:

- **Economic and Social Development:** To conceptualise, plan and execute catalytic socio-economic development projects.
- **Tourism:** To serve as a tourism agency of the Municipality.
- **Property Management and Commercialisation:** To acquire, own, and manage land and buildings and/or rights to land and buildings necessary to enable it to achieve its aims and objectives.

ii) Powers of the Agency

The Agency is empowered to take any such actions within its scope of authority to further the above mandate, including, but not limited to:

- To conduct regular communications with all stakeholders.
- To launch, manage and/or monitor any study that may be necessary to further the objectives of the Agency.
- To negotiate, enter into and administer contracts in furtherance of its objectives.
- To collect income, raise, receive and hold funds, or receive guarantees, from any lawful source, for the purposes of the BCMDA and to manage administer and disburse those funds in pursuance of the objects of the BCMDA and for administrative purposes in accordance with the terms and conditions determined by the BCMDA.
- To conduct and operate any financial assistance, subsidy or incentive programme necessary to ensure the most advantageous development projects for the Municipality.

A clear BCMDA resuscitation plan is in place and some of the key milestones in the plan have already been achieved.

## 4. ALIGNMENT OF STRATEGIC IMPERATIVES

Buffalo City Metropolitan Municipality has made an effort to ensure horizontal alignment with provincial and national plans when developing the long-term Metro Growth and Development Strategy and the Integrated Development Plan. Alignment can be demonstrated as follows:

| BCMM Strategic Outcomes           | 12 National Outcomes  | Provincial Development Plan (EC Vision 2030)  | National Development Plan   | Sustainable Development Goals   | National 10 Point Plan  |
|-----------------------------------|---|---|---|---|---|
| An Innovative and Productive City | <ul style="list-style-type: none"> <li>Decent employment through inclusive economic growth.</li> <li>A skilled and capable workforce to support inclusive growth.</li> <li>An efficient, competitive and responsive economic infrastructure network.</li> </ul> | <ul style="list-style-type: none"> <li>A growing, inclusive and equitable economy.</li> <li>Vibrant and equitably enabled communities.</li> </ul> | <ul style="list-style-type: none"> <li>Unemployment rate should fall from 27% in 2011 to 14% by 2020 and to 6% by 2030.</li> <li>Total employment should rise from 13 million to 24 million.</li> </ul>   | <ul style="list-style-type: none"> <li>Ensure access to affordable, reliable, sustainable economic growth, full and productive employment and decent work for all.</li> </ul> | <ul style="list-style-type: none"> <li>Unlocking the potential of SMMEs, cooperatives, township and rural enterprises.</li> <li>Operation Phakisa aimed growing the ocean economy and other sectors.</li> <li>Encouraging private sector investment.</li> </ul> |
| A Green City                      | <ul style="list-style-type: none"> <li>Protection and enhancement of environmental assets and natural resources.</li> </ul>   | <ul style="list-style-type: none"> <li>A growing, inclusive and equitable economy.</li> </ul>   | <ul style="list-style-type: none"> <li>Achieve the peak, plateau and decline trajectory for greenhouse gas emissions, with the peak being achieved around 2025.</li> <li>By 2030, an economy-wide carbon price should be entrenched.</li> </ul> | <ul style="list-style-type: none"> <li>Take urgent action to combat climate change and its impacts.</li> </ul>  | <ul style="list-style-type: none"> <li>Resolving the energy challenge.</li> <li>Revitalizing agriculture and the agro-processing value chain.</li> </ul>  |

| BCMM Strategic Outcomes | 12 National Outcomes   | Provincial Development Plan (EC Vision 2030)  | National Development Plan   | Sustainable Development Goals   | National 10 Point Plan   |
|-------------------------|--|---|---|---|--|
| A Well-Governed City    | <ul style="list-style-type: none"> <li>Improve the quality of basic education.</li> </ul>                            | <ul style="list-style-type: none"> <li>An educated, empowered, and innovative citizenry.</li> </ul> | <ul style="list-style-type: none"> <li>All children should have at least two years of pre-school education. This implies about 2 million places.</li> <li>About 80% of schools and learners achieve 50% and above in literacy, mathematics and science in grades 3, 6, 9.</li> <li>At least 80% of students should complete 12 years of schooling.</li> </ul> | <ul style="list-style-type: none"> <li>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</li> </ul> | <ul style="list-style-type: none"> <li>N/A</li> </ul>                            |
| A Well-Governed City    | <ul style="list-style-type: none"> <li>A development-orientated public service and inclusive citizenship.</li> </ul> | <ul style="list-style-type: none"> <li>An educated, empowered and innovative citizenry.</li> </ul>  | <ul style="list-style-type: none"> <li>A capable and effective state, able to enhance economic opportunities, support the development of capabilities and intervene to ensure a rising floor of social rights for the poor.</li> </ul>  | <ul style="list-style-type: none"> <li>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</li> </ul> | <ul style="list-style-type: none"> <li>Moderating workplace conflict.</li> </ul> |

| BCMM Strategic Outcomes      | 12 National Outcomes  | Provincial Development Plan (EC Vision 2030)   | National Development Plan  | Sustainable Development Goals   | National 10 Point Plan   |
|------------------------------|---|--|--|---|--|
| A Spatially Transformed City | <ul style="list-style-type: none"> <li>Improve health and life expectancy.</li> </ul>                                   | <ul style="list-style-type: none"> <li>A healthy population.</li> </ul>  | <ul style="list-style-type: none"> <li>By 2030, life expectancy should reach at least 70 for both men and women</li> <li>Infant mortality rate should decline from 43 to 20 per 1000 live births and the under-five mortality rate should be less than 30 per 1000, from 104 today.</li> </ul>                                   | <ul style="list-style-type: none"> <li>Ensure healthy lives and promote well-being for all at all ages</li> </ul>                 | <ul style="list-style-type: none"> <li>N/A</li> </ul>  |
| A Spatially Transformed City | <ul style="list-style-type: none"> <li>Sustainable human settlements and improved quality of household life.</li> </ul> | <ul style="list-style-type: none"> <li>Vibrant and equitably enabled communities (Universal access to social infrastructure).</li> </ul> | <ul style="list-style-type: none"> <li>The proportion of people with access to electricity should rise from 70% in 2010 to 95% by 2030, with no grid options available for the rest.</li> <li>Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry.</li> </ul> | <ul style="list-style-type: none"> <li>Ensure availability and sustainable management of water and sanitation for all.</li> </ul> | <ul style="list-style-type: none"> <li>State reform and boosting the role of state-owned companies, ICT infrastructure or broadband roll out, water, sanitation and transport infrastructure.</li> </ul> |

**Table 5: Alignment of Strategic Imperatives**

# SECTION B: BCMM PROFILE AND ANALYSIS

## 1. EXECUTIVE SUMMARY

The following Statistical Overview Report aims to quantify the economic, demographic and socio-economic environment of Buffalo City Metropolitan Municipality in context of its neighbouring regions, the province and South Africa. A better understanding of the demographic, economic and socio-economic environment could inform stakeholders to implement and monitor plans and policies that will allow for a healthy, growing and inclusive economy and society.

Understanding the changes in the composition of the population with respect to population group, age and gender is vital in the face of growing pressure on food, energy, water, jobs and social support on the country's citizens. An understanding of how the total fertility rates, age-specific fertility rates, sex ratios at birth, life expectancies and international migration affect the respective population groups, ages and genders is essential for effective planning on a spatial level. The first section of the Statistical Overview Report will aim to disentangle the changes in the Buffalo City Metropolitan Municipality demographics in context of other districts, the Province and South Africa.

The second section will provide insights into the economic environment of Buffalo City Metropolitan Municipality in relation to the other metropolitan municipality in the region, the province and South Africa's performance. The analysis will also include for the economic contribution of the regions within in Buffalo City as well. The changing economic environment subsequently has an effect on the ability of the economy to create jobs. This section will therefore also include analysis on the employment and subsequent income dynamics of Buffalo City Metropolitan Municipality.

The third component of the Statistical Overview will investigate issues pertaining to the socio-economic environment of residents in Buffalo City Metropolitan Municipality. Analysis will include a review of the Human Development Index (HDI), Gini, poverty, education, population density, crime, bulk infrastructure, international trade and tourism indicators relative to that of the other districts, the Province and South Africa.

### 1.1. BCMM in Context

Buffalo City Metropolitan Municipality is situated relatively centrally in the Eastern Cape Province, and is surrounded by the Great Kei Local Municipality, Amahlati Local Municipality, Nkonkobe Local Municipality and Ngqushwa Local Municipality. It is bounded to the south-east by the long coastline along the Indian Ocean. Buffalo City is a metropolitan municipality situated on the east coast of the Eastern Cape Province, South Africa. It includes the towns of East London, Bisho and Qonce (previously known as KWT), as well as the large townships of Mdantsane and Zwelitsha.

The municipality was established as a local municipality in 2000 after South Africa's reorganization of municipal areas, and is named after the Buffalo River, at whose mouth lies the only river port in South Africa. On 18 May 2011 it was separated from the Amathole District Municipality and converted into a metropolitan municipality. The area has a well-developed manufacturing base, with the auto industry playing a major role. Daimler AG through its wholly owned

subsidiary Mercedes-Benz South Africa (MBSA) has a large assembly plant located next to the port of East London, which produces a variety of vehicles for export.

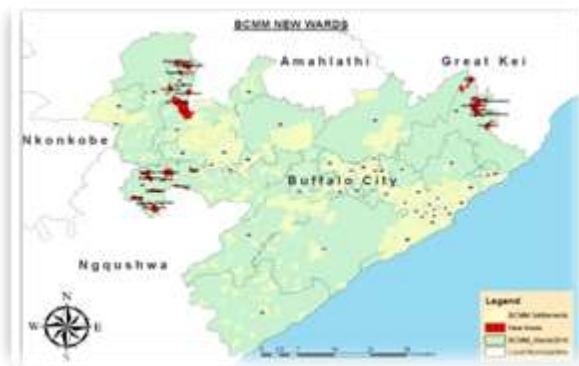


**Figure 2: BCMM Locality in South Africa**  
Source: BCMM GIS UNIT

The Buffalo City Metropolitan is made up of significant portions of two Magisterial Districts, as follows:

- East London, including the previous Ciskei Magisterial District(s) of Mdantsane.
- Qonce (previously known as KWT), including the previous Ciskei Magisterial District of Zwelitsha.

In line with the local government dispensation in South Africa, the Buffalo City Metropolitan Municipality is categorized as a Category “A” Municipality.



**Figure 3: New areas recently demarcated to BCMM from Great Kei, Amahlathi and Ngqushwa Local Municipalities shown by a red colour**

Source: BCMM GIS UNIT

The area is characterised by a composite settlement and land use pattern, incorporating urban, peri-urban and rural components, which were previously administered as separate local government entities.

Buffalo City is the key urban centre of the eastern part of the Eastern Cape. It consists of a corridor of urban areas, stretching from the “port city” of East London to the east, through to Mdantsane and reaching Dimbaza in the west. Buffalo City’s land area is approximately 2,515km<sup>2</sup>, with 68km of coastline.

The existing urban areas and settlements in Buffalo City are spatially fragmented, which is a feature of the entire municipality. The spatial fragmentation creates a negative urban dimension.

In Buffalo City, the following three main identifiable land use and land need patterns are identified:

- A general appraisal of land use and settlement patterns within the Buffalo City Municipality indicates clearly that the urban settlement pattern is dominated by the East London – Mdantsane– KWT – Dimbaza urban development axis. It dominates the industrial and service sector centres and attracts people from throughout the greater Amathole region in search of work and better access to urban services and facilities. On the urban fringes there are smaller urban components like Gonubie, Berlin and Potsdam. The eastern boundary is restricted by the Indian Ocean. East London serves as the primary node and is the dominant economic hub in the region.

The Qonce (previously known as KWT) area and surrounds is a spatially fragmented area with Qonce being the main urban area. The other urban areas were situated on the outlying areas and included Bhishe,

Ginsberg, Zwelitsha, Phakamisa, Breidbach, litha and Dimbaza. Qonce serves as a secondary node in the Buffalo City region.

Qonce functions as a Regional Service Centre and together with Bhisho is the Provincial Administrative Hub and contains the seat of the Provincial Government of the Eastern Cape Province. In view of the dominance of the East London Core Area the KWT/Bhisho Regeneration process requires budgetary emphasis for implementing the projects that the KWT/Bhisho LSDF identifies.

- The second is the area comprising of non-urban land within the Municipal area and is characterised by distinctive enclaves (mainly within the areas of the former Ciskei but also notable on the outskirts of East London in the form of Newlands) where rural and peri-urban settlements accommodate some 20% of the Municipal population or by land used for intensive and extensive agricultural purposes. The rural settlements are mainly situated to the western and southern parts of Buffalo City.
- Thirdly, the commercial farming areas form a distinctive type of area. These areas are dominant in the north-eastern and south-western (coastal) sectors of the Municipality and are characterised by extensive land uses, with certain areas making use of intensive farming (irrigation-based).

However, within the generalised spatial landscape of the above areas, one finds diverse and complex urban and rural situations.

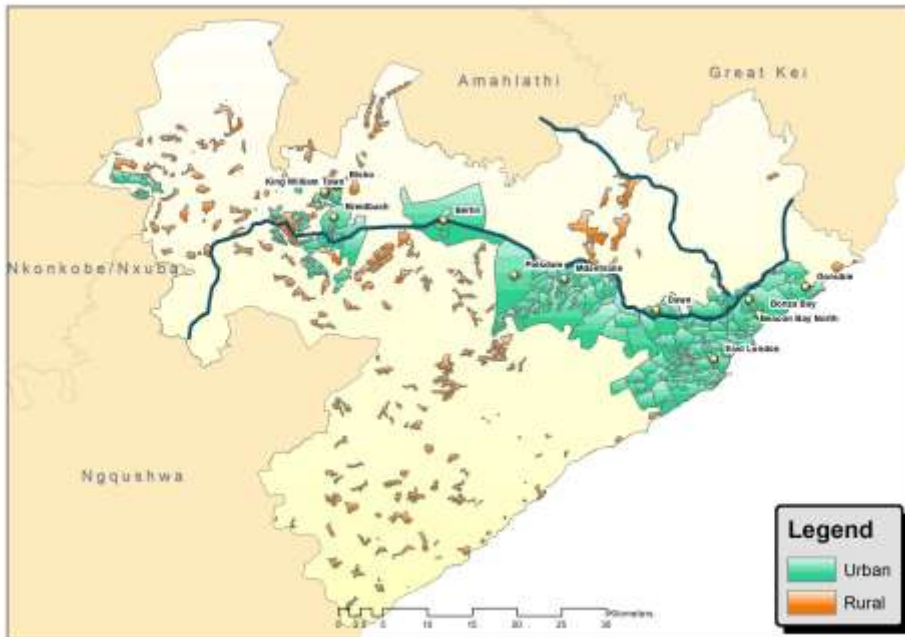


Figure 4: BCMM Urban and rural settlements

Source: BCMM GIS UNIT

## 1.2 Physical Characteristics

The physical shape, environmental character and configuration of the municipality have an important part to play in influencing the way people have chosen to reside in the area. This section provides a general overview of the state of the physical environment with BCMM.



### 1.3 Topography

The BCMM area extends from sea level along the coastal belt increasing in north-westerly direction to a plateau of elevation between 450m and 850m above sea level. This plateau extends from Maclean Town and Berlin, through to Dimbaza. The elevation in the most north-westerly portion of the BCMM occurs in the Amatole Mountains and reaches 2100m above sea level.

The topography of the region is characterized by a number of incised river valleys, which run nearly parallel to each other in a south easterly direction through the municipality and which dissect the municipality at regular intervals. This terrain, which lacks large tracts of flat land, impacts significantly on settlement patterns and the cost of provision of services within the region.

### 1.4 Geology and Soils

The geological strata of the region are typical of the Karoo system and consist mainly of mudstones and sandstones intruded by dolerite dykes and sills. In general the dolerite dykes trend east to west. Much of the geology is of marine origin, giving rise to the high salinity of the ground water in the area. The soils are generally moderate to deep clayey loams and the erodability index of the soils in the region is recorded as being medium to low.

### 1.5 Climate

The Climate of BCMM is moderate for most of the year, but with hot spells from December to February, particularly in the inland areas. Although the region does receive rainfall all year round, it is primarily a summer rainfall region with the months of June and July generally being the driest months of the year.

#### Sunshine Coast

The Sunshine Coast is the coastal route between St Francis Bay and East London in the Eastern Cape. The climate is subtropical, with winter average day temperatures reaching 21 degrees Celsius and the average summer day temperatures reaching 28 degrees Celsius. In summer it can reach the middle 30's quite often. The sea temperature varies between 14 and 24 degrees Celsius. In summer shorts and t-shirts are the order of the day and in winter jeans and jerseys are needed.

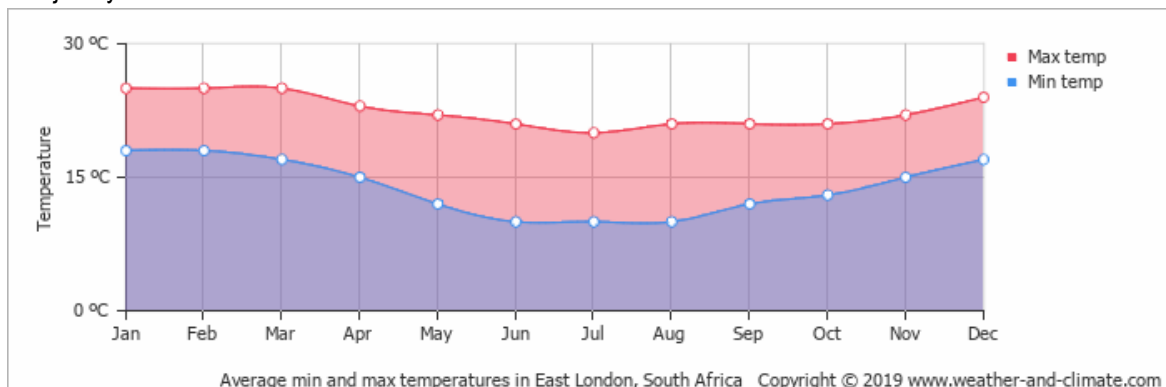


Figure 5: BCMM Weather Averages - 2019

## 1.6 Drainage System

Buffalo City Metropolitan Municipality has 10 major river systems. Of these, 9 are considered “Endangered” and the Buffalo River system is considered “Vulnerable” (SANBI, 2004). In terms of aquatic systems, the National Wetlands Inventory identifies a total of 2064 wetlands areas. The ground water potential in the region is generally not good, resulting in low borehole yields (generally below 2 l/s) and high salinity waters. The north-western portion of the region has the greater groundwater potential (i.e., Peelton villages), with the potential reducing in a south easterly direction towards the coast.

## 1.7 Vegetation

BCMM has a wide variety of vegetation types and the main type of vegetation types are spread throughout the BCMM covering 252577.5ha. The vegetation types may impact to a certain extent on the livelihood of communities as it determines the carrying capacity of the field in terms of livestock units. The scarcity of vegetation again determines whether crop production or livestock farming should be practiced.

Four Biomes are represented in Buffalo City Municipality (Albany Thicket 66.82%; Savanna 29.24%; Forest 2.73% and Grassland 1.14%) of which 12 vegetation types have been classified by Mucina & Rutherford (2006). There is an estimated 26.8% of the municipality where no natural habitat remains. The South African National Biodiversity Institute (SANBI) identifies not critically endangered, or vulnerable terrestrial ecosystems within the Municipality.

## 2. POPULATION TRENDS AND PROFILE

"Demographics", or "population characteristics", includes analysis of the population of a region. Distributions of values within a demographic variable, and across households, as well as trends over time are of interest.

In this section, an overview is provided of the demography of the Buffalo City Metropolitan Municipality and all its neighbouring regions, the Eastern Cape Province and South Africa as a whole.

### 2.1 Total Population

Population statistics is important when analysing an economy, as the population growth directly and indirectly impacts employment and unemployment, as well as other economic indicators such as economic growth and per capita income.

**TABLE 1. Total population - Buffalo City, Eastern Cape and National Total, 2010-2020 [NUMBERS PERCENTAGE]**

|      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2010 | 789,000      | 6,640,000    | 51,200,000     | 11.9%                         | 1.54%                         |
| 2011 | 798,000      | 6,690,000    | 52,000,000     | 11.9%                         | 1.54%                         |
| 2012 | 808,000      | 6,750,000    | 52,800,000     | 12.0%                         | 1.53%                         |
| 2013 | 818,000      | 6,810,000    | 53,700,000     | 12.0%                         | 1.52%                         |
| 2014 | 827,000      | 6,880,000    | 54,500,000     | 12.0%                         | 1.52%                         |
| 2015 | 838,000      | 6,950,000    | 55,300,000     | 12.1%                         | 1.51%                         |
| 2016 | 848,000      | 7,020,000    | 56,200,000     | 12.1%                         | 1.51%                         |

|      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2017 | 859,000      | 7,100,000    | 57,000,000     | 12.1%                         | 1.51%                         |
| 2018 | 870,000      | 7,180,000    | 57,900,000     | 12.1%                         | 1.50%                         |
| 2019 | 880,000      | 7,250,000    | 58,800,000     | 12.1%                         | 1.50%                         |
| 2020 | 891,000      | 7,330,000    | 59,600,000     | 12.2%                         | 1.49%                         |

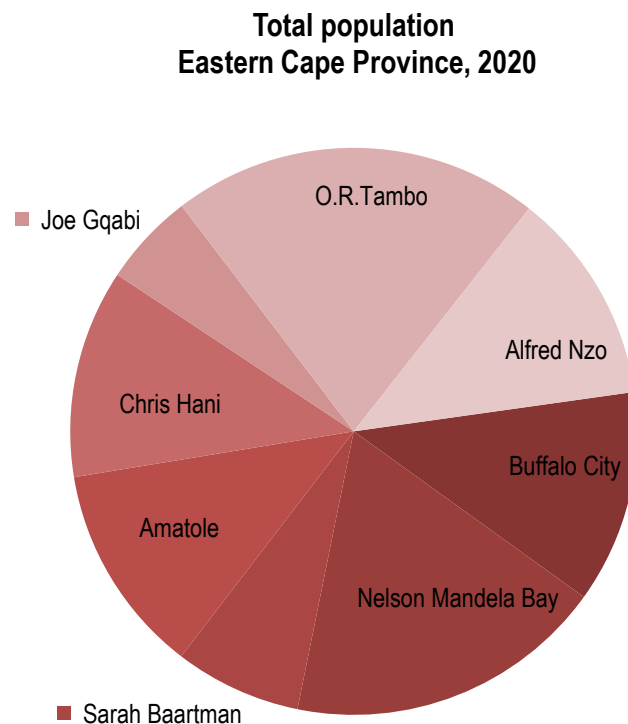
**Average Annual growth**

|           |       |       |       |  |  |
|-----------|-------|-------|-------|--|--|
| 2010-2020 | 1.22% | 1.00% | 1.55% |  |  |
|-----------|-------|-------|-------|--|--|

Source: IHS Markit Regional eXplorer version 2201

With 891 000 people, the Buffalo City Metropolitan Municipality housed 1.5% of South Africa's total population in 2020. Between 2010 and 2020 the population growth averaged 1.22% per annum which is slightly lower than the growth rate of South Africa as a whole (1.55%). Compared to Eastern Cape's average annual growth rate (1.00%), the growth rate in Buffalo City's population at 1.22% was slightly higher than that of the province.

**CHART 1. Total population - Buffalo City and the rest of Eastern Cape, 2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

When compared to other regions, the Buffalo City Metropolitan Municipality accounts for a total population of 891,000, or 12.2% of the total population in the Eastern Cape Province, with the O.R. Tambo being the most populous region in the Eastern Cape Province for 2020. Buffalo City increased in importance from ranking sixth in 2010 to fourth in 2020. In terms of its share the Buffalo City Metropolitan Municipality was slightly larger in 2020 (12.2%) compared to what it was in 2010 (11.9%). When looking at the average annual growth rate, it is noted that Buffalo City ranked third (relative to its peers in terms of growth) with an average annual growth rate of 1.2% between 2010 and 2020.

**TABLE 2. Total population - sub-metro regions of Buffalo City Metropolitan Municipality, 2010, 2015 and 2020 [Numbers percentage]**

|                                  | 2010    | 2015    | 2020    | Average Annual growth |
|----------------------------------|---------|---------|---------|-----------------------|
| <b>Macleantown, Sandisiwe</b>    | 53,000  | 60,000  | 66,500  | <b>2.29%</b>          |
| <b>King Williams Town, Bisho</b> | 212,000 | 216,000 | 224,000 | <b>0.55%</b>          |
| <b>Mdantsane, Chalumna</b>       | 244,000 | 251,000 | 263,000 | <b>0.74%</b>          |
| <b>East London</b>               | 280,000 | 311,000 | 337,000 | <b>1.89%</b>          |
| <b>Buffalo City</b>              | 789,315 | 837,833 | 891,146 | <b>1.22%</b>          |

Source: IHS Markit Regional eXplorer version 2201

The Macleantown, Sandisiwe Sub-metro Region increased the most, in terms of population, with an average annual growth rate of 2.3%, the East London Sub-metro Region had the second highest growth in terms of its population, with an average annual growth rate of 1.9%. The King Williams Town, Bisho Sub-metro Region had the lowest average annual growth rate of 0.55% relative to the other within the Buffalo City Metropolitan Municipality.

### 3.1 Population Projections

Based on the present age-gender structure and the present fertility, mortality and migration rates, Buffalo City's population is projected to grow at an average annual rate of 1.1% from 891 000 in 2020 to 942 000 in 2025.

**TABLE 3. Population projections - Buffalo City, Eastern Cape and National Total, 2020-2025 [Numbers percentage]**

|             | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|-------------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| <b>2020</b> | 891,000      | 7,330,000    | 59,600,000     | 12.2%                         | 1.49%                         |
| <b>2021</b> | 900,000      | 7,400,000    | 60,300,000     | 12.2%                         | 1.49%                         |
| <b>2022</b> | 910,000      | 7,470,000    | 61,100,000     | 12.2%                         | 1.49%                         |
| <b>2023</b> | 921,000      | 7,550,000    | 61,900,000     | 12.2%                         | 1.49%                         |
| <b>2024</b> | 931,000      | 7,630,000    | 62,700,000     | 12.2%                         | 1.48%                         |
| <b>2025</b> | 943,000      | 7,710,000    | 63,500,000     | 12.2%                         | 1.48%                         |

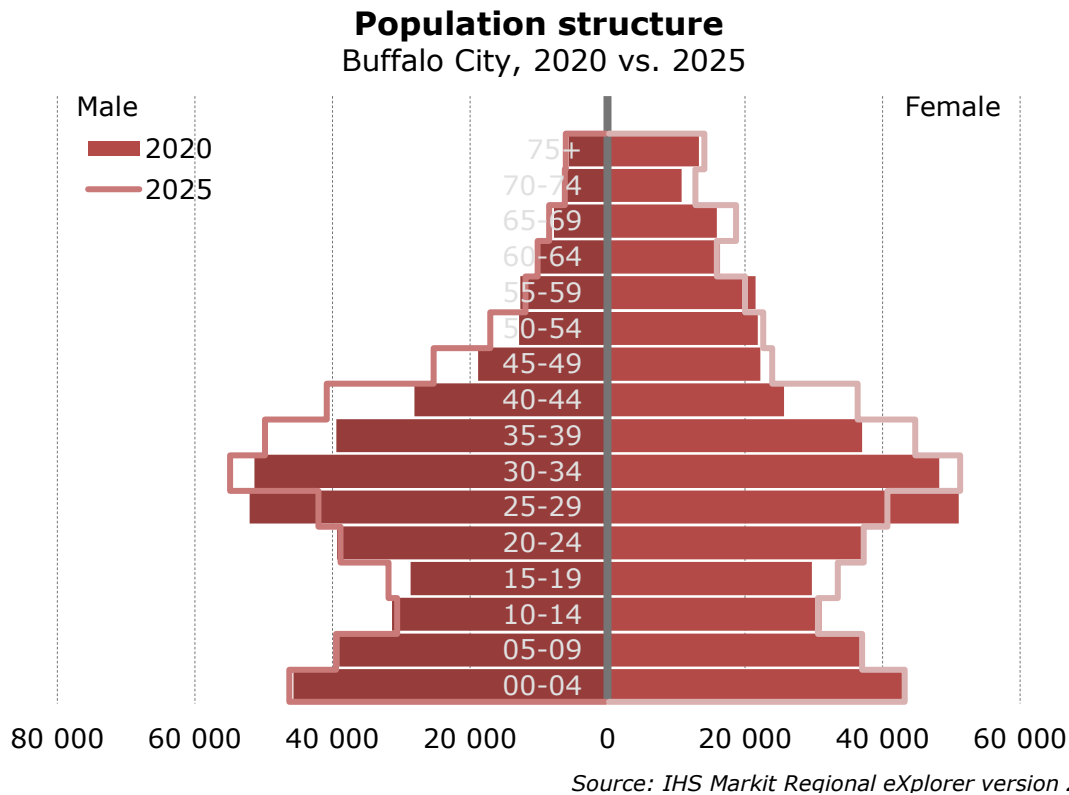
#### Average Annual growth

|                  |              |              |              |  |  |
|------------------|--------------|--------------|--------------|--|--|
| <b>2020-2025</b> | <b>1.13%</b> | <b>0.99%</b> | <b>1.27%</b> |  |  |
|------------------|--------------|--------------|--------------|--|--|

Source: IHS Markit Regional eXplorer version 2201

The population projection of Buffalo City Metropolitan Municipality shows an estimated average annual growth rate of 1.1% between 2020 and 2025. The average annual growth rate in the population over the forecasted period for Eastern Cape Province and South Africa is 1.0% and 1.3% respectively. The Eastern Cape Province is estimated to have average growth rate of 1.0% which is lower than the Buffalo City Metropolitan Municipality. The South Africa as a whole is estimated to have an average annual growth rate of 1.3% which is higher than that of Buffalo City's growth rate.

**CHART 2. Population pyramid - Buffalo City Metropolitan Municipality, 2020 vs. 2025 [Percentage]**



The population pyramid reflects a projected change in the structure of the population from 2020 and 2025. The differences can be explained as follows:

- In 2020, there is a significantly larger share of young working age people between 20 and 34 (31.3%), compared to what is estimated in 2025 (28.1%). This age category of young working age population will decrease over time.
- The fertility rate in 2025 is estimated to be slightly higher compared to that experienced in 2020.
- The share of children between the ages of 0 to 14 years is projected to be significant smaller (24.1%) in 2025 when compared to 2020 (25.5%).

In 2020, the female population for the 20 to 34 years age group amounts to 15.3% of the total female population while the male population group for the same age amounts to 16.0% of the total male population. In 2025, the male working age population at 14.4% still exceeds that of the female population working age population at 13.7%, although both are at a lower level compared to 2020.

## 2.2 Population by Population Group, Gender and Age

The total population of a region is the total number of people within that region measured in the middle of the year. Total population can be categorised according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people

originating from Asia, India and China. The age subcategory divides the population into 5-year cohorts, e.g. 0-4, 5-9, 10-13, etc.

**TABLE 4. Population by gender - Buffalo City and the rest of Eastern Cape Province, 2020 [Number].**

|                     | Male             | Female           | Total            |
|---------------------|------------------|------------------|------------------|
| Buffalo City        | 428,994          | 462,151          | 891,146          |
| Nelson Mandela Bay  | 648,360          | 690,450          | 1,338,810        |
| Sarah Baartman      | 263,786          | 266,085          | 529,871          |
| Amatole             | 418,160          | 462,032          | 880,192          |
| Chris Hani          | 419,685          | 452,780          | 872,465          |
| Joe Gqabi           | 186,617          | 203,223          | 389,841          |
| O.R.Tambo           | 719,690          | 819,309          | 1,538,999        |
| Alfred Nzo          | 411,813          | 480,627          | 892,440          |
| <b>Eastern Cape</b> | <b>3,497,105</b> | <b>3,836,657</b> | <b>7,333,763</b> |

Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality's male/female split in population was 92.8 males per 100 females in 2020. The Buffalo City Metropolitan Municipality appears to be a fairly stable population with the share of female population (51.86%) being very similar to the national average of (51.12%). In total there were 462 000 (51.86%) females and 429 000 (48.14%) males. This is different from the Eastern Cape Province as a whole where the female population counted 3.84 million which constitutes 52.31% of the total population of 7.33 million.

**TABLE 5. Population by population group, Gender and Age - Buffalo City Metropolitan Municipality, 2020 [Number].**

|              | African        |                | White         |               | Coloured      |               | Asian        |              |
|--------------|----------------|----------------|---------------|---------------|---------------|---------------|--------------|--------------|
|              | Female         | Male           | Female        | Male          | Female        | Male          | Female       | Male         |
| 00-04        | 39,100         | 41,800         | 1,380         | 1,310         | 2,260         | 2,370         | 152          | 229          |
| 05-09        | 33,500         | 34,900         | 1,230         | 1,510         | 2,190         | 2,320         | 237          | 277          |
| 10-14        | 27,200         | 27,100         | 1,500         | 1,740         | 2,200         | 2,290         | 250          | 231          |
| 15-19        | 25,900         | 25,000         | 1,500         | 1,430         | 2,170         | 2,010         | 165          | 181          |
| 20-24        | 33,600         | 35,600         | 1,410         | 1,340         | 2,130         | 2,250         | 201          | 198          |
| 25-29        | 46,500         | 47,500         | 1,880         | 1,800         | 2,320         | 2,420         | 336          | 262          |
| 30-34        | 44,000         | 46,800         | 1,830         | 2,040         | 1,950         | 2,090         | 432          | 448          |
| 35-39        | 32,800         | 35,100         | 1,840         | 1,960         | 1,960         | 1,930         | 401          | 454          |
| 40-44        | 21,500         | 24,100         | 2,000         | 1,940         | 1,840         | 1,580         | 321          | 447          |
| 45-49        | 18,200         | 14,800         | 2,140         | 2,140         | 1,560         | 1,580         | 310          | 335          |
| 50-54        | 18,000         | 9,060          | 2,200         | 2,090         | 1,340         | 1,440         | 335          | 282          |
| 55-59        | 17,800         | 9,130          | 2,160         | 2,150         | 1,430         | 1,140         | 216          | 228          |
| 60-64        | 13,000         | 7,030          | 2,010         | 2,020         | 1,180         | 902           | 171          | 179          |
| 65-69        | 13,100         | 5,380          | 1,830         | 1,600         | 861           | 653           | 139          | 162          |
| 70-74        | 8,410          | 4,360          | 1,630         | 1,250         | 622           | 497           | 129          | 127          |
| 75+          | 9,020          | 3,340          | 3,490         | 1,780         | 609           | 371           | 152          | 118          |
| <b>Total</b> | <b>402,000</b> | <b>371,000</b> | <b>30,000</b> | <b>28,100</b> | <b>26,600</b> | <b>25,800</b> | <b>3,950</b> | <b>4,160</b> |

Source: IHS Markit Regional eXplorer version 2201

In 2020, the Buffalo City Metropolitan Municipality's population consisted of 86.68% African (772 000), 6.52% White (58 100), 5.89% Coloured (52 500) and 0.91% Asian (8 100) people.

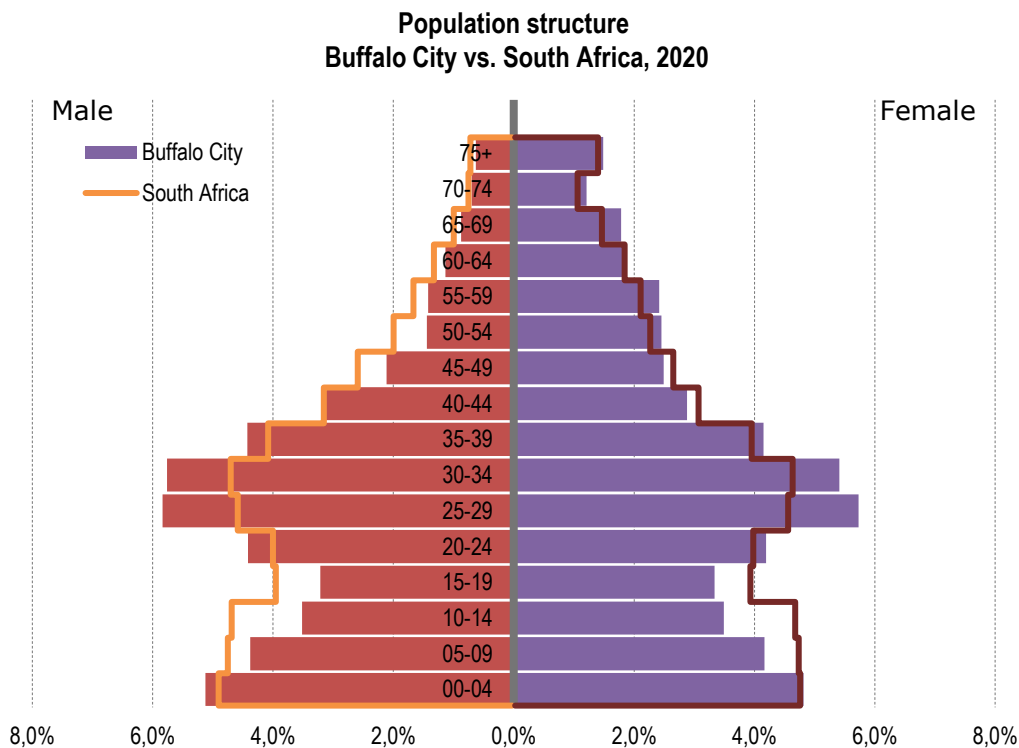
The largest share of population is within the young working age (25-44 years) age category with a total number of 333 000 or 37.3% of the total population. The age category with the second largest number of people is the babies and kids (0-14 years) age category with a total share of 25.5%, followed by the older working age (45-64 years) age category with 136 000 people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 59 600 people, as reflected in the population pyramids below.

### 2.3 Population Pyramids

**Definition:** A population pyramid is a graphic representation of the population categorised by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5-year age categories.

With the African population group representing 86.7% of the Buffalo City Metropolitan Municipality's total population, the overall population pyramid for the region will mostly reflect that of the African population group. The chart below compares Buffalo City's population structure of 2020 to that of South Africa.

**CHART 3. Population pyramid - Buffalo City Metropolitan Municipality vs. South Africa, 2020 [Percentage]**

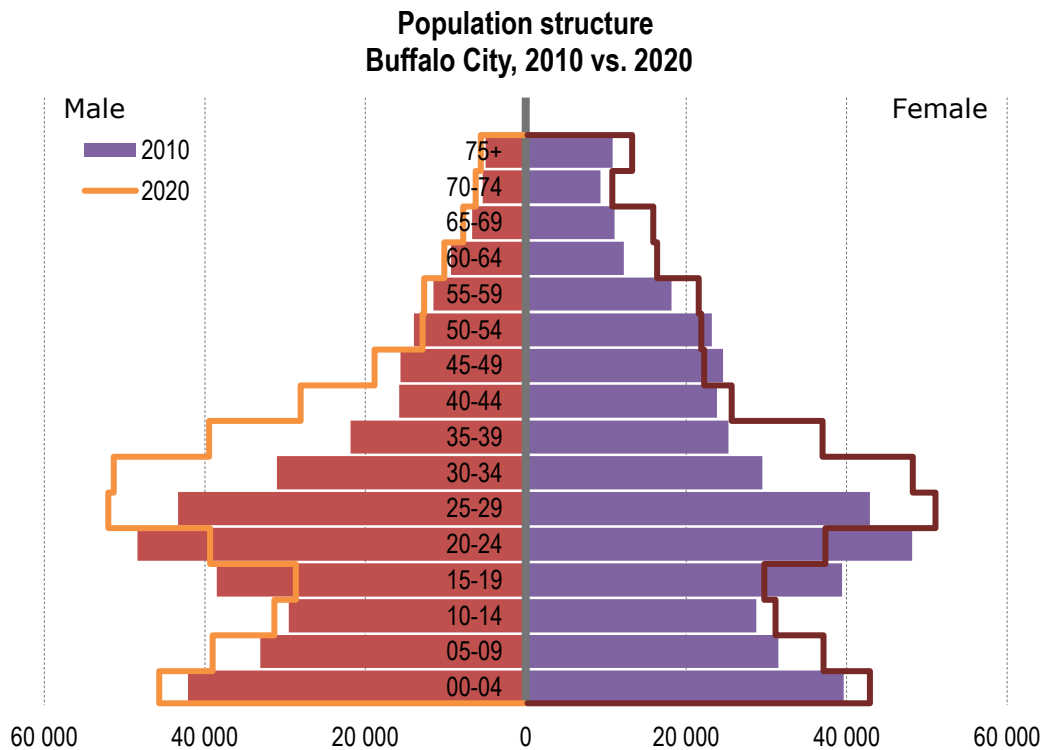


Source: IHS Markit Regional eXplorer version 2201

By comparing the population pyramid of the Buffalo City Metropolitan Municipality with the national age structure, the most significant differences are:

- There is a significantly larger share of young working age people - aged 20 to 34 (31.3%) - in Buffalo City, compared to the national picture (26.5%).
- The area appears to be a migrant receiving area, with many of people migrating into Buffalo City, either from abroad, or from the more rural areas in the country looking for better opportunities.
- Fertility in Buffalo City is slightly lower compared to South Africa as a whole.
- Spatial policies changed since 1994.
- The share of children between the ages of 0 to 14 years is significant smaller (25.5%) in Buffalo City compared to South Africa (28.5%). Demand for expenditure on schooling as percentage of total budget within Buffalo City Metropolitan Municipality will therefore be lower than that of South Africa.

**CHART 4. Population pyramid - Buffalo City Metropolitan Municipality, 2010 vs. 2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

When comparing the 2010 population pyramid with the 2020 pyramid for the Buffalo City Metropolitan Municipality, some interesting differences are visible:

- In 2010, there were a slightly smaller share of young working age people - aged 20 to 34 (30.8%) - compared to 2020 (31.3%).
- Fertility in 2010 was very similar compared to that of 2020.
- The share of children between the ages of 0 to 14 years is slightly larger in 2010 (25.9%) compared to 2020 (25.5%).
- Life expectancy is increasing.



In 2020, the female population for the 20 to 34 years age group amounted to 15.3% of the total female population while the male population group for the same age amounted to 15.6% of the total male population. In 2010 the male working age population at 16.0% still exceeds that of the female population working age population at 15.3%.

## 2.4 Number of Households by Population Group

**Definition:** A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

If the number of households is growing at a faster rate than that of the population it means that the average household size is decreasing, and vice versa. In 2020, the Buffalo City Metropolitan Municipality comprised of 248 000 households. This equates to an average annual growth rate of 1.01% in the number of households from 2010 to 2020. With an average annual growth rate of 1.22% in the total population, the average household size in the Buffalo City Metropolitan Municipality is by implication increasing. This is confirmed by the data where the average household size in 2010 increased from approximately 3.5 individuals per household to 3.6 persons per household in 2020.

**TABLE 6. Number of households - Buffalo City, Eastern Cape and National Total, 2010-2020 [Number percentage]**

|      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2010 | 224,000      | 1,690,000    | 14,000,000     | 13.3%                         | 1.60%                         |
| 2011 | 227,000      | 1,710,000    | 14,300,000     | 13.3%                         | 1.58%                         |
| 2012 | 231,000      | 1,730,000    | 14,600,000     | 13.3%                         | 1.57%                         |
| 2013 | 233,000      | 1,750,000    | 14,900,000     | 13.4%                         | 1.56%                         |
| 2014 | 235,000      | 1,760,000    | 15,200,000     | 13.4%                         | 1.55%                         |
| 2015 | 240,000      | 1,790,000    | 15,600,000     | 13.4%                         | 1.54%                         |
| 2016 | 247,000      | 1,830,000    | 16,000,000     | 13.5%                         | 1.55%                         |
| 2017 | 253,000      | 1,880,000    | 16,300,000     | 13.5%                         | 1.56%                         |
| 2018 | 257,000      | 1,900,000    | 16,400,000     | 13.5%                         | 1.57%                         |
| 2019 | 254,000      | 1,870,000    | 16,500,000     | 13.5%                         | 1.54%                         |
| 2020 | 248,000      | 1,830,000    | 16,500,000     | 13.6%                         | 1.51%                         |

### Average Annual growth

|           |       |       |       |  |  |
|-----------|-------|-------|-------|--|--|
| 2010-2020 | 1.01% | 0.79% | 1.60% |  |  |
|-----------|-------|-------|-------|--|--|

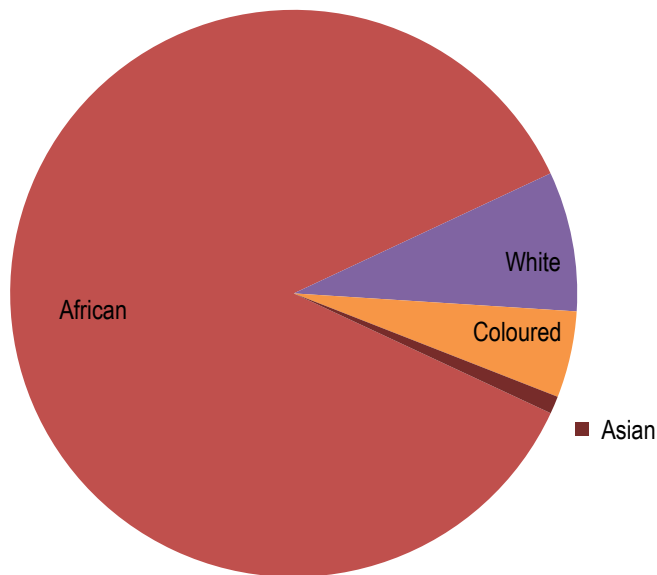
Source: IHS Markit Regional eXplorer version 2201

Relative to the province, the Buffalo City Metropolitan Municipality had a higher average annual growth rate of 1.01% from 2010 to 2020. In contrast, the South Africa had a total of 16.5 million households, with a growth rate of 1.60%, thus growing at a higher rate than the Buffalo City.

The composition of the households by population group consists of 86.1% which is ascribed to the African population group with the largest number of households by population group. The White population group had a total composition of 8.0% (ranking second). The Coloured population group had a total composition of 4.9% of the total households. The smallest population group by households is the Asian population group with only 1.0% in 2020.

**CHART 5. Number of households by population group - Buffalo City Metropolitan Municipality, 2020 [Percentage]**

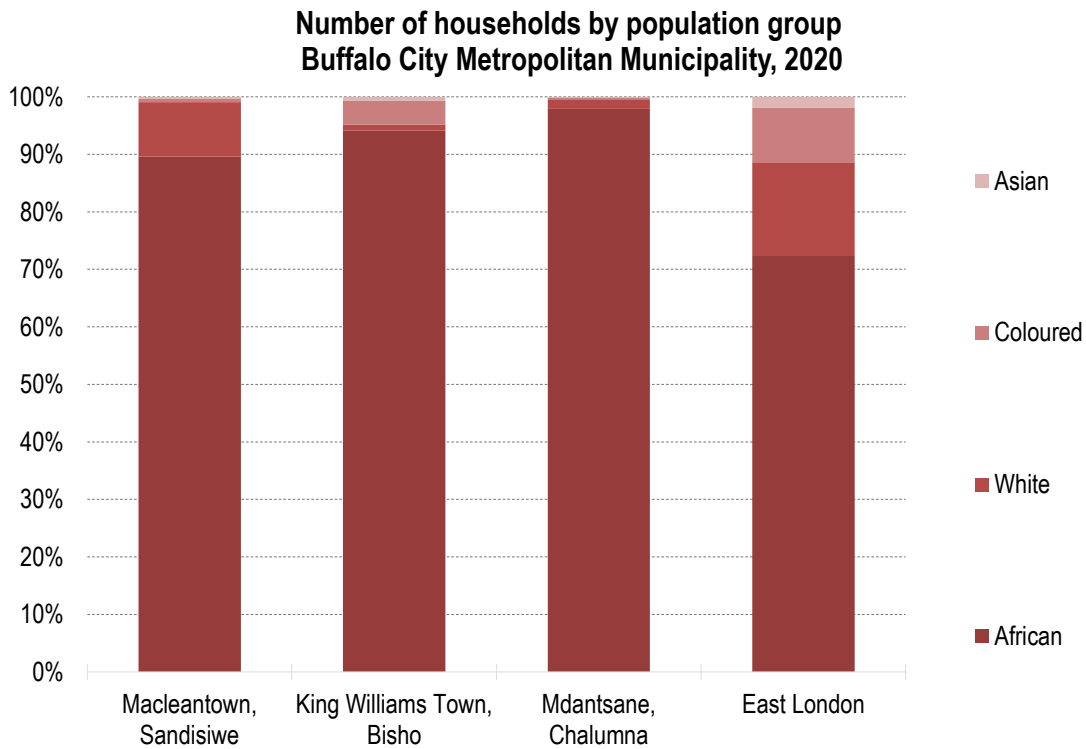
**Number of Households by Population group  
Buffalo City, 2020**



*Source: IHS Markit Regional Explorer version 2201*

The growth in the number of African headed households was on average 1.18% per annum between 2010 and 2020, which translates in the number of households increasing by 23 600 in the period. Although the Asian population group is not the biggest in size, it was however the fastest growing population group between 2010 and 2020 at 3.09%. The average annual growth rate in the number of households for all the other population groups has increased with 0.99%.

**CHART 6. Number of households by population group - sub-metro regions of Buffalo City Metropolitan Municipality, 2020 [percentage]**

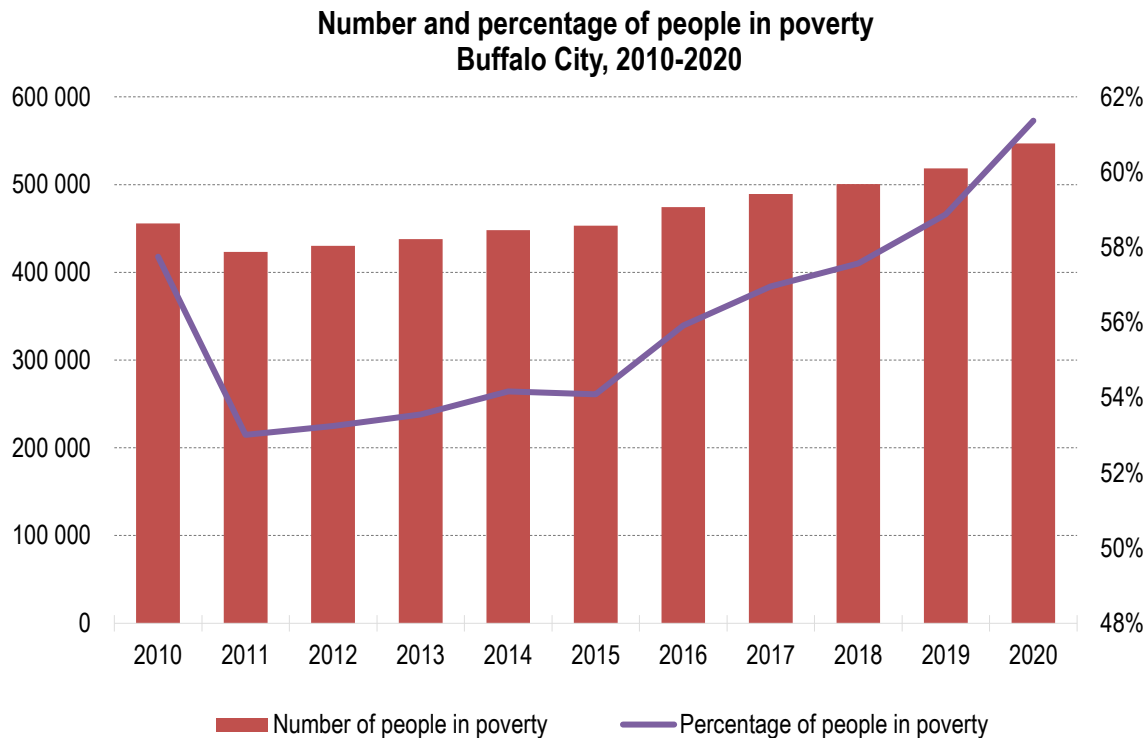


Source: IHS Markit Regional eXplorer version 2201

## 2.5 Poverty

**Definition:** The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area, and is balanced directly to the official upper poverty rate as measured by StatsSA.

**CHART 7. Number and percentage of people living in poverty - Buffalo City Metropolitan Municipality, 2010-2020 [Number percentage]**



Source: IHS Markit Regional eXplorer version 2201

In 2020, there were 547 000 people living in poverty, using the upper poverty line definition, across Buffalo City Metropolitan Municipality - this is 19.98% higher than the 456 000 in 2010. The percentage of people living in poverty has increased from 57.74% in 2010 to 61.37% in 2020, which indicates a increase of -3.62 percentage points.

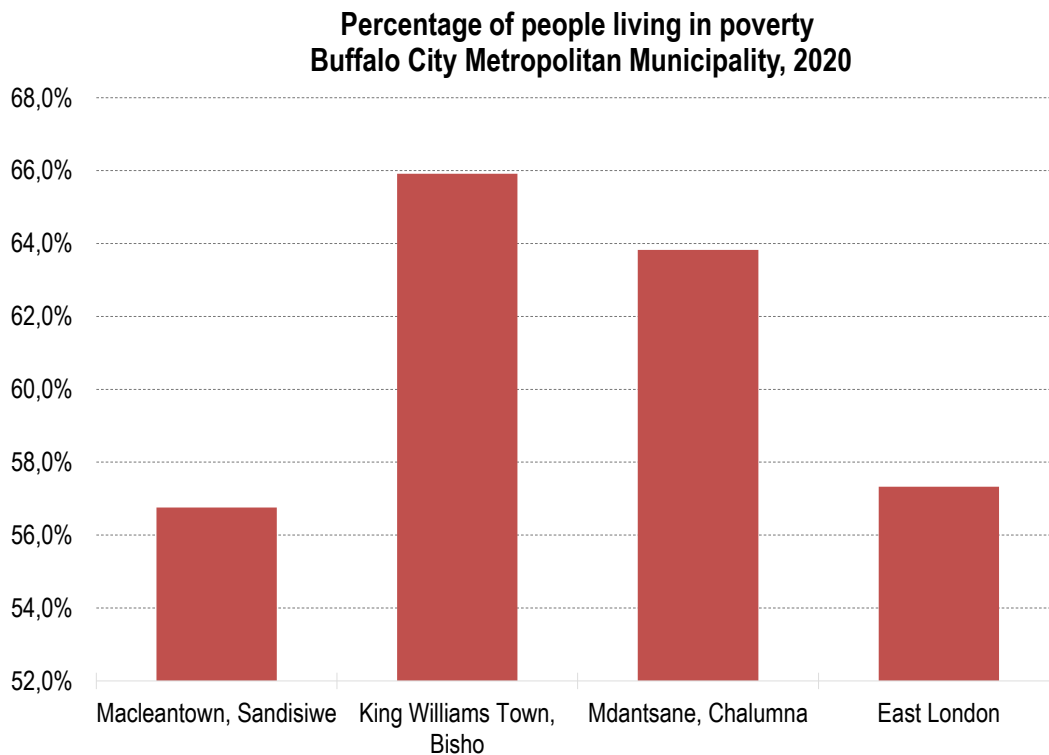
**TABLE 7. Percentage of people living in poverty by population group - Buffalo City, 2010-2020 [Percentage]**

|      | African | White | Coloured | Asian |
|------|---------|-------|----------|-------|
| 2010 | 64.7%   | 1.2%  | 37.7%    | 6.8%  |
| 2011 | 59.4%   | 0.7%  | 34.1%    | 4.6%  |
| 2012 | 59.5%   | 0.7%  | 35.7%    | 4.8%  |
| 2013 | 59.7%   | 0.8%  | 36.9%    | 4.8%  |
| 2014 | 60.2%   | 0.8%  | 38.3%    | 4.8%  |
| 2015 | 60.1%   | 0.8%  | 38.6%    | 4.7%  |
| 2016 | 62.0%   | 1.1%  | 40.0%    | 5.9%  |
| 2017 | 63.0%   | 1.2%  | 40.9%    | 6.8%  |
| 2018 | 63.6%   | 1.4%  | 40.8%    | 8.4%  |
| 2019 | 64.9%   | 1.8%  | 41.4%    | 10.9% |
| 2020 | 67.5%   | 2.5%  | 43.7%    | 15.7% |

Source: IHS Markit Regional eXplorer version 2201

In 2020, the population group with the highest percentage of people living in poverty was the African population group with a total of 67.5% people living in poverty, using the upper poverty line definition. The proportion of the Coloured population group, living in poverty, decreased by -8.87 percentage points, as can be seen by the change from 37.66% in 2010 to 43.70% in 2020. In 2020 67.47% of the African population group lived in poverty, as compared to the 64.74% in 2010. The Asian and the White population group saw a decrease in the percentage of people living in poverty, with a decrease of -1.31 and -6.04 percentage points respectively.

**CHART 8. Percentage of people living in poverty - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2020 [percentage]**



Source: IHS Markit Regional eXplorer version 2201

In terms of the percentage of people living in poverty for each of the regions within the Buffalo City Metropolitan Municipality, King Williams Town, Bisho Sub-metro Region has the highest percentage of people living in poverty, using the upper poverty line definition, with a total of 65.9%. The lowest percentage of people living in poverty can be observed in the Macleantown, Sandisiwe Sub-metro Region with a total of 56.8% living in poverty, using the upper poverty line definition.

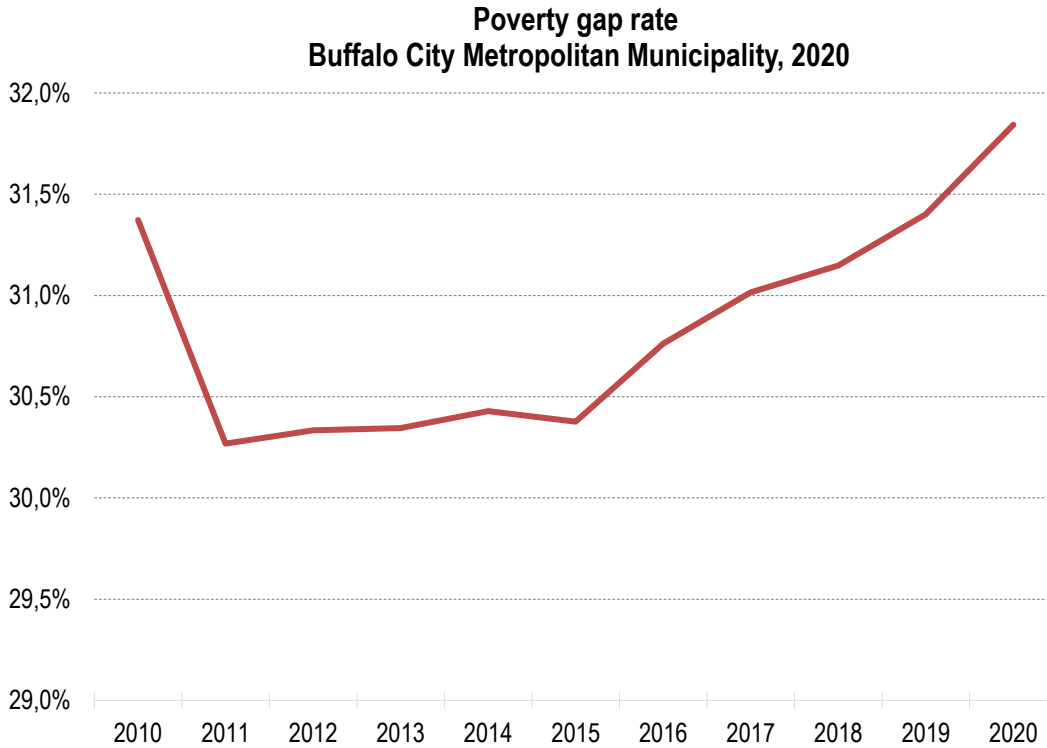
## 2.6 Poverty Gap Rate

**Definition:** The poverty gap is used as an indicator to measure the depth of poverty. The gap measures the average distance of the population from the poverty line and is expressed as a percentage of the upper bound poverty line, as defined by StatsSA. The Poverty Gap deals with a major shortcoming of the poverty rate, which does not give any indication of the depth, of poverty. The upper poverty line is defined by StatsSA

as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other.

It is estimated that the poverty gap rate in Buffalo City Metropolitan Municipality amounted to 31.8% in 2020 - the rate needed to bring all poor households up to the poverty line and out of poverty.

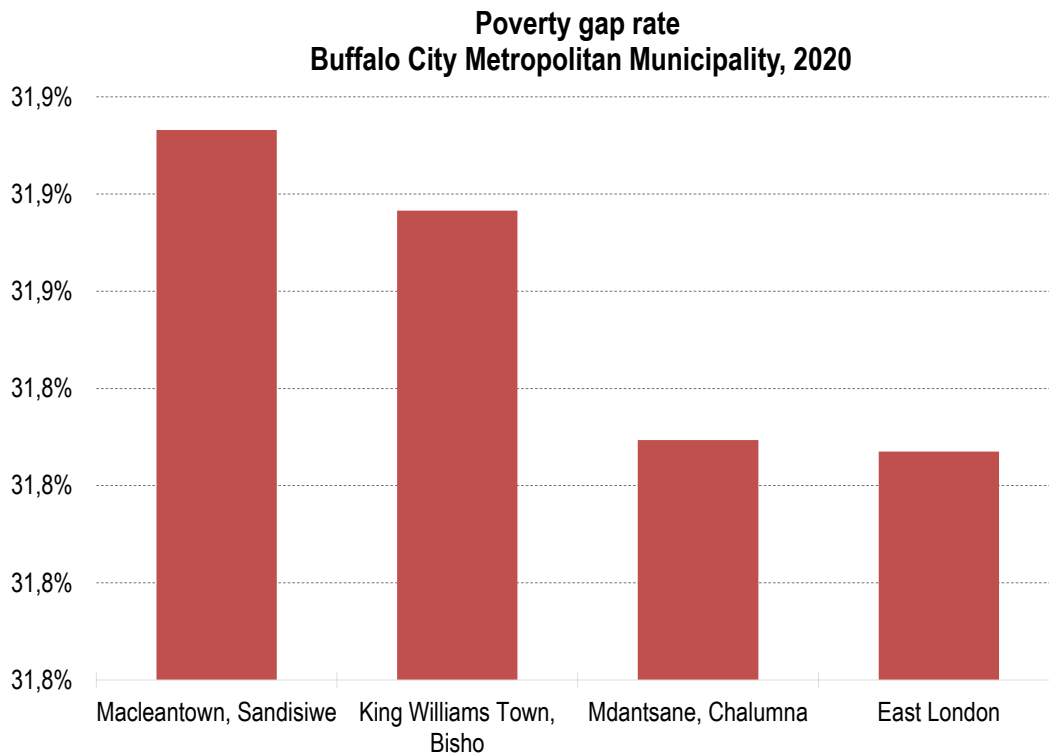
**TABLE 8. Poverty gap rate by population group - Buffalo City Metropolitan Municipality, 2010-2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

In 2020, the poverty gap rate was 31.8% and in 2010 the poverty gap rate was 31.4%, it can be seen that the poverty gap rate increased from 2010 to 2020, which means that there were no improvements in terms of the depth of the poverty within Buffalo City Metropolitan Municipality.

**CHART 9. Poverty gap rate - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

In terms of the poverty gap rate for each of the regions within the Buffalo City Metropolitan Municipality, Macleantown, Sandisiwe Sub-metro Region had the highest poverty gap rate, with a rand value of 31.9%. The lowest poverty gap rate can be observed in the East London Sub-metro Region with a total of 31.8%.

### 3. SOCIAL DEVELOPMENT PROFILE

#### 3.1 Health

The Buffalo City Metro Health District establishment was officially approved by the MEC for Health on the 23rd of June 2013.

The current Metro establishment has three (3) demarcated sub-districts, the East London, the Mdantsane and King Williams Town/Bhisho sub-districts.

The BCM Health District is both urban and rural of which 2/3 of the health facilities are located in the urban area and 1/3 in the rural areas. It has 2 District Hospitals, 2 specialised Hospitals (following the successful merger of Nkqubela and Fort Grey TB hospitals in 2016), 5 CHCs, 74 PHC facilities that include 2 satellite clinics and 12 Mobile clinics. The Tertiary Hospital, Frere Hospital and the Regional Hospital, Cecilia Makiwane Hospital also form part of the service delivery platform within Buffalo City Metro Health District.

All the fixed PHC facilities provide a comprehensive primary health care service with each facility having its own demander code, ordering and receiving medication directly from the Qheberha medicines depot. Access to medication has also been improved through the CCMDD strategy.

### 3.1.1 Health Demography

The map shows the sub-districts where there is the greatest concentration of the population. The sub-district with the highest number of people is East London, followed by Mdantsane and Bhisho/KWT.



**Figure 6: Health demographics for Buffalo City**

| Age group | Male  | Female | Total |
|-----------|-------|--------|-------|
| < 5       | 9198  | 43105  | 52303 |
| 5-10      | 47731 | 46495  | 94226 |
| 10-15     | 49099 | 47986  | 97085 |
| 15-19     | 40106 | 39765  | 79871 |
| 20-24     | 31386 | 30783  | 62169 |
| 25-29     | 38507 | 38427  | 76934 |
| 30-34     | 41122 | 40621  | 81743 |
| 35-39     | 32822 | 34958  | 67780 |
| 40-44     | 27803 | 29560  | 57363 |
| 45-49     | 22054 | 24229  | 46283 |



| Age group | Male    | Female  | Total   |
|-----------|---------|---------|---------|
| 50-54     | 17841   | 21834   | 39675   |
| 55-59     | 14053   | 19190   | 33243   |
| 60-64     | 11476   | 17443   | 28919   |
| 65-69     | 8051    | 12681   | 20732   |
| 70-74     | 4018    | 7024    | 11042   |
| 75-79     | 1416    | 4730    | 6146    |
| 80+       | 294     | 2687    | 2981    |
| Total     | 396 977 | 461 518 | 858 495 |

**Table 6: Buffalo City Metro Population Grid as on DHIS 2020**

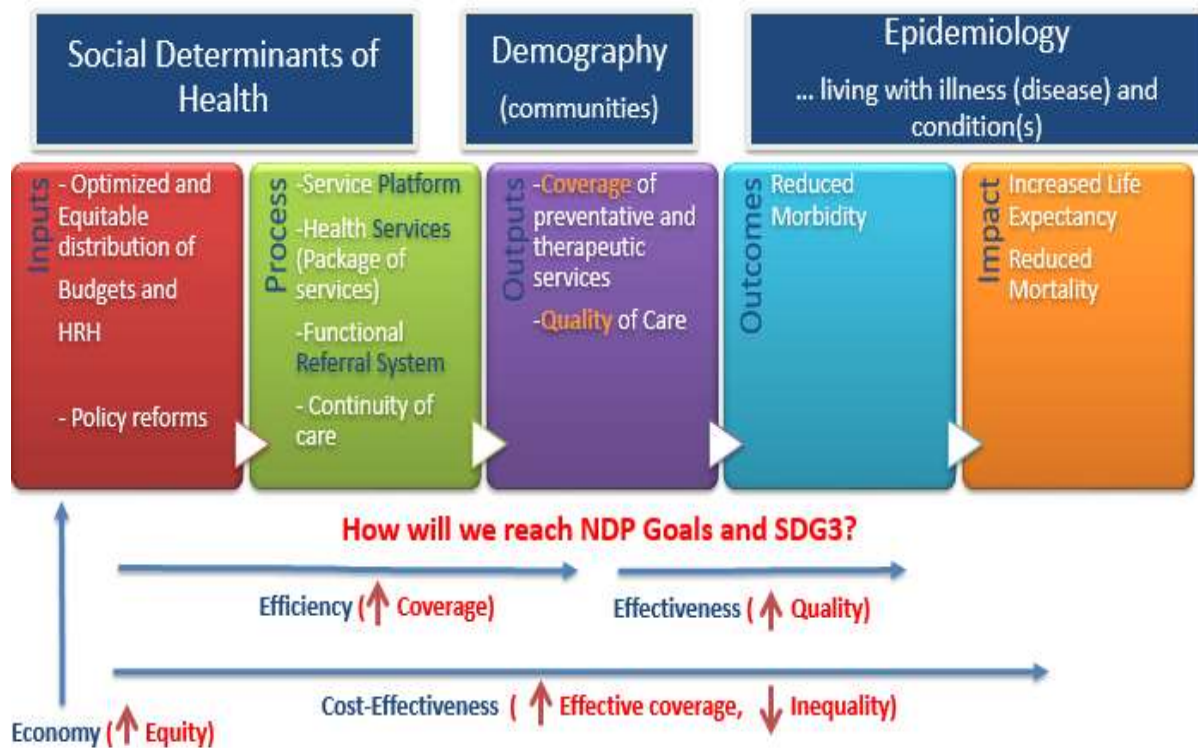
Buffalo City Metro has a young population with an under 5's and a 15-39 years of age bulge. The majority of the population is at the East London Sub-district and this where the majority of the public health facilities are. The Sub-district has 2 CHCs, a Chronic and a Tertiary Hospital within its jurisdiction. Whereas, Mdantsane has 1 CHC, TB Specialized and Regional Hospitals. The Bhisho/KWT area has 2 CHCs and 1 does not provide a 24 hr service. The 2 District Hospitals in the Health District are situated in this Sub-district.

There is also intra-provincial migration with people choosing to live in the metros, in the non-metro towns (and their peripheries) and along transport corridors. Deep rural areas are de-populating. These urbanisation trends pose significant challenges for the District to meet the service delivery needs in the growing Metro in a well-managed way. This is also demonstrated by the fact that citizens shop for health services in the Metro and return to the rural areas once the treatment plan has been effective. The District has seen high levels of lost to follow up on TB and HIV treatment due to these migration patterns.

The District is in constant engagement with the Regional and Tertiary Institutions. The plans for the Maternity Birthing Unit (MBU) within Cecilia Makiwane Hospital in order to respond to the maternal and child health needs of the Sub-district have not yet been implemented. The housing of the Maternity Unit within the hospital is one of the strategies to reduce maternal deaths. The plans were halted due to the need to turn the identified ward for this project into a COVID-19 ward as part of the District response to the COVID-19 pandemic.

The discussions on the Bhisho and Grey Hospital rationalization project have not been abandoned. One of the objectives thereof is to deal with the inefficiencies that are demonstrated in the BUR, ALOS and PDE outcomes. It is envisaged that the rationalization of health services in the Bhisho/KWT Sub-district will provide access of these services to the community and also improve the quality of health care that is provided. In the 3rd quarter of 2020/21, the average length of stay in Bhisho was 5.3 days and in Grey Hospital, it was 5.6 days. The bed utilization rate was 36.3 and 58.6 percent respectively.

The Regional and Tertiary Hospitals are in the process of providing outreach services at the District Hospitals. Grey Hospital has a vibrant ARV unit which benefited immensely from the support of the new District USAID partner, MatCH.



**Figure 7: Health Sector - Logic Model**

### 3.1.2 Social determinants of health

The social determinants of health (SDH) are the conditions in which people are born, grow, work, live, and age, and the wider set of forces and systems shaping the conditions of daily life. These forces and systems include economic policies and systems, development agendas, social norms, social policies and political systems. The SDH network across WHO supports action on the SDH. The SDGs provide a comprehensive blueprint for human development and for systematically addressing the social determinants of health.

Whilst Buffalo City Metro has made significant strides in improving the lives of the people within the Metro as evidenced by the percentage of access to water and sanitation, the unemployment rate and literacy levels remain worrying.

The Metro has a young population with a bulge in the age group under 5 and 15- 34 years. The city is a university town with a lot of institutions that offer higher education. This represents a higher demand on public health services due to social problems like substance abuse, teenage pregnancy, high rate of termination of pregnancy, high positivity rate. In the 3<sup>rd</sup> quarter of 2020/21, the number of still births in the District was 74. The Regional and Tertiary Hospitals reported 29 and 36 respectively.

The delivery 10-19 years in facility rate was 10, 2%, a reduction from 11,3% in 2019/20 and the termination of pregnancy under 20 years rate was 10% from 12, 1% the same financial year. The statistics reveal that young women in the Metro are not taking up contraceptive services and instead opt for termination of pregnancy. This means that

condom use is not popular among this age group as evidenced by the high positivity and termination of pregnancy rates. The uptake of condoms in the District has dropped. The condom distribution coverage was from 20.6% in the 2<sup>nd</sup> quarter 2020/21 and 5.2% in the 3<sup>rd</sup> quarter 2020/21. This can be also be attributed to service delivery interference due to COVID-19 lockdown.

The District participates in inter-governmental and Integrated Development Plan (IDP) activities of the Metro, the District Health Council, as well the Metro Aids Council, where these issues are discussed, and solutions agreed upon. Municipal Health Services forms an integral part of the environmental health work that is needed in the health facilities and collaboration between the District and the Municipality has yielded notable fruits in this regard. With the advent of COVID-19, the District has been participating in the Metro's Disaster Management Command Structures.

The Metro is engaging sector departments, especially Buffalo City Metro Health District, on issues of Spatial Development and the development of a One Plan. The District is currently faced with issues of new informal settlements or formal settlements that do not have fixed clinics, due to relocations of citizens within the Metro. Although the District provides health services to these areas by way of mobile services, strategies have been developed at facility and programmatic level to respond to the needs of the communities by improving community-based health services. The Ward Based Outreach Teams, however, need to be resourced in order to adequately respond to the vast health needs of the communities. The COVID-19 Ward Based Rapid Response Teams are also assisting in delivering an integrated COVID-19 response at the community level.

The Key populations in Buffalo City Metro have been identified and the partner support through organizations like BeyondZero Bumbingomso has seen gains being made in areas like Adolescent and Youth Friendly Services, Men's Health and Commercial Sex Workers.

The District has planned to build a Community Health Centre in NU 14, Mdantsane, a clinic in Potsdam and Greenfields in the current MTEF. The revitalisation of health facilities programme continues throughout the District in order to improve the quality of health services in the District.

Bhisho, Grey, Cecilia Makiwane and Frere Hospital were also renovated in 2020/21 as part of the COVID-19 response in order to increase the number of hospital beds available for COVID-19 patients.

#### Observations of the Demographic Patterns:

- ❑ Inward Migration as BCMM is an economic hub for most of the surrounding towns.
- ❑ Young population which is biased towards females
- ❑ Municipal Spatial Development incoherence with the Infrastructure Development Plans of the ECDoH, although there is now marked improvement in this area.

#### 3.1.3 Epidemiology and Quadruple Burden of Disease (BOD)

Epidemiologically, South Africa continues to be confronted with a quadruple BOD because of HIV and TB, high maternal and child morbidity and mortality, rising non-communicable diseases and high levels of violence and trauma. During the year 2020, the District was negatively affected by the global surge of COVID- 19 pandemic. The District reported its first confirmed case of COVID-19 on the 21<sup>st</sup> of March 2020.

### 3.1.4 Corona Virus Disease 19 (Covid-19)

The BCM Health District activated the District Outbreak Response Team (ORT) which is multidisciplinary and multi-sectoral in nature. The District, together with the stakeholders developed and implemented strategies which sought to combat the Covid-19 pandemic and minimise its effects to public health and the economy of the District.

All these strategies sought to detect early, isolate or quarantine, investigate, manage cases and trace the contacts. To strengthen the District response to COVID-19, Command Structure were established in the Metro, and a COVID-19 Rapid Response Team was established in the District. The Rapid Response team operated through the following work-streams in order to facilitate the District COVID-19 response in a smooth and co-ordinated manner:

- Community Health
- Health systems
- Human resource and leadership
- Psychosocial support
- Business Continuity
- Surveillance, strategic information, Monitoring, and evaluation

The District is currently implementing phase 1 of Corona Virus vaccination which is focusing on health care workers while phase 2 will focus on the essential workers and vulnerable populations and phase 3 on the rest of the population.

#### The following is an illustration of the SARS-Cov-2 Cases & Deaths: BCM Comparative Analysis

| District       | Cases         | Historical Data | New Cases | Total Confirmed | Recoveries    | Deaths       | New Deaths      |                  | Total Deaths | CFR%       | Recovery Rate | Active Cases |
|----------------|---------------|-----------------|-----------|-----------------|---------------|--------------|-----------------|------------------|--------------|------------|---------------|--------------|
|                |               |                 |           |                 |               |              | *Newly Reported | **Newly occurred |              |            |               |              |
| Alfred Nzo     | 7983          |                 | 0         | 7983            | 7548          | 430          | 0               | 0                | 430          | 5,4        | 94,6          | 5            |
| Amathole       | 19304         | 8               | 3         | 19315           | 18182         | 1102         | 0               | 0                | 1102         | 5,7        | 94,1          | 23           |
| BC Metro       | 38778         | 31              | 7         | 38816           | 36387         | 2345         | 0               | 0                | 2345         | 6,0        | 93,7          | 53           |
| Chris Hani     | 19516         |                 | 1         | 19517           | 17973         | 1534         | 0               | 0                | 1534         | 7,9        | 92,1          | 10           |
| Joe Gqabi      | 7510          |                 | 0         | 7510            | 7085          | 410          | 0               | 0                | 410          | 5,5        | 94,3          | 15           |
| NM Metro       | 55643         | 38              | 4         | 55685           | 52296         | 3311         | 0               | 1                | 3312         | 5,9        | 93,9          | 39           |
| OR Tambo       | 22439         | 3               | 1         | 22443           | 21073         | 1361         | 0               | 0                | 1361         | 6,1        | 93,9          | 6            |
| Sarah Baartman | 21754         |                 | 1         | 21755           | 20896         | 843          | 0               | 0                | 843          | 3,9        | 96,1          | 16           |
| Imported       | 604           |                 | 5         | 609             | 598           | 0            | 0               | 0                | 0            | 0,0        | 98,2          | 11           |
| Unspecified    | 1128          |                 | 0         | 1128            | 1098          | 0            | 0               | 0                | 0            | 0,0        | 97,3          | 30           |
| <b>E. Cape</b> | <b>194659</b> | <b>80</b>       | <b>22</b> | <b>194761</b>   | <b>183136</b> | <b>11336</b> | <b>0</b>        | <b>1</b>         | <b>11337</b> | <b>5,8</b> | <b>94,0</b>   | <b>208</b>   |

\* Deaths that occurred more than 48 hours \*\* Deaths that occurred within the past 48 hours of reporting

#### Table 7: Number of positive SARS-Cov-2 cases, recovering and deaths, as of 19 March 2021

The BCM Health District continues to implement the following strategies and efforts to curb the spread of COVID-19 which among other things include:

- Strengthening risk communication, community engagement and health promotion to fight against SARS-Cov-2 coupled with increase in the visibility of health messages using mass communication, radio, TV, print media, and social media.
- Implementation of track and trace solution for contact tracing, monitoring, recording, and reporting. Regular monitoring, recording, and reporting of contacts is prioritized at all levels.
- Protecting healthcare workers who are at risk of developing severe disease from SARS-Cov-2. Instead of the elderly healthcare workers, strategically position healthcare workers who are younger and healthy as frontline workers to deal with the pandemic and Increase the knowledgeability index of healthcare workers and managers at the facility levels. This may include increasing the knowledge and confidence of healthcare workers about the disease, the Infection Prevention and Control (IPC) measures, the role of Occupational Health and safety (OHS), the use of the guidelines at the facility levels, and promotion of the use of PPE as part of the IPC package.
- Provision of isolation and quarantine services to positive cases and their contacts to minimize further transmission.
- Strengthen inpatient management of COVID-19, ensuring availability of oxygen in hospitals as a golden treatment standard.
- Roll out of COVID-19 vaccination to all targeted population.

3.1.5 Burden of disease - Leading causes of death in BCMM

The figure below shows the leading causes of death by District in the EC Province in 2018. Tuberculosis (TB) remained the leading cause of natural death in BCM. In overall TB and HIV remained the top leading causes of death in the Eastern Cape.

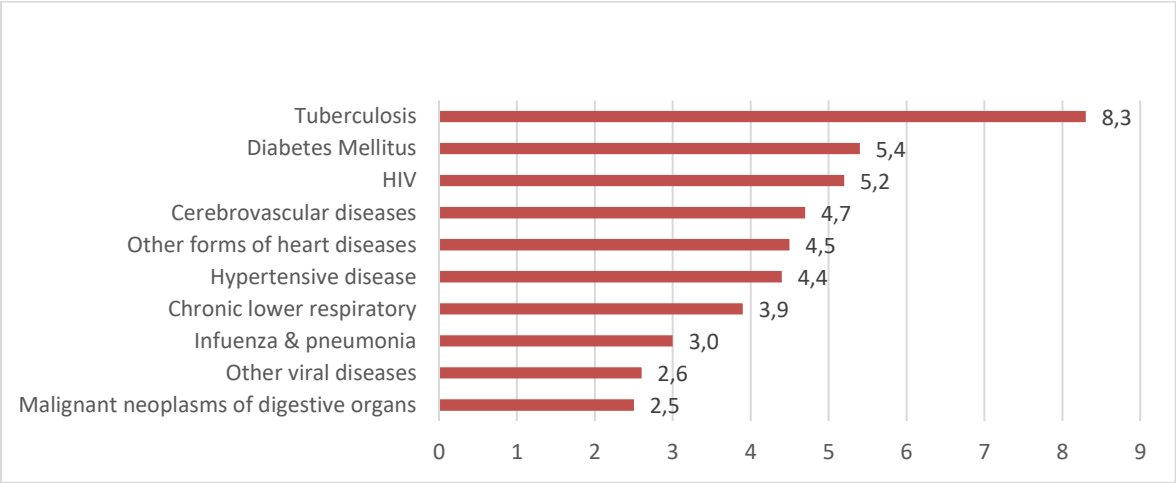


Figure 8: Broad causes of death by district

Whilst TB showed a steady decline in the reported period which is attributable to efforts to detect clients infected with TB and those co-infected with HIV early through screening and early initiation on treatment, the gains are being reversed by the unrelenting social determinants and now COVID-19 lockdowns. However, the use of new shortened drug regimen on MDR TB patients has impacted positively on the HAST programme showing a significant improvement in treatment success rate on drug resistant patients.

**Non communicable diseases followed by TB are remain among the leading causes of death in the population above 50 years of age. This is the same population that is at risk of dying due to COVID-19.**

## Percentage of deaths by broad cause and leading causes, 2012–2017

### EC, Buffalo City MM: BUF, 2012 - 2017



**Figure 9: Percentage of deaths by broad case and leading cause, 2012-2017**

### 3.1.6 HIV Prevalence in Buffalo City

The District performance on HIV testing for targeted communities is poor in all three (3) Sub-districts. Although the HIV testing coverage has improved overall, evidence shows that efforts must be made to focus on targeted or key populations. In 2019/20, Khethimpilo and later MatCH have supported the District on the HAST programme.

The number of patients remaining on HIV treatment is an area of concern for this programme. The District, together with the stakeholders in BCM Nerve Centre and other Community based health teams, have embarked on a programme to trace clients that are lost to care. This exercise involves a SWAT team for reviewing of patient records in order to identify gaps in the information value chain.

Male condom distribution is also very low. In the previous financial year the major problem was the interruption in the supply of condoms by service providers. COVID-19 presented further challenges with distribution. A plan has been developed to address these poor results.

Male medical circumcision performance is poor due to Buffalo City Metro being populated by communities who practice traditional male circumcision.

|  |                  |     |          | Country<br>ZA<br>South Africa | Province<br>EC<br>Eastern Cape | District<br>BUF<br>Buffalo City MM | LM2016<br>BUF_SD<br>Buffalo City SD |
|--|------------------|-----|----------|-------------------------------|--------------------------------|------------------------------------|-------------------------------------|
| Adult ART cumulative started ART minus ART cumulative TFO (No)                   |                  | DE  | 2017     | 3 637 602                     | 388 998                        | 48 459                             |                                     |
|  |                  |     | 2018     | 3 975 549                     | 425 688                        | 53 379                             |                                     |
| Adult with viral load suppressed rate 12 months (%)                              | 3rd 90   Outcome | Ind | 2017     | 86.7                          | 84.7                           | 87.7                               |                                     |
|  |                  |     | 2018     | 90.6                          | 86.2                           | 87.4                               |                                     |
| Adult living with HIV viral load suppressed (VLS) 12m (No)                       |                  | DE  | 2018 Q1  | 2 749 656                     | 267 948                        | 36 911                             |                                     |
|  |                  |     | 2019 Q1  | 2 952 213                     | 284 933                        | 38 211                             |                                     |
| ART Adult client viral load done (VLD) (No)                                      |                  | DE  | 2017     | 80 507                        | 7 279                          | 1 114                              | 1 114                               |
|  |                  |     | 2018     | 95 028                        | 8 442                          | 1 166                              | 1 166                               |
| Child with viral load suppressed rate 12 months (%)                              | 3rd 90   Outcome | Ind | 2017     | 63.5                          | 56.7                           | 63.8                               |                                     |
|  |                  |     | 2018     | 68                            | 63                             | 66.5                               |                                     |
| Child living with HIV viral load suppressed (VLS) 12m (No)                       |                  | DE  | 2018 Q1  | 80 148                        | 8 975                          | 1 049                              |                                     |
|  |                  |     | 2019 Q1  | 67 400                        | 7 110                          | 1 260                              |                                     |
| Adult with viral load completion rate at 12 months (%)                           | 2nd 90   Output  | Ind | 2017     | 65.8                          | 58.5                           | 72.3                               | 72.3                                |
|  |                  |     | 2018     | 71.7                          | 62.4                           | 70.2                               | 70.2                                |
| ART Adult first-line regimen (FLR) + second-line regimen (SLR) at 12 months (No) |                  | DE  | 2017     | 122 168                       | 12 437                         | 1 540                              | 1 540                               |
|  |                  |     | 2018     | 108 851                       | 11 602                         | 1 427                              | 1 427                               |
| Clients remaining on ART rate (%)  | 2nd 90   ..      | Ind | Mar 2019 | 65.1                          | 62.9                           | 58.8                               |                                     |
| Total Clients remaining on ART at the end of the month (No)                      |                  | DE  | Mar 2018 | 4 189 070                     | 452 072                        | 56 807                             | 56 807                              |
|  |                  |     | Mar 2019 | 4 629 831                     | 493 879                        | 61 771                             | 61 771                              |
| Total living with HIV (No)   |                  | DE  | 2018 Q1  | 6 966 276                     | 770 705                        | 103 174                            |                                     |
|  |                  |     | 2019 Q1  | 7 109 877                     | 785 264                        | 105 112                            |                                     |
| HIV test positive 19 months to 14 years rate (%)                                 | 1st 90   ..      | Ind | 2018/19  | 1.6                           | 1.2                            | 2.1                                | 2.1                                 |
| HIV test positive client 19 months to 14 years (No)                              |                  | DE  | 2018/19  | 15 369                        | 1 552                          | 147                                | 147                                 |
| HIV test client 19 months to 14 years (No)                                       |                  | DE  | 2018/19  | 936 115                       | 128 898                        | 7 126                              | 7 126                               |
| HIV test positive client 15 years and older rate (incl ANC)..                    | 1st 90   ..      | Ind | 2018/19  | 6.1                           | 5.3                            | 6.2                                | 6.2                                 |
| HIV test positive 15 years and older (excl ANC) (No)                             |                  | DE  | 2018/19  | 725 581                       | 79 217                         | 10 483                             | 10 483                              |
| Antenatal client HIV 1st test positive (No)                                      |                  | DE  | 2018/19  | 89 554                        | 10 080                         | 1 349                              | 1 349                               |
| HIV test 15 years and older (excl ANC) (No)                                      |                  | DE  | 2018/19  | 11 858 516                    | 1 491 093                      | 169 629                            | 169 629                             |
| Antenatal client HIV 1st test (No)   |                  | DE  | 2018/19  | 855 680                       | 86 619                         | 9 412                              | 9 412                               |
| HIV testing coverage 19 months to 14 years rate (%)                              | 1st 90   ..      | Ind | 2018/19  | 3.4                           | 3.8                            | 1.9                                | 1.9                                 |
| HIV testing coverage age 19 months and older (%)                                 | 1st 90   ..      | Ind | 2018/19  | 48.1                          | 49.7                           | 49.8                               | 49.8                                |
| HIV test client age 19 months and older (No)                                     |                  | DE  | 2018/19  | 13 650 311                    | 1 706 610                      | 186 167                            | 186 167                             |
| Male condom distribution coverage (No)   | 1st 90   ..      | Ind | 2018/19  | 36.8                          | 33.3                           | 28.2                               | 28.3                                |
| Male condoms distributed (No)  |                  | DE  | 2018/19  | 726 202 616                   | 73 672 416                     | 8 022 000                          | 8 022 000                           |
| Medical male circumcision rate (per1K)   | 1st 90   ..      | Ind | 2018/19  | 26.4                          | 4.3                            | 0.61                               | 0.61                                |
| Medical male circumcision 10 years and older (No)                                |                  | DE  | 2018/19  | 595 006                       | 11 396                         | 202                                | 202                                 |
| Adult ART Total (No)   |                  | DE  | 2017     | 3 677 996                     | 393 817                        | 49 107                             |                                     |
|  |                  |     | 2018     | 4 032 106                     | 432 133                        | 54 148                             |                                     |
| Adult Cumulative Loss to Follow-up (LTF) (No)                                    |                  | DE  | 2017     | 28 933                        | 2 997                          | 440                                | 440                                 |
|  |                  |     | 2018     | 41 608                        | 4 334                          | 570                                | 570                                 |
| Adult Cumulative Transferred out (TFO) (No)                                      |                  | DE  | 2017     | 9 128                         | 1 432                          | 160                                | 160                                 |
|  |                  |     | 2018     | 12 693                        | 1 777                          | 170                                | 170                                 |
| Adult Died (RIP) (No)  |                  | DE  | 2017     | 2 333                         | 390                            | 48                                 | 48                                  |
|  |                  |     | 2018     | 2 256                         | 334                            | 29                                 | 29                                  |
| Child ART Total (No)   |                  | DE  | 2017     | 166 588                       | 20 323                         | 2 808                              |                                     |
|  |                  |     | 2018     | 164 196                       | 19 939                         | 2 659                              |                                     |

Figure 10: Buffalo City HIV Statistics, 2017-2019

Source: DHIS

Buffalo City is currently at 90-74-88 in the 3<sup>rd</sup> quarter of 2019/20 in terms of performance against 90-90-90.

For adult males and females, focus must be placed not only on initiation onto ART, but also on ensuring that clients are retained in care. There is a growing number of adults who have been previously diagnosed, but are not on ART. This includes those who had started ART and defaulted, as well as those who were never initiated. The results do show that for women who remain on ART, suppression rates are higher.

There are gaps across the cascade for children under 15 years. Case finding, ART initiation and retention have all underperformed and should be addressed through focused interventions.

To achieve 90-90-90 targets, the District must increase its efforts to enrol the number of adult men and women to 69 768 and the number of children to 3 206 on ART by 31 March 2021.

Key observations on District data:

- ❑ Poor performance on male condom distribution
- ❑ Poor performance on total number of clients remaining on art (TROA)
- ❑ Low positivity yield. Targeted testing needs to be improved particularly targeting men and young people
- ❑ Linkage of clients to care is good but the initiation of new clients on treatment needs to improve.
- ❑ Large number of patients are LTFU

**3.1.7 HIV and AIDS & TB Outcomes**

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

HIV+ and AIDS estimates are defined as follows:

The HIV+ estimates are calculated by using the prevalence rates from the HIV/AIDS model built by the Actuarial Society of Southern Africa (ASSA-2008). These rates are used as base rates on a provincial level. IHS slightly adjusted the provincial ASSA-2008 data to more accurately reflect the national HIV Prevalence rate per population group as used in the national demographic models. The ASSA model in turn uses the prevalence rates from various primary data sets, in particular the HIV/AIDS surveys conducted by the Department of Health and the Antenatal clinic surveys. Their rates are further adjusted for over-reporting and then smoothed.

**TABLE 9. Number of HIV+ people - Buffalo City, Eastern Cape and National Total, 2010-2020 [Number and percentage]**

|      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2010 | 101,000      | 717,000      | 6,310,000      | 14.1%                         | 1.60%                         |
| 2011 | 103,000      | 732,000      | 6,480,000      | 14.1%                         | 1.59%                         |



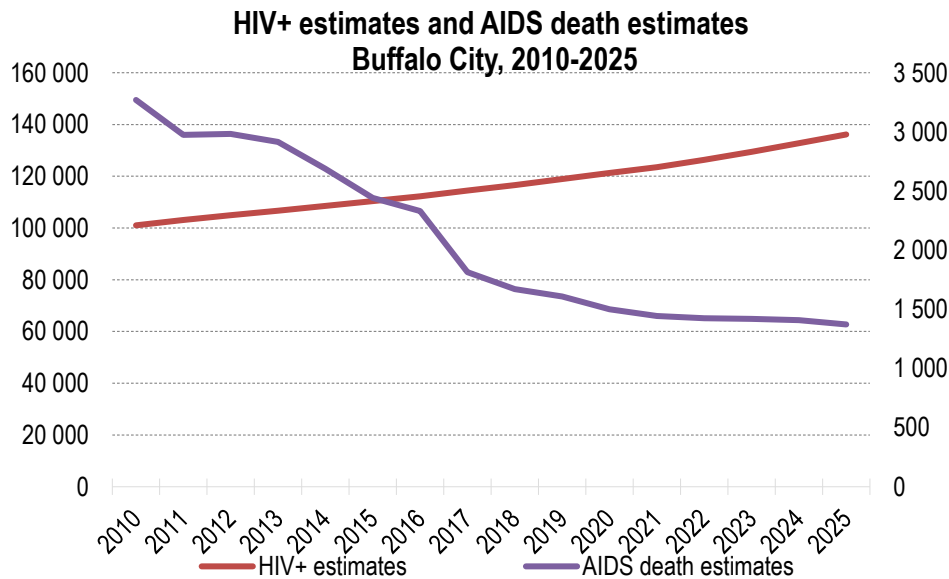
|                              | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------------------------------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2012                         | 105,000      | 746,000      | 6,630,000      | 14.1%                         | 1.58%                         |
| 2013                         | 107,000      | 759,000      | 6,770,000      | 14.1%                         | 1.58%                         |
| 2014                         | 108,000      | 772,000      | 6,910,000      | 14.0%                         | 1.57%                         |
| 2015                         | 110,000      | 786,000      | 7,050,000      | 14.0%                         | 1.56%                         |
| 2016                         | 112,000      | 799,000      | 7,200,000      | 14.0%                         | 1.56%                         |
| 2017                         | 114,000      | 815,000      | 7,360,000      | 14.0%                         | 1.55%                         |
| 2018                         | 117,000      | 830,000      | 7,530,000      | 14.0%                         | 1.55%                         |
| 2019                         | 119,000      | 847,000      | 7,710,000      | 14.0%                         | 1.54%                         |
| 2020                         | 121,000      | 863,000      | 7,900,000      | 14.0%                         | 1.53%                         |
| <b>Average Annual growth</b> |              |              |                |                               |                               |
| 2010-2020                    | <b>1.84%</b> | <b>1.88%</b> | <b>2.28%</b>   |                               |                               |

Source: IHS Markit Regional eXplorer version 2201

In 2020, 121 000 people in the Buffalo City Metropolitan Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.84% since 2010, and in 2020 represented 13.60% of the metropolitan municipality's total population. The Eastern Cape Province had an average annual growth rate of 1.88% from 2010 to 2020 in the number of people infected with HIV, which is higher than that of the Buffalo City Metropolitan Municipality. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2010 to 2020 with an average annual growth rate of 2.28%.

The lifespan of people that are HIV+ could be prolonged with modern ARV treatments. In the absence of any treatment, people diagnosed with HIV can live for 10 years and longer before they reach the final AIDS stage of the disease.

**CHART 10. AIDS profile and forecast - Buffalo City Metropolitan Municipality, 2010-2025 [numbers]**



Source: IHS Markit Regional eXplorer version 2201

Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 3270 in 2010 and 1500 for 2020. This number denotes an decrease from 2010 to 2020 with a high average annual

rate of -7.49% (or -1770 people). For the year 2020, they represented 0.17% of the total population of the entire metropolitan municipality.

The graphs here below depict the impact of COVID-19 on the performance of some of the HIV outcomes within the Metropolitan Municipality.

Current trends of new growth in HIV Infections within BCM as on 05 March 2021:

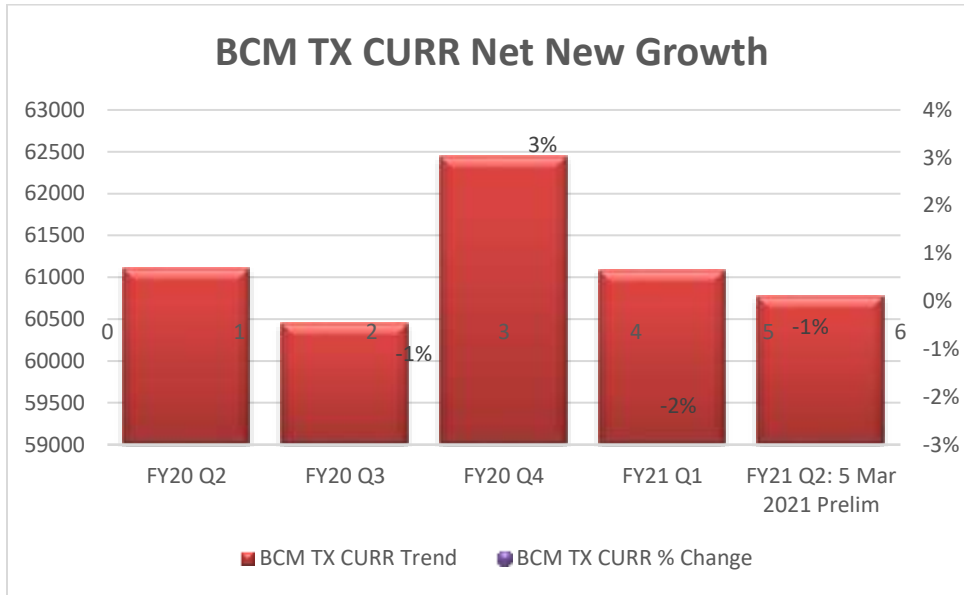


Figure 11: BCM TX CURR Net New Growth

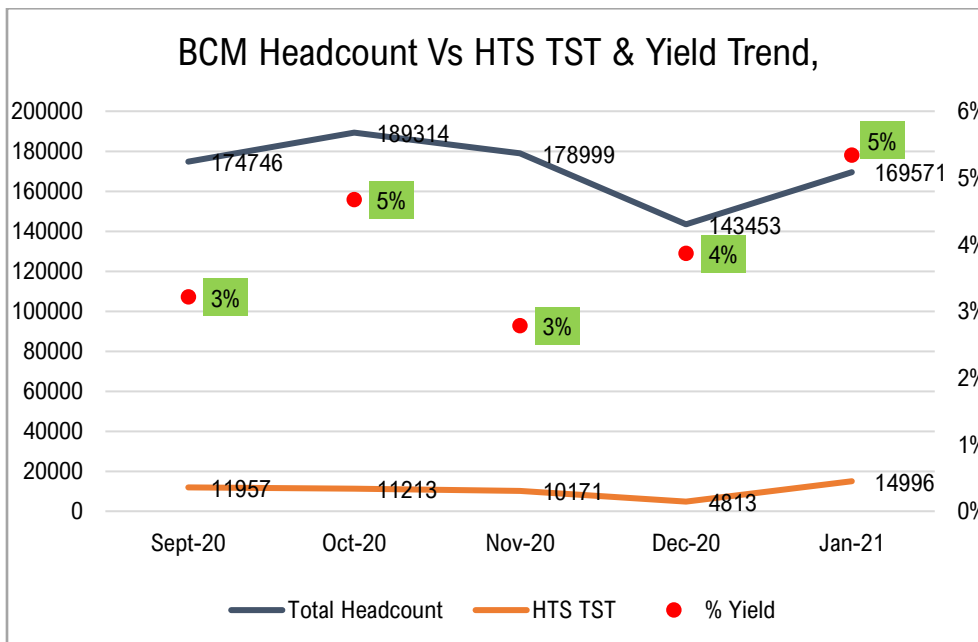


Figure 12: Current trends of HIV Yield vs Facility Head Count, September 2020 - January 2021

The graphs here below depict the comparative analysis within EC of the TB Incidence and Success Rates

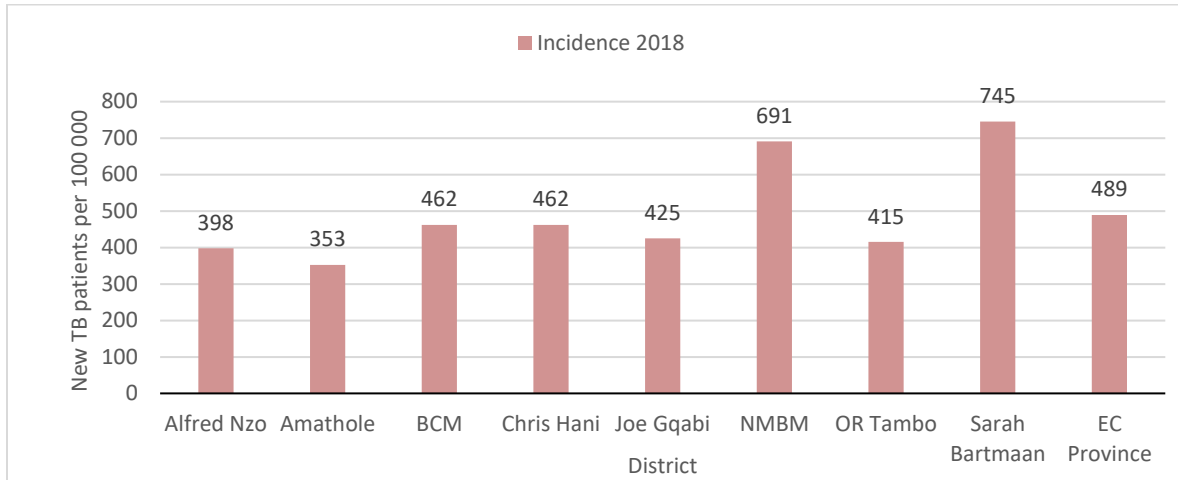


Fig 16: Distribution of new pulmonary TB patients per 100 000 population by EC district (Source: ETR)

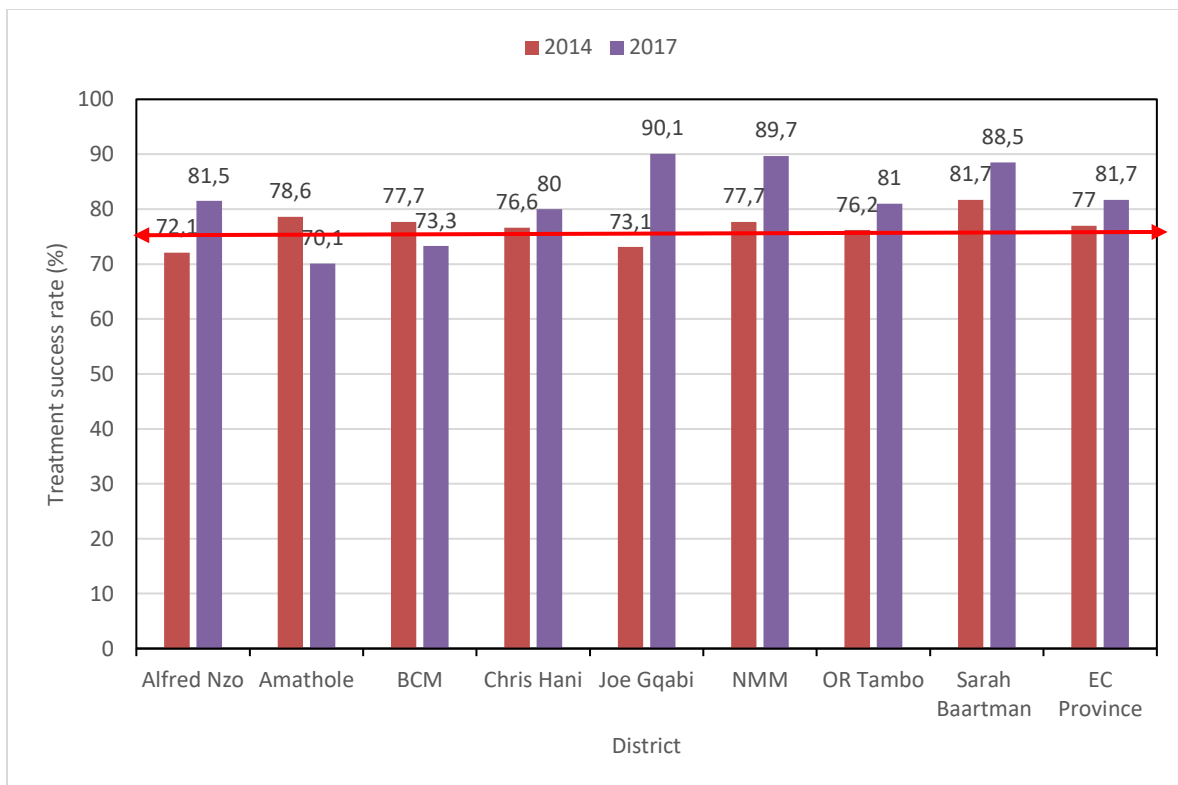


Figure 17: TB treatment success rate distributed by districts

The drug resistant TB treatment outcomes are showing encouraging trends in treatment success rate and a significant decrease in death rates. This is due to new DR-TB treatment regimens that had been introduced in recent years with great success.

### **Key Observations on District TB Data**

- (a) Increased TB XDR client death rate – Late identification and TB/HIV co-infection lead to poor prognosis. Increase TB screening to identify on time.
- (b) Declining TB success rate – Not evaluated clients have negative impact on outcomes
- (c) Inconsistent TB screening – Paediatric screening is inconsistent, District is fairly performing in this indicator and need strengthening on data quality issues.
- (d) Rise in TB infections in all ages – Identified hot spots and planning multi-disciplinary interventions
- (e) Increasing Lost to Follow up – conduct file audit and action not evaluated clients

#### **3.1.8 Women and Maternal Health**

Maternal death is death occurring during pregnancy, childbirth and the puerperium of a woman while pregnant or within 42 days of termination of pregnancy, irrespective of the duration and site of pregnancy and irrespective of the cause of death (obstetric and non-obstetric) per 100,000 live births in facility. The maternal mortality in facility ratio is a proxy indicator for the population based maternal mortality ratio, aimed at monitoring trends in health facilities between official surveys.

In 2019/2020, BCM and OR Tambo Districts recorded MMR that were higher than 100/100 000 target i.e. 182, 4 and 171 per 100 000 live births. COVID- 19 also had a negative impact on maternal mortality, data from April 2020 - December 2020 revealed an increase in maternal mortality to 138 per 100 000 live births in the EC Province.

The District recorded MMR that was higher than 111/100 000 target i.e., 226.6 per 100 000 live births in the 3<sup>rd</sup> quarter of 2020/21. There were eight (8) recorded maternal deaths in the 3<sup>rd</sup> quarter of 2020/21, three (3) at CMH and five (5) at Frere Hospital. This performance may be attributed to the Regional and Tertiary Hospitals that are referral centres of District Hospitals outside Buffalo City Metro. Comparatively, in the 3<sup>rd</sup> quarter of 2019/20, the District reported four (4) maternal deaths at 116.7 per 100 000 live births, three (3) of these occurred at Cecilia Makiwane Hospital and one (1) at Frere Hospital.

BCMHD has performed poorly in the cervical cancer screening rate. In 2019/20 the District reported a cervical cancer screening coverage of 59.8%. However, in the 3<sup>rd</sup> quarter of 2020/21 the District reported a decline in the performance to 29.5%. The couple year protection rate has also worsened to 27 % in the 3<sup>rd</sup> quarter of 2020/21, from 57.7% in 2019/20.

The flagship strategy for the District is the implementation of Adolescent Youth Friendly Services (AYFS) with the assistance of Bumbingomso and Beyond Zero. It is envisaged that this will assist in young people accessing health facilities for reproductive health services and thus improve further the couple year protection rate. It is also expected that the termination of pregnancy rate and high positivity rate will reduce due to, among others, these interventions. Bumbingomso and Beyond Zero have adapted the intervention strategy to be responsive to the challenges presented by COVID-19.

The ANC 1<sup>st</sup> visit before 20 weeks rate and the mother postnatal visit within 6 days after delivery rate indicators remain among the worst performing indicators in the District. In the 3<sup>rd</sup> quarter of 2020/21, the ANC 1<sup>st</sup> visit before 20 weeks rate was recorded at 62.5% and the mother postnatal visit within 6 days after delivery rate was 50.9%. This is evidenced by the fact that the District is among the worst performing Districts in the country in these indicators.

#### Key Observations on the District data

- ❑ Health facilities are not youth friendly
- ❑ Pregnant mothers do not access maternal health services before 20 weeks
- ❑ Mothers do not report to health facilities within 6 days of delivery and there is no effective community-based strategy of following up on delinquent mothers.
- ❑ Community based /outreach initiatives give the District the yield that is required e.g. Nerve Centre, Vumbulula and Thuma Mina initiatives
- ❑ The District is embarking on other initiatives in order to encourage the mentoring of mothers.

#### 3.1.9 Child Health

The District has seen worrying statistics on child mortality, and these can be linked to childhood illnesses and socio-economic conditions in the Metro. Severe Acute Malnutrition has been prioritized by the District as a child health alert.

Child health outcomes remain a concern for the District. The District Specialists' interventions in the respective Sub-districts have resulted in an improvement in this area.

In the 2019/20 2<sup>nd</sup> quarter performance on Immunization coverage under 1, severe malnutrition case fatality, early neonatal death in facility rate, the District reflected poor performance. The District has identified that there is a need to improve on growth monitoring at community and facility level. Most of the outcomes require community-based interventions.

#### **Key observations from District data that led to poor performance:**

- ❑ Growth monitoring is not done according to the guidelines
- ❑ The classification of severe acute malnutrition by health officials needs to improve
- ❑ Immunization coverage under 1 year is low. ECDC centres have been targeted by the District to improve on this outcome.
- ❑ Community members do not access health services timeously when a child is sick. Traditional healers are often consulted before the health facility.
- ❑ Inpatient neonatal death is high
- ❑ Still birth rate is high in Tertiary and Regional Hospital as well as the CHCs

The diagram here below depicts the number of deaths for children in the 3<sup>rd</sup> quarter of 2019/20:

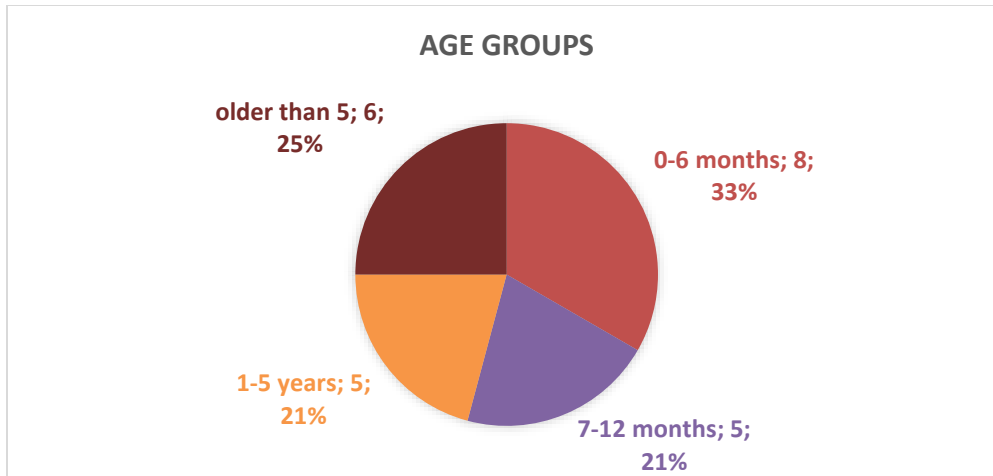


Figure 13: Number of deaths for children in the 3rd quarter of 2019/20

### 3.1.10 Non-communicable diseases

Diseases of lifestyle such as obesity, hypertension and diabetes result, inevitably, in costly hospital admissions for complications such as stroke, renal failure, heart disease and blindness.

According to SADHS 2016, 13% of women and 8% of men 15 years and older are diabetic in South Africa, while hypertension prevalence was shown to be 46 % and 44% for women respectively.

BCMHD is performing very well in the screening for both diabetes and hypertension. Stats SA Morbidity data reveals that 74 percent of males above 50 years of age in the District suffer from non-communicable diseases, whilst for females in the same age group, the figure is 81%.

COVID-19 death statistics reveal that people with co-morbidities are at a higher risk of dying when infected with the virus.

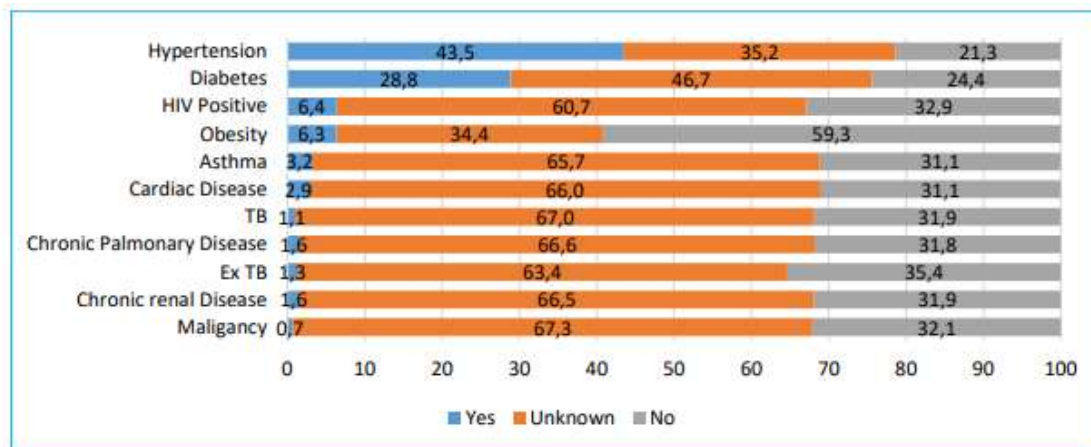


Fig. 33. Co-morbidities among SARS-Cov-2 cases who demised, as of 18 Mar. 2021 (DATCOV)

Figure 14: Co-morbidities among SARS-Cov-2 cases who demised, as of 18 March 2021 (DATCOV)

|   |            |     |         | Country      | Province     | District        | LM2016          |
|---|------------|-----|---------|--------------|--------------|-----------------|-----------------|
|   |            |     |         | ZA           | EC           | BUF             | BUF_SD          |
|   |            |     |         | South Africa | Eastern Cape | Buffalo City MM | Buffalo City SD |
| Clients 40 years and older screened for diabetes (No)     | Process .. | DE  | 2018/19 | 6 070 577    | 2 491 684    | 237 298         | 237 298         |
| Clients 40 years and older screened for hypertension (No) | Process .. | DE  | 2018/19 | 5 800 824    | 1 972 192    | 235 829         | 235 829         |
| Diabetes new client 40 years and older detection rate (%) | Process .. | IND | 2018/19 | 0.87         | 1            | 0.88            | 0.88            |
| Diabetes client 40 years and older new (No)               |            | DE  | 2018/19 | 136 931      | 16 430       | 2 098           | 2 098           |

**Figure 15: Non-communicable diseases (South Africa, Eastern Cape Province, Buffalo City Metropolitan Municipality) 2018/2019**

Source: DHIS.

Key observations on District data:

- ❑ The District is doing well in terms of the screening of the non-communicable diseases
- ❑ The District has a problem of mental health conditions exacerbated by substance abuse, among others
- ❑ Cervical Cancer is also a challenge; however, the District is performing very well on cervical cancer screening. The issue of adequacy rate on specimens is being addressed through skills development.

**Injury and Trauma**

Gender based violence is rife in South Africa as shown in the South African Demographic Health survey 2016. 21% of South African women above the age of 18 years reported to have experienced domestic violence compared to 31 % in the Eastern Cape. It is also reported that this has increased over the period of lockdown during the COVID-19 peak. The Eastern Cape Provincial Development plan outlines the safety and security crime efforts that are organised in a multi-agency approach. Some hospitals have Thuthuzela centres run by multi-stakeholders to support the victims of crime. The support to victims and offenders in the correctional services are all elements of an effective crime prevention system. This also includes focused attention to rural safety programmes, drug intervention programmes and state capacity to respond to gender-based violence.

The BCMM Disaster Management Command platforms present additional structures to further mobilize stakeholders that are represented in these structures towards a concerted effort to curb gender-based violence with its attended social ills.

**3.1.11 Quality of Care rated by Patients/Clients**

In the current health environment of the Eastern Cape, there is an increasing public clamour for access to a safe and efficient health system and quality health for all. However, the burden of payments for medico-legal claims on the budget means that money has to be diverted away from the delivery of health care services, which further compromises the quality of care provided.

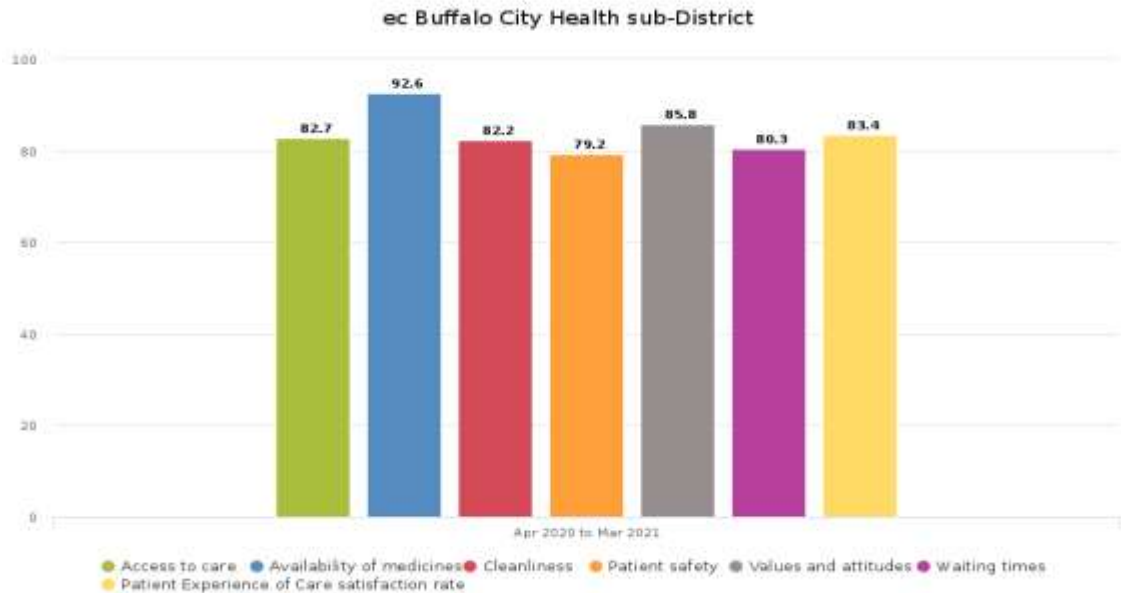
This has put the spotlight on the department to perform even better and act faster to deliver on quality health care. It is against this backdrop that the department operates to develop and sustain responsiveness at all health facilities, both hospitals and Primary Health Care through the development of standardized operational procedures, establishment of quality committees, strengthening patient safety incident reporting and learning system so that data from the system will be used to develop mitigation strategies to improve the quality of care.

As the pandemic continues there is a need for a robust Infection Prevention Control (IPC) support to the District to strengthen the health system capacity in terms of preparedness and response to infectious diseases including COVID-19 pandemic. Several interventions will be implemented to strengthen IPC across the District including supportive supervisory visits to provide training, mentorship and building capacity to enable healthcare workers to overcome their fears and build confidence to deal with the pandemic. Moreover, the surveillance system for Hospital Acquired Infections (HAI's) will be developed in the Province and implemented.

The District remains committed to the delivery of high-quality health services to meet the health needs of the patients and the community. Amongst other things, these include a consumer feedback strategy which include management complaints, compliments and suggestions as well as scheduled patient experience of care surveys and interventions. The strategy is guided by the national paradigm imperative of fast-tracking quality improvement in the Six Priority Areas. The main objective of the strategy seeks to guarantee the continuous effective and efficient service delivery through the embracing of Batho Pele Principles.

The National Guideline on Management Complaints, Suggestion and Compliments with accompanying web-based information system is in place to monitor implementation of framework. BCM health facilities are reporting on the web-based system. The website provides for categorisation of complaints data according to the six Core Standards and the District performance is depicted here below.

**Quality of Care rated by Patients/Clients**



**Figure 16: Quality of Care**



Top 5 Patient Complaints

Long waiting times

- Shortage of support staff
- Inconsistent appointment system
- Information on triaging not given to patients
- No electronic record system

Hygiene and Cleanliness

- Shortage of general workers
- Cleaning material stock outs
- Checklist not routinely utilised
- Cleaning equipment not maintained due to budget limitations
- Inadequate supervision due to shortage of staff

Availability of Medicines

- Poor management of stock control

Staff Attitudes

- Staff morale is low
- Burnout syndrome because of staff shortage leading to absenteeism
- Delay on implementation of staff benefits
- Shortage of resources
- Lack of management support
- Non recognition of specialities

Patient Safety

- Lack of security guards per wards
- No CCTV's
- Inconsistency in patient identification in hospitals
- No adequate equipment for needy patients ( wheelchairs)
- No ramps and rails for physically challenged due to infrastructure

**Figure 17: Top 5 Patient Complaints and Observations - Health**

Source: Ideal Clinic database 2020(patient complaints module)

3.1.12 Service Delivery Platform

Number of facilities by level, 2020/21

| Number of facilities          |           |
|-------------------------------|-----------|
| Facilities                    | No        |
| Clinics                       | 74        |
| Satellite Clinics             | 2         |
| Mobile clinics (active)       | 7         |
| Community Health Centres      | 5         |
| District Hospitals            | 2         |
| Specialised TB Hospitals      | 1         |
| Specialised Chronic Hospitals | 1         |
| Regional Hospitals            | 1         |
| Provincial Tertiary Hospitals | 1         |
| <b>Total</b>                  | <b>94</b> |

**Figure 18: Number of Health facilities by level, 2020/21**

Source: DHIS

The District has communities that still have to walk more than 5 kilometres to access health facilities. These areas are serviced by mobile and satellite clinics. There is inequitable distribution of facilities between the sub-districts. The District has a plan to build a CHC in Mdantsane, a clinic in Postdam and Greenfields in the current MTEF in order to respond to the current service delivery challenges. Discussions are at an advanced stage regarding the health facility in Newlands.

Primary Health Care head count is declining over time, this may be due to the implementation of differentiated models of care like ward based primary health care and centralised chronic medical dispensing and distribution. The patient day equivalent in hospitals is showing a decline over the years. The District Hospitals are showing poor efficiencies in their management indicators with low bed utilisation rates, high average length of stay and high expenditures per patient day equivalent.

### **Hospital Care**

In the context of global escalation in healthcare costs and increasing demand for care because of shifting disease burden, the shrinking healthcare funding envelope requires that all hospitals render cost-effective and cost-efficient care. Case management must be strengthened to ensure minimal lengths of stay in hospital for the patients; and appropriate bed utilisation rates at facilities.

Projects to generate revenue, optimise revenue collection and incentivized revenue retention will be incubated as the competitive edge for public sector hospitals over private enterprises. These projects include provision of good quality health care at lower cost, investments in appropriate capital plant, buildings and medical equipment and strategic human resourcing which must translate into improved patient outcomes, better patient experience and increased throughput, in other words, a good return on the investment of public funds. Activity-based budgeting and resource allocation will be explored to incentivise facilities' management to collect good quality data that allows better performance management and improve controls.

In keeping with the fourth industrial revolution, ICT will be used to improve healthcare service delivery effectiveness and efficiency. The innovative EC developed Hospital Management System (HMS) and HPRS will be rolled out to key hospitals within the next five years. Better patient record management will have multiple benefits -better continuity of care of our patients within and between EC facilities, as clinicians will have rapid access to patient clinical data, results of investigations done and treatment plans; and also decrease waiting times for patient folders in admission areas and for medication from the pharmacies.

BCM has a high OPD new client not referred rate across different levels of hospital care and that indicates that clients are by-passing PHC facilities and the effect of PHC re-engineering on OPD utilisation is not yet realised. A high OPD new client not referred rate value could indicate overburdened PHC facilities or a sub-optimal referral system.

In light of the National Health Insurance Policy, a PHC level is the first point of contact with the health system and therefore key to ensure health system sustainability. If PHC works well and the referral system is seamless, it will result in fewer visits to specialists in referral hospitals and emergency rooms. High average length of stay in Regional, Tertiary and Central hospitals, coupled with low bed utilisation rates are a concern. There is an urgent need to rationalise the number of beds in Districts.

## List of key observations

- Signage and service boards to our facilities
- Non availability of signed MOU's
- Prohibition signs not durable
- Guard rooms are not compliant
- Schedule for pest control not adhered to – No budget allocation for PHC facilities
- Non- functional clinic committees due to stipend delays
- Clinics not having space for all the services

### 3.1.13 Opening of new East London private hospital – Royal Buffalo Specialist Hospital

Lancet Laboratories opened their doors at the Royal Buffalo Specialist Hospital in East London on 4 April 2022. Lancet Laboratories prides itself on providing laboratory services with diagnostic excellence and being at the forefront of diagnostic innovation.

The laboratory provides 24 hours, 7 days a week service for hospitalised as well as walk-in patients. Their repertoire of tests includes biochemistry, haematology, microbiology, histopathology, and cytology. As one of South Africa's leading private pathology laboratories, their service is headed by over 120 Specialist Pathologists with a broad range of expertise, performing in excess of 3700 separate pathology tests. The Pathologist's role is not only to ensure the quality and validity of investigations, but also to offer consultative services to physicians, managed healthcare institutions, the occupational health environment, and the insurance and industrial sectors.

#### Why the hospital was built in Buffalo City

The Royal Buffalo Specialist Hospital (RBSH) was built in response to an increased need of a group of working professionals who can afford to pay for private healthcare services and to respond to the call of the President and/or government for all people in our country to have access to healthcare. The hospital has increased the number of hospital beds in BCMM so that more people can have access to healthcare services. Furthermore, RBSH aimed in retaining healthcare specialists in the region and attract those who have scattered around both country and abroad to return home and utilize their specialties to better our communities and surrounds.

#### Future Prospects and Expectations

RBSH are planning to extend their services by providing oncology and mental health services.

| Services Offered         |                      | Accident and Emergency          |
|--------------------------|----------------------|---------------------------------|
| Medical                  | Cardiology           | Open 24 hours                   |
| General Surgeon          | Gastro Entomology    |                                 |
| Neuro Surgery            | Podiatry             | <b>Visiting Hours</b>           |
| Adult ICU                | Maternity            | 12h00 – 13h00                   |
| Paediatrics              | Ophthalmology        | 19h00 – 20h00                   |
| Psychology               | Dermatology          |                                 |
| Surgical                 | Paediatric ICU       | <b>Pharmacy Hours</b>           |
| Speech & Hearing Therapy | Social Work          | Mondays – Fridays 08h00 – 20h00 |
| Physiotherapy            | Occupational Therapy | Saturdays 09h00 – 13h00         |

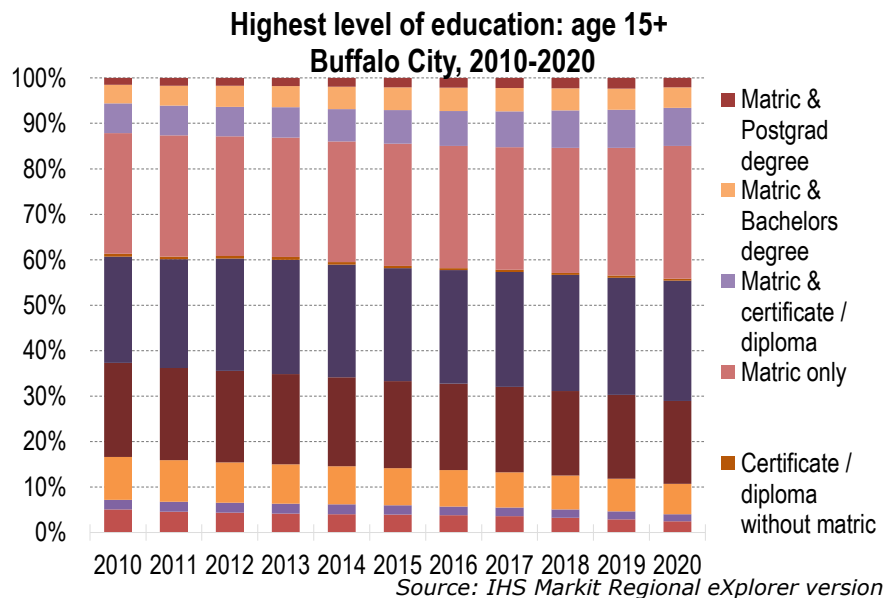
| Services Offered            |                      | Accident and Emergency        |
|-----------------------------|----------------------|-------------------------------|
| Ear Nose and Throat Surgery | Dental Surgery       | Sundays 09h00 – 12h00         |
| Psychiatry                  | Orthopaedic Surgeons | Public Holidays 09h00 – 12h00 |
| Gynaecology/Obstetrics      |                      |                               |
| Dietetics                   | Ancillary Services   | Number of Beds                |
| Chiropractic                | Radiology            | 150 active beds               |
| Cardiac Coronary Care       | Pathology            | Maximum capacity of 240 beds  |
| Haematology                 | Retail Pharmacy      |                               |
| Urology                     | Baby Clinic          | Cost of Investment            |
| Neo Natal ICU               |                      | R520 million                  |

### 3.2 Education

Educating is important to the economic growth in a country and the development of its industries, providing a trained workforce and skilled professionals required.

The education measure represents the highest level of education of an individual, using the 15 years and older age category. (According to the United Nations definition of education, one is an adult when 15 years or older. IHS uses this cut-off point to allow for cross-country comparisons. Furthermore, the age of 15 is also the legal age at which children may leave school in South Africa).

**CHART 11. Highest level of education: age 15+ - Buffalo City Metropolitan Municipality, 2010-2020 [Percentage]**



Within Buffalo City Metropolitan Municipality, the number of people without any schooling decreased from 2010 to 2020 with an average annual rate of -5.25%, while the number of people within the 'matric only' category, increased from 135,000 to 177,000. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 4.35%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual

rate of 2.82%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

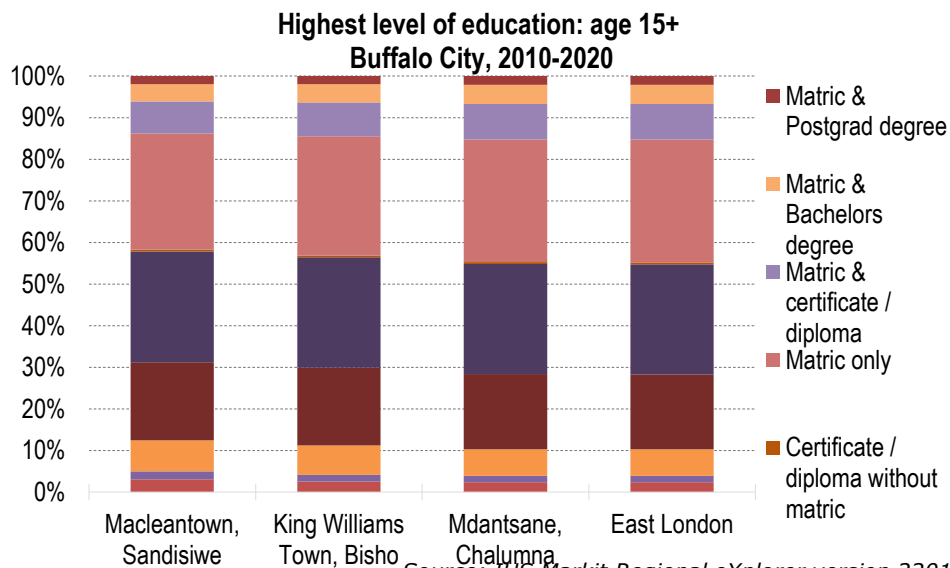
**TABLE 10. Highest level of education: age 15+ - Buffalo City, Eastern Cape and National Total, 2020 [Numbers]**

|                                      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|--------------------------------------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| No schooling                         | 14,900       | 228,000      | 1,700,000      | 6.6%                          | 0.88%                         |
| Grade 0-2                            | 9,430        | 106,000      | 520,000        | 8.9%                          | 1.81%                         |
| Grade 3-6                            | 40,300       | 505,000      | 2,810,000      | 8.0%                          | 1.43%                         |
| Grade 7-9                            | 110,000      | 981,000      | 5,910,000      | 11.3%                         | 1.87%                         |
| Grade 10-11                          | 160,000      | 1,120,000    | 9,440,000      | 14.3%                         | 1.70%                         |
| Certificate / diploma without matric | 2,680        | 15,700       | 185,000        | 17.0%                         | 1.45%                         |
| Matric only                          | 177,000      | 1,010,000    | 12,200,000     | 17.5%                         | 1.44%                         |
| Matric certificate / diploma         | 50,900       | 241,000      | 2,580,000      | 21.1%                         | 1.97%                         |
| Matric Bachelor's degree             | 27,400       | 121,000      | 1,620,000      | 22.7%                         | 1.69%                         |
| Matric Postgrad degree               | 12,500       | 58,300       | 932,000        | 21.4%                         | 1.34%                         |

Source: IHS Markit Regional eXplorer version 2201

The number of people without any schooling in Buffalo City Metropolitan Municipality accounts for 6.56% of the number of people without schooling in the province and a total share of 0.88% of the national. In 2020, the number of people in Buffalo City Metropolitan Municipality with a matric only was 177,000 which is a share of 17.48% of the province's total number of people that has obtained a matric. The number of people with a matric and a Postgrad degree constitutes 22.71% of the province and 1.69% of the national.

**CHART 12. Highest level of education: age 15+, sub-metro regions of Buffalo City Metropolitan Municipality, 2020 [Percentage]**



## Functional literacy

**Definition:** For the purpose of this report, IHS defines functional literacy as the number of people in a region that are 20 years and older and have completed at least their primary education (i.e. grade 7).

Functional literacy describes the reading and writing skills that are adequate for an individual to cope with the demands of everyday life - including the demands posed in the workplace. This is contrasted with illiteracy in the strictest sense, meaning the inability to read or write. Functional literacy enables individuals to enter the labour market and contribute towards economic growth thereby reducing poverty.

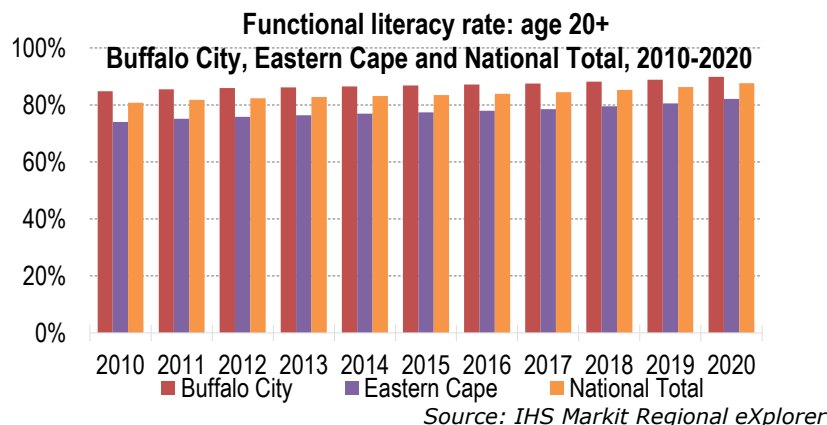
**TABLE 11. Functional literacy: age 20+, completed grade 7 or higher - Buffalo City Metropolitan Municipality, 2010-2020 [Number percentage]**

|  | Illiterate    | Literate     | %            |
|--|---------------|--------------|--------------|
| 2010                                   | 88,876        | 496,677      | 84.8%        |
| 2011                                   | 85,893        | 506,891      | 85.5%        |
| 2012                                   | 84,667        | 515,009      | 85.9%        |
| 2013                                   | 83,795        | 522,195      | 86.2%        |
| 2014                                   | 82,888        | 530,269      | 86.5%        |
| 2015                                   | 81,935        | 538,904      | 86.8%        |
| 2016                                   | 80,910        | 547,513      | 87.1%        |
| 2017                                   | 79,505        | 556,895      | 87.5%        |
| 2018                                   | 76,310        | 568,439      | 88.2%        |
| 2019                                   | 73,004        | 581,031      | 88.8%        |
| 2020                                   | 67,162        | 596,877      | 89.9%        |
| <b>Average Annual growth 2010-2020</b> | <b>-2.76%</b> | <b>1.85%</b> | <b>0.58%</b> |

Source: IHS Markit Regional eXplorer version 2201

A total of 597 000 individuals in Buffalo City Metropolitan Municipality were considered functionally literate in 2020, while 67 200 people were considered to be illiterate. Expressed as a rate, this amounts to 89.89% of the population, which is an increase of 0.051 percentage points since 2010 (84.82%). The number of illiterate individuals decreased on average by -2.76% annually from 2010 to 2020, with the number of functional literate people increasing at 1.85% annually.

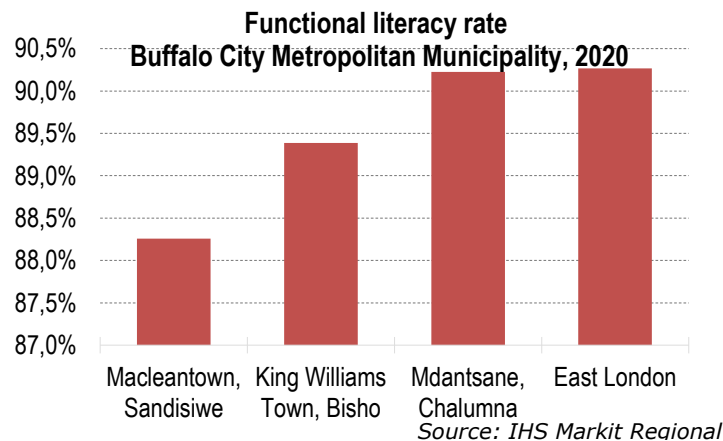
**CHART 13. Functional literacy: age 20+, completed grade 7 or higher - Buffalo City, Eastern Cape and National Total, 2010-2020 [Percentage]**



Buffalo City Metropolitan Municipality's functional literacy rate of 89.89% in 2020 is higher than that of Eastern Cape at 82.11%. When comparing to National Total as whole, which has a functional literacy rate of 87.58%, it can be seen that the functional literacy rate is lower than that of the Buffalo City Metropolitan Municipality.

A higher literacy rate is often associated with higher levels of urbanization, for instance where access to schools is less of a problem, and where there are economies of scale. From a spatial breakdown of the literacy rates in South Africa, it is perceived that the districts with larger cities normally have higher literacy rates.

**CHART 14. Literacy rate - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2020 [percentage]**



In terms of the literacy rate for each of the regions within the Buffalo City Metropolitan Municipality, East London Sub-metro Region had the highest literacy rate, with a total of 90.3%. The lowest literacy rate can be observed in the Macleantown, Sandisiwe Sub-metro Region with a total of 88.3%.

### 3.3 Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years, and although many would acknowledge that the country has a crime problem, very little research has been done on the relative level of crime. The media often tend to focus on more negative or sensational information, while the progress made in combating crime is neglected.

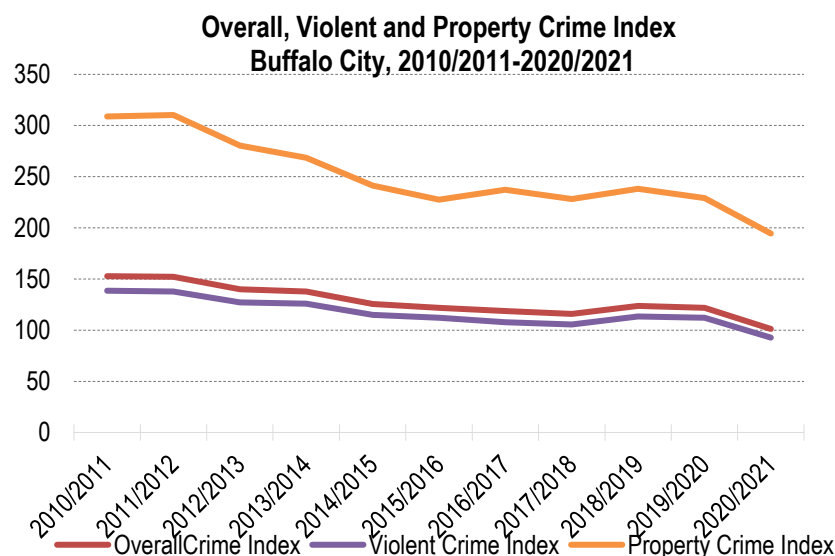
#### IHS Composite Crime Index

The IHS Composite Crime Index makes use of the official SAPS data, which is reported in 27 crime categories (ranging from murder to crime injuries). These 27 categories are divided into two groups according to the nature of the crime: i.e. violent crimes and property crimes. IHS uses the (a) Length-of-sentence and the (b) Cost-of-crime in order to apply a weight to each category.

#### Overall crime index

**Definition:** The crime index is a composite, weighted index which measures crime. The higher the index number, the higher the level of crime for that specific year in a particular region. The index is best used by looking at the change over time or comparing the crime levels across regions.

**CHART 15. IHS Crime Index - calendar years (weighted avg / 100,000 people) - Buffalo City Metropolitan Municipality, 2010/2011-2020/2021 [Index value]**



Source: IHS Markit Regional eXplorer version 2201

For the period 2010/2011 to 2020/2021 overall crime has decrease at an average annual rate of 4.03% within the Buffalo City Metropolitan Municipality. Violent crime decreased by 3.94% since 2010/2011, while property crimes decreased by 4.52% between the 2010/2011 and 2020/2021 financial years.

**TABLE 12. Overall crime index - Buffalo City Metropolitan Municipality and the rest of Eastern Cape, 2010/2011-2020/2021 [Index value]**

|                              | Buffalo City  | Nelson Mandela Bay | Sarah Baartman | Amatole       | Chris Hani    | Joe Gqabi     | O.R.Tambo     | Alfred Nzo    |
|------------------------------|---------------|--------------------|----------------|---------------|---------------|---------------|---------------|---------------|
| 2010/2011                    | 152.77        | 160.14             | 183.29         | 92.89         | 85.97         | 88.91         | 67.44         | 54.92         |
| 2011/2012                    | 152.08        | 155.13             | 169.30         | 97.25         | 86.04         | 90.69         | 64.64         | 53.52         |
| 2012/2013                    | 139.94        | 148.10             | 158.17         | 95.97         | 85.81         | 91.09         | 62.78         | 52.76         |
| 2013/2014                    | 137.86        | 146.58             | 155.82         | 97.84         | 78.28         | 91.84         | 66.43         | 54.39         |
| 2014/2015                    | 125.47        | 133.14             | 154.38         | 94.24         | 80.00         | 90.79         | 57.35         | 53.00         |
| 2015/2016                    | 121.87        | 127.02             | 151.42         | 96.40         | 76.95         | 94.86         | 54.93         | 50.50         |
| 2016/2017                    | 118.66        | 123.14             | 142.86         | 91.01         | 79.11         | 94.07         | 54.62         | 46.81         |
| 2017/2018                    | 115.82        | 118.28             | 135.28         | 90.25         | 79.32         | 93.10         | 57.05         | 50.16         |
| 2018/2019                    | 123.66        | 119.76             | 140.23         | 91.07         | 79.82         | 90.85         | 62.07         | 48.02         |
| 2019/2020                    | 121.86        | 120.02             | 134.04         | 88.94         | 80.41         | 84.25         | 61.31         | 49.23         |
| 2020/2021                    | 101.21        | 95.31              | 111.67         | 77.48         | 76.48         | 77.66         | 55.81         | 45.62         |
| <b>Average Annual growth</b> |               |                    |                |               |               |               |               |               |
| 2010/2011-2020/2021          | <b>-4.03%</b> | <b>-5.06%</b>      | <b>-4.83%</b>  | <b>-1.80%</b> | <b>-1.16%</b> | <b>-1.34%</b> | <b>-1.87%</b> | <b>-1.84%</b> |

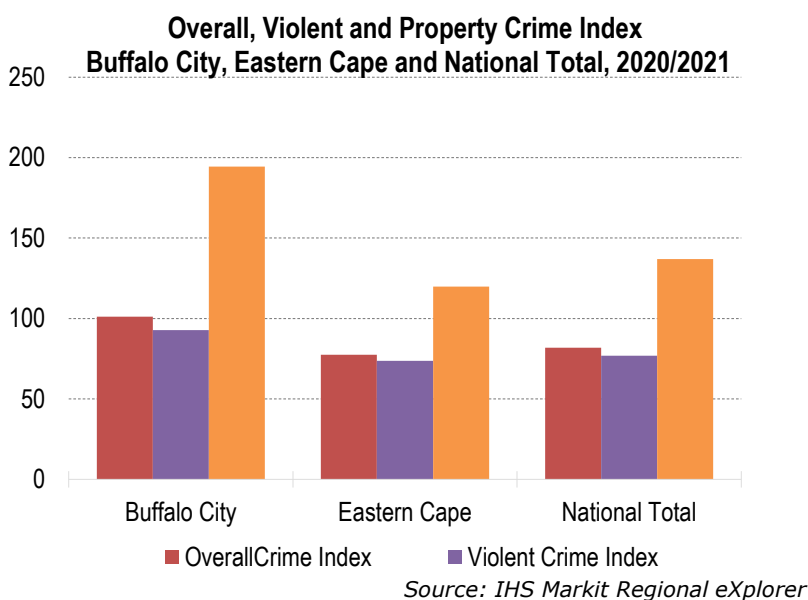
Source: IHS Markit Regional eXplorer version 2201

In 2020/2021, the Sarah Baartman District Municipality has the highest overall crime rate of the sub-regions within the overall Eastern Cape Province with an index value of 112. Buffalo City Metropolitan Municipality has the second highest overall crime index at 101, with Nelson Mandela Bay Metropolitan Municipality having the third highest overall crime index of 95.3. It is clear that all the crime is decreasing overtime for all the regions within Eastern Cape Province.



O.R.Tambo District Municipality has the second lowest overall crime index of 55.8 and the Alfred Nzo District Municipality has the lowest overall crime rate of 45.6. It is clear that crime is decreasing overtime for all the regions within Eastern Cape Province. The region that decreased the most in overall crime since 2010/2011 was Nelson Mandela Bay Metropolitan Municipality with an average annual decrease of 5.1% followed by Sarah Baartman District Municipality with an average annual decrease of 4.8%.

**CHART 16. IHS Crime Index - calender years (weighted avg / 100,000 people) - Buffalo City, Eastern Cape and National Total, 2020/2021 [Index value]**



From the chart above it is evident that property crime is a major problem for all the regions relative to violent crime.

BCMM is made up of 3 regions i.e. Inland (KWT), Midland (Mdantsane) and Coastal (East London). There are 31 Police Stations within the Metro. Crime hot spots are:

|                | HOT SPOT AREAS  | NATURE OF CRIME  |
|----------------|---|--|
| <b>Inland</b>  | Mlungisi Township   | Assault and Murder   |
|                | Farns and Township rural  | Theft  |
| <b>Midland</b> | Dimbaza   | Robbery and Murder   |
|                | Mdantsane N.U 1 -Taxi Rank  | Common Robbery   |
|                | Nyibiba N.U 14  | Rape cases   |
| <b>Coastal</b> | Vulindlela  | House breaking   |
|                | CBD Streets: Caxton Street, Union Street, Terminus Street, Buffalo Street | Theft of motors  |
|                | Southernwood  | Common robbery and house breaking in the flats.              |
|                | Quigney: Moore Street, Currie Street                                      | Human trafficking and Drugs                                  |
|                | St Paul's Road  | Human and drug trafficking and it is market for stolen goods |
|                | Duncan Village: C-Section   | House break-ins, murder and common robbery                   |
|                | Mzamomhle   | Common Robbery   |

**Figure 19: BCMM Crime Hot Spots**

## 4. GOVERNANCE AND FINANCE DEVELOPMENT PROFILE

### 4.1 The Buffalo City Metropolitan Municipality Governance Profile

#### 4.1.1 Municipal Functions

| MUNICIPAL FUNCTIONS  | FUNCTION APPLICABLE TO MUNICIPALITY (YES / NO)* | FUNCTIONS APPLICABLE TO THE ENTITY (BCMDA) |
|--|---|--|
| Constitution Schedule 4, Part 4 functions  |   |  |
| Air Pollution  | Y   |  |
| Building regulations   | Y   |  |
| Childcare facilities   | Y   |  |
| Electricity and gas reticulation   | Y   |  |
| Firefighting services  | Y   |  |
| Local tourism  | Y   | Y  |
| Municipal airports   | N   |  |
| Municipal planning   | Y   |  |
| Municipal health services  | Y   |  |
| Municipal public transport   | Y   |  |
| Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law. | Y   |  |
| Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto.   | Y   |  |
| Storm water management systems in built-up areas   | Y   |  |
| Trading regulations  | Y   |  |
| Water and sanitation services limited to potable water supply and domestic waste-water and sewage disposal systems   | Y   |  |
| Beaches and amusement facilities   | Y   |  |
| Billboards and the display of advertisements in public places  | Y   |  |
| Cemeteries, funeral parlours and crematoria  | Y   |  |
| Cleansing  | Y   |  |
| Control of public nuisances  | Y   |  |
| Control of undertakings that sell liquor to the public   | Y   |  |
| Facilities for the accommodation, care and burial of animals   | Y   |  |
| Fencing and fences   | Y   |  |
| Licensing of dogs  | Y   |  |
| Licensing and control of undertakings that sell food to the public   | Y   |  |
| Local amenities  | Y   |  |
| Local sport facilities   | Y   |  |
| Markets  | Y   | Y  |

| MUNICIPAL FUNCTIONS                                   | FUNCTION APPLICABLE TO MUNICIPALITY (YES / NO)* | FUNCTIONS APPLICABLE TO THE ENTITY (BCMDA) |
|---|---|--|
| Municipal abattoirs                                   | Y   |  |
| Municipal parks and recreation                        | Y   |  |
| Municipal roads                                       | Y   |  |
| Noise pollution                                       | Y   |  |
| Pounds  | Y   |  |
| Public places   | Y   |  |
| Refuse removal, refuse dumps and solid waste disposal | Y   |  |
| Street trading  | Y   |  |
| Street lighting                                       | Y   |  |
| Traffic and parking                                   | Y   |  |

**Figure 20: Municipal Functions**

#### 4.1.2 Intergovernmental Relations

The purpose of a system of intergovernmental relations for BCMM is to promote co-operative decision-making; to ensure the execution of policies through the effective flow of communication; to co-ordinate priorities and budgets across different sectors and the prevention of disputes and conflicts between spheres of government.

In May 2014 the Buffalo City Metropolitan Municipality Intergovernmental Relations (IGR) Forum was launched. The IGR Forum was launched in terms of the Intergovernmental Relations Framework Act, 2005 (Act No.13 of 2005) which is in Chapter 3 of the South African Constitution, 1996 which sets out the basic principles and values of co-operative government and intergovernmental relations. Section 41 of the Constitution requires an Act of Parliament to:

- a) Establish and provide for structures and institutions to promote and facilitate intergovernmental relations; and
- b) Provide for appropriate mechanisms and procedures to facilitate the settlement of intergovernmental relations disputes.

Subsequently, the Intergovernmental Relations Framework Act, 2005 (Act No.13 of 2005) was enacted. The objective of the Act is, "to facilitate coordination by the three spheres of Government i.e., National, Provincial and Local Governments in the implementation of policy and legislation.

The IGR Framework Act (IGRFA) sets out the general principles and objects of intergovernmental relations - the focus is primarily on the outcomes that the system must achieve:

- Coherent government
- Effective provision of services
- Monitoring implementation of policy and legislation; and
- Realization of national priorities.

The South African system of intergovernmental relations is complex and continues, to evolve as better modes of cooperation and coordination emerge and as functions are shifted between the spheres.

The following key elements and principles underpin the intergovernmental relations system:

- Accountability

- Transparency and Governance
- Mutual Support
- Redistribution
- Vertical Division
- Revenue Sharing
- Broadened Access to Services
- Responsibility over budgets

The intergovernmental system depends on well-coordinated policy, planning, budgeting, implementation and reporting. This is necessary both within spheres and between spheres and is enabled through technical, executive and legislative consultative forums.

In the case of Buffalo City Metro, and in terms of the BCMM IGR Framework, BCMM has the following IGR Structures which are the mechanisms to enable engagement, alignment, integration, coordination, consultation, prioritization and focus, namely the:

- BCMM Political IGR Forum
- BCMM Technical IGR Committee
- BCMM IGR Core group
- BCMM IGR Political Roundtable (New)
- BCMM IGR Technical Roundtable

The main purpose of the BCMM IGR Structures are to:

- Improve integrated planning with other spheres and agencies of government.
- Engage Sector departments on issues and projects that are cross-cutting with BCMM.
- Jointly resolve challenges faced within wards which are not part of BCMM functions.

The structures are chaired by political and administrative representatives who meet as per the IGR Calendar as per below:

| Structure                       | Responsible  | Responsibility  | Meetings          |
|---------------------------------|--|---|-------------------|
| <b>BCMM Political IGR Forum</b> | Chaired by the Deputy Executive Mayor with representation from the Mayoral Committee, City Manager, HOD's, Representation from Sector Departments, Parastals, and State-owned Enterprises. | Facilitates IGR within the Local Municipality, amongst (provincial and national government department within BCM), State Owned Enterprise within BCMM. The main objective of the Buffalo City Metro Municipality IGR Forum is to enhance integrated development and consider priorities that require intervention in the Metro. | 2 meetings a year |
| <b>BCMM Technical IGR Forum</b> | Chaired by the City Manager or his nominee and is represented by HOD's, municipal officials, parastals, state-owned enterprises and agencies of all three spheres.                         | The functions of the Technical Support Structure include: <ul style="list-style-type: none"> <li>• Providing technical support and advice to the Buffalo City Metro Municipality IGR Forum</li> <li>• Ensuring implementation of the decisions of the Buffalo</li> </ul>  | 2 meetings a year |

| Structure                        | Responsible  | Responsibility  | Meetings             |
|----------------------------------|--|---|----------------------|
|                                  |  | City Metro Municipality IGR Forum <ul style="list-style-type: none"> <li>• Reporting on progress in the implementation of the priorities and programmes as determined by the Buffalo City Metro Municipality IGR Forum.</li> <li>• Designing integrated programmes on policy implementation with clear timeframes.</li> <li>• Performing duties as delegated to them by the Buffalo City Metro Municipality IGR Forum.</li> </ul> |                      |
| <b>BCMM Core Group</b>           | Chaired by the HOD: ESS<br>This structure is made up of BCMM, COGTA, OTP, SALGA and Treasury.  | This structure looks at issues of governance including new policies, programmes or projects that impact on IGR.   | As and when required |
| <b>BCMM Political Roundtable</b> | Chaired by the Deputy Executive Mayor. It is represented by members of the Mayoral Committee, City Manager, HOD's, Representation from Sector Departments, Parastatals, and State-owned Enterprises. | This IGR Political Structure looks at outstanding and urgent matters needing political intervention between the Metro and other spheres which require one on one engagement.  | 2 meetings x year    |
| <b>BCMM Technical Roundtable</b> | Chaired by the HOD: ESS is represented by HOD's, municipal officials, parastatals, state-owned enterprises and agencies of all three spheres.  | Discusses and finds solutions raised from the IGR Forums in preparation for the IGR Political Roundtable.   | 2 x meetings a year  |
| <b>Three Sphere Engagements</b>  | Chaired by the City Manager is represented by HOD's, municipal officials, parastatals, state-owned enterprises and agencies of all three spheres.  | Enables input on projects, budgets and commitments from other spheres in the BCMM jurisdiction into the IDP and One Plan  | 2 x meetings a year  |

The BCMM Political and Technical IGR sessions have been successfully held with representation from all three spheres of government. However, the Covid-19 pandemic did impact negatively on the hosting of meetings. In light of the pandemic, from August 2020 until to date, BCMM has held 95 % of all its meetings on the virtual Microsoft Teams platform.

## IGR Meetings

The Buffalo City Metropolitan Municipality held the following IGR Sessions:

- Three Sphere Technical IGR session - 21 February 2020
- Technical IGR Session - 25 August 2020
- IGR Core Group Meeting - 14 October 2020
- Three Sphere Technical IGR Session - 25 February 2021
- Political IGR Forum - 09 April 2021
- Political IGR Session - 25 June 2021
- IGR Core Group Meeting - 14 July 2021
- Technical IGR Session - 25 August 2021
- Political IGR Forum – 17 September 2021
- IGR Roundtable - 15 October 2021
- Technical IGR Session – 19 November 2021
- IGR Core Group Meeting - 17 & 18 February 2022
- BCMM IGR Framework Review Engagement - 17 – 18 February 2022
- Three Spheres Planning Session - 22 Feb 2022
- BCMM Political IGR Forum - 8 March 2022
- External IDP/Budget/PMS Representative Forum - 23 March 2022
- BCMM IGR Core Group - 1 April 2022

In 2021 BCMM saw the need to review the IGR Framework and the Terms of Reference due to:

- Provincial IGR Framework Review
- IGR Framework Act 2005 Review
- Introduction of the District Development Model and One Plan
- To include BCMM's current structures and processes which were not part of the 2013 BCMM IGR Framework

The review is also necessary because of the following:

- BCMM not complying for compliance's sake but the need for innovative ways to make IGR work;
- Room for improvement in IGR Coordination across BCMM and in the other two spheres;
- To ensure that the IGR Forum is more functional with tangible measurable outputs and achieving key strategic outcomes for BCMM;
- Ensure IGR be seen as a cross cutting issue so BCMM is more efficient and effective;
- Need for more alignment with IDP, the PGDP and NDP;
- Ensure more realistic and credible IDP and One Plan

BCMM currently in 2022 is in the process of reviewing the BCMM IGR Framework and Terms of Reference. This process is complementary to the current new term of office of the new council.

## **District Development Model and One Plan**

In July 2019, the President officially launched the District Development Model in the OR Tambo District. All spheres of government are therefore required to embrace the model and facilitate its implementation in the interest of improving joint planning, increasing implementation and improving service delivery. The President proposed the “One Plan” of government or the District Development Model as the best approach to integrate planning, budgeting, implementation and monitoring across all government spheres.

The BCMM One Plan has through various internal and external IGR, IDP and Council engagements, in its final stages of the first-generation One Plan development. The IGR Core Group comprising of BCMM’s IGR, IDP and EPMD units together with Office of the Premier, COGTA and Provincial Treasury have been working jointly on the One Plan for BCMM since January 2020.

A number of participatory IGR sessions on the DDM and the One Plan with BCMM, OTP, COGTA, Provincial Treasury and ECSECC were held, and a Gap Analysis Assessment was undertaken by ECSECC. BCMM’s Political and Technical IGR Committees enabled a number of DDM/One Plan consultative processes to enable three sphere input into the plan and finalise the plan by deadline 31 August 2021.

BCMM is currently continuing in 2022 to strengthen the input of projects, budgets and commitments into the Metro space by other spheres for a more informed and accurate IDP and One Plan. BCMM is preparing for the BCMM One Plan Assessment which is scheduled by DCOG in 2022.

## **INTERNATIONAL RELATIONS**

In the international space, the Covid-19 pandemic has highlighted a wide range of challenges faced by municipalities as a result of the pandemic. The closure of borders impacted negatively on BCMM International Relations. Many project meetings had to be postponed, however meetings had to be convened on virtual platforms. Support to BCMM from International Partners to respond to the pandemic during this period was phenomenal.

Fortunately, BCMM did not tackle the challenges single-handedly but with international partners as well.

### **BCMM International Relations Economic Recovery Webinar**

Bearing the current situation and taking into consideration in the South African Economic and Recovery plan as well as broader issues faced by the Metro, an International Relations webinar was held with potential donors, experts and strategic provincial and national government departments to explore the funding opportunities available to the Metro, which it could harness in the long-term economic recovery process.

Covid-19 has been a severe shock to urban economies and compounded structural problems, however, it was also seen as a silver lining in that the Covid-19 shock presented cities with an opportunity to rethink their economies, address the long-standing structural problems, and build inclusive, resilient and sustainable economies. BCMM was urged to understand its unique comparative advantages and economic growth drivers; as well as unique challenges, in order to develop a shared vision and long-term growth and development strategies, with all its stakeholders.

## Donations

The local communities and public health care facilities of BCMM have been facing unprecedented challenges and stress during this time and were increasingly looking to local government for help and guidance. BCMM does not have adequate budgets for crisis management or to provide direct support to public health facilities with personal protective equipment (PPE), therefore the BCMM International Relations mobilised personal protective equipment resources from its international partner cities in China and Germany.

International Relations Units efforts to engage with Chinese and German partners to support BCMM's efforts fight against the pandemic by donating PPE's to the Metro was supported by the Office of the Executive Mayor. The request was favourably received by Chinese and German counterparts although the respective cities were also fighting the pandemic.

The donations from the respective cities to date has been as follows:

| City                         | Donation                                   | Value              |
|------------------------------|--|--------------------|
| BCMM Local Chinese Community | 4000 three ply masks                       | R120 000           |
| BCMM Local Chinese Community | Donation of 135 Food parcels to orphanages | R45 000            |
| City of Jinhua, China        | 20000 three ply masks                      | R600 000           |
| City Jinhua China            | 30000 FFP2 masks,                          | R1 500 000         |
| City of Oldenburg, Germany   | 2000 single ply masks                      | R 50 000           |
| Value                        |  | <b>R 2 315 000</b> |

BCMM also received three-ply masks and food parcels which was donated by the local Chinese community in the Metro. These were handed over to the following orphanages through the Office of the Executive Mayor:

- Masizakhe Child and Youth Care Centre -Mdantsane
- God's Heart Desire Childrens Home – Fort Jackson
- King William's Town Orphanage

## Beneficiaries

BCMM also donated the 20 000 three-ply masks received from the City of Jinhua in China, to the Department of Health in the Eastern in its fight against the pandemic.

BCMM received a second donation from the City of Jinhua when the counterparts heard of the second wave of pandemic in Buffalo City Metro. In December 2020 a request was sent to Jinhua due to increase in infection rate in the Metro. A formal request was made which was positively received by the City of Jinhua. A total of 30 000 masks, 20 000 gloves and 990 protective clothing was also donated.

The Bhisno Hospital, Grey Hospital, Frere Hospital, Cecilia Makiwane Hospital and Nqubela TB Hospital in Mdantsane were handed over 5000 masks, 3000 gloves and 180 personal protective clothing through the Office of the Executive Mayor.



## **Cooperation with City of Oldenburg in Germany**

### **“Save water Campaign”**

BCMM's Water and Sanitation Department has been cooperating with the City of Oldenburg's Water Authority OOVV on a “Save the Water Campaign” in 2020/2021.

The project was successfully concluded at the end of 2021 with a water campaign with a number of promotional material produced including posters, radio announcements as well as a local rap group producing a rap song and video on saving water which was used in the campaign to encourage communities to save water.

### **New Water Project – Cooperation of Water Operators**

BCMM and OOVV and a new water operator in Germany Wupperverband through GIZ , the German Development Agency will be cooperating from 2022 until 2023 on a new project to strengthen the capacity of local municipality water and sanitation to manage and enable a stable and reliable water supply to local communities and residents. The Kick of Session took place in February 2022. The project also includes exchanges in both South Africa and Germany to develop the project concept, exchanges lessons learnt, best practices and also undertake research and actions plans.

The Covid-19 which posed a severe health risk and other risks which now include safety and security risks of the war between Russia and Ukraine, are having negative impacts on all countries across the global. This is resulting in an economic downturn in the economies across the world with countries concerned with their investments across the global. This requires a new way of thinking on international relations for the Metro. Therefore, in April 2022 BCMM aims to review its International relations Framework to considers changes in the world and its impact on the Metros international relations strategy, which will require new methods of cooperation with partners abroad.

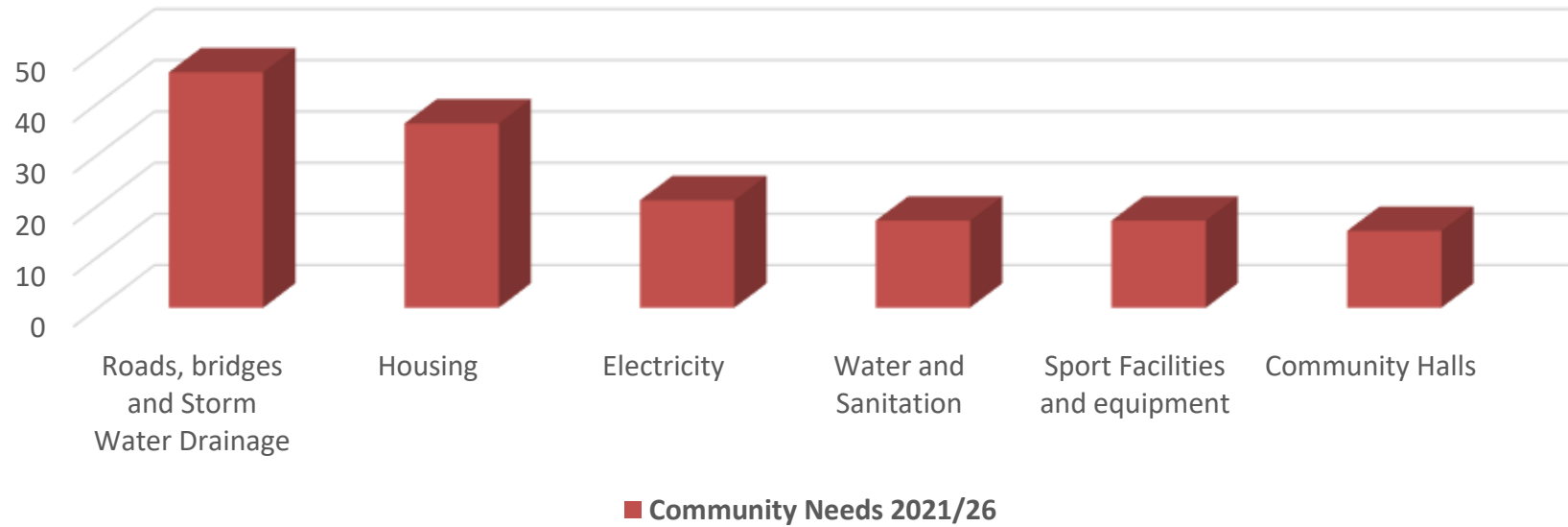
### **4.1.3 Summary of community developmental issues and priorities**

Whilst still experiencing a barrage of challenges, BCMM has made satisfactory progress with implementing the 2016/2021 five-year IDP and are planning on accelerating the pace of service delivery during the next five-year cycle. The following table will present a summary of the key issues raised by communities during the Mayoral Imbizo outreach held on 24 to 26 October 2020 and during the review of IDP Ward Priorities held during 4 and 11 February with Ward Councillors per BCMM functional region:

| Community Need  | Midland Wards                                  | Inland Wards                                   | Coastal Wards   | Total Wards |
|---|--|--|---|-------------|
| <input type="checkbox"/> Housing  | 12, 17, 20, 21, 22, 24, 26, 30, 42, 48         | 25, 35, 36, 37, 38, 39, 41, 40, 43, 44, 45, 49 | 1, 2, 6, 7, 8, 9, 15, 16, 27, 31, 32, 33, 46, 50                              | 36          |
| <input type="checkbox"/> Water and Sanitation                                 | 12, 21, 24                                     | 34, 35, 38, 40, 44                             | 1, 2, 4, 6, 18, 19, 33, 46, 50  | 17          |
| <input type="checkbox"/> Cemeteries   | 17   | 25, 39, 41                                     | N/A   | 4           |
| <input type="checkbox"/> Sport facilities and equipment                       | 20, 21, 24, 26                                 | 25, 35, 36, 37, 39, 40, 41, 43, 44, 49         | 13, 18, 19  | 17          |
| <input type="checkbox"/> Safety and Emergency Services                        | 30   | N/A  | 18, 28  | 3           |
| <input type="checkbox"/> Agriculture and Rural Development                    | N/A  | N/A  | 31, 32, 33, 50  | 4           |
| <input type="checkbox"/> Roads, bridges and Storm Water Drainage              | 12, 14, 17, 20, 21, 22, 23, 24, 26, 30, 42, 48 | 25, 34, 35, 36, 37, 38, 39, 41, 43, 44, 45, 49 | 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 13, 15, 16, 18, 27, 29, 31, 32, 33, 46, 47, 50 | 46          |
| <input type="checkbox"/> Waste Management                                     | 21   | 43   | 4, 9, 10, 13, 18, 19  | 8           |
| <input type="checkbox"/> Electricity  | 11, 12, 14, 17, 20, 24, 30, 48                 | 25, 38, 40, 44, 45, 49                         | 2, 4, 7, 16, 27, 31, 50   | 21          |
| <input type="checkbox"/> Community Halls                                      | 11, 14, 17, 21, 22, 23, 26, 30, 42             | 36, 37, 39                                     | 2, 7, 8   | 15          |
| <input type="checkbox"/> Multi-purpose Centre / Youth Centre                  | N/A  | 34, 36, 49                                     | 3   | 4           |
| <input type="checkbox"/> Indoor Sport Centre                                  | N/A  | 36   | 3   | 2           |
| <input type="checkbox"/> Arts Centre  | 23   | N/A  | N/A   | 1           |
| <input type="checkbox"/> Water Metres and Billing                             | N/A  | N/A  | N/A   | -           |
| <input type="checkbox"/> Skills Development and Job Creation                  | N/A  | 34, 36, 38                                     | 2, 5, 6, 7, 31  | 8           |
| <input type="checkbox"/> Youth Development                                    | 20, 21, 48                                     | 49   | 50, 7   | 6           |
| <input type="checkbox"/> Children's recreational centre and parks for leisure | N/A  | N/A  | 2, 3  | 2           |
| <input type="checkbox"/> Bush clearing and grass cutting                      | 14, 21   | 25   | 2, 4, 9, 10, 18, 19, 46   | 10          |
| <input type="checkbox"/> Child Care Centre                                    | N/A  | N/A  | 3   | 1           |
| <input type="checkbox"/> Public Transport, Taxi Ranks and Pavements           | 21   | 44, 45   | 5, 27, 18   | 6           |
| <input type="checkbox"/> Traffic calming                                      | 21   | 45   | 8, 15, 16, 18   | 6           |
| <input type="checkbox"/> Libraries  | N/A  | 41   | 10  | 2           |
| <input type="checkbox"/> Tourism  | 11   | N/A  | 18  | 2           |
| <input type="checkbox"/> Environment  | N/A  | N/A  | 4, 18   | 2           |
| <input type="checkbox"/> Clinics  | 23   | 43   | N/A   | 2           |
| <input type="checkbox"/> Schools  | N/A  | 40   | N/A   | 1           |
| <input type="checkbox"/> Fencing  | N/A  | 25, 35, 37, 39, 41                             | 28, 31, 50  | 8           |
| <input type="checkbox"/> Beaches  | N/A  | N/A  | 28, 29  | 2           |
| <input type="checkbox"/> Swimming pools                                       | 42   | N/A  | N/A   | 1           |
| <input type="checkbox"/> Land   |  | 45   | 18  | 2           |

The following depicts the top six community needs City-wide:

## Top Six Community Needs City-wide



## Multi-Sectoral Intergovernmental Matters

The following multi-sectoral intergovernmental matters have been identified by the public and form part of the agenda of discussions between the Buffalo City Metropolitan Municipality and the spheres as indicated through the relevant IGR platforms created for this purpose:

| Priority                                   | Detail   | Affected Area  |
|--|--|--|
| <b>DEPARTMENT OF HUMAN SETTLEMENTS</b>     |  |  |
| <b>WARD 9</b>                              |  |  |
| Rectification of old Houses                | Rectification of houses which have the serious challenges of cracks and water that is pouring when it's heavy raining. Some areas need houses urgently   | Braelyn Ext 10 and Stoney Drift                                      |
| <b>WARD 11</b>                             |  |  |
| Multi-purpose Community Centre             | There is no meeting venue for the community of ward 11 including a venue to host important gatherings as they resort to use of tents and if not available and it is raining or bad weather, they are left with no option but to cancel the meeting or event. | N.U 2 & N.U 5 rent office<br>Next to Nzaliseko Higher Primary School |
| <b>WARD 34</b>                             |  |  |
| Multi-purpose centre                       | The ward needs a multi-purpose centre  | Dimbaza  |
| <b>WARD 37</b>                             |  |  |
| Housing                                    | RDP, Disasters, Need housing for destitute.  | Tolofiyeni, Masingatha & Mdingi, Mxaxo B                             |
| <b>WARD 50</b>                             |  |  |
| Multi-Purpose Youth Development Facilities | The ward needs multi-purpose youth development facilities  | Kwelera Village  |
| <b>WARD 31</b>                             |  |  |
| Human Settlements                          | Construction of rural Houses   | Ntentseni, Bhongweni   |
| <b>WARD 39</b>                             |  |  |
| Title deeds                                | Ownership of houses remained unresolved  |  |
| Human Settlements                          | Storm damaged houses have not been replaced  |  |
| <b>DEPARTMENT OF TRANSPORT</b>             |  |  |
| <b>WARD 26</b>                             |  |  |
| Bridges                                    | Building of these bridges if there are heavy rains people of these areas can't go to work and children can't go to school  | Zikhwaba, Mzonkeshe, Khwetyana, Nkqonkqweni                          |
| <b>WARD 31</b>                             |  |  |
| Fencing                                    | Areas need fencing to prevent cattle from grazing to roads   | Ncera Village, Fort Grey   |
| <b>WARD 32</b>                             |  |  |
| Walkways                                   | The ward needs walkways  | Entire ward  |
| <b>WARD 36</b>                             |  |  |
| Scholar transport                          | Transport for learners needed  |  |
| <b>WARD 37</b>                             |  |  |

| Priority   | Detail   | Affected Area   |
|--|--|---|
| Urban & Rural Bridges  | West Drive bridge to be lifted because it is very dangerous when it's rainy. All other bridges are in a very bad condition | West Drive, Masingatha. Tolofiyeni and Mdingi village & Mxaxo B                   |
| <b>WARD 10</b>   |  |   |
| Learner Transport  | A request for scholar transport to be provided for children living in Muvhango Squatter Camp                               | Muvhango Squatter Camp  |
| <b>DEPARTMENT OF HEALTH</b>  |  |   |
| <b>WARD 23</b>   |  |   |
| Clinic   | A Clinic facility within the proximity of the ward   | NU 14   |
| <b>WARD 21</b>   |  |   |
| Ambulances   | Residents from the ward request for accessibility of ambulances  |   |
| <b>WARD 43</b>   |  |   |
| Clinic   | Clinic is too far from the community and always short of medicine  | Majali Location in Peeltion   |
| <b>WARD 13</b>   |  |   |
| Clinic   | Requested a clinic in the ward   |   |
| <b>WARD 32</b>   |  |   |
| Clinic   | The existing clinics closes early and the community request a 24HR health services.  |   |
| <b>WARD 50</b>   |  |   |
| Clinic   | Tuba request Clinic and a Police Station   |   |
| <b>WARD 10</b>   |  |   |
| Mobile Clinic  | A request for a mobile clinic that will serve Muvhango and Egoli residents   |   |
| <b>WARD 13</b>   |  |   |
| Clinic   | A request for clarity on the provision clinics in New Life   |   |
| <b>WARD 15</b>   |  |   |
| Clinic   | A request for the construction of a clinic in Ducats   | Ducats  |
| <b>WARD 24</b>   |  |   |
| Clinic   | A request for construction of a clinic in ward 24  |   |
| <b>WARD 26</b>   |  |   |
| Clinic   | A complaint was raised that the Mpundu clinic had not been moved   |   |
| <b>WARD 33</b>   |  |   |
| Clinic   | A request for a clinic at Gwillili   | Gwillili  |
| <b>WARD 42</b>   |  |   |
| Clinic   | A complaint that the clinic was old and that there was shortage of staff   |   |
| <b>DEPARTMENT OF SAFETY AND LIAISON / SOUTH AFRICAN POLICE SERVICE</b> |  |   |
| <b>WARD 30</b>   |  |   |
| Crime  | People are dying because of high rate of crime. Youth are using drugs also there is high rate of theft.                    | NU 9, NU 11A, Manyano NU 9, Thembelihle NU 9, Cuba, Chris Hani Park Block 1,2 &3. |

| Priority   | Detail   | Affected Area                                 |
|--|--|---|
| <b>WARD 13</b>   |  |   |
| Police Station   | A request for clarity on the provision of a police station in New Life   | New Life                                      |
| <b>WARD 24</b>   |  |   |
| Mobile Police Station                                    | A request for the availability of the mobile police station in ward 24.  |   |
| <b>WARD 28</b>   |  |   |
| Crime  | A complaint that the community members are scared to go and drop refuse at the refuse site due to vagrants and criminals that are roaming in Beacon Bay. | Beacon Bay                                    |
| Substance Abuse  | A complaint about the drunkenness and drug abuse in the picnic site next to the Batting bridge, Bonza Bay and the Summit road.                           | Batting bridge, Bonza Bay and the Summit road |
| <b>DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE</b> |  |   |
| <b>WARD 41</b>   |  |   |
| Library  | Students are struggling to go to K.W.T. library as sometimes there is no money for taxi.   | Zwelitsha                                     |
| <b>DEPARTMENT OF EDUCATION</b>                           |  |   |
| <b>WARD 44</b>   |  |   |
| Creche   | A request for a creche for kids in the ward  |   |
| <b>WARD 13</b>   |  |   |
| School   | A request for clarity on the provision of a school in New Life   | New Life                                      |
| <b>WARD 24</b>   |  |   |
| School   | A complaint that there was no school in their area   |   |
| School   | A request for the municipality's intervention in the construction of Nkwezana School which was taking too long   |   |
| <b>DEPARTMENT OF SOCIAL DEVELOPMENT</b>                  |  |   |
| <b>WARD 44</b>   |  |   |
| Creche   | A request for a creche for kids in the ward  |   |
| <b>NATIONAL DEPARTMENT OF ENERGY/ESKOM</b>               |  |   |
| <b>WARD 38</b>   |  |   |
| Electricity  | New sites  | Entire ward                                   |
| <b>WARD 40</b>   |  |   |
| Electricity  | Informal Settlements need electricity  | Entire Ward                                   |
| Electricity  | Electricity is requested at Nokhala area   |   |

**Table 8: Multi-sectoral Intergovernmental Matters**

#### **4.1.4 Governance structures that are linked to communities, the business sector and other stakeholders (women, youth, traditional leaders)**

The metro engages with, inter alia, the following community/stakeholder structures through its formal platforms:

- Ward Committees
- IDP/Budget/PMS External Representative Forum
- Disability Forum
- Youth Council
- Gender Forum

- Elderly Forum
- BCMM Green Forum
- Community Safety Forums

#### 4.1.5 Vacancy rate

| Vacancy Rate: Year 2020/2021  |                       |  |   |
|---|-----------------------|--|---|
| Designations  | *Total Approved Posts | *Vacancies<br>(Total time that vacancies exist using fulltime equivalents) | *Vacancies<br>(as a proportion of total posts in each category) |
|   | No.                   | No.  | %   |
| Municipal Manager   | 1                     | 0  | 0%  |
| CFO   | 1                     | 0  | 0%  |
| Other S57 Managers (excl Finance Posts T16)                           | 96                    | 10   | 10.41%  |
| Other S57 Managers (Finance posts T16 3005 -3071)                     | 15                    | 2  | 13.33 %   |
| Police officers   | 182                   | 10   | 5.49%   |
| Fire fighters   | 136                   | 5  | 3.68%   |
| Senior management: Levels 13-15 (excluding Finance Posts)ex 3005-3071 | 146                   | 18   | 1233%   |
| Senior management: Levels 13-15 (Finance posts)                       | 23                    | 2  | 8.69%   |
| Highly skilled supervision: levels 9-12 (excluding Finance posts)     | 699                   | 74   | 10.59%  |
| Highly skilled supervision: levels 9-12 (Finance posts)               | 74                    | 3  | 4.05%   |
| <b>Total</b>  | <b>1373</b>           | <b>124</b>   | <b>9.03%</b>  |
|   |                       |  | T 4.1.2   |

Figure 21: Vacancy Rate (BCMM 2020/2021 Annual Report)

| Turn-over Rate  |   |   |                 |
|---|---|---|-----------------|
| Details   | Total Appointments as of beginning of Financial Year<br>No. | Terminations during the Financial Year<br>No. | Turn-over Rate* |
| 2016/2017   | 5,159   | 237   | 5%              |
| 201720/18   | 5,048   | 223   | 4%              |
| 2018/2019   |   |   |                 |
| 2019/2020   | 5,663   | 201   | 3.34%           |
| 2020/2021   | 5,552   | 275   | 4.95%           |
| * Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year |   |   | T 4.1.3         |

**Figure 22: Turn-over Rate (BCMM 2020/2021 Annual Report)**

Comment on Vacancies and Turnover

The appointment of the Head of Directorate – Solid Waste and Environmental Management and Head of Directorate: Sport, Recreation and Community Development was approved by Council and the incumbent to the post of Head of Directorate – Solid Waste and Environmental Management was permanently appointed with effect from 1 March 2021.

Council approved the re-advertising of the Head of Directorate: Sport, Recreation and Community Development.

Other reasons for staff turnover are mentioned in the table below:

| REASON          | JULY – SEPT 20 | OCT – DEC 20 | JAN – MAR 21 | APR – JUN 21 | TOTAL |
|-----------------|----------------|--------------|--------------|--------------|-------|
| Resignation     | 6              | 10           | 13           | 12           | 41    |
| Retirement      | 31             | 21           | 28           | 15           | 95    |
| Deceased        | 22             | 28           | 16           | 9            | 75    |
| Medical Board   | 0              | 1            | 1            | 1            | 3     |
| Dismissed       | 2              | 20           | 4            | 16           | 42    |
| Contract Expiry | 0              | 0            | 17           | 2            | 20    |
| Total           | 61             | 80           | 79           | 55           | 275   |

T4.1.4.

**Figure 23: Reasons for staff turnover (BCMM 2020/2021 Annual Report)**



## 5.1 The Buffalo City Metropolitan Municipality Finance Profile

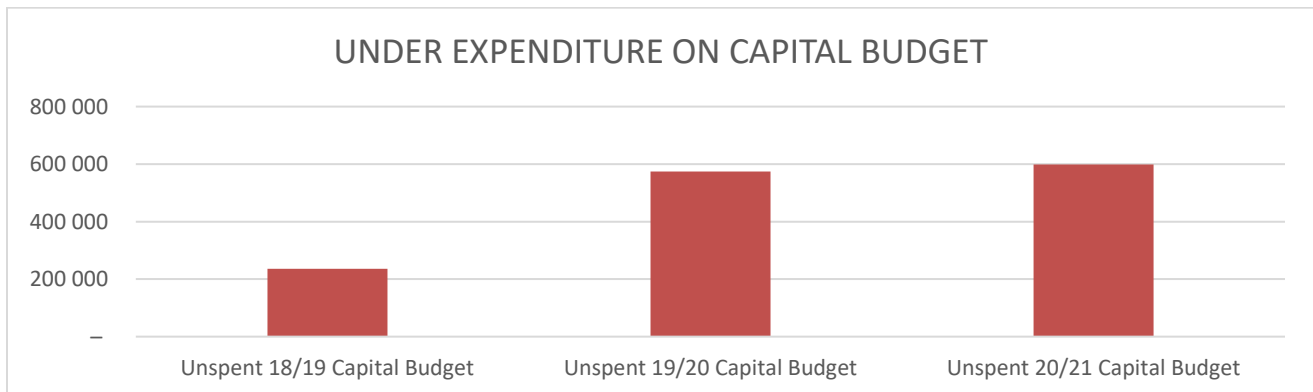
### 5.1.1 Overall Financial Performance & Expenditure of the Buffalo City Metropolitan Municipality (BCMM)

| Description   | 2018/19          | 2019/20            | 2020/21          |
|---|------------------|--------------------|------------------|
| R thousands   | Audited Outcome  | Audited Outcome    | Audited Outcome  |
| <b>Financial Performance</b>  |                  |                    |                  |
| Total Revenue (excluding capital transfers and contributions)                                 | 6 180 725        | 6 641 385          | 7 762 840        |
| Total Expenditure   | 6 939 681        | 7 834 847          | 8 153 784        |
| <b>Surplus/(Deficit)</b>  | <b>(758 956)</b> | <b>(1 193 462)</b> | <b>(390 944)</b> |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 998 245          | 1 010 413          | 1 069 736        |
| Contributions recognised - capital & contributed assets                                       | 279 067          | –                  | 10 036           |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>                          | <b>518 356</b>   | <b>(183 049)</b>   | <b>688 828</b>   |
| Share of surplus/ (deficit) of associate  | 28 865           | 105 684            | (26 628)         |
| <b>Surplus/(Deficit) for the year</b>   | <b>547 221</b>   | <b>(77 365)</b>    | <b>662 200</b>   |
| <b>Capital expenditure &amp; funds sources</b>  |                  |                    |                  |
| <b>Capital expenditure</b>  | <b>1 857 944</b> | <b>1 654 229</b>   | <b>1 690 102</b> |
| National Government   | 991 286          | 1 317 760          | 1 098 015        |
| Provincial Government   | 9 036            | 1 580              | 542              |
| Borrowing   | –                | –                  | 230 800          |
| Internally generated funds  | 1 093 676        | 909 556            | 860 389          |
| <b>Total sources of capital funds</b>   | <b>2 093 998</b> | <b>2 228 896</b>   | <b>2 189 745</b> |
| <b>Financial position</b>   |                  |                    |                  |
| Total assets  | 23 580 308       | 23 648 294         | 26 241 748       |
| Total liabilities   | 2 693 157        | 3 246 679          | 3 075 855        |
| Community wealth/Equity   | 20 887 151       | 20 401 614         | 23 165 893       |
| <b>Cash flows</b>   |                  |                    |                  |
| Cash/cash equivalents at the year end   | 1 171 633        | 1 373 711          | 1 145 407        |
| <b>Collection rate</b>  | <b>87,79%</b>    | <b>81,63%</b>      | <b>70,20%</b>    |
| <b>Outstanding debtors</b>  | <b>2 148 195</b> | <b>3 497 770</b>   | <b>4 446 061</b> |
| <b>Percentage of capital expenditure spent against capital budget</b>                         | <b>89%</b>       | <b>74%</b>         | <b>77%</b>       |
| <b>Current ratio</b>  | <b>1.6 : 1</b>   | <b>1.5 : 1</b>     | <b>1.7 : 1</b>   |
| <b>Debt (Total Borrowings) to Revenue</b>   | <b>6.00%</b>     | <b>5.07%</b>       | <b>3.75%</b>     |
| <b>Remuneration as % of Total Operating Expenditure</b>                                       | <b>30%</b>       | <b>29%</b>         | <b>31%</b>       |
| <b>Cost coverage</b>  | <b>2.25</b>      | <b>1.83</b>        | <b>1.79</b>      |

Figure 24: Consolidated Budget Summary

## Account of the Financial Performance of the Metro

- The Revenue base has remained stagnant only increasing by the increase in the annual tariffs. In order for the Metro to grow there needs to be growth in the Revenue base from new investments and expansion of current investments.
- The Metro's operating expenditure budget is growing at a high rate, one of the main contributing factors is the growth of employee costs.
- In 2020/2021 financial year, the City realised a surplus of R662 million compared to a deficit of R77 million in the 2019/2020 financial year.
- The Metro injected substantial own funding investment in the capital budget programme in the past few years (a total of about R 2.86 billion in the past three years).
- Capital expenditure decreased from R1.86 billion in 2018/2019 to R 1.65 billion in 2019/2020 as result of the impact of Covid-19 and increased in the 2020/2021 financial year to R 1.69 billion.
- The book value of Total Assets has increased from R23.58 billion (2018/2019) to R26.24 billion (2020/2021). This is a reflection of the investment made by the Metro in its Capital Expenditure Programme.
- Cash and cash equivalents have decreased from R1.17 billion (2018/2019) when compared with R1.14 billion (2020/2021). The main contributing factor to this decrease is the substantial own funding injection that has been made in the capital programme over the past years.
- The collection rate achieved over the past years has been below the set target.
- Debtors continue to be a concern for the Metro with outstanding debtors increasing year-on-year. This increase in outstanding debtors is a direct correlation to the decline in collection rate, 70.2% in 2020/2021.



**Figure 25: Under-expenditure on Capital Budget**

In the 2018/2019 financial year, there was under-expenditure of 11% on the Capital budget. In the 2019/2020 financial year the under-expenditure on capital budget was at 26%. In the 2020/2021 financial year, BCMM had underspent on its Capital budget by 23%. The major contributing factors on low expenditure was the impact of the Covid-19 pandemic which affected expenditure performance.

### 5.1.2 Cost Drivers in the BCMM Administration

BCMM cash and cash equivalent over the years has continued to decline from R1.17 billion in June 2019 to R1.14 billion in June 2021. The main reason for the decline in cash and cash equivalent is as a result of the following cost drivers:

- Significant decline in the institutional Collection rate from the targeted collection rate of 90.5% to 70.2% as at June 2021 and a continued increase demand for services.
- The high level of investment in capital infrastructure, thereby increasing the balance sheet but decreasing reserves.
- The ongoing continued increase in water and electricity losses, due to theft.
- The application of the revaluation method to account for depreciation of the municipal assets, thus posing a significant/ material decrease in the value of BCMM assets, without equivalent rehabilitation / upgrading of assets.
- The decline in the collection rate increase the debt impairment on an annual basis, which impacts the financial health of the metro from a financial performance perspective.
- The continued increase in employee related cost and overtime.

### 5.1.3 BCMM Audit Findings over the last 3 Years

There are 5 types of Audit Reports:









|   |   |  |  |  |                           |
|---|---|--|--|--|---------------------------|
|  Unqualified Opinion<br>No Findings |  Unqualified Opinion<br>Emphasis of Matter<br>Items |  Qualified Opinion |  Adverse Opinion |  Disclaimer of Opinion | An Outstanding<br>Opinion |
|---|---|--|--|--|---------------------------|

Figure 26 : Types of Audit Reports

In the past three financial years BCMM obtained the following audit opinions:

| Overall Opinion                      | 2018/19   | 2019/20   | 2020/21   | Reason   |
|--------------------------------------|---|---|---|--|
| Overall Progress                     |  |  |  |  |
| <b>Qualification Paragraphs</b>      |   |   |   |  |
| Revenue from exchange transactions   |   | x   |   | Sale of water was not measured reliably due to faulty water meters and inaccurate meter readings   |
| Irregular Expenditure                | x   | x   | x   | Irregular expenditure disclosed in the notes to the AFS is understated                             |
| Commitment                           | x   |   |   | Interacted with the Auditor General during the audit to provide information to rectify aggregation |
| <b>Emphasis of matter paragraphs</b> |   |   |   |  |

| Overall Opinion                | 2018/19       | 2019/20       | 2020/21                    | Reason |
|--------------------------------|---------------|---------------|----------------------------|--------|
|                                | Qualified     | Qualified     | Qualified                  |        |
| Irregular expenditure incurred | 213.3 million | 229 million   | Impracticable to determine |        |
| Electricity Losses             | 302.1 million | 295.1 million | 368.2 million              |        |
| As a percentage (%)            | 21.65         | 19.35         | 22.8                       |        |
| Water Losses                   | 158.2 million | 126.1 million | 125.5 million              |        |
| As a percentage (%)            | 46.11         | 36.31         | 36.3                       |        |

**Note:** The institution maintained its opinion by receiving a qualified opinion in the 2020/21 financial year.

**Figure 27: Previous Audit Opinions**

In 2020/2021 the City obtained a qualified audit opinion on its Annual Financial statements resulting from:

- i. Irregular expenditure which arose as a result of Annual contracts used where competitive bidding should have been undertaken as the individual projects are over R200 000 threshold. Supply Chain Management Regulations not complied with and not included in irregular expenditure by management.

The City is currently working through the 2020/2021 Audit Improvement Plan on its quest to a clean audit:

- i. address the AG's concerns;
- ii. strengthening financial management;
- iii. driving operational efficiency; and
- iv. enforcing good governance and financial accountability.

#### 5.1.4 Irregular Expenditure of the last 3 years

BCMM continues to train all SCM officials and bid Committee members on SCM related procedures, regulations policies to promote full compliance and alleviate irregular expenditure. The municipality is also considering the appointment of legal personnel in each Bid Committee to avoid litigation and non-compliance.

| <b>Irregular Expenditure</b>   | <b>2020/2021</b>     | <b>2019/20</b>       | <b>2018/19</b>       |
|--|----------------------|----------------------|----------------------|
| Opening balance  | 2 520 884 798        | 2 920 754 510        | 2 644 154 250        |
| Add: Irregular expenditure for the current year  | 264 895 618          | 325 751 329          | 232 199 268          |
| Add: Irregular Expenditure identified in the current year, relating previous financial periods | 0                    | 0                    | 4 713 524            |
| Restatement  |                      |                      | 39 687 467           |
| Less: Amounts written-off by Council   | (91 866 967)         | (725 621 041)        | 0                    |
| <b>Closing balance</b>   | <b>2 693 913 449</b> | <b>2 520 884 798</b> | <b>2 920 754 510</b> |

**Table 9: Irregular Expenditure - 2018/2019, 2019/2020,2020/2021**

The irregular expenditure which was disclosed at R2.6 billion in the 2020/2021 Annual Financial Statements is resulting from:

- Contracts awarded through the central bid committee (CBC): Irregular expenditure incurred due to contracts awarded prior to the introduction of MFMA and which were done beyond the period allowed by the transition arrangements provided by the MFMA. The Municipality is in the process of cancelling the CBC contracts.

- Service of the State: This relates to awards made to bidders who are in the service of the state. BCMM puts reliance on CSD to scrutinize bidders who are in the employ of the state, however, as a control measure SCM writes to bidders advising of consequences thereof.
- SCM Regulations: This is due to irregular expenditure incurred as a result of legislative non-compliance and missing documentation. The Electronic Document Management System (EDMS) has since been introduced to scan all contracts for safekeeping. The storage of documents has been augmented by installing cameras.
- Annual Contracts: This refers to annual contracts which were deemed as irregular as result of the following reasons:
  - i. Missing documentation.
  - ii. Evaluation issues: this refers to incorrect point system applied during the contract procurement/evaluation process or points not awarded or points incorrectly calculated. This process has since been reviewed by ensuring that a senior person verifies/reviews the point system.
- Formal Contracts: This irregular expenditure was incurred as a result of evaluation criteria issues and missing documentation. The remedial action is that senior persons review the specifications before advertising.

#### 5.1.5 Unfunded Mandates

BCMM has two unfunded mandates, one is the Library function and the second unfunded mandate is on the construction of the housing top structures that are funded through the Human Settlements Development Grant (HSDG). These unfunded mandates have a negative effect and put strain in the budget and the tariffs of the municipality, however BCMM continues to perform these functions as it is socially and politically unacceptable for municipalities to close their libraries.

Listed below is how these unfunded or underfunded mandates affect the budget and tariffs:

- BCMM is compelled to perform functions which are not allocated to the municipality which places pressure on the budget and tariffs.
- Budget needs to be allocated in order to perform unfunded mandates with the revenue raised from annual tariffs.
- Funding these unfunded mandates places pressure on mandated services that must be performed by the Metro which has the potential to result in lower level of services being delivered.
- BCMM must pay for the employment of staff, managing operations, maintenance and infrastructure etc. when performing unfunded mandates.

## 5. INFRASTRUCTURE DEVELOPMENT PROFILE

### 5.1 Household Infrastructure and Access to Basic Services

Drawing on the household infrastructure data of a region is of essential value in economic planning and social development. Assessing household infrastructure involves the measurement of four indicators:

- Access to dwelling units
- Access to proper sanitation
- Access to running water
- Access to refuse removal
- Access to electricity

A household is considered "serviced" if it has access to all four of these basic services. If not, the household is considered to be part of the backlog. The way access to a given service is defined (and how to accurately measure that specific Definition over time) gives rise to some distinct problems. IHS has therefore developed a unique model to capture the number of households and their level of access to the four basic services.

A household is defined as a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

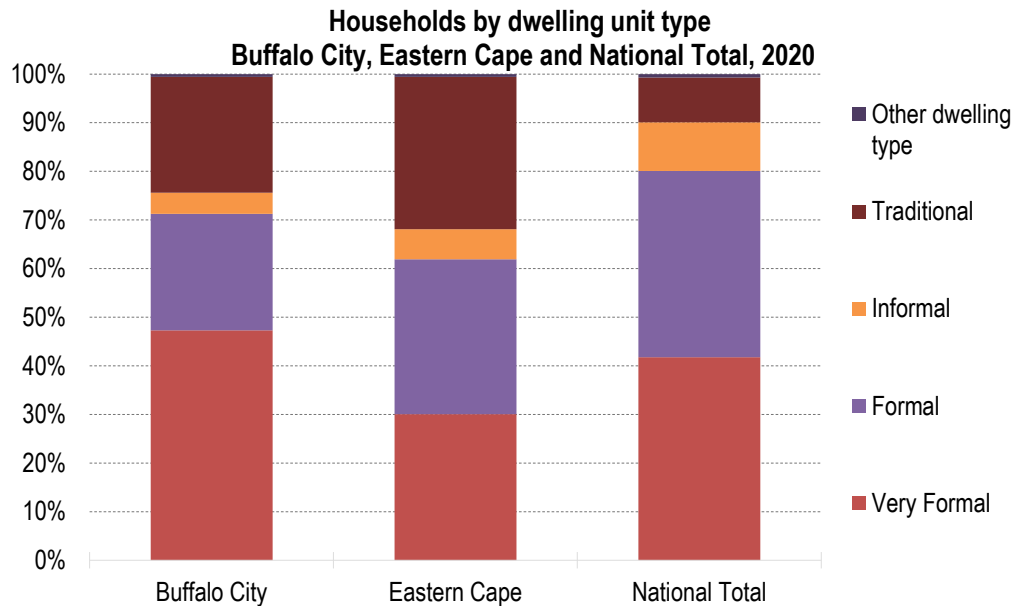
The next few sections offer an overview of the household infrastructure of the Buffalo City Metropolitan Municipality between 2020 and 2010.

### 5.2 Household by Dwelling Type

Using the StatsSA definition of a household and a dwelling unit, households can be categorised according to type of dwelling. The categories are:

- **Very formal dwellings** - structures built according to approved plans, e.g. houses on a separate stand, flats or apartments, townhouses, rooms in backyards that also have running water and flush toilets within the dwelling. .
- **Formal dwellings** - structures built according to approved plans, i.e. house on a separate stand, flat or apartment, townhouse, room in backyard, rooms or flatlet elsewhere etc, but without running water or without a flush toilet within the dwelling.
- **Informal dwellings** - informal structures or shanties in informal settlements, serviced stands, or proclaimed townships, as well as informal structures in the backyards of other dwelling types.
- **Traditional dwellings** - structures made of clay, mud, reeds, or other locally available material.
- **Other dwelling units** - tents, ships, caravans, etc.

**CHART 17. Households by dwelling unit type - Buffalo City, Eastern Cape and National Total, 2020 [Percentage]**



Buffalo City Metropolitan Municipality had a total number of 117 000 (47.28% of total households) very formal dwelling units, a total of 59 600 (24.01% of total households) formal dwelling units and a total number of 10 800 (4.33% of total households) informal dwelling units.

**TABLE 13. Households by dwelling unit type - Macleantown, Sandisiwe, King Williams Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2020 [Number]**

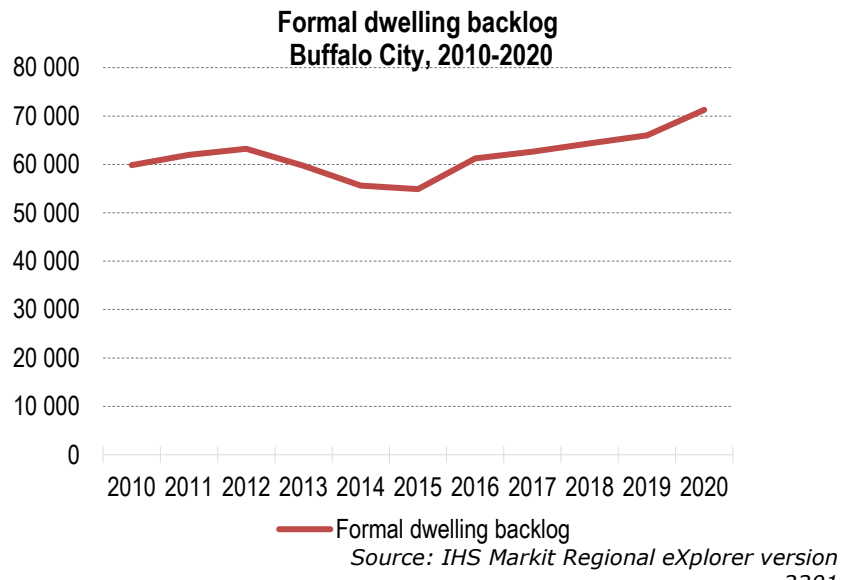
|                           | Very Formal | Formal | Informal | Traditional | Other dwelling type | Total   |
|---------------------------|-------------|--------|----------|-------------|---------------------|---------|
| Macleantown, Sandisiwe    | 8,282       | 5,216  | 845      | 4,798       | 114                 | 19,255  |
| King Williams Town, Bisho | 26,348      | 14,709 | 2,650    | 14,286      | 320                 | 58,315  |
| Mdantsane, Chalumna       | 34,050      | 16,415 | 2,993    | 16,523      | 397                 | 70,378  |
| East London               | 48,676      | 23,252 | 4,261    | 23,525      | 567                 | 100,281 |
| Total Buffalo City        | 117,356     | 59,593 | 10,749   | 59,132      | 1,398               | 248,229 |

Source: IHS Markit Regional eExplorer version 2201

The region within the Buffalo City Metropolitan Municipality with the highest number of very formal dwelling units is the East London Sub-metro Region with 48 700 or a share of 41.48% of the total very formal dwelling units within

Buffalo City Metropolitan Municipality. The region with the lowest number of very formal dwelling units is the Macleantown, Sandisiwe Sub-metro Region with a total of 8 280 or a share of 7.06% of the total very formal dwelling units within Buffalo City Metropolitan Municipality.

**CHART 18. Formal dwelling backlog - number of Households not living in a formal dwelling - Buffalo City Metropolitan Municipality, 2010-2020 [Number of Households]**



When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, it can be seen that in 2010 the number of households not living in a formal dwelling were 59 900 within Buffalo City Metropolitan Municipality. From 2010 this number increased annually at 1.76% to 71 300 in 2020.

The total number of households within Buffalo City Metropolitan Municipality increased at an average annual rate of 1.01% from 2010 to 2020, which is higher than the annual increase of 1.60% in the number of households in South Africa.

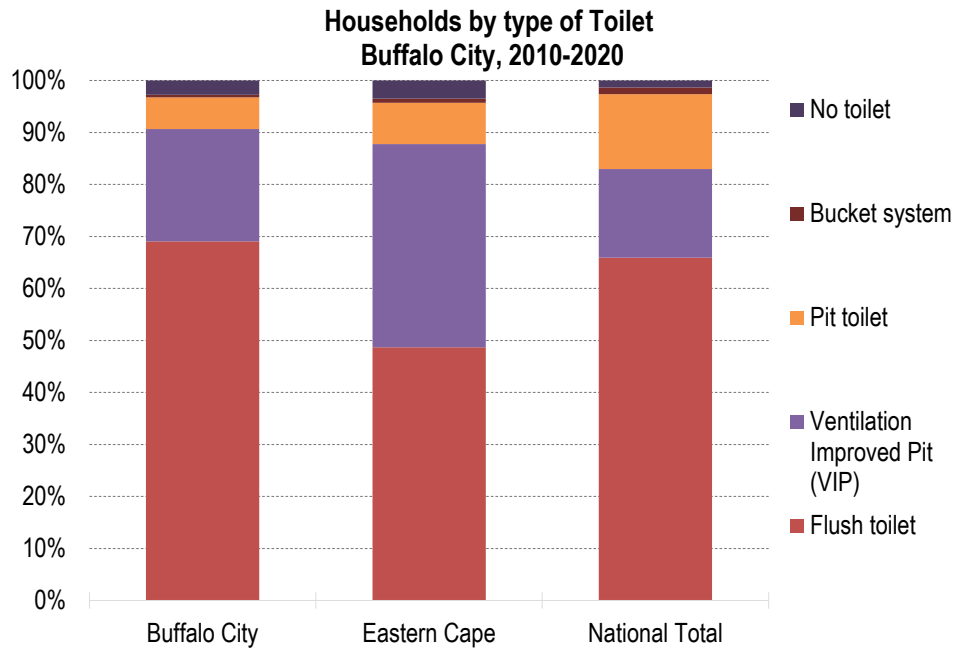
### 5.3 Household by Type of Sanitation

Sanitation can be divided into specific types of sanitation to which a household has access. We use the following categories:

- **No toilet** - No access to any of the toilet systems explained below.
- **Bucket system** - A top structure with a seat over a bucket. The bucket is periodically removed and the contents disposed of. (Note: this system is widely used but poses health risks to the collectors. Most authorities are actively attempting to discontinue the use of these buckets in their local regions).
- **Pit toilet** - A top structure over a pit.
- **Ventilation improved pit** - A pit toilet but with a fly screen and vented by a pipe. Depending on soil conditions, the pit may be lined.
- **Flush toilet** - Waste is flushed into an enclosed tank, thus preventing the waste to flow into the surrounding environment. The tanks need to be emptied or the contents pumped elsewhere.



**CHART 19. Households by type of sanitation - Buffalo City, Eastern Cape and National Total, 2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality had a total number of 171 000 flush toilets (69.06% of total households), 53 600 Ventilation Improved Pit (VIP) (21.59% of total households) and 15 100 (6.08%) of total households' pit toilets.

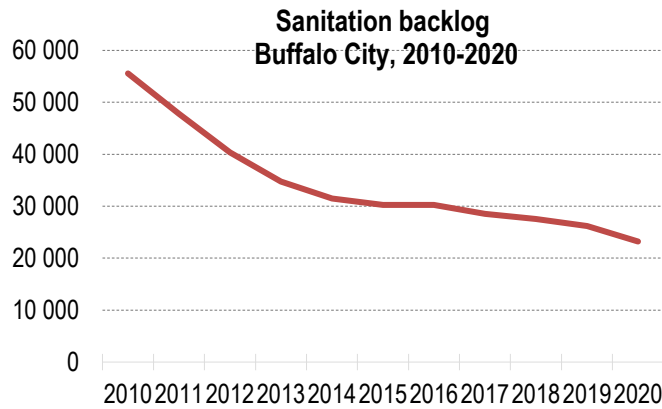
**TABLE 14. Households by type of sanitation - Macleantown, Sandisiwe, King Williams Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2020 [Number]**

|                            | Flush toilet | Ventilation Improved Pit (VIP) | Pit toilet | Bucket system | No toilet | Total   |
|----------------------------|--------------|--------------------------------|------------|---------------|-----------|---------|
| Macleantown, Sandisiwe     | 12,455       | 4,679                          | 1,306      | 103           | 712       | 19,255  |
| King William's Town, Bisho | 38,602       | 13,719                         | 4,127      | 299           | 1,568     | 58,315  |
| Mdantsane, Chalumna        | 49,541       | 14,597                         | 3,998      | 379           | 1,864     | 70,378  |
| East London                | 70,822       | 20,607                         | 5,650      | 541           | 2,661     | 100,281 |
| Total Buffalo City         | 171,420      | 53,602                         | 15,081     | 1,322         | 6,805     | 248,229 |

Source: IHS Markit Regional eXplorer version 2201

The region within Buffalo City with the highest number of flush toilets is East London Sub-metro Region with 70 800 or a share of 41.32% of the flush toilets within Buffalo City. The region with the lowest number of flush toilets is Macleantown, Sandisiwe Sub-metro Region with a total of 12 400 or a share of 7.27% of the total flush toilets within Buffalo City Metropolitan Municipality.

**CHART 20. Sanitation backlog - Buffalo City Metropolitan Municipality, 2010-2020 [Number of households without hygienic toilets]**



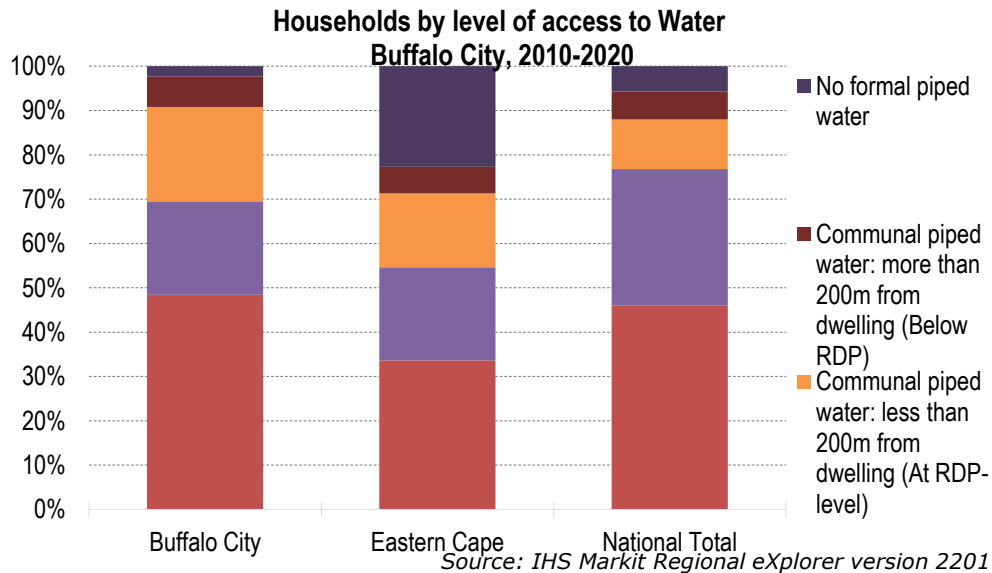
Source: IHS Markit Regional Explorer

When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2010 the number of Households without any hygienic toilets in Buffalo City Metropolitan Municipality was 55 600, this decreased annually at a rate of -8.36% to 23 200 in 2020.

#### 5.4 Households by Access to Water

A household is categorised according to its main access to water, as follows: Regional/local water scheme, Borehole and spring, Water tank, Dam/pool/stagnant water, River/stream and other main access to water methods. No formal piped water includes households that obtain water via water carriers and tankers, rainwater, boreholes, dams, rivers and springs.

**CHART 21. Households by type of water access - Buffalo City, Eastern Cape and National Total, 2020 [Percentage]**



Buffalo City Metropolitan Municipality had a total number of 120 000 (or 48.42%) households with piped water inside the dwelling, a total of 52 000 (20.94%) households had piped water inside the yard and a total number of 5 850 (2.36%) households had no formal piped water.

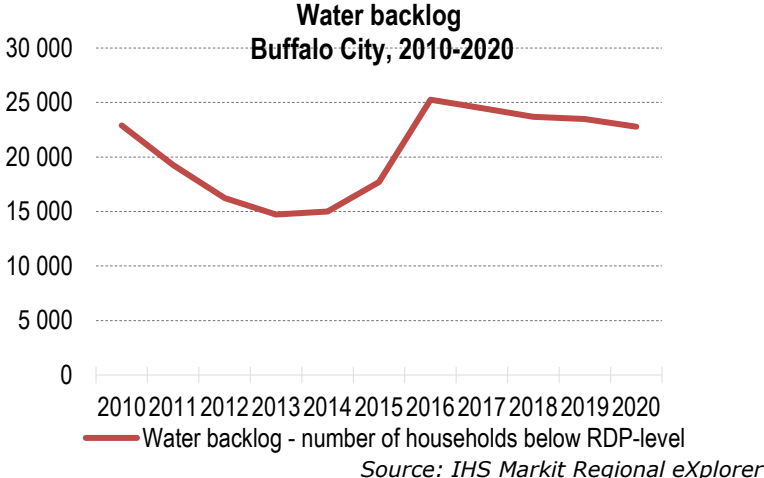
**TABLE 15. Households by type of water access - Buffalo City Metropolitan Municipality, 2020 [Number]**

|                            | Piped water inside dwelling | Piped water in yard | Communal piped water: less than 200m from dwelling (At RDP-level) | Communal piped water: more than 200m from dwelling (Below RDP) | No formal piped water | Total   |
|----------------------------|-----------------------------|---------------------|---|--|-----------------------|---------|
| Macleantown, Sandisiwe     | 8,637                       | 4,253               | 4,209   | 1,489  | 666                   | 19,255  |
| King William's Town, Bisho | 27,125                      | 12,270              | 13,112  | 4,161  | 1,645                 | 58,315  |
| Mdantsane, Chalumna        | 34,752                      | 14,616              | 14,872  | 4,669  | 1,468                 | 70,378  |
| East London                | 49,666                      | 20,845              | 21,084  | 6,614  | 2,072                 | 100,281 |
| Total Buffalo City         | 120,180                     | 51,985              | 53,278  | 16,934   | 5,852                 | 248,229 |

Source: IHS Markit Regional eXplorer version 2201

The regions within Buffalo City Metropolitan Municipality with the highest number of households with piped water inside the dwelling is East London Sub-metro Region with 49 700 or a share of 41.33% of the households with piped water inside the dwelling within Buffalo City Metropolitan Municipality. The region with the lowest number of households with piped water inside the dwelling is Macleantown, Sandisiwe Sub-metro Region with a total of 8 640 or a share of 7.19% of the total households with piped water inside the dwelling within Buffalo City Metropolitan Municipality.

**CHART 22. Water backlog - Buffalo City Metropolitan Municipality, 2010-2020 [Number of households below RDP-level]**

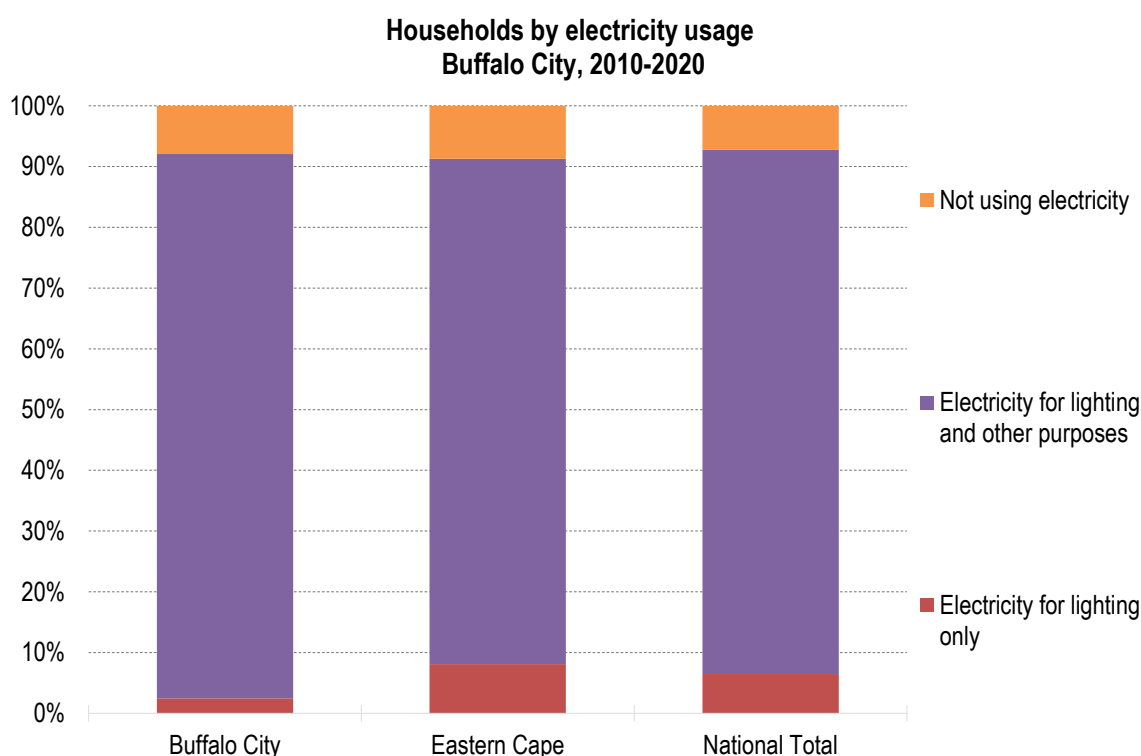


When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2010 the number of households below the RDP-level were 22 900 within Buffalo City Metropolitan Municipality, this decreased annually at -0.05% per annum to 22 800 in 2020.

**5.5 Households by Type of Electricity**

Households are distributed into 3 electricity usage categories: Households using electricity for cooking, Households using electricity for heating, households using electricity for lighting. Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection).

**CHART 23. Households by type of electrical connection - Buffalo City, Eastern Cape and National Total, 2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality had a total number of 6 090 (2.45%) households with electricity for lighting only, a total of 222 000 (89.60%) households had electricity for lighting and other purposes and a total number of 19 700 (7.94%) households did not use electricity.

**TABLE 16. Households by type of electrical connection - Macleantown, Sandisiwe, King Williams Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2020 [Number]**

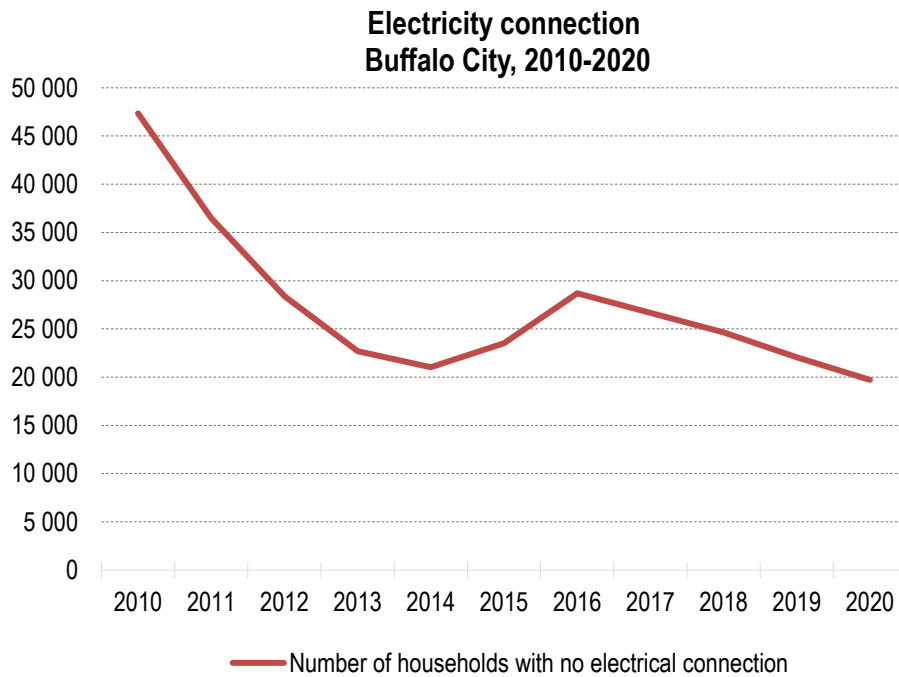
|                                  | Electricity for lighting only | Electricity for lighting and other purposes | Not using electricity | Total          |
|----------------------------------|-------------------------------|---|-----------------------|----------------|
| <b>Macleantown, Sandisiwe</b>    | 515                           | 17,151                                      | 1,589                 | 19,255         |
| <b>King Williams Town, Bisho</b> | 1,521                         | 52,324                                      | 4,470                 | 58,315         |
| <b>Mdantsane, Chalumna</b>       | 1,675                         | 63,078                                      | 5,625                 | 70,378         |
| <b>East London</b>               | 2,374                         | 89,871                                      | 8,036                 | 100,281        |
| <b>Total Buffalo City</b>        | <b>6,086</b>                  | <b>222,424</b>                              | <b>19,719</b>         | <b>248,229</b> |

Source: IHS Markit Regional eXplorer version 2201

The region within Buffalo City with the highest number of households with electricity for lighting and other purposes is East London Sub-metro Region with 89 900 or a share of 40.41% of the households with electricity for lighting and

other purposes within Buffalo City Metropolitan Municipality. The Region with the lowest number of households with electricity for lighting and other purposes is Macleantown, Sandisiwe Sub-metro Region with a total of 17 200 or a share of 7.71% of the total households with electricity for lighting and other purposes within Buffalo City Metropolitan Municipality.

**CHART 24. Electricity connection - Buffalo City Metropolitan Municipality, 2010-2020 [Number of households with no electrical connection]**



Source: IHS Markit Regional eExplorer version 2201

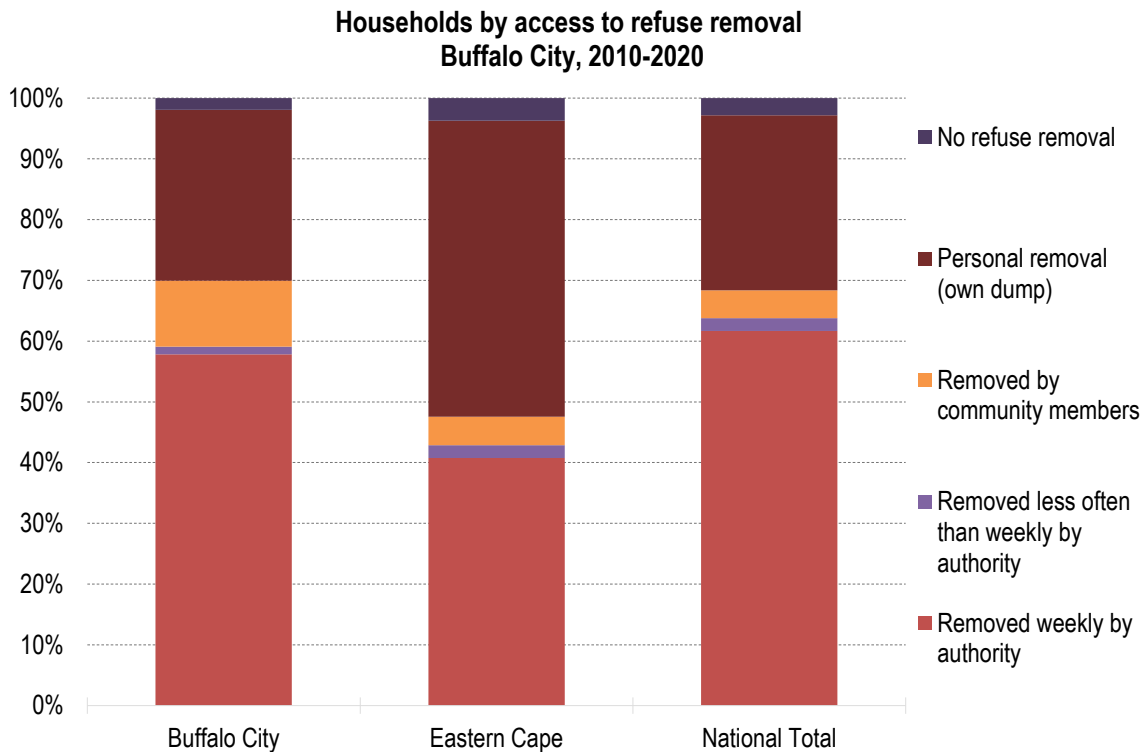
When looking at the number of households with no electrical connection over time, it can be seen that in 2010 the households without an electrical connection in Buffalo City Metropolitan Municipality was 47 300, this decreased annually at -8.39% per annum to 19 700 in 2020.

## 5.6 Households by Refuse Disposal

A distinction is made between formal and informal refuse removal. When refuse is removed by the local authorities, it is referred to as formal refuse removal. Informal refuse removal is where either the household or the community disposes of the waste, or where there is no refuse removal at all. A further breakdown is used in terms of the frequency by which the refuse is taken away, thus leading to the following categories:

- Removed weekly by authority
- Removed less often than weekly by authority
- Removed by community members
- Personal removal / (own dump)
- No refuse removal

**CHART 25. Households by refuse disposal - Buffalo City, Eastern Cape and National Total, 2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality had a total number of 144 000 (57.84%) households which had their refuse removed weekly by the authority, a total of 3 170 (1.28%) households had their refuse removed less often than weekly by the authority and a total number of 69 800 (28.12%) households which had to remove their refuse personally (own dump).

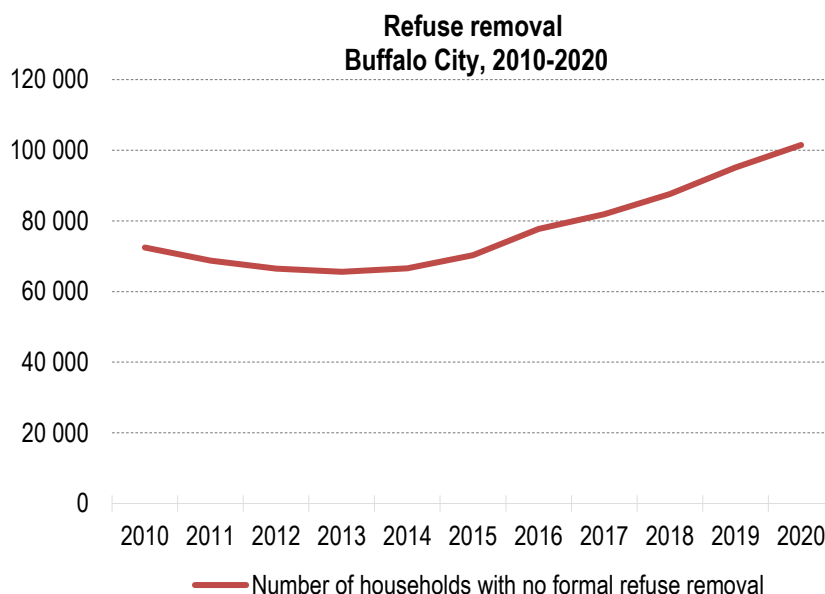
**TABLE 17. Households by refuse disposal - Macleantown, Sandisiwe, King William’s Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2020 [Number]**

|                            | Removed weekly by authority | Removed less often than weekly by authority | Removed by community members | Personal removal (own dump) | No refuse removal | Total          |
|----------------------------|-----------------------------|---|------------------------------|-----------------------------|-------------------|----------------|
| Macleantown, Sandisiwe     | 10,478                      | 241   | 1,969                        | 6,115                       | 453               | 19,255         |
| King William’s Town, Bisho | 32,300                      | 712   | 6,121                        | 18,086                      | 1,096             | 58,315         |
| Mdantsane, Chalumna        | 41,491                      | 912   | 7,731                        | 18,897                      | 1,347             | 70,378         |
| East London                | 59,300                      | 1,303                                       | 11,042                       | 26,715                      | 1,921             | 100,281        |
| <b>Total Buffalo City</b>  | <b>143,569</b>              | <b>3,169</b>                                | <b>26,863</b>                | <b>69,812</b>               | <b>4,817</b>      | <b>248,229</b> |

Source: IHS Markit Regional eXplorer version 2201

The region within Buffalo City with the highest number of households where the refuse is removed weekly by the authority is East London Sub-metro Region with 59 300 or a share of 41.30% of the households where the refuse is removed weekly by the authority within Buffalo City. The region with the lowest number of households where the refuse is removed weekly by the authority is Macleantown, Sandisiwe Sub-metro Region with a total of 10 500 or a share of 7.30% of the total households where the refuse is removed weekly by the authority within the metropolitan municipality.

**CHART 26. Refuse removal - Buffalo City Metropolitan Municipality, 2010-2020 [Number of households with no formal refuse removal]**



Source: IHS Markit Regional Explorer version 2201

When looking at the number of households with no formal refuse removal, it can be seen that in 2010 the households with no formal refuse removal in Buffalo City Metropolitan Municipality was 72 500, this increased annually at 3.42% per annum to 102 000 in 2020.

The total number of households within Buffalo City Metropolitan Municipality increased at an average annual rate of 1.01% from 2010 to 2020, which is higher than the annual increase of 1.60% in the number of households in South Africa.

## 5.7 Overview of Service Delivery Backlogs

### Water

The BCMM Water Department has achieved a 98% access to basic level water supply. 2% of households are still required to be serviced which are mostly from villages that have been included after the 2016 local government elections. These villages were getting water supply that is not meeting the minimum standards. Water Department is currently providing temporary measures to ensure access. To eradicate these backlogs a budget of R176 million and R200 million is required for Water and Sanitation respectively. In general, access to basic services has increased significantly over time within BCMM jurisdiction.



The following key achievements are noted:

- 98% of BCMM population has access to minimum basic water services and approximately 75 868 indigent consumers received free basic water (6kl per month). However, BCMM is generally stressed region which is due largely to the lack of additional capacity at water treatment plants and water losses owing to aging and poor maintained infrastructure. The department has also managed to reduce water losses by a massive saving of 6 079 637 kiloliters in the past three years.
- The rapid growth of urban centres is putting pressure on the municipality to increase its capacity in order to respond to the service calls timeously. Provision of water and sanitation services is dispensed by using internal capacity within the Municipality, as well as contractors which are procured through the supply-chain management process. In the recent years BCMM have moved faster in providing water and sanitation services in informal settlements and rural areas in the interest of increasing access to basic services to all citizens of the city.
- The metro's recent increase in the infrastructure investment and expenditure shows the commitment in providing sustainable water services to our communities. Since 2015/16, more than R1 billion has been spent on water and sewer infrastructure. In 2018/19 alone, the metro spent R377 213 040 replacing and installing new pipes, building new and maintaining existing reservoirs and pump stations, and providing services to customers in informal settlements. As BCMM continues to grow, large-scale investment in wastewater infrastructure is required to add capacity and keep up with the latest technology and treatment standards. The metro has therefore invested close to R572 464 962 in wastewater treatment works since 2015/16.
- In agreement to the metro's customer needs, the Metro also invested close to R154 574 373 in various water meter replacement programmes, primarily aimed at ensuring that customers receive accurate readings. In terms of the bulk water supply network, about R322 563 733 has been spent since 2015/16, including some R107 543 904 in the financial year under review.

## **Sanitation**

The Sanitation department is operating fifteen (15) wastewater treatment works servicing the three operational districts. Due to the new developments and housing rollout, sewerage system across the municipality lack sufficient spare capacity. The aging infrastructure, vandalism and theft are the main contributors to the increased incidents of sewage overflows that threatens the environment. This limits development in particular limits the development potential of Industrial Development in some catchment zones. In order to address some of the identified challenges, BCMM established and are implementing regional wastewater treatment works in Qonce (previously known as KWT) at Zwelitsha and Reeston to unlock developments in the Inland and Amalinda chatchment zones areas respectively.

Informal Settlements have access to minimum standards of sanitation. Approximately 58 797 indigent consumers received free basic sanitation. There is still a number of villages that still required to be provided with basic sanitation in the form of VIPs, the department is rolling out approximately 3000 VIPs a year.

## **Electricity**

In terms of the electricity backlog, the backlog is due to three main reasons:

- Back log due to new RDP Housing project being completed. This backlog is considered the formal backlog as the houses are built to reduce the housing need and are built on formal plots.
- In terms of this formal backlog the number of houses requiring electricity is estimated to be about 1500 a year due the completion of houses during the year. Electrification the completed houses are usually completed within the next year.
- The second reason for electricity services backlog is due to the mushrooming informal dwellings within BCMM these households require both housing and electrification.
- The BCMM have implemented a Standard Operating procedure to expedite informal areas, that meet the electrification criteria but for a few minor concerns such as re-blocking, relocation out of access ways (roadways)
- Thirdly in the ESKOM area of supply, the backlog is mainly caused by extensions to already electrified villages, the main hold back on the extension being electrified is that many of them do not meet electrification guideline of having a formal layout plan

The BCMM electricity department purchases bulk electricity from Eskom via 13 intake points of distribution in the BCMM supply area. This is re-distributed to all legal consumers within the urban edge.

As per government policy BCMM prioritises electrification of formal RDP households and the aim is to electrify all completed homes built within the following year. The actual achievement is based on the funding made available. In this financial year 100 household received electricity for the first time, improving their living standard. The continued electrification of RDP houses is prioritized to ensure that the backlog of around 2% is maintained or reduced.

Informal settlements are an urban reality and will be the only form of housing available to many residents. To improve the quality for residents of these settlements Council took a decision that settlements meeting specific requirements in line with an approved Standard Operating Procedure (SOP), will be provided with interim electricity services. The approved SOP process proceeds through Spatial Planning and Development / Human Settlement Phase, thereafter electricity will be able to commence with the electrical Planning Phase in line with the OHS Act. In the year under review 900 informal dwellings received electricity.

The Metro has continued to invest capital funding to the tune of R87.4 million into the aging electrical network by upgrading, refurbishing, and replacing equipment which has reached its useful lifespan. The 4IR SCADA project has continued, has provided the Electricity and Energy Department with much needed control and monitoring of the electrical network and provides safer more efficient operating during load shedding events.

### **Waste removal**

As the City is growing the scope for provision of Waste Management Services is also extending. As a result, the City will undertake an exercise to identify appropriate service delivery models that would ensure provision of effective Solid Waste Management Services that will meet the Demand.

BCMM waste collection services are categorized into levels mentioned below, because of different access conditions in the formal and informal communities:

## Refuse removal

- Kerbside collection services incorporate the collection of waste placed in black bags or wheelie bins on scheduled days. This type of service is only provided to residential areas of 149 551 households where street networks are sufficiently developed to allow reasonable access to individual properties, as such is only applicable in formally developed residential areas. All regions use refuse compactor trucks for residential and commercial waste collection, load luggers for skip removal and a combination of trucks such as side tippers and LDVs for street cleaning.
- In informal settlements with an estimated number of 61 252 households and blocks of flats, communal collection, incorporating collection of waste in bulk from central collection points to which either the residents, or the municipality or contractors working for the municipality take the refuse for removal in bulk. Occasionally six cubic meter skip containers are placed at central strategic points for storing of refuse until its removal.
- Clustering of service areas for refuse removal in the residential areas to ensure optimal use of resources and also to prevent waste collection backlog have been undertaken. The clustering has commenced in the Midland Region and Inland Regions are currently Coastal region is drawing lessons from them in order to improve their service model.

## Clearance of Illegal Dumps

The department also has programmes of clearing illegal dumps in all wards. The process of Mapping out illegal dump hotspots has been successfully initiated in all the three (3) Regions and their clearance is on a continuous basis even though communities do not seem to appreciate these endeavours.

The City is in the process of converting these spots into mini transfer stations that will be accessible to the communities that are notorious in committing activities of illegal dumping.

The City has established Integrated Rapid Response Team (IRRT) which is operational in all the three (3) regions to address among others any activities aligned with waste management including illegal dumping.

The City is in the process of developing a concept document aimed at involving communities in the waste management services which will promote **adopt a street**, **adopt a spot** and **adopt a pavement** which will contribute to the reduction of illegal dumping.

## Landfill sites & Transfer Stations

Landfilling is the most commonly used waste disposal method in South Africa, and it is estimated that above 95% of waste generated is disposed of in landfill sites. It has been conceived as the most economical method of waste disposal and can be considered an environmentally acceptable practice provided it is properly carried out.

BCMM is serviced by two General Waste Landfill Sites and has no Hazardous Waste landfill sites. The City has nine old (pre -NEMWA) Waste Management Facilities. These sites are of various categories in terms of compliance to the Waste Regulatory Framework. In addition, there are also two (2) Garden Waste Refuse Sites in Beacon Bay and Gonubie (privately owned).

### a) Qonce Landfill Site

Both these sites are GLB+ landfill sites that are estimated to have a combined average waste disposal capacity of 850 to 1300 ton of Municipal Solid Waste per day. The estimated lifespan of these sites is  $\pm 15$  years.

### Garden Transfer Stations

Buffalo City Metropolitan Municipality has got transfer stations where garden waste is dropped, the Beacon Bay Garden Transfer Station and the Gonubie Transfer Station, which is privately owned. The City is in the process of establishing Transfer Stations that will accept Garden Waste as well as builder's rubble in the Midland, Inland and other areas of the Coastal Regions.

### Waste Minimisation, Education & Planning

Waste Minimisation Unit is responsible for implementation of programmes that seek to ensure that waste is reduced before disposed at landfill sites.

| Resources | Coastal | Midland | Inland |
|-----------|---------|---------|--------|
| Personnel | 2       | 1       | 2      |
| Vehicles  | 1       | 1       | 0      |

The Unit is responsible for the following activities?

- To empower and enable Communities, Business, Schools, Businesses and the government sphere to take responsibility of their waste by conducting awareness campaigns (door to door) and clean up campaigns.
- To capacitate the communities with an understanding that waste is a resource by introducing waste separation at source at schools, households, and Businesses.
- To encourage communities to keep the City Clean by introducing **adopt a spot** program to reduce incidence of illegal dumping.

The City, in partnership with Border Kei Chamber of Business (BKCOB), have strengthened the Waste Minimisation Programmes as a result, two (2) Buy Back Centres (BBC's) have already been established in the coastal region. The plan is to roll out these Buy Back Centres to the other two (2) regions, namely Midland and Inland. This initiative will also be rolled out in partnership with BKCOB and BCMDA.

### WASTE MINIMIZATION PROGRAMMES

BCMM Internal Waste recycling - Recycling drop off point units were placed at the following Offices:

- Trust Centre
- Old Mutual Building
- Debt Management Offices
- Solid Waste - Cambridge
- Solid Waste - Directors Office
- IEMP Building
- Engineering Building

#### (i) EC Waste Management Systems Project

This is a Department of Environmental Affairs funded project which is using labour intensive methods as

per the requirements of Expanded Public Works Programme (EPWP) to execute the following:

- Upgrading of East London buy-back centre
- Waste separation at source
- Street Cleaning

**(ii) Education and Awareness campaigns:**

Solid Waste Management Services conducts awareness and education programmes to the members of the community on issues relating to cleanliness, waste, environmental management and sustainable development targeting communities and schools.

**Service Delivery Fridays** were introduced as a result of the launch of Good Green Deeds by the President, to further intensify waste management service delivery models such as litter picking, gutter clearance, clearance of illegal dumps etc. and the programme is progressing well.

**Achievements of Solid Waste Department during this year of reporting are as outlined below:**

- a) Implementation of waste separation at source programme
- b) Fully operational Buy Back Centres within the Coastal Region.
- c) Successfully operating recyclable drop-off points
- d) Successfully launching and implementing Good Green Deeds initiative

**Top Service Delivery Priorities**

- The City will strengthen its IRRT endeavours to ensure that the manner in which the service is provided is sustained.
- The City will ensure that on an annual basis the IWMP is reviewed.
- The City will continue establish drop-off zones
- The City will pilot a community-based service delivery platform in Southernwood, Quigney, Mdantsane and King Williams Town so that lessons can be learnt and applied throughout the city.
- In the Coastal region, the Department will implement a new collection model. Through the gains/saving in efficiency, the City will be able to redirect resources in terms of savings to Duncan Village and Southernwood

| <b>Households</b>  |                |                |                |                |
|--|----------------|----------------|----------------|----------------|
| <b>Description</b>                                       | <b>2015/16</b> | <b>2016/17</b> | <b>2017/18</b> | <b>2018/19</b> |
|  | <b>Actual</b>  | <b>Actual</b>  | <b>Actual</b>  | <b>Actual</b>  |
|  | <b>No.</b>     | <b>No.</b>     | <b>No.</b>     | <b>No.</b>     |
| <b><i>Solid Waste Removal: (Minimum level)</i></b>       |                |                |                |                |
| Removed at least once a week                             | 138            | 143            | 127            | 149 551        |
| <i>Minimum Service Level and Above sub-total</i>         | 138            | 143            | 127            | 149 551        |
| <i>Minimum Service Level and Above percentage</i>        | 5.3%           | 6.3%           | 28.4%          | 98%            |
| <b><i>Solid Waste Removal: (Below minimum level)</i></b> |                |                |                |                |
| Removed less frequently than once a week                 | n/a            | n/a            | n/a            | n/a            |
| Using communal refuse dump                               | 846            | 487            | 63             | 61 252         |
| Using own refuse dump                                    | 547            | 565            | 205            |                |

|   |              |              |            |                |
|---|--------------|--------------|------------|----------------|
| Other rubbish disposal                        | 952          | 938          | 17         |                |
| No rubbish disposal                           | 123          | 124          | 35         |                |
| <i>Below Minimum Service Level sub-total</i>  | 2,468        | 2,113        | 320        | 320            |
| <i>Below Minimum Service Level percentage</i> | 94.7%        | 93.7%        | 71.6%      | 41%            |
| <b>Total number of households</b>             | <b>2,606</b> | <b>2,256</b> | <b>447</b> | <b>210 803</b> |

Figure 28: Solid Waste Removal Service levels

| Description  | 2015/16    | 2016/17    | 2018/19    |                     |                     | Actual No. |
|--|------------|------------|------------|---------------------|---------------------|------------|
|  | Actual No. | Actual No. | Actual No. | Original Budget No. | Adjusted Budget No. |            |
| <b>Formal Settlements</b>                            |            |            |            |                     |                     |            |
| Total households                                     | 100,000    | 100,000    | 228 000    | 126                 | 100,000             | 228 000    |
| Households below minimum service level               | 25,000     | 25,000     | -          | -                   | -                   | -          |
| Proportion of households below minimum service level | 25%        | 25%        |            | 0%                  | 0%                  |            |
| <b>Informal Settlements</b>                          |            |            |            |                     |                     |            |
| Total households                                     | 100,000    | 100,000    | 156        | 100,000             | 100,000             | 156        |
| Households below minimum service level               | 25,000     | 25,000     | 1          | 25,000              | 25,000              | 1          |
| Proportion of households below minimum service level | 25%        | 25%        | 719%       | 25%                 | 25%                 | 719%       |

Figure 29: Solid Waste Removal Households serviced  
Roads and Storm water

The roads and stormwater service is under the Directorate of Infrastructure services, and is responsible for the rehabilitation, upgrade and maintenance of 2940km of surfaced and gravel roads, 70 Bridge structures, 21000 manholes, inlet and outlet structures and 600km of pipes and channels. The City has a Pavement Management system which was developed in the 2012/2013 financial year and is currently in the process of procuring a consultant to review it in the 2022/2023 financial year.

The capital and operating budgets for the 2018/2019 financial year was R130 Million for Operating and R 280 Million for capital. The roads and Stormwater branch achieved its performance targets for the 2018/2019 financial year. 140km of roads were regavelled/rehabilitated, resurfaced 43km of existing roads, upgraded 23km of gravel roads to surfaced standards and rehabilitated 3 bridge structures.

Buffalo City Metropolitan Municipality (BCMM) is responsible for the construction and maintenance of all proclaimed roads within its area of jurisdiction except for Private, Provincial and National Roads. The total Municipal roads network is ±2940km, which is made up of 1340Km of Gravel Roads and 1600km of Surfaced Roads. 0000 It is also responsible for the rehabilitation, maintenance and upgrade of existing stormwater pipe, channels, bridges, and drainage structures.

The existing stormwater infrastructure consists of ±70 Bridge Structures, ±21 000 manholes, kerb inlets, headwalls and other inlet and outlet structures, in addition to this there is ±600km of storm water pipes and culverts within the Metro.

## **5.8 Informal Settlements**

There are 156 informal settlements consisting of approximately 30000 informal structures in BCMM. See plan below:

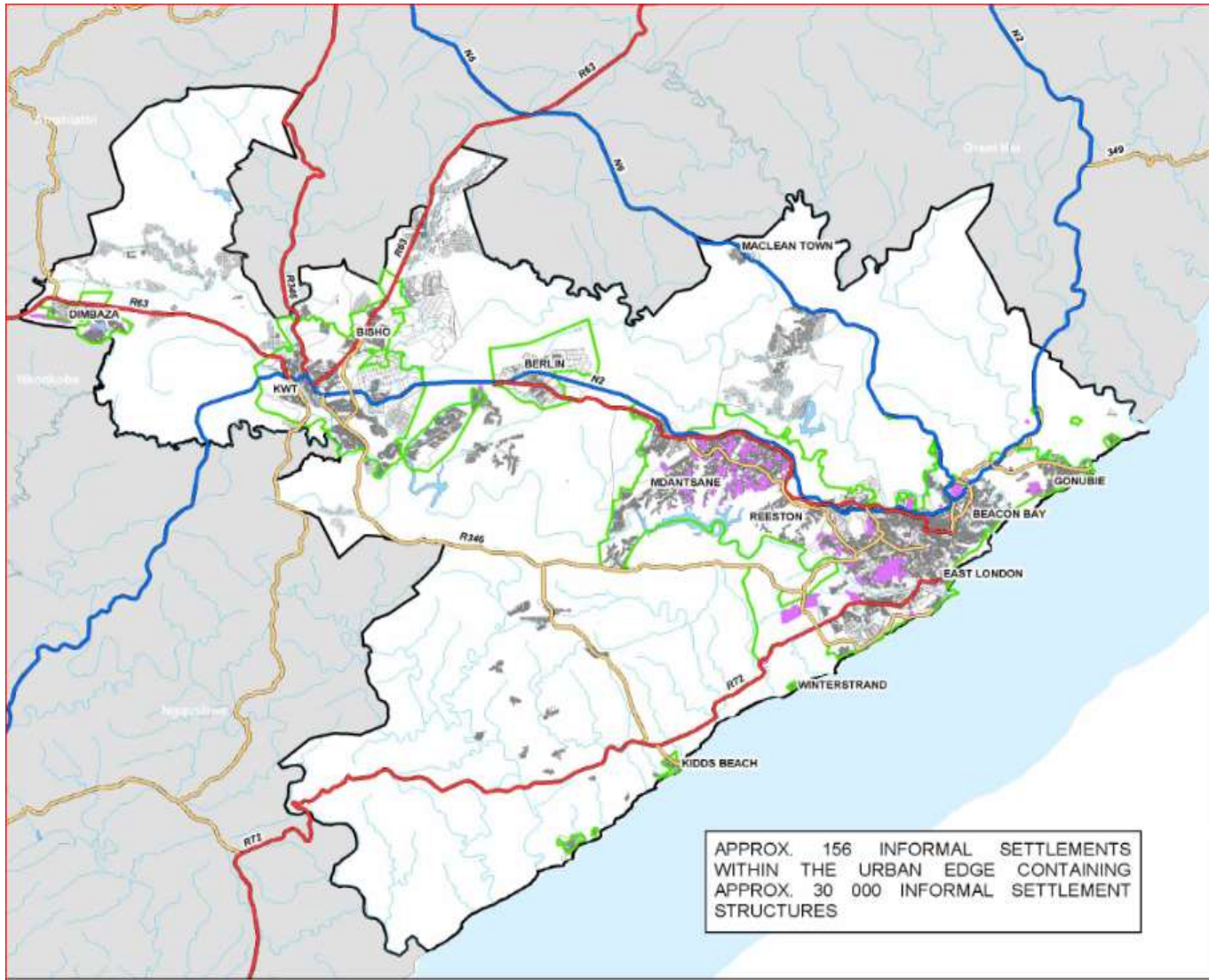


Figure 30: Plan D.1 BCMM informal settlements - Overall



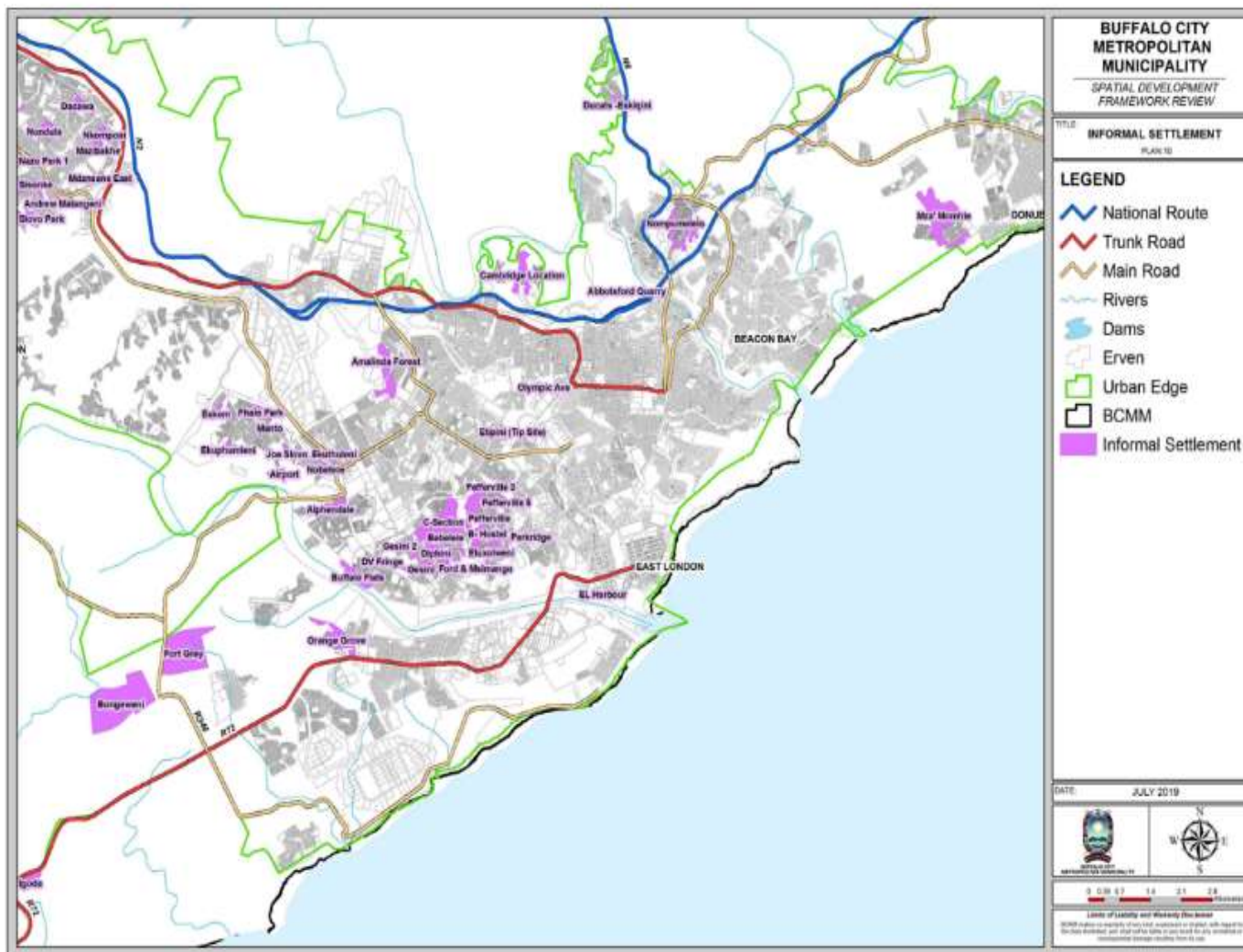


Figure 31: Plan D.2 BCMM Informal Settlements - East London

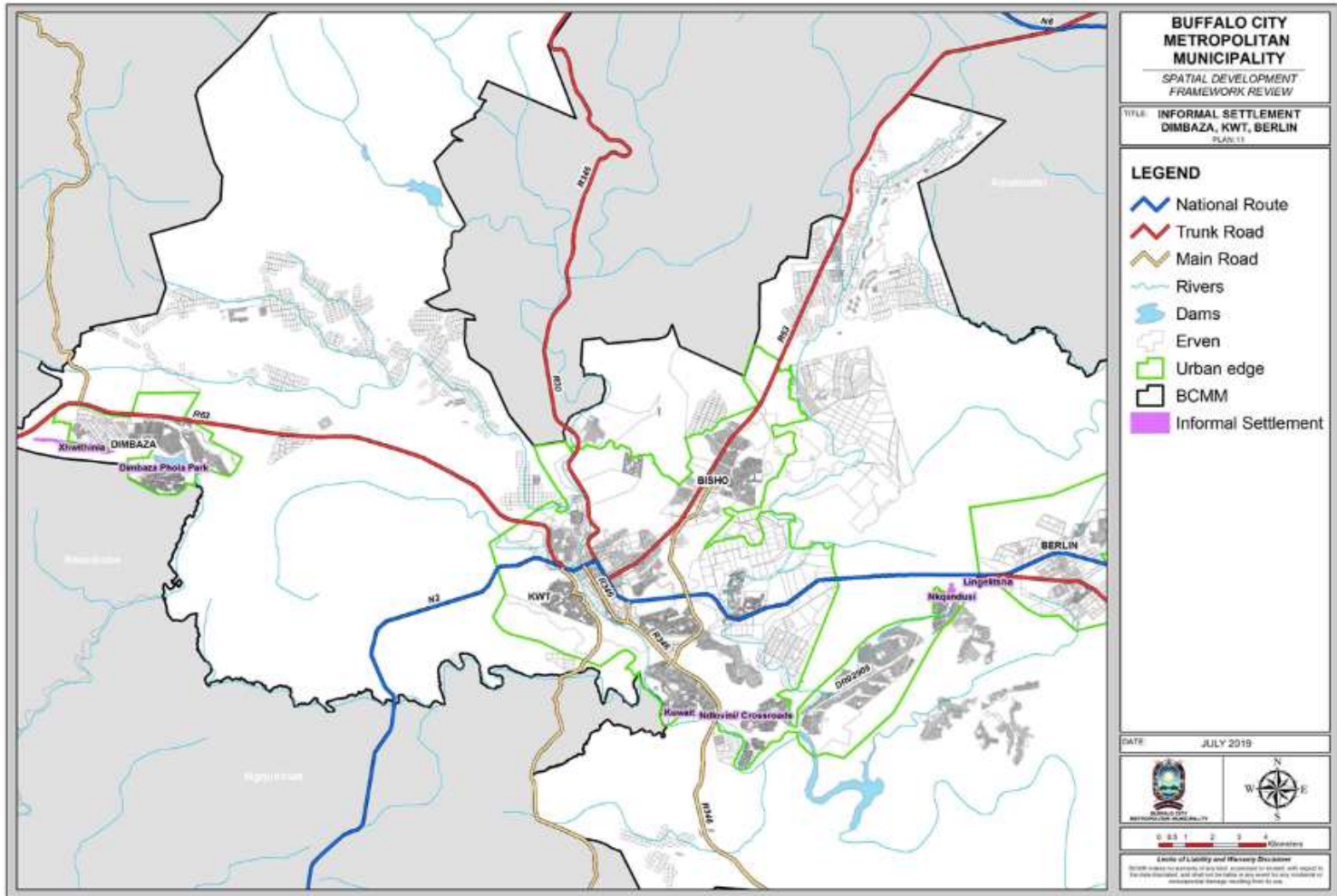


Figure 32: Plan D.3 BCMM informal Settlements – Qonce (previously known as KWT)



## 6. A SUMMARY OF THE KEY DEVELOPMENT TRENDS IN THE METRO

### 6.1 Economy Growth and Development Trends

The economic state of Buffalo City Metropolitan Municipality is put in perspective by comparing it on a spatial level with its neighbouring metropolitan municipalities, Eastern Cape Province and South Africa. The section will also allude to the economic composition and contribution of the regions within Buffalo City Metropolitan Municipality.

The Buffalo City Metropolitan Municipality does not function in isolation from Eastern Cape, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

### 6.2 Towards an Economic Recovery Plan for BCMM

#### 6.2.1 Contextual Considerations

SA's economic competitiveness relative to other economies has worsened over time – we have declined on the World Bank's Global Competitiveness Index since 2007. This has led to deteriorating business confidence and falling investment (both FDI and domestic investment). Underlying this has been rising costs of doing business, declining export competitiveness, and inefficiencies in our network industries and infrastructure (energy, ports, rail, telecoms). For a middle-income country we have a very low human capital index (we have an HCI of 0.4 according to the WB which is lower for example than Zimbabwe, and which means we are only 40% as productive as we could be with optimal health and education). This means we have been unable to achieve productivity-driven growth - we have the cost structures of a middle-income country and productivity levels of a low-income country which has led to increasing structural unemployment (we have been unable to create jobs for the unskilled).

#### 6.2.2 Contraction and Recovery of the economy

Covid impacts have seen the global economy contract by -5.2%, the South African economy by more than 7%, but recovery is expected in 2021. According to the IMF, global economic recovery will rebound in a V-shaped recovery, but it will take some time to recover to pre-recession level.

The pandemic has significantly reduced global consumption demand, disrupted global supply chains, and reduced commodities demand (which is bad for a commodity exporter like SA). Currently more than 90% of countries across the world are in recession (far worse than the Great Recession and the Great Depression).

#### 6.2.3 Sector Impacts

At national level, construction, manufacturing, finance and real estate, and trade all show large or severe COVID-related contraction.

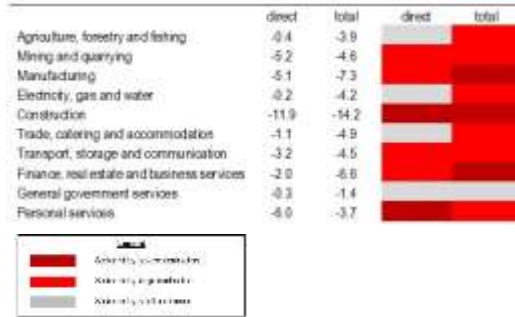


Figure 34: Sector Impact (Source: National Treasury)

### 6.2.4 Business Confidence

There has been a massive decline in business confidence and economic activity in South Africa and similar trends can be observed in Buffalo City.



Source: BER, National Treasury \* Unweighted average across sectors

Figure 35: Business Confidence Index

### 6.2.5 Implications for Buffalo City

- Construction, manufacturing, trade, tourism and finance and business services have been most impacted by COVID.
- The auto sector has been heavily affected by the crash in global vehicle demand, although MBSA were already slowing down production to ready the plant for the new W206 model which commences next year.

- General Government Services has been less impacted as an economic sector, which suggests that the BCMM economy will contract slightly less than the national economy given its relative significance for the BCM economy, although risk remains high given state of fiscal distress.
- Levels of fixed investment for 2020 will decline by at least 15% due to the impact on the property and construction sector, although again we project this to be slightly better than the national contraction due to the sustained investment by MBSA in the W206 plant and machinery and our own property and infrastructure projects (BCMDA projects and road projects such as Sleeper Site, Settlers Way etc, although our ability to sustain this investment without growth is unlikely).
- Small businesses, B&Bs, Restaurants, etc. have been heavily affected, many of which have closed and are unlikely to open again.
- Large investors such as Defy have been impacted by the crash in consumption demand, and national restructuring is back on the agenda (which could see them close in BCMM).
- The real impact on the BCMM economy will depend on whether there will be significant contraction in the government sector going forward (due to fiscal constraints) and how quickly the automotive sector is able to resume production capacity aligned to global demand.

#### 6.2.6 Labour Market Impacts

COVID-related job loss in South Africa is projected to be between 600 000 and 1.7million. The impact is significantly worse for low skill segments, for women, and for informal sector. In BCMM, we are projected to lose between 5000 and 15 000 jobs (depending on the speed of recovery). Most of these job losses will be in small family-owned businesses, and in sectors such as tourism and leisure, construction, trade, manufacturing, financial services and trade. Hunger poverty in BCMM is expected to increase by at least 10% -20% in the immediate term.

#### 6.2.7 Fiscal Gap

The result of low growth and declining fixed investment is that the gap between revenue and expenditure is widening threatening a sovereign debt crisis. The fiscal gap has grown wider meaning expenditure ceilings to avoid a debt crisis. This means less transfers and grants, and a likely shift to more incentive-based resource allocation (where cities must implement reforms, show value and impact, spend well to get more). Shift to evidence-based budget prioritization. It also means more emphasis on private sector partnerships, blended finance etc to finance CAPEX. It also means that expenditure must catalyse growth (cities must urgently and deliberately grow their tax bases).

#### 6.2.8 Coherent Economic Strategy

Metros are expected to develop Economic Reconstruction and Recovery Plan's to ignite economic recovery (driven by Executive Mayors). Line departments and Ministries will be responsible for the implementation of programmes relevant to their departments. This work will be coordinated by the Presidential Advisory Technical Team and the National Treasury's Operation Vulindlela, with centralized capacity in the Presidency to drive and co-ordinate implementation.

The BCMM Economic Recovery Plan must be framed by coherent economic strategy, proposed to be underpinned by the following two pillars:

- **AUTOMOTIVE CONSOLIDATION AND DEEPENING:**  
Expand MBSA productive base in city (W206 and beyond)  
Local content and supplier development  
Logistics and skills to build overall export competitiveness of the city
- **DIVERSIFICATION INTO NEW GROWTH SECTORS TO REDUCE AUTO-DEPENDENCY:**  
Agro-industry

ICT and GBS aligned to SMART CITY development  
 Green industries  
 Tourism and creative industries

### 6.3 Economy

The economic state of Buffalo City Metropolitan Municipality is put in perspective by comparing it on a spatial level with its neighbouring metropolitan municipalities, Eastern Cape Province and South Africa. The section will also allude to the economic composition and contribution of the regions within Buffalo City Metropolitan Municipality.

The Buffalo City Metropolitan Municipality does not function in isolation from Eastern Cape, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

### 6.4 Gross Domestic Product by Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

**Definition:** Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

**TABLE 18. Gross Domestic Product (GDP) - Buffalo City, Eastern Cape and National Total, 2010-2020 [R billions, Current prices]**

|      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2010 | 48.3         | 241.1        | 3,055.6        | 20.1%                         | 1.58%                         |
| 2011 | 51.1         | 255.4        | 3,327.0        | 20.0%                         | 1.54%                         |
| 2012 | 56.6         | 283.4        | 3,566.4        | 20.0%                         | 1.59%                         |
| 2013 | 61.0         | 305.7        | 3,868.6        | 20.0%                         | 1.58%                         |
| 2014 | 65.1         | 326.3        | 4,133.9        | 20.0%                         | 1.58%                         |
| 2015 | 70.3         | 352.9        | 4,420.8        | 19.9%                         | 1.59%                         |
| 2016 | 74.1         | 373.2        | 4,759.6        | 19.9%                         | 1.56%                         |
| 2017 | 79.4         | 400.4        | 5,078.2        | 19.8%                         | 1.56%                         |
| 2018 | 83.5         | 421.2        | 5,357.6        | 19.8%                         | 1.56%                         |
| 2019 | 86.2         | 435.6        | 5,605.0        | 19.8%                         | 1.54%                         |
| 2020 | 83.8         | 423.5        | 5,521.1        | 19.8%                         | 1.52%                         |

Source: IHS Markit Regional eXplorer version 2201

With a GDP of R 83.8 billion in 2020 (up from R 48.3 billion in 2010), the Buffalo City Metropolitan Municipality contributed 19.79% to the Eastern Cape Province GDP of R 423 billion in 2020 increasing in the share of the Eastern Cape from 20.06% in 2010. The Buffalo City Metropolitan Municipality contributes 1.52% to the GDP of South Africa which had a total GDP of R 5.52 trillion in 2020 (as measured in nominal or current prices). Its contribution to the national economy stayed similar in importance from 2010 when it contributed 1.58% to South Africa, but it is lower than the peak of 1.59% in 2015.

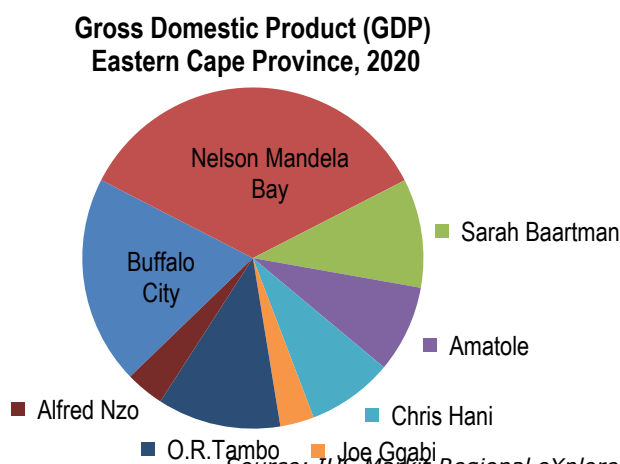
**TABLE 19. Gross Domestic Product (GDP) - Buffalo City, Eastern Cape and National Total, 2010-2020 [Annual percentage change, Constant 2010 prices]**

|  | Buffalo City | Eastern Cape | National Total |
|--|--------------|--------------|----------------|
| 2010                                   | 1.5%         | 1.9%         | 2.6%           |
| 2011                                   | 3.4%         | 3.3%         | 3.2%           |
| 2012                                   | 1.7%         | 2.0%         | 2.4%           |
| 2013                                   | 1.4%         | 1.4%         | 2.5%           |
| 2014                                   | 0.7%         | 0.7%         | 1.4%           |
| 2015                                   | 0.7%         | 1.0%         | 1.3%           |
| 2016                                   | 0.9%         | 0.8%         | 0.7%           |
| 2017                                   | 0.3%         | 0.5%         | 1.2%           |
| 2018                                   | 0.9%         | 1.0%         | 1.5%           |
| 2019                                   | -0.3%        | -0.1%        | 0.1%           |
| 2020                                   | -6.4%        | -6.6%        | -6.4%          |
| <b>Average Annual growth 2010-2020</b> | <b>0.30%</b> | <b>0.39%</b> | <b>0.74%</b>   |

Source: IHS Markit Regional eXplorer version 2201

In 2020, the Buffalo City Metropolitan Municipality achieved an annual growth rate of -6.37% which is a slightly higher GDP growth than the Eastern Cape Province's -6.58%, and is higher than that of South Africa, where the 2020 GDP growth rate was -6.43%. Contrary to the short-term growth rate of 2020, the longer-term average growth rate for Buffalo City (0.30%) is slightly lower than that of South Africa (0.74%). The economic growth in Buffalo City peaked in 2011 at 3.43%.

**CHART 27. Gross Domestic Product (GDP) - Buffalo City Metropolitan Municipality and the rest of Eastern Cape, 2020 [Percentage]**



Source: IHS Markit Regional eXplorer version



The Buffalo City Metropolitan Municipality had a total GDP of R 83.8 billion and in terms of total contribution towards Eastern Cape Province the Buffalo City Metropolitan Municipality ranked second relative to all the regional economies to total Eastern Cape Province GDP. This ranking in terms of size compared to other regions of Buffalo City remained the same since 2010. In terms of its share, it was in 2020 (19.8%) slightly smaller compared to what it was in 2010 (20.1%). For the period 2010 to 2020, the average annual growth rate of 0.3% of Buffalo City was the seventh relative to its peers in terms of growth in constant 2010 prices.

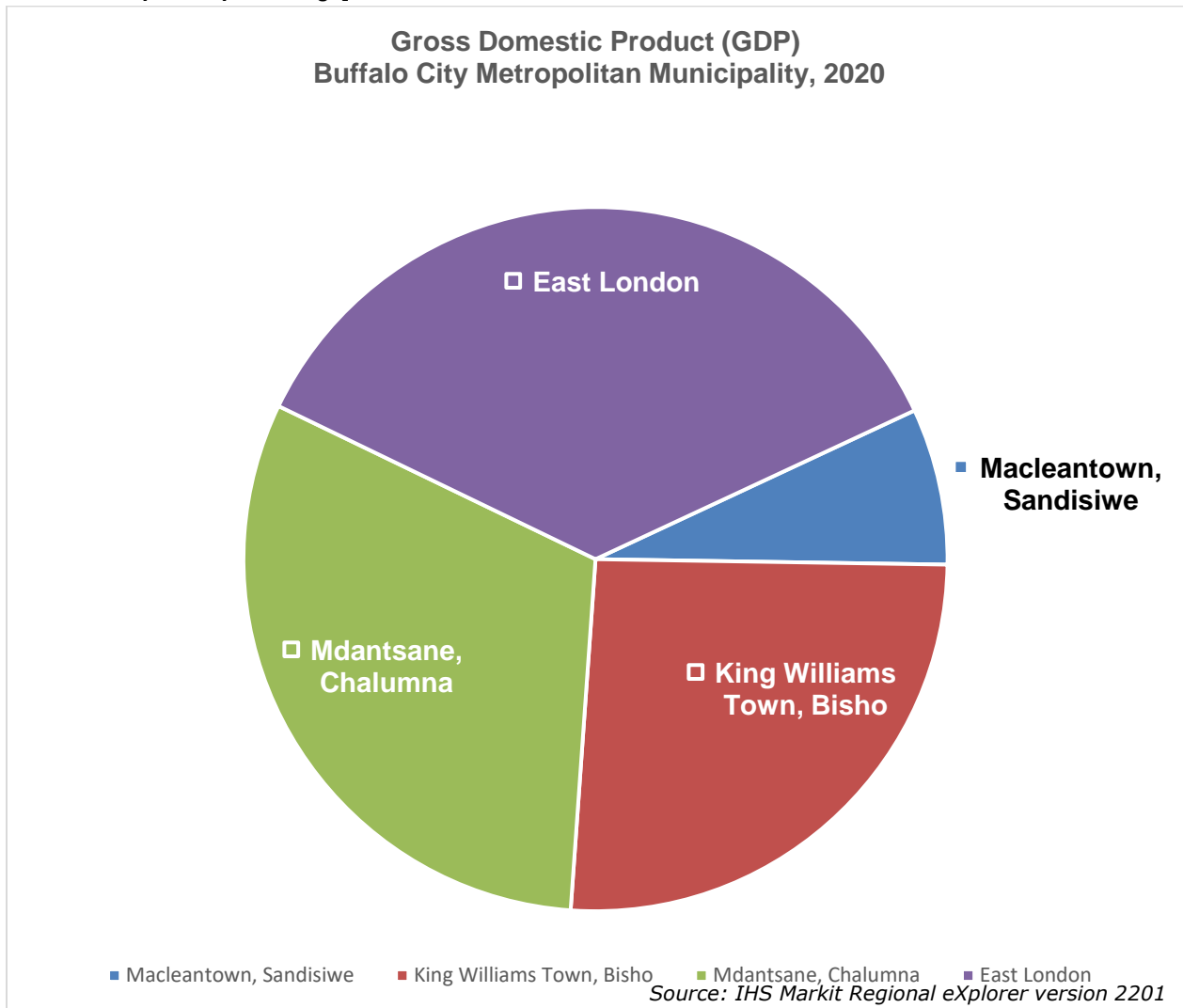
**TABLE 20. Gross Domestic Product (GDP) - sub-metro regions of Buffalo City Metropolitan Municipality, 2010 to 2020, share and growth**

|                                       | 2020<br>(Current<br>prices) | Share<br>of<br>metropolitan<br>municipality | 2010<br>(Constant<br>prices) | 2020<br>(Constant<br>prices) | Average<br>Annual<br>growth |
|---------------------------------------|-----------------------------|---|------------------------------|------------------------------|-----------------------------|
| <b>Macleantown,<br/>Sandisiwe</b>     | 6.03                        | 7.19%                                       | 4.54                         | 4.67                         | <b>0.29%</b>                |
| <b>King William's<br/>Town, Bisho</b> | 21.68                       | 25.88%                                      | 16.32                        | 16.82                        | <b>0.30%</b>                |
| <b>Mdantsane,<br/>Chalumna</b>        | 26.01                       | 31.04%                                      | 19.56                        | 20.17                        | <b>0.30%</b>                |
| <b>East London</b>                    | 30.07                       | 35.89%                                      | 22.62                        | 23.32                        | <b>0.30%</b>                |
| <b>Buffalo City</b>                   | 83.79                       |   | 63.04                        | 64.97                        |                             |

*Source: IHS Markit Regional eXplorer version 2201*

East London had the highest average annual economic growth, averaging 0.30% between 2010 and 2020, when compared to the rest of the regions within the Buffalo City Metropolitan Municipality. The Mdantsane, Chalumna Sub-metro Region had the second highest average annual growth rate of 0.30%. Macleantown, Sandisiwe Sub-metro Region had the lowest average annual growth rate of 0.29% between 2010 and 2020.

**CHART 28. GDP contribution - sub-metro regions of Buffalo City Metropolitan Municipality, 2020 [Current prices, percentage]**

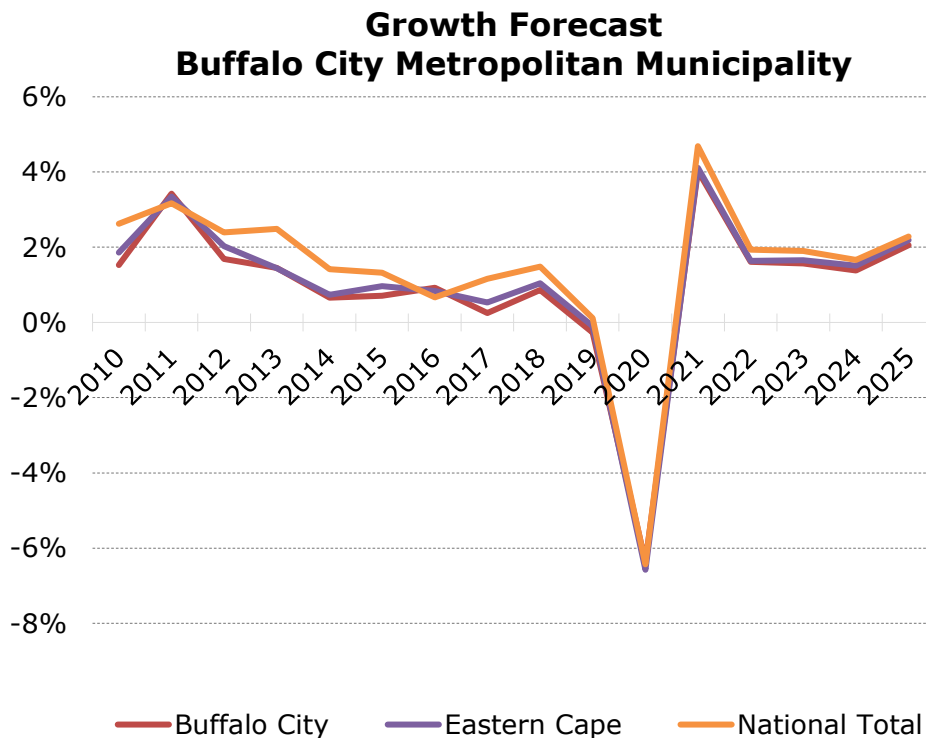


The greatest contributor to the Buffalo City Metropolitan Municipality economy is the East London Sub-metro Region with a share of 35.89% or R 30.1 billion, increasing from R 17.4 billion in 2010. The economy with the lowest contribution is the Macleantown, Sandisiwe Sub-metro Region with R 6.03 billion growing from R 3.48 billion in 2010.

### 6.5 Economic Growth Forecast

It is expected that Buffalo City Metropolitan Municipality will grow at an average annual rate of 2.13% from 2020 to 2025. The average annual growth rate of Eastern Cape Province and South Africa is expected to grow at 2.22% and 2.49% respectively.

**TABLE 21. Gross Domestic Product (GDP) - Buffalo City, Eastern Cape and National Total, 2010-2025 [Average annual growth rate, constant 2010 prices]**



Source: IHS Markit Regional eXplorer version 2201

In 2025, Buffalo City's forecasted GDP will be an estimated R 72.2 billion (constant 2010 prices) or 19.8% of the total GDP of Eastern Cape Province. The ranking in terms of size of the Buffalo City Metropolitan Municipality will remain the same between 2020 and 2025, with a contribution to the Eastern Cape Province GDP of 19.8% in 2025 compared to the 19.8% in 2020. At a 2.13% average annual GDP growth rate between 2020 and 2025, Buffalo City ranked the fourth compared to the other regional economies.

**TABLE 22. Gross Domestic Product (GDP) - sub-metro regions of Buffalo City Metropolitan Municipality, 2020 to 2025, share and growth**

|                           | 2025 (Current prices) | Share of metropolitan municipality | 2020 (Constant prices) | 2025 (Constant prices) | Average Annual growth |
|---------------------------|-----------------------|------------------------------------|------------------------|------------------------|-----------------------|
| Macleantown, Sandisiwe    | 8.22                  | 7.19%                              | 4.67                   | 5.19                   | 2.13%                 |
| King Williams Town, Bisho | 29.57                 | 25.87%                             | 16.82                  | 18.66                  | 2.11%                 |
| Mdantsane, Chalumna       | 35.48                 | 31.04%                             | 20.17                  | 22.41                  | 2.13%                 |
| East London               | 41.03                 | 35.90%                             | 23.32                  | 25.91                  | 2.13%                 |
| Buffalo City              | 114.30                |                                    | 64.97                  | 72.17                  |                       |

Source: IHS Markit Regional eXplorer version 2201

When looking at the regions within the Buffalo City Metropolitan Municipality it is expected that from 2020 to 2025 the Macleantown, Sandisiwe Sub-metro Region will achieve the highest average annual growth rate of 2.13%. The region that is expected to achieve the second highest average annual growth rate is that of East London Sub-metro Region, averaging 2.13% between 2020 and 2025. On the other hand the region that performed the poorest relative to the other regions within Buffalo City Metropolitan Municipality was the King Williams Town, Bisho Sub-metro Region with an average annual growth rate of 2.11%.

## 6.6 Gross Value Added by Region (GVA-R)

The Buffalo City Metropolitan Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy.

**Definition:** Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Buffalo City Metropolitan Municipality.

**TABLE 23. Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2020 [R billions, current prices]**

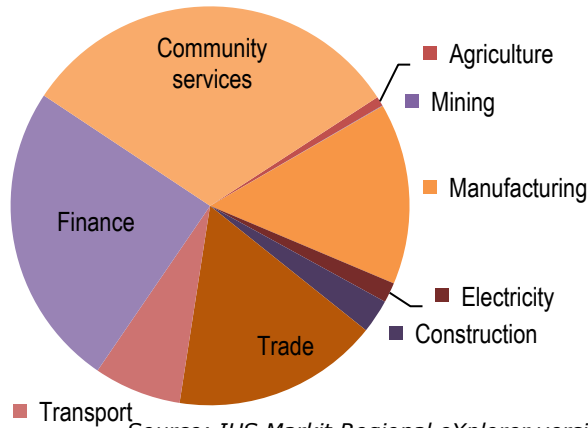
|                         | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|-------------------------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| Agriculture             | 0.6          | 7.4          | 139.5          | 7.9%                          | 0.42%                         |
| Mining                  | 0.0          | 0.5          | 353.2          | 5.9%                          | 0.01%                         |
| Manufacturing           | 11.1         | 49.1         | 648.4          | 22.5%                         | 1.71%                         |
| Electricity             | 1.2          | 8.6          | 157.3          | 14.3%                         | 0.78%                         |
| Construction            | 2.1          | 10.4         | 134.3          | 19.8%                         | 1.54%                         |
| Trade                   | 12.6         | 66.1         | 659.5          | 19.1%                         | 1.91%                         |
| Transport               | 5.3          | 25.1         | 368.8          | 21.3%                         | 1.45%                         |
| Finance                 | 18.7         | 85.7         | 1,216.0        | 21.8%                         | 1.54%                         |
| Community services      | 23.7         | 130.1        | 1,320.8        | 18.2%                         | 1.80%                         |
| <b>Total Industries</b> | <b>75.3</b>  | <b>383.0</b> | <b>4,997.9</b> | <b>19.7%</b>                  | <b>1.51%</b>                  |

Source: IHS Markit Regional eXplorer version 2201

In 2020, the community services sector is the largest within Buffalo City Metropolitan Municipality accounting for R 23.7 billion or 31.5% of the total GVA in the metropolitan municipality's economy. The sector that contributes the second most to the GVA of the Buffalo City Metropolitan Municipality is the finance sector at 24.8%, followed by the trade sector with 16.7%. The sector that contributes the least to the economy of Buffalo City Metropolitan Municipality is the mining sector with a contribution of R 29.4 million or 0.04% of the total GVA.

**CHART 29. Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2020 [percentage composition]**

**Gross Value Added (GVA) by broad economic sector  
Buffalo City Metropolitan Municipality, 2020**

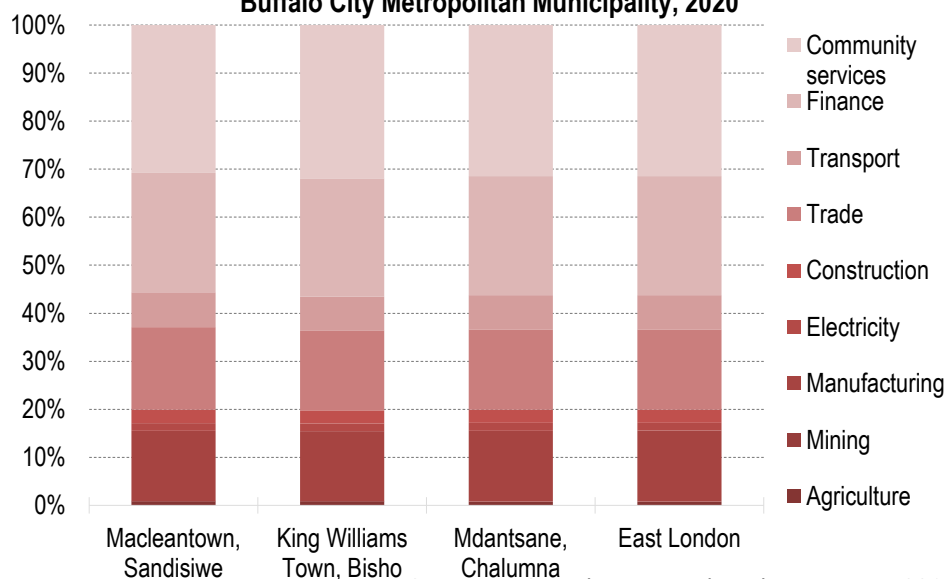


Source: IHS Markit Regional eXplorer version 2201

The community sector, which includes the government services, is generally a large contributor towards GVA in smaller and more rural local municipalities. When looking at the regions within the metropolitan municipality, the East London Sub-metro Region made the largest contribution to the community services sector at 35.79% of the metropolitan municipality. As a whole, the East London Sub-metro Region contributed R 27 billion or 35.88% to the GVA of the Buffalo City Metropolitan Municipality, making it the largest contributor to the overall GVA of the Buffalo City Metropolitan Municipality.

**CHART 30. Gross Value Added (GVA) by broad economic sector - sub-metro regions of Buffalo City Metropolitan Municipality, 2020 [percentage composition]**

**Gross Value Added (GVA) by broad economic sector  
Buffalo City Metropolitan Municipality, 2020**



Source: IHS Markit Regional eXplorer version 2201

## 6.7 Historical Economic Growth

For the period 2020 and 2010, the GVA in the agriculture sector had the highest average annual growth rate in Buffalo City at 1.63%. The industry with the second highest average annual growth rate is the finance sector averaging at 1.45% per year. The electricity sector had an average annual growth rate of -2.04%, while the construction sector had the lowest average annual growth of -2.36%. Overall a negative growth existed for all the industries in 2020 with an annual growth rate of -6.03% since 2019.

**TABLE 24. Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2010, 2015 and 2020 [R billions, 2010 constant prices]**

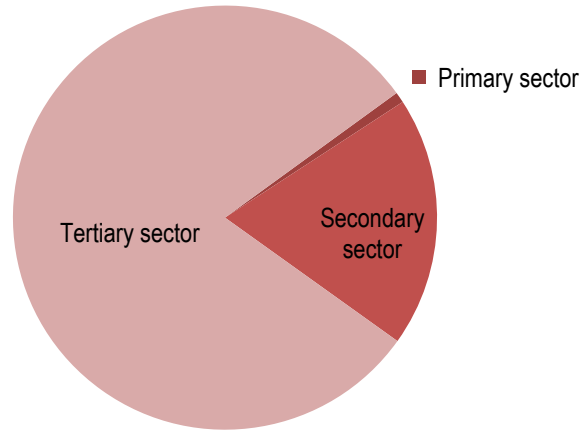
|                           | 2010         | 2015         | 2020         | Average growth | Annual |
|---------------------------|--------------|--------------|--------------|----------------|--------|
| <b>Agriculture</b>        | 0.33         | 0.40         | 0.38         | <b>1.63%</b>   |        |
| <b>Mining</b>             | 0.05         | 0.06         | 0.04         | <b>-1.75%</b>  |        |
| <b>Manufacturing</b>      | 9.09         | 9.33         | 8.35         | <b>-0.85%</b>  |        |
| <b>Electricity</b>        | 0.68         | 0.62         | 0.56         | <b>-2.04%</b>  |        |
| <b>Construction</b>       | 2.18         | 2.32         | 1.72         | <b>-2.36%</b>  |        |
| <b>Trade</b>              | 9.45         | 10.31        | 8.87         | <b>-0.62%</b>  |        |
| <b>Transport</b>          | 4.80         | 5.31         | 4.65         | <b>-0.33%</b>  |        |
| <b>Finance</b>            | 12.90        | 14.21        | 14.90        | <b>1.45%</b>   |        |
| <b>Community services</b> | 17.42        | 18.52        | 18.93        | <b>0.84%</b>   |        |
| <b>Total Industries</b>   | <b>56.90</b> | <b>61.09</b> | <b>58.40</b> | <b>0.26%</b>   |        |

Source: IHS Markit Regional eXplorer version 2201

The tertiary sector contributes the most to the Gross Value Added within the Buffalo City Metropolitan Municipality at 80.1%. This is slightly higher than the national economy (71.3%). The secondary sector contributed a total of 19.1% (ranking second), while the primary sector contributed the least at 0.8%.

**CHART 31. Gross Value Added (GVA) by aggregate economic sector - Buffalo City Metropolitan Municipality, 2020 [percentage]**

**Gross Value Added (GVA) by aggregate sector  
Buffalo City Metropolitan Municipality, 2020**



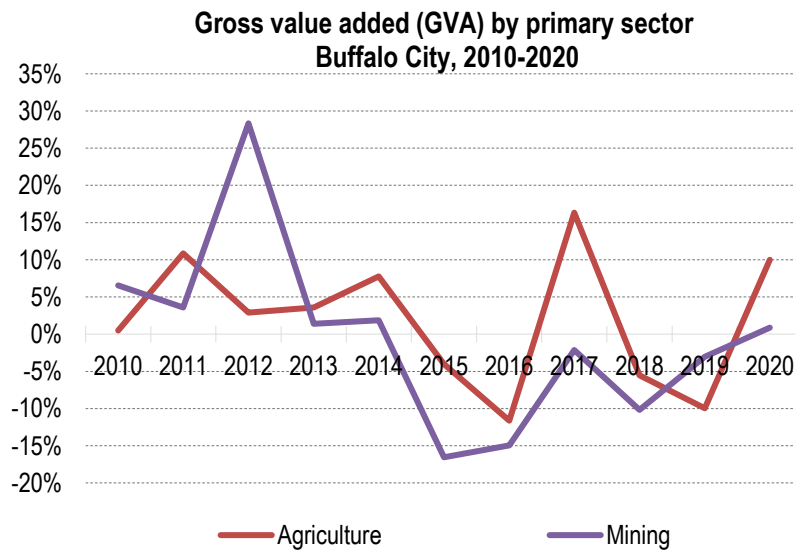
Source: IHS Markit Regional eXplorer version 2201

The following is a breakdown of the Gross Value Added (GVA) by aggregated sector:

**Primary Sector**

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Buffalo City Metropolitan Municipality from 2010 to 2020.

**CHART 32. Gross Value Added (GVA) by primary sector - Buffalo City, 2010-2020 [Annual percentage change]**



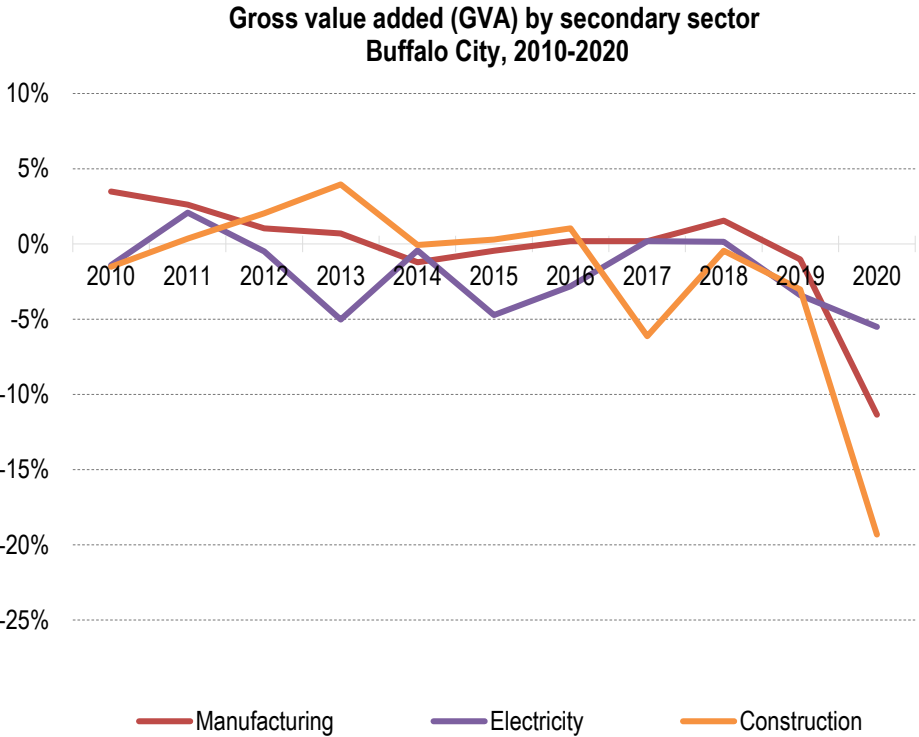
Source: IHS Markit Regional eXplorer version 2201

Between 2010 and 2020, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 16.3%. The mining sector reached its highest point of growth of 28.3% in 2012. The agricultural sector experienced the lowest growth for the period during 2016 at -11.6%, while the mining sector reaching its lowest point of growth in 2015 at -16.6%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

**Secondary Sector**

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Buffalo City Metropolitan Municipality from 2010 to 2020.

**CHART 33. Gross Value Added (GVA) by secondary sector - Buffalo City, 2010-2020 [Annual percentage change]**



Source: IHS Markit Regional eXplorer version 2201

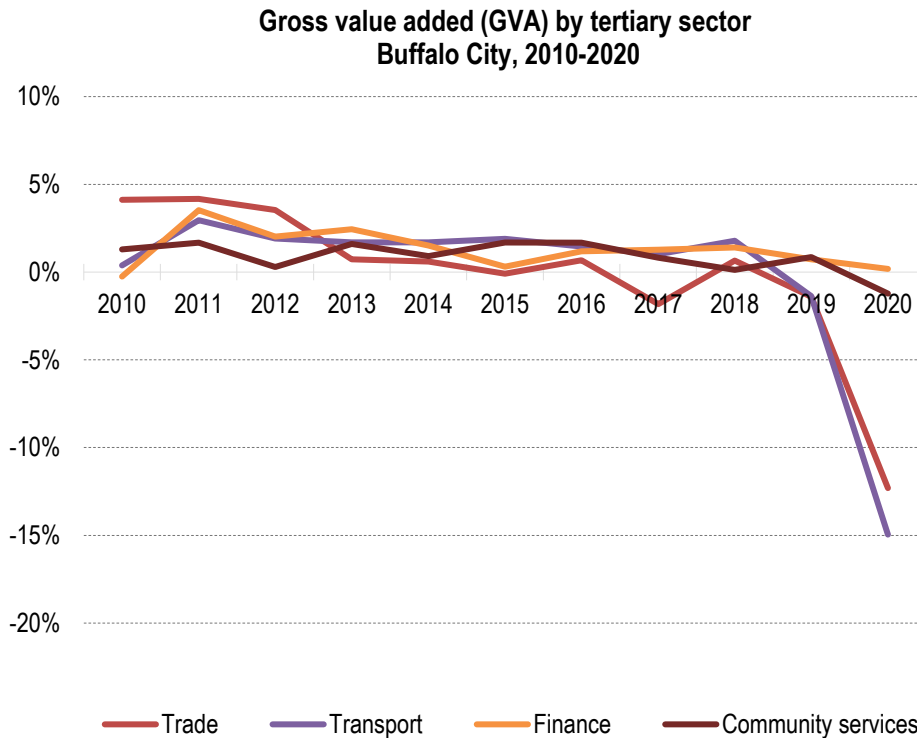
Between 2010 and 2020, the manufacturing sector experienced the highest positive growth in 2010 with a growth rate of 3.5%. The construction sector reached its highest growth in 2013 at 4.0%. The manufacturing sector experienced its lowest growth in 2020 of -11.4%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -19.3% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2011 at 2.1%, while it recorded the lowest growth of -5.5% in 2020.



## Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Buffalo City Metropolitan Municipality from 2010 to 2020.

**CHART 34. Gross Value Added (GVA) by tertiary sector - Buffalo City, 2010-2020 [Annual percentage change]**



*Source: IHS Markit Regional eXplorer version 2201*

The trade sector experienced the highest positive growth in 2011 with a growth rate of 4.2%. It is evident for the transport sector that the highest positive growth rate also existed in 2011 at 3.0% which is lower than that of the manufacturing sector. The finance sector experienced the highest growth rate in 2011 when it grew by 3.5% and recorded the lowest growth rate in 2010 at -0.3%. The Trade sector had the lowest growth rate in 2020 at -12.3%. The community services sector, which largely consists of government, experienced its highest positive growth in 2015 with 1.7% and the lowest growth rate in 2020 with -1.2%.

## 6.8 Sector Growth forecast

The GVA forecasts are based on forecasted growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2010) so the emphasis moves from historical growth rates to national-level industry growth rates.

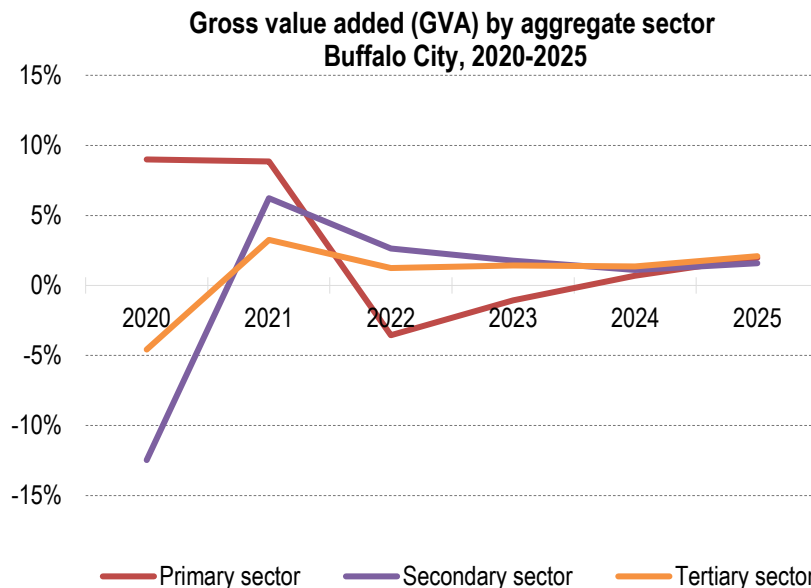
**TABLE 25. Gross value added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2020-2025 [R billions, constant 2010 prices]**

|                         | 2020         | 2021         | 2022         | 2023         | 2024         | 2025         | Average Annual growth |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------|
| Agriculture             | 0.38         | 0.41         | 0.39         | 0.39         | 0.40         | 0.41         | 1.20%                 |
| Mining                  | 0.04         | 0.06         | 0.05         | 0.05         | 0.05         | 0.05         | 2.13%                 |
| Manufacturing           | 8.35         | 9.01         | 9.23         | 9.38         | 9.45         | 9.57         | 2.76%                 |
| Electricity             | 0.56         | 0.57         | 0.59         | 0.61         | 0.62         | 0.64         | 2.90%                 |
| Construction            | 1.72         | 1.70         | 1.75         | 1.80         | 1.84         | 1.89         | 1.98%                 |
| Trade                   | 8.87         | 9.42         | 9.58         | 9.76         | 9.89         | 10.07        | 2.56%                 |
| Transport               | 4.65         | 4.85         | 4.93         | 5.04         | 5.14         | 5.27         | 2.54%                 |
| Finance                 | 14.90        | 15.57        | 16.03        | 16.40        | 16.75        | 17.21        | 2.92%                 |
| Community services      | 18.93        | 19.06        | 18.96        | 19.01        | 19.11        | 19.41        | 0.50%                 |
| <b>Total Industries</b> | <b>58.40</b> | <b>60.64</b> | <b>61.53</b> | <b>62.43</b> | <b>63.25</b> | <b>64.51</b> | <b>2.01%</b>          |

Source: IHS Markit Regional eXplorer version 2201

The finance sector is expected to grow fastest at an average of 2.92% annually from R 14.9 billion in Buffalo City Metropolitan Municipality to R 17.2 billion in 2025. The community services sector is estimated to be the largest sector within the Buffalo City Metropolitan Municipality in 2025, with a total share of 30.1% of the total GVA (as measured in current prices), growing at an average annual rate of 0.5%. The sector that is estimated to grow the slowest is the community services sector with an average annual growth rate of 0.50%.

**TABLE 26. Gross value added (GVA) by aggregate economic sector - Buffalo City Metropolitan Municipality, 2020-2025 [Annual growth rate, constant 2010 prices]**



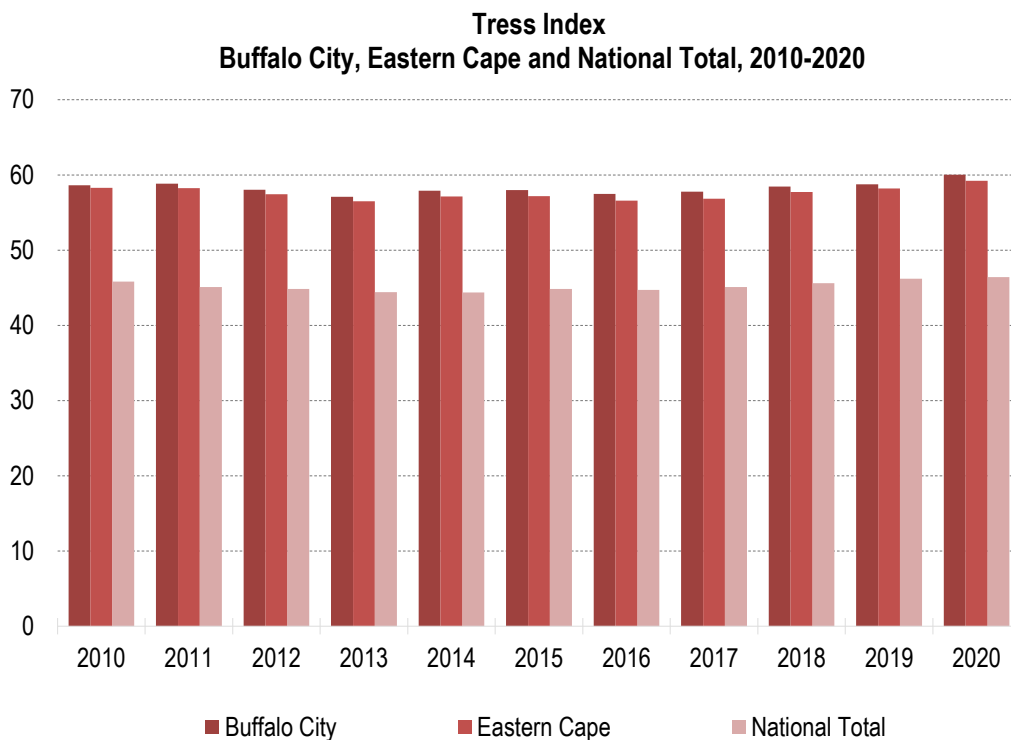
The Primary sector is expected to grow at an average annual rate of 1.29% between 2020 and 2025, with the Secondary sector growing at 2.64% on average annually. The Tertiary sector is expected to grow at an average annual rate of 1.87% for the same period.

Based on the typical profile of a developing country, we can expect faster growth in the secondary and tertiary sectors when compared to the primary sector. Also remember that the agricultural sector is prone to very high volatility as a result of uncertain weather conditions, pests and other natural causes - and the forecasts presented here is merely a long-term trend rather than trying to forecast the unpredictable weather conditions.

## 6.9 Tress Index

**Definition:** The Tress index measures the degree of concentration of an area's economy on a sector basis. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region.

**CHART 35. Tress index - Buffalo City, Eastern Cape and National Total, 2010-2020 [Number]**



Source: IHS Markit Regional eXplorer version 2201

In 2020, Buffalo City's Tress Index was estimated at 60 which are higher than the 59.2 of the province and higher than the 59.2 of the South Africa as a whole. This implies that - on average - Buffalo City Metropolitan Municipality is less diversified in terms of its economic activity spread than the national's economy.

The Buffalo City Metropolitan Municipality has a concentrated trade sector.

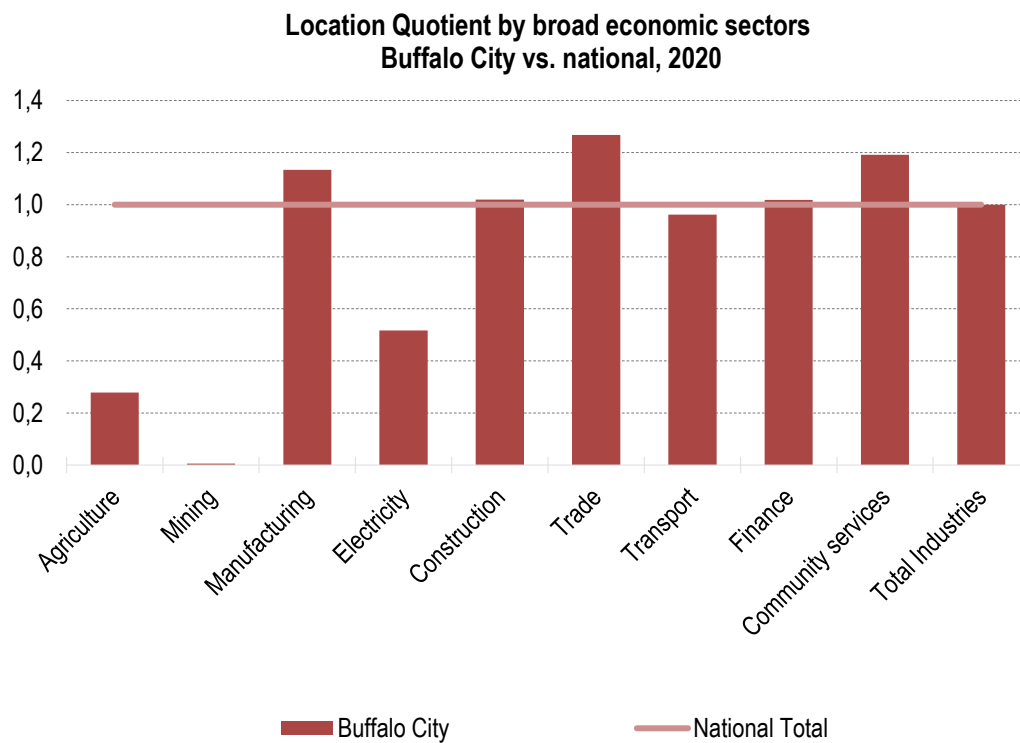
The more diverse an economy is, the more likely it is to create employment opportunities across all skills levels (and not only - for instance - employment opportunities that cater for highly skilled labourers), and maintain a healthy balance between labour-intensive and capital-intensive industries. If both economic growth and the alleviation of unemployment are of concern, clearly there need to be industries that are growing fast and also creating jobs in particular the lower skilled categories. Unfortunately, in practice many industries that are growing fast are not those that create many employment opportunities for unskilled labourers (and alleviate unemployment).

### 6.10 Location Quotient

**Definition:** A specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage.

If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.

**CHART 36. Location quotient by broad economic sectors - Buffalo City Metropolitan Municipality and South Africa, 2020 [Number]**



Source: IHS Markit Regional eXplorer version 2201

For 2020 Buffalo City Metropolitan Municipality has a comparative advantage in the trade sector. The community services sector has a comparative advantage. The manufacturing also has a comparative advantage when comparing it to the South Africa economy as a whole, although less prominent. The Buffalo City Metropolitan Municipality has a comparative disadvantage when it comes to the mining and agriculture sector which has a very large comparative disadvantage. In general mining is a very concentrated economic sector. Unfortunately, the Buffalo City Metropolitan Municipality area currently does not have a lot of mining activity, with an LQ of only 0.00552.

## 6.11 Labour

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

**TABLE 27. Working age population in Buffalo City, Eastern Cape and National Total, 2010 and 2020 [Number]**

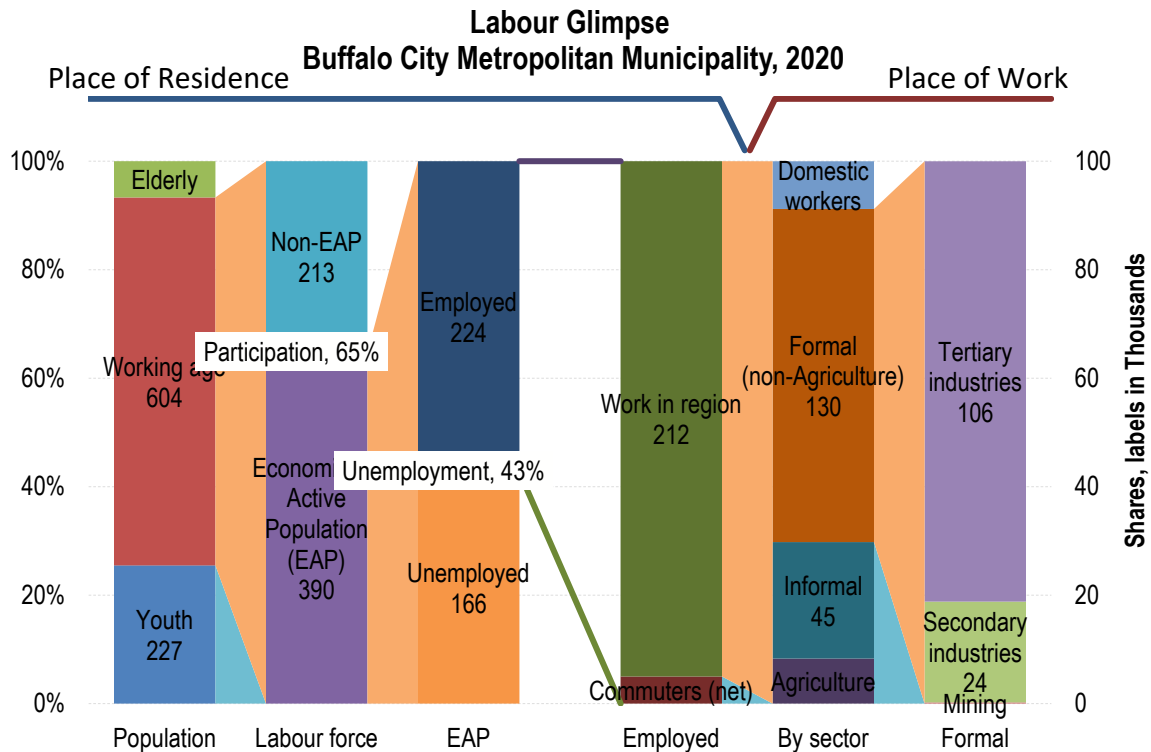
|              | Buffalo City   |                | Eastern Cape     |                  | National Total    |                   |
|--------------|----------------|----------------|------------------|------------------|-------------------|-------------------|
|              | 2010           | 2020           | 2010             | 2020             | 2010              | 2020              |
| 15-19        | 77,900         | 58,400         | 809,000          | 651,000          | 5,220,000         | 4,700,000         |
| 20-24        | 96,600         | 76,700         | 737,000          | 620,000          | 5,360,000         | 4,760,000         |
| 25-29        | 86,200         | 103,000        | 578,000          | 726,000          | 4,800,000         | 5,460,000         |
| 30-34        | 60,500         | 99,600         | 389,000          | 655,000          | 3,890,000         | 5,570,000         |
| 35-39        | 47,100         | 76,500         | 313,000          | 514,000          | 3,390,000         | 4,790,000         |
| 40-44        | 39,600         | 53,700         | 265,000          | 349,000          | 2,790,000         | 3,710,000         |
| 45-49        | 40,200         | 41,100         | 274,000          | 283,000          | 2,510,000         | 3,130,000         |
| 50-54        | 37,100         | 34,700         | 267,000          | 240,000          | 2,150,000         | 2,540,000         |
| 55-59        | 29,700         | 34,200         | 222,000          | 247,000          | 1,740,000         | 2,250,000         |
| 60-64        | 21,500         | 26,500         | 188,000          | 235,000          | 1,400,000         | 1,890,000         |
| <b>Total</b> | <b>536,000</b> | <b>604,000</b> | <b>4,040,000</b> | <b>4,520,000</b> | <b>33,300,000</b> | <b>38,800,000</b> |

Source: IHS Markit Regional eXplorer version 2201

The working age population in Buffalo City in 2020 was 604 000, increasing at an average annual rate of 1.20% since 2010. For the same period the working age population for Eastern Cape Province increased at 1.12% annually, while that of South Africa increased at 1.56% annually.

The graph below combines all the facets of the labour force in the Buffalo City Metropolitan Municipality into one compact view. The chart is divided into "place of residence" on the left, which is measured from the population side, and "place of work" on the right, which is measured from the business side.

**CHART 37. Labour Glimpse - Buffalo City Metropolitan Municipality, 2020**



Source: IHS Markit Regional eXplorer version 2201

Reading the chart from the left-most bar, breaking down the total population of the Buffalo City Metropolitan Municipality (891 000) into working age and non-working age, the number of people that are of working age is about 604 000. As per definition, those that are of age 0 - 19 (youth) or age 65 and up (pensioners) are part of the non-working age population. Out of the working age group, 64.7% are participating in the labour force, meaning 391 000 residents of the metropolitan municipality forms currently part of the economically active population (EAP). Comparing this with the non-economically active population (NEAP) of the metropolitan municipality: fulltime students at tertiary institutions, disabled people, and those choosing not to work, sum to 213 000 people. Out of the economically active population, there are 167 000 that are unemployed, or when expressed as a percentage, an unemployment rate of 42.7%. Up to here all the statistics are measured at the place of residence.

On the far right we have the formal non-Agriculture jobs in Buffalo City, broken down by the primary (mining), secondary and tertiary industries. The majority of the formal employment lies in the Tertiary industry, with 106 000 jobs. When including the informal, agricultural and domestic workers, we have a total number of 213 000 jobs in the area. Formal jobs make up 61.4% of all jobs in the Buffalo City Metropolitan Municipality. The difference between the employment measured at the place of work, and the people employed living in the area can be explained by the net commuters that work outside of the metropolitan municipality.

In theory, a higher or increasing population dividend is supposed to provide additional stimulus to economic growth. People of working age tend to uphold higher consumption patterns (Final Consumption Expenditure, FCE), and a more dense concentration of working age people is supposed to decrease dependency ratios - given that the additional labour which is offered to the market, is absorbed.

## 6.12 Economically Active Population (EAP)

The economically active population (EAP) is a good indicator of how many of the total working age population are in reality participating in the labour market of a region. If a person is economically active, he or she forms part of the labour force.

**Definition:** The economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

**TABLE 28. Economically active population (EAP) - Buffalo City, Eastern Cape and National Total, 2010-2020 [number, percentage]**

|      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2010 | 295,000      | 1,720,000    | 18,000,000     | 17.2%                         | 1.64%                         |
| 2011 | 294,000      | 1,730,000    | 18,300,000     | 17.1%                         | 1.61%                         |
| 2012 | 299,000      | 1,760,000    | 18,700,000     | 17.0%                         | 1.60%                         |
| 2013 | 310,000      | 1,830,000    | 19,300,000     | 17.0%                         | 1.61%                         |
| 2014 | 327,000      | 1,920,000    | 20,100,000     | 17.0%                         | 1.63%                         |
| 2015 | 339,000      | 2,000,000    | 20,800,000     | 17.0%                         | 1.63%                         |
| 2016 | 354,000      | 2,090,000    | 21,500,000     | 17.0%                         | 1.65%                         |
| 2017 | 368,000      | 2,180,000    | 22,000,000     | 16.9%                         | 1.67%                         |
| 2018 | 377,000      | 2,240,000    | 22,300,000     | 16.8%                         | 1.69%                         |
| 2019 | 391,000      | 2,330,000    | 22,700,000     | 16.8%                         | 1.72%                         |
| 2020 | 391,000      | 2,330,000    | 22,100,000     | 16.8%                         | 1.77%                         |

### Average Annual growth

|           |       |       |       |  |  |
|-----------|-------|-------|-------|--|--|
| 2010-2020 | 2.84% | 3.08% | 2.08% |  |  |
|-----------|-------|-------|-------|--|--|

Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality's EAP was 391 000 in 2020, which is 43.87% of its total population of 891 000, and roughly 16.80% of the total EAP of the Eastern Cape Province. From 2010 to 2020, the average annual increase in the EAP in the Buffalo City Metropolitan Municipality was 2.84%, which is 0.233 percentage points lower than the growth in the EAP of Eastern Cape's for the same period.

**TABLE 29. EAP as % of total population - Buffalo City and the rest of Eastern Cape, 2010, 2015, 2020 [percentage]**

|                    | 2010  | 2015  | 2020  |
|--------------------|-------|-------|-------|
| Buffalo City       | 37.4% | 40.5% | 43.9% |
| Nelson Mandela Bay | 43.0% | 43.9% | 44.6% |
| Sarah Baartman     | 37.4% | 40.3% | 42.0% |
| Amatole            | 18.1% | 21.3% | 25.4% |
| Chris Hani         | 20.6% | 24.0% | 27.6% |

Joe Gqabi  
O.R.Tambo  
Alfred Nzo

| 2010  | 2015  | 2020  |
|-------|-------|-------|
| 22.7% | 26.6% | 29.6% |
| 16.4% | 19.0% | 22.6% |
| 15.5% | 18.0% | 21.2% |

Source: IHS Markit Regional eXplorer version 2201

In 2010, 37.4% of the total population in Buffalo City Metropolitan Municipality were classified as economically active which increased to 43.9% in 2020. Compared to the other regions in Eastern Cape Province, Nelson Mandela Bay Metropolitan Municipality had the highest EAP as a percentage of the total population within its own region relative to the other regions. On the other hand, Alfred Nzo District Municipality had the lowest EAP with 21.2% people classified as economically active population in 2020.

### 6.13 Labour Force participation rate

**Definition:** The labour force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working age population.

The following is the labour participation rate of the Buffalo City, Eastern Cape and National Total as a whole.

**TABLE 30. The labour force participation rate - Buffalo City, Eastern Cape and National Total, 2010-2020 [percentage]**

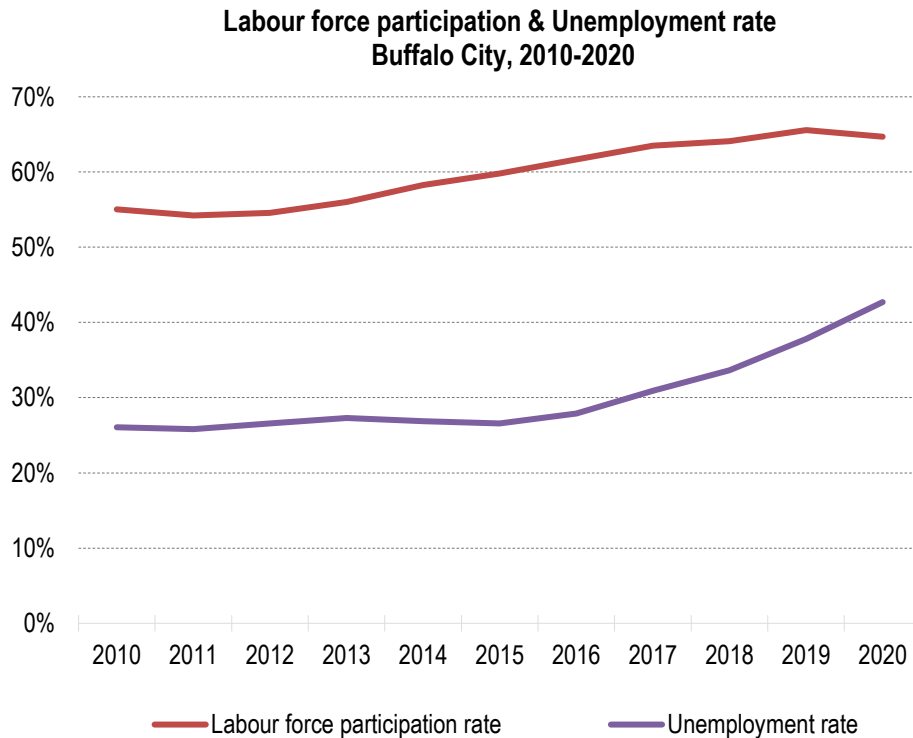
|      | Buffalo City | Eastern Cape | National Total |
|------|--------------|--------------|----------------|
| 2010 | 55.1%        | 42.5%        | 54.1%          |
| 2011 | 54.2%        | 42.2%        | 53.9%          |
| 2012 | 54.6%        | 42.5%        | 54.3%          |
| 2013 | 56.0%        | 43.8%        | 55.2%          |
| 2014 | 58.3%        | 45.6%        | 56.6%          |
| 2015 | 59.8%        | 47.0%        | 57.7%          |
| 2016 | 61.7%        | 48.5%        | 58.8%          |
| 2017 | 63.5%        | 50.2%        | 59.5%          |
| 2018 | 64.1%        | 50.9%        | 59.4%          |
| 2019 | 65.6%        | 52.3%        | 59.4%          |
| 2020 | 64.7%        | 51.5%        | 57.0%          |

Source: IHS Markit Regional eXplorer version 2201

The Buffalo City Metropolitan Municipality's labour force participation rate increased from 55.06% to 64.69% which is an increase of 9.6 percentage points. The Eastern Cape Province increased from 42.52% to 51.49%, South Africa increased from 54.14% to 57.01% from 2010 to 2020. The Buffalo City Metropolitan Municipality labour force participation rate exhibited a higher percentage point change compared to the Eastern Cape Province from 2010 to 2020. The Buffalo City Metropolitan Municipality had a higher labour force participation rate when compared to South Africa in 2020.



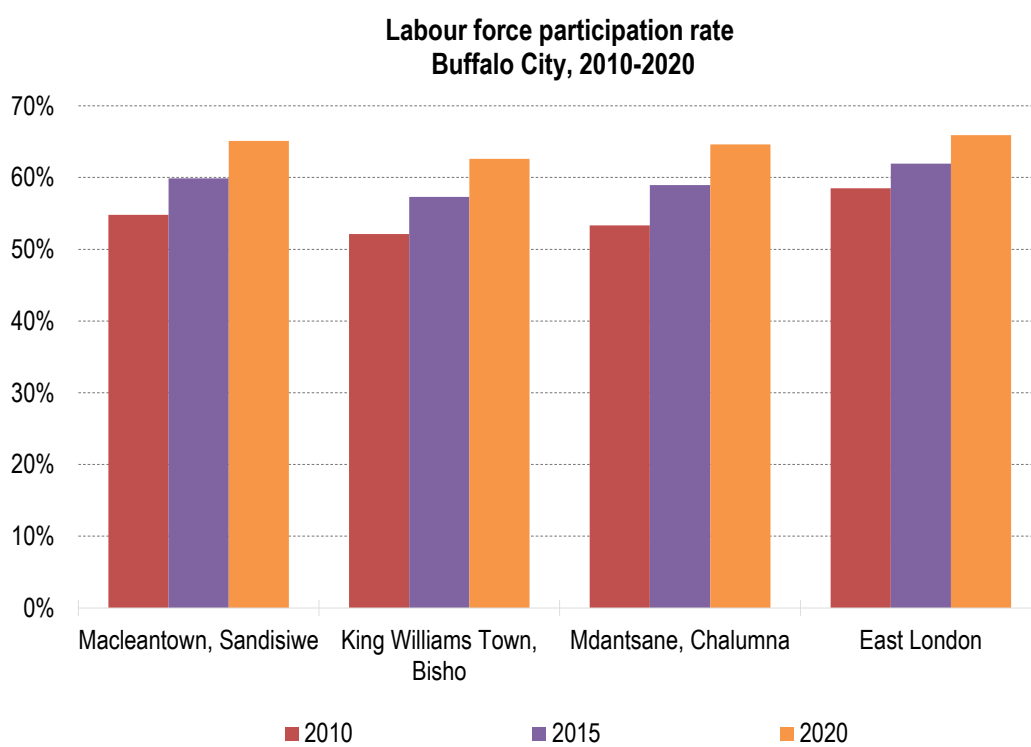
**CHART 38. The labour force participation and unemployment rates - Buffalo City Metropolitan Municipality, 2010-2020 [percentage]**



Source: IHS Markit Regional eXplorer version 2201

In 2020 the labour force participation rate for Buffalo City was at 64.7% which is significantly higher when compared to the 55.1% in 2010. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2010, the unemployment rate for Buffalo City was 26.1% and increased overtime to 42.7% in 2020. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Buffalo City Metropolitan Municipality.

**CHART 39. The labour force participation rate - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2015 and 2020 [percentage]**



Source: IHS Markit Regional eXplorer version 2201

East London Sub-metro Region had the highest labour force participation rate with 65.9% in 2020 increasing from 58.5% in 2010. King Williams Town, Bisho Sub-metro Region had the lowest labour force participation rate of 62.6% in 2020, this increased from 52.1% in 2010.

### 6.14 Total Employment

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators.

**Definition:** Total employment consists of two parts: employment in the formal sector, and employment in the informal sector

**TABLE 31. Total employment - Buffalo City, Eastern Cape and National Total, 2010-2020 [numbers]**

|      | Buffalo City | Eastern Cape | National Total |
|------|--------------|--------------|----------------|
| 2010 | 208,000      | 1,230,000    | 13,500,000     |
| 2011 | 208,000      | 1,230,000    | 13,700,000     |
| 2012 | 209,000      | 1,240,000    | 14,000,000     |

|      | Buffalo City | Eastern Cape | National Total |
|------|--------------|--------------|----------------|
| 2013 | 214,000      | 1,270,000    | 14,400,000     |
| 2014 | 227,000      | 1,340,000    | 15,000,000     |
| 2015 | 237,000      | 1,400,000    | 15,500,000     |
| 2016 | 242,000      | 1,430,000    | 15,800,000     |
| 2017 | 242,000      | 1,440,000    | 16,000,000     |
| 2018 | 238,000      | 1,440,000    | 16,200,000     |
| 2019 | 231,000      | 1,430,000    | 16,200,000     |
| 2020 | 213,000      | 1,340,000    | 15,400,000     |

Average Annual growth  
2010-2020

|       |       |       |
|-------|-------|-------|
| 0.21% | 0.89% | 1.33% |
|-------|-------|-------|

Source: IHS Markit Regional eXplorer version 2201

In 2020, Buffalo City employed 213 000 people which is 15.88% of the total employment in Eastern Cape Province (1.34 million), 1.38% of total employment in South Africa (15.4 million). Employment within Buffalo City increased annually at an average rate of 0.21% from 2010 to 2020.

**TABLE 32. Total employment per broad economic sector - Buffalo City and the rest of Eastern Cape, 2020**  
[Numbers]

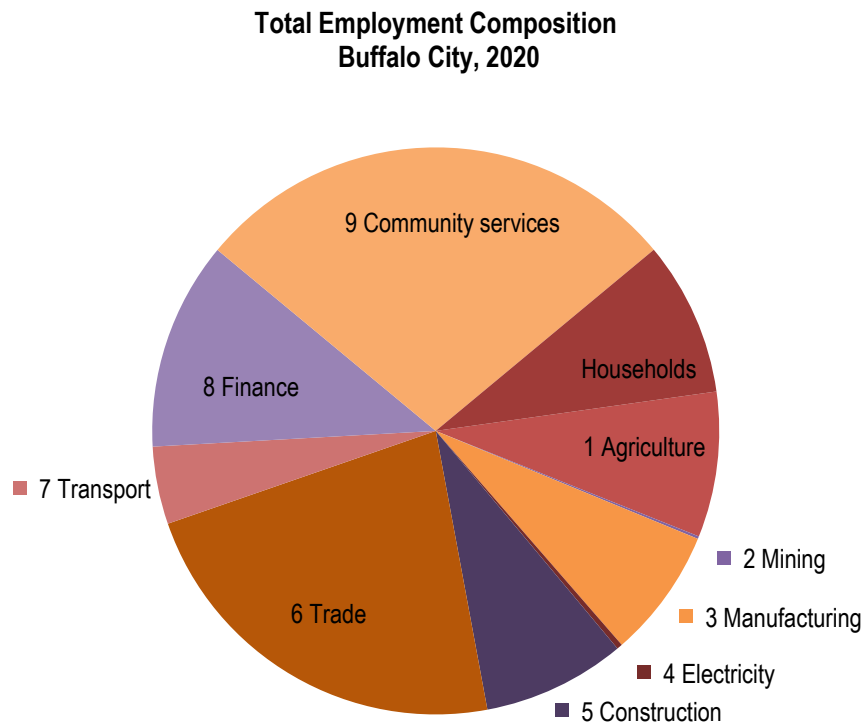
|                    | Buffalo City   | Nelson Mandela Bay | Sarah Baartman | Amatole        | Chris Hani     | Joe Gqabi     | O.R.Tambo      | Alfred Nzo    | Total Eastern Cape |
|--------------------|----------------|--------------------|----------------|----------------|----------------|---------------|----------------|---------------|--------------------|
| Agriculture        | 17,600         | 9,680              | 29,000         | 8,520          | 10,200         | 7,480         | 5,740          | 3,820         | 92,120             |
| Mining             | 315            | 481                | 36             | 63             | 140            | 89            | 214            | 72            | 1,410              |
| Manufacturing      | 15,700         | 67,100             | 13,800         | 5,570          | 5,070          | 2,820         | 4,760          | 2,670         | 117,500            |
| Electricity        | 673            | 817                | 377            | 412            | 470            | 241           | 548            | 259           | 3,797              |
| Construction       | 17,400         | 29,600             | 14,400         | 11,500         | 13,700         | 8,150         | 17,200         | 12,000        | 123,926            |
| Trade              | 48,100         | 89,600             | 31,900         | 28,200         | 24,100         | 13,600        | 39,300         | 17,400        | 292,180            |
| Transport          | 9,410          | 28,200             | 7,080          | 5,250          | 4,660          | 2,580         | 7,960          | 3,740         | 68,854             |
| Finance            | 25,300         | 58,900             | 13,900         | 12,000         | 11,000         | 5,270         | 18,300         | 7,590         | 152,397            |
| Community services | 59,500         | 94,400             | 28,700         | 40,700         | 42,300         | 20,100        | 61,100         | 27,800        | 374,660            |
| Households         | 18,700         | 32,300             | 14,700         | 10,400         | 10,900         | 7,340         | 12,900         | 6,180         | 113,372            |
| <b>Total</b>       | <b>213,000</b> | <b>411,000</b>     | <b>154,000</b> | <b>123,000</b> | <b>123,000</b> | <b>67,700</b> | <b>168,000</b> | <b>81,600</b> | <b>1,340,215</b>   |

Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality employs a total number of 213 000 people within its metropolitan municipality. The metropolitan municipality that employs the highest number of people relative to the other regions within Eastern Cape Province is Nelson Mandela Bay metropolitan municipality with a total number of 411 000. The metropolitan municipality that employs the lowest number of people relative to the other regions within Eastern Cape Province is Joe Gqabi metropolitan municipality with a total number of 67 700 employed people.

In Buffalo City Metropolitan Municipality the economic sectors that recorded the largest number of employment in 2020 were the community services sector with a total of 59 500 employed people or 27.9% of total employment in the metropolitan municipality. The trade sector with a total of 48 100 (22.6%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 315 (0.1%) is the sector that employs the least number of people in Buffalo City Metropolitan Municipality, followed by the electricity sector with 673 (0.3%) people employed.

**CHART 40. Total employment per broad economic sector - Buffalo City Metropolitan Municipality, 2020 [percentage]**



*Source: IHS Markit Regional eXplorer version 2201*

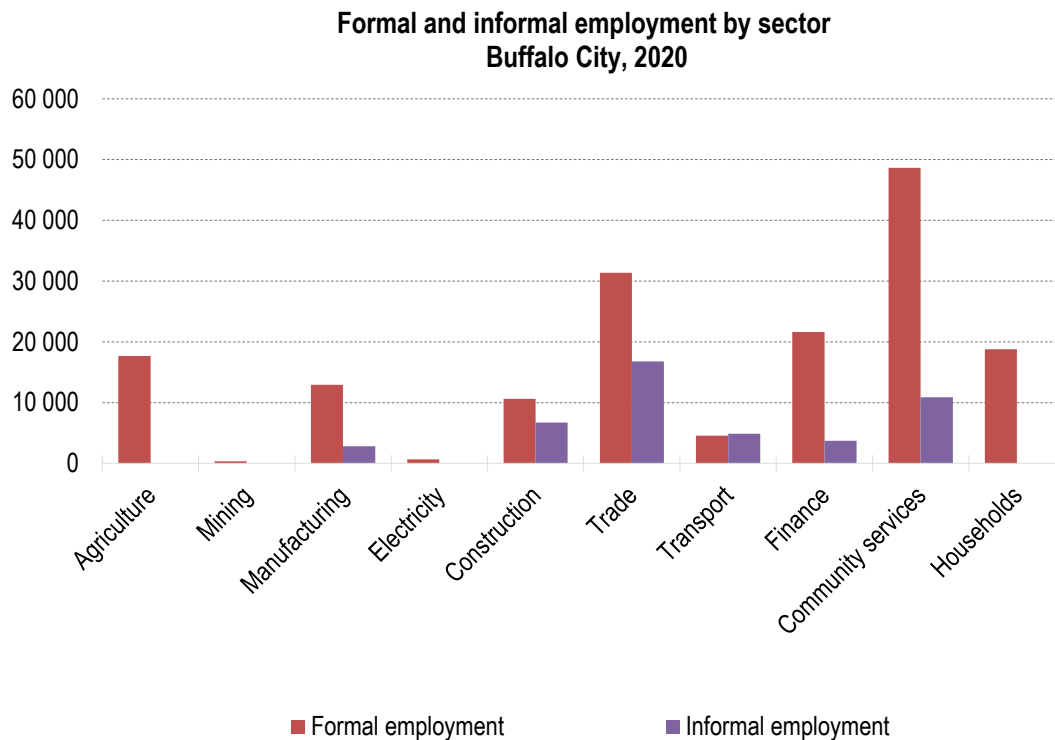
### **6.15 Formal and Informal employment**

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

The number of formally employed people in Buffalo City Metropolitan Municipality counted 167 000 in 2020, which is about 78.51% of total employment, while the number of people employed in the informal sector counted 45 700 or 21.49% of the total employment. Informal employment in Buffalo City increased from 43 000 in 2010 to an estimated 45 700 in 2020.

**CHART 41. Formal and informal employment by broad economic sector - Buffalo City Metropolitan Municipality, 2020 [numbers]**



Source: IHS Markit Regional eXplorer version 2201

Some of the economic sectors have little or no informal employment:

Mining industry, due to well-regulated mining safety policies, and the strict registration of a mine, has little or no informal employment. The Electricity sector is also well regulated, making it difficult to get information on informal employment. Domestic Workers and employment in the Agriculture sector is typically counted under a separate heading.

In 2020 the Trade sector recorded the highest number of informally employed, with a total of 16 800 employees or 36.67% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 2 800 and only contributes 6.12% to total informal employment.

**TABLE 33. Formal and informal employment by broad economic sector - Buffalo City Metropolitan Municipality, 2020 [numbers]**

|                      | Formal employment | Informal employment |
|----------------------|-------------------|---------------------|
| <b>Agriculture</b>   | 17,600            | N/A                 |
| <b>Mining</b>        | 315               | N/A                 |
| <b>Manufacturing</b> | 12,900            | 2,800               |
| <b>Electricity</b>   | 673               | N/A                 |
| <b>Construction</b>  | 10,600            | 6,740               |

|                    | Formal employment | Informal employment |
|--------------------|-------------------|---------------------|
| Trade              | 31,300            | 16,800              |
| Transport          | 4,520             | 4,890               |
| Finance            | 21,600            | 3,700               |
| Community services | 48,600            | 10,800              |
| Households         | 18,700            | N/A                 |

Source: IHS Markit Regional eXplorer version 2201

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism.

## 6.16 Unemployment

**Definition:** The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

- "Without work", i.e. not in paid employment or self-employment;
- "Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

**TABLE 34. Unemployment (official definition) - Buffalo City, Eastern Cape and National Total, 2010-2020**  
[Number percentage]

|      | Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|------|--------------|--------------|----------------|-------------------------------|-------------------------------|
| 2010 | 76,900       | 480,000      | 4,490,000      | 16.0%                         | 1.71%                         |
| 2011 | 76,000       | 487,000      | 4,580,000      | 15.6%                         | 1.66%                         |
| 2012 | 79,600       | 509,000      | 4,700,000      | 15.6%                         | 1.69%                         |
| 2013 | 84,800       | 540,000      | 4,850,000      | 15.7%                         | 1.75%                         |
| 2014 | 87,800       | 565,000      | 5,060,000      | 15.5%                         | 1.74%                         |
| 2015 | 90,000       | 583,000      | 5,300,000      | 15.4%                         | 1.70%                         |
| 2016 | 98,700       | 636,000      | 5,670,000      | 15.5%                         | 1.74%                         |
| 2017 | 114,000      | 718,000      | 5,990,000      | 15.9%                         | 1.90%                         |
| 2018 | 127,000      | 782,000      | 6,100,000      | 16.2%                         | 2.08%                         |
| 2019 | 148,000      | 885,000      | 6,450,000      | 16.7%                         | 2.29%                         |
| 2020 | 167,000      | 971,000      | 6,710,000      | 17.2%                         | 2.49%                         |

| Buffalo City | Eastern Cape | National Total | Buffalo City as % of province | Buffalo City as % of national |
|--------------|--------------|----------------|-------------------------------|-------------------------------|
|--------------|--------------|----------------|-------------------------------|-------------------------------|

**Average Annual growth**

|                  |              |              |              |  |
|------------------|--------------|--------------|--------------|--|
| <b>2010-2020</b> | <b>8.06%</b> | <b>7.31%</b> | <b>4.10%</b> |  |
|------------------|--------------|--------------|--------------|--|

Source: IHS Markit Regional eXplorer version 2201

In 2020, there were a total number of 167 000 people unemployed in Buffalo City, which is an increase of 90 000 from 77 000 in 2010. The total number of unemployed people within Buffalo City constitutes 17.19% of the total number of unemployed people in Eastern Cape Province. The Buffalo City Metropolitan Municipality experienced an average annual increase of 8.06% in the number of unemployed people, which is worse than that of the Eastern Cape Province which had an average annual increase in unemployment of 7.31%.

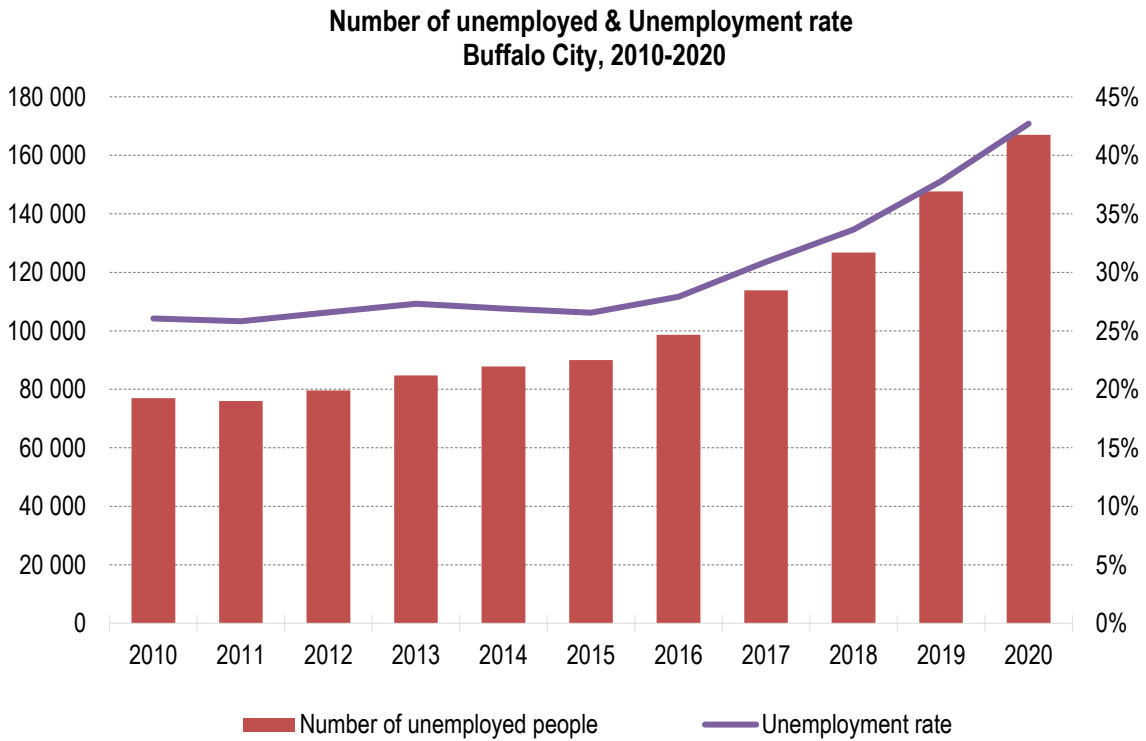
**TABLE 35. Unemployment rate (official definition) - Buffalo City, Eastern Cape and National Total, 2010-2020 [Percentage]**

|      | Buffalo City | Eastern Cape | National Total |
|------|--------------|--------------|----------------|
| 2010 | 26.1%        | 27.9%        | 24.9%          |
| 2011 | 25.8%        | 28.2%        | 25.1%          |
| 2012 | 26.6%        | 28.9%        | 25.1%          |
| 2013 | 27.3%        | 29.6%        | 25.2%          |
| 2014 | 26.9%        | 29.4%        | 25.2%          |
| 2015 | 26.6%        | 29.2%        | 25.5%          |
| 2016 | 27.9%        | 30.5%        | 26.4%          |
| 2017 | 30.9%        | 32.9%        | 27.2%          |
| 2018 | 33.6%        | 35.0%        | 27.4%          |
| 2019 | 37.8%        | 38.0%        | 28.4%          |
| 2020 | 42.7%        | 41.7%        | 30.3%          |

Source: IHS Markit Regional eXplorer version 2201

In 2020, the unemployment rate in Buffalo City Metropolitan Municipality (based on the official definition of unemployment) was 42.70%, which is an increase of 16.6 percentage points. The unemployment rate in Buffalo City Metropolitan Municipality is higher than that of Eastern Cape. The unemployment rate for South Africa was 30.32% in 2020, which is a increase of -5.39 percentage points from 24.93% in 2010.

**CHART 42. Unemployment and unemployment rate (official definition) - Buffalo City Metropolitan Municipality, 2010-2020 [number percentage]**

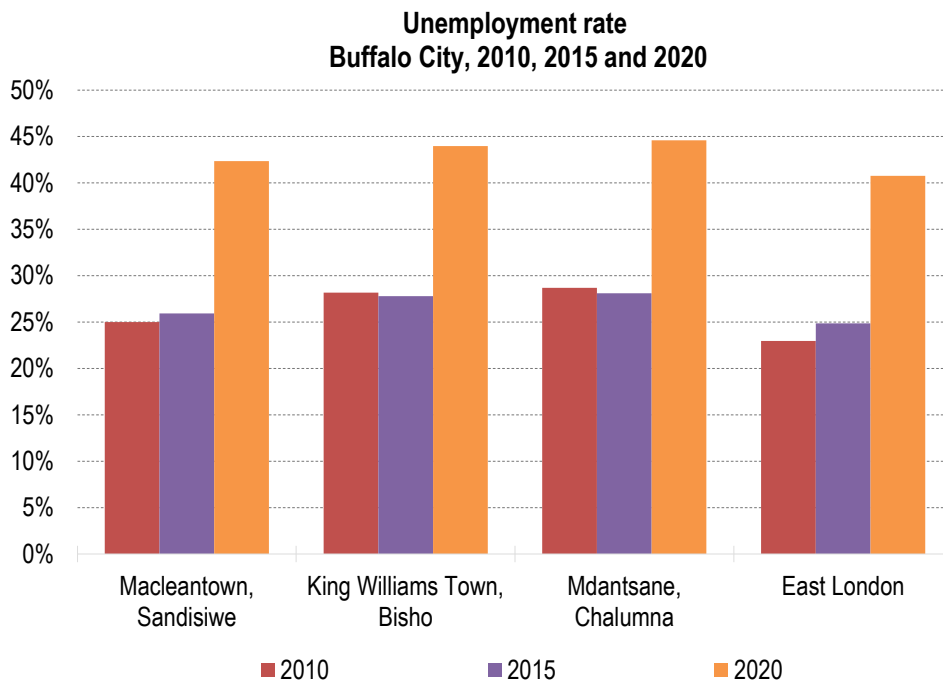


*Source: IHS Markit Regional eXplorer version 2201*

When comparing unemployment rates among regions within Buffalo City Metropolitan Municipality, Mdantsane, Chalumna Sub-metro Region has indicated the highest unemployment rate of 44.6%, which has increased from 28.7% in 2010. It can be seen that the East London Sub-metro Region had the lowest unemployment rate of 40.8% in 2020, which increased from 23.0% in 2010.



**CHART 43. Unemployment rate - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2010, 2015 and 2020 [percentage]**



## 6.17 Income and Expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

### 6.17.1 Number of Households by Income category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

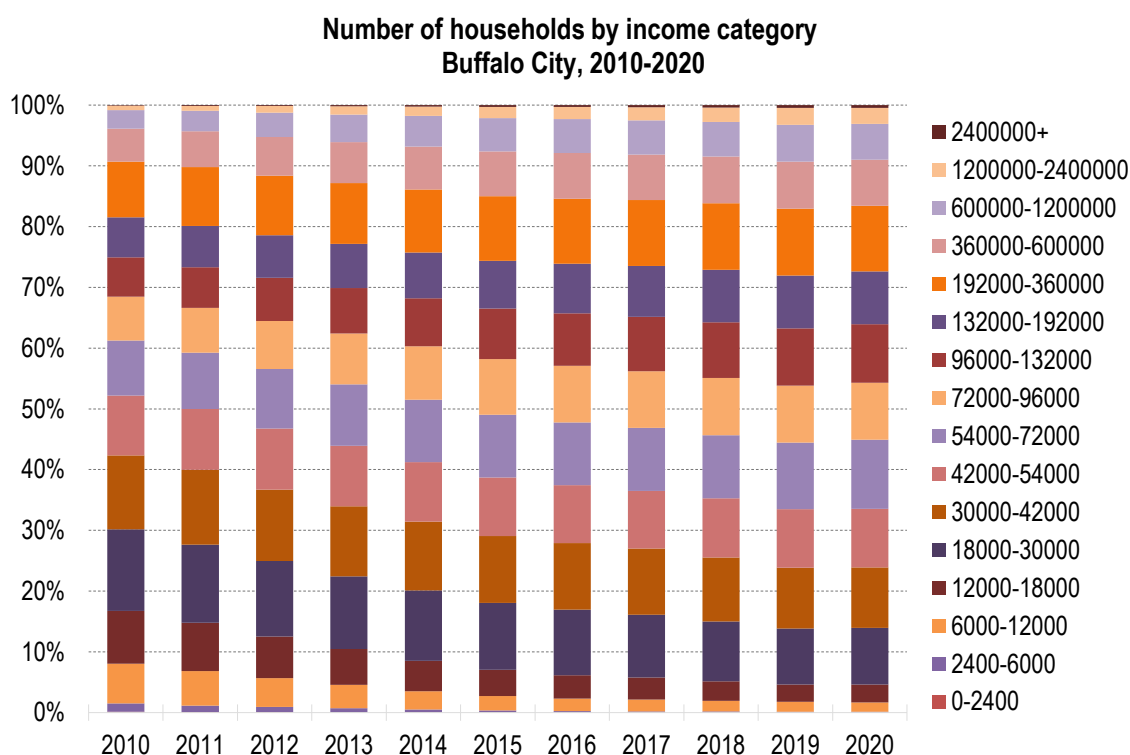
**TABLE 36. Households by income category - Buffalo City, Eastern Cape and National Total, 2020 [Number Percentage]**

|                 | Buffalo City   | Eastern Cape     | National Total    | Buffalo City as % of province | Buffalo City as % of national |
|-----------------|----------------|------------------|-------------------|-------------------------------|-------------------------------|
| 0-2400          | 20             | 136              | 1,350             | 14.8%                         | 1.48%                         |
| 2400-6000       | 388            | 2,720            | 25,000            | 14.3%                         | 1.55%                         |
| 6000-12000      | 3,910          | 27,000           | 229,000           | 14.5%                         | 1.71%                         |
| 12000-18000     | 7,470          | 53,400           | 439,000           | 14.0%                         | 1.70%                         |
| 18000-30000     | 23,700         | 185,000          | 1,440,000         | 12.8%                         | 1.65%                         |
| 30000-42000     | 25,400         | 212,000          | 1,550,000         | 12.0%                         | 1.64%                         |
| 42000-54000     | 24,500         | 201,000          | 1,510,000         | 12.2%                         | 1.63%                         |
| 54000-72000     | 28,900         | 238,000          | 1,870,000         | 12.2%                         | 1.55%                         |
| 72000-96000     | 23,900         | 196,000          | 1,640,000         | 12.2%                         | 1.46%                         |
| 96000-132000    | 24,400         | 179,000          | 1,620,000         | 13.7%                         | 1.51%                         |
| 132000-192000   | 22,100         | 151,000          | 1,450,000         | 14.7%                         | 1.52%                         |
| 192000-360000   | 27,600         | 168,000          | 1,830,000         | 16.5%                         | 1.51%                         |
| 360000-600000   | 19,200         | 103,000          | 1,270,000         | 18.6%                         | 1.51%                         |
| 600000-1200000  | 15,000         | 75,400           | 1,040,000         | 19.9%                         | 1.45%                         |
| 1200000-2400000 | 6,790          | 33,500           | 466,000           | 20.2%                         | 1.46%                         |
| 2400000+        | 1,140          | 5,770            | 82,900            | 19.8%                         | 1.38%                         |
| <b>Total</b>    | <b>255,000</b> | <b>1,830,000</b> | <b>16,500,000</b> | <b>13.9%</b>                  | <b>1.55%</b>                  |

Source: IHS Markit Regional eXplorer version 2201

It was estimated that in 2020 13.95% of all the households in the Buffalo City Metropolitan Municipality, were living on R30,000 or less per annum. In comparison with 2010's 30.19%, the number is about half. The 54000-72000 income category has the highest number of households with a total number of 29 000, followed by the 192000-360000 income category with 27 600 households. Only 20 households fall within the 0-2400 income category.

**CHART 44. Households by income bracket - Buffalo City Metropolitan Municipality, 2010-2020 [Percentage]**



Source: IHS Markit Regional eXplorer version 2201

For the period 2010 to 2020 the number of households earning more than R30,000 per annum has increased from 69.81% to 86.05%. It can be seen that the number of households with income equal to or lower than R6,000 per year has decreased by a significant amount.

### 16.7.2 Annual total Personal Income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits.

**Definition:** Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

**TABLE 37. Annual total personal income - Buffalo City, Eastern Cape and National Total [Current Prices, R billions]**

|      | Buffalo City | Eastern Cape | National Total |
|------|--------------|--------------|----------------|
| 2010 | 31.8         | 174.0        | 2,114.5        |
| 2011 | 34.7         | 188.7        | 2,314.9        |
| 2012 | 38.9         | 210.7        | 2,525.0        |
| 2013 | 42.4         | 229.3        | 2,729.4        |
| 2014 | 45.5         | 247.2        | 2,938.2        |

|      | Buffalo City | Eastern Cape | National Total |
|------|--------------|--------------|----------------|
| 2015 | 49.5         | 269.8        | 3,180.0        |
| 2016 | 52.6         | 288.5        | 3,413.6        |
| 2017 | 56.2         | 312.1        | 3,662.1        |
| 2018 | 59.2         | 333.3        | 3,899.6        |
| 2019 | 61.4         | 349.6        | 4,092.3        |
| 2020 | 58.8         | 338.7        | 3,970.5        |

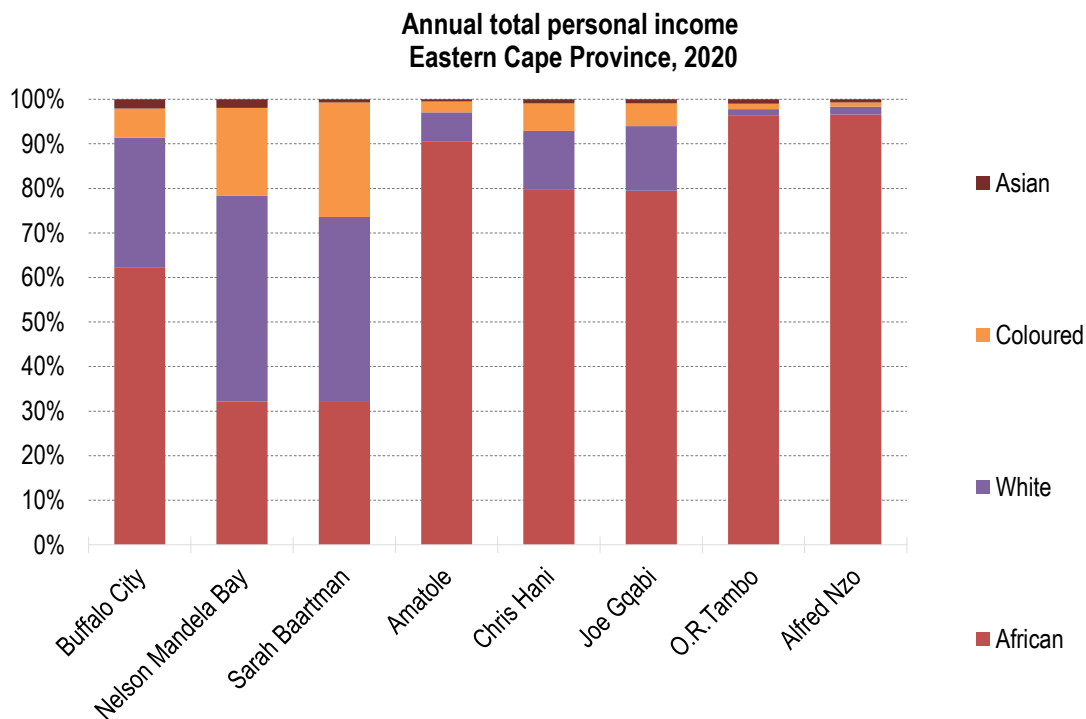
**Average Annual growth  
2010-2020**

|              |              |              |
|--------------|--------------|--------------|
| <b>6.34%</b> | <b>6.89%</b> | <b>6.50%</b> |
|--------------|--------------|--------------|

Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality recorded an average annual growth rate of 6.34% (from R 31.8 billion to R 58.8 billion) from 2010 to 2020, which is less than both Eastern Cape's (6.89%) as well as South Africa's (6.50%) average annual growth rates.

**CHART 45. Annual total personal income by population group - Buffalo City and the rest of Eastern Cape [Current Prices, R billions]**



Source: IHS Markit Regional eXplorer version 2201

The total personal income of Buffalo City Metropolitan Municipality amounted to approximately R 58.8 billion in 2020. The African population group earned R 36.6 billion, or 62.27% of total personal income, while the White population group earned R 17.1 billion, or 29.15% of the total personal income. The Coloured and the Asian population groups only had a share of 6.53% and 2.04% of total personal income respectively.

**TABLE 38. Annual total personal income - Macleantown, Sandisiwe, King Williams Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions [Current Prices, R billions]**

|      | <b>Macleantown,<br/>Sandisiwe</b> | <b>King Williams<br/>Town, Bisho</b> | <b>Mdantsane,<br/>Chalumna</b> | <b>East London</b> |
|------|-----------------------------------|--------------------------------------|--------------------------------|--------------------|
| 2010 | 2.06                              | 8.27                                 | 9.94                           | 11.50              |
| 2011 | 2.24                              | 9.04                                 | 10.88                          | 12.58              |
| 2012 | 2.51                              | 10.13                                | 12.20                          | 14.10              |
| 2013 | 2.73                              | 11.02                                | 13.27                          | 15.35              |
| 2014 | 2.93                              | 11.83                                | 14.26                          | 16.49              |
| 2015 | 3.18                              | 12.87                                | 15.52                          | 17.94              |
| 2016 | 3.37                              | 13.68                                | 16.50                          | 19.08              |
| 2017 | 3.61                              | 14.61                                | 17.60                          | 20.36              |
| 2018 | 3.81                              | 15.40                                | 18.53                          | 21.43              |
| 2019 | 3.96                              | 15.98                                | 19.22                          | 22.22              |
| 2020 | 3.80                              | 15.31                                | 18.39                          | 21.26              |

**Average Annual growth**

|                  |              |              |              |              |
|------------------|--------------|--------------|--------------|--------------|
| <b>2010-2020</b> | <b>6.33%</b> | <b>6.35%</b> | <b>6.34%</b> | <b>6.34%</b> |
|------------------|--------------|--------------|--------------|--------------|

*Source: IHS Markit Regional eXplorer version 2201*

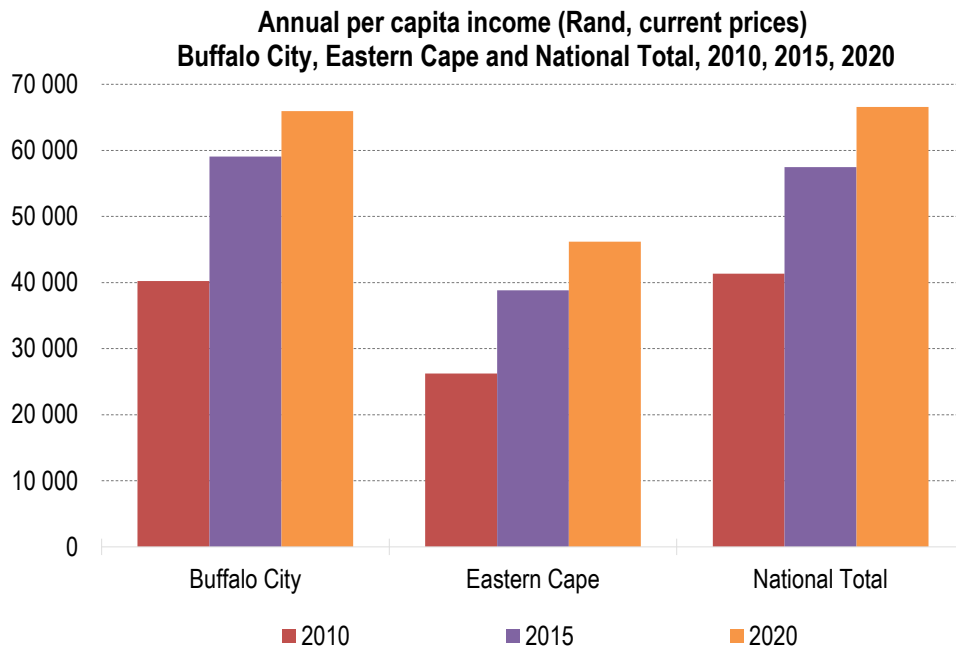
When looking at the annual total personal income for the regions within Eastern Cape Province it can be seen that the East London Sub-metro Region had the highest total personal income with R 21.3 billion which increased from R 11.5 billion recorded in 2010. It can be seen that the Macleantown, Sandisiwe Sub-metro Region had the lowest total personal income of R 3.8 billion in 2020, this increased from R 2.06 billion in 2010.

### 16.17.3 Annual per Capita Income

**Definition:** Per capita income refers to the income per person. Thus, it takes the total personal income per annum and divides it equally among the population.

Per capita income is often used as a measure of wealth particularly when comparing economies or population groups. Rising per capita income usually indicates a likely swell in demand for consumption.

**CHART 46. Per capita income - Buffalo City, Eastern Cape and National Total, 2020 [Rand, current prices]**



*Source: IHS Markit Regional eXplorer version 2201*

Although the per capita income in Buffalo City Metropolitan Municipality is R 65,900 and is lower than the National Total (R 66,600), it is more than that of the Eastern Cape Province (R 46,200).

**CHART 47. Per capita income by population group - Buffalo City and the rest of Eastern Cape Province, 2020 [Rand, current prices]**

|                    | African | White   | Coloured | Asian   |
|--------------------|---------|---------|----------|---------|
| Buffalo City       | 47,400  | 295,000 | 73,200   | 148,000 |
| Nelson Mandela Bay | 39,900  | 290,000 | 65,600   | 146,000 |
| Sarah Baartman     | 38,700  | 279,000 | 51,500   | 108,000 |
| Amatole            | 31,500  | 217,000 | 48,900   | 88,500  |
| Chris Hani         | 33,000  | 274,000 | 58,600   | 99,600  |
| Joe Gqabi          | 33,200  | 268,000 | 58,200   | 120,000 |
| O.R.Tambo          | 25,800  | 184,000 | 66,100   | 90,700  |
| Alfred Nzo         | 21,800  | 166,000 | 49,000   | 76,400  |

*Source: IHS Markit Regional eXplorer version 2201*

Nelson Mandela Bay Metropolitan Municipality has the highest per capita income with a total of R 78,100. Sarah Baartman District Municipality had the second highest per capita income at R 67,500, whereas Alfred Nzo District Municipality had the lowest per capita income at R 22,300. In Buffalo City Metropolitan Municipality, the White population group has the highest per capita income, with R 295,000, relative to the other population groups. The population group with the second highest per capita income within Buffalo City Metropolitan Municipality is the Asian population group (R 148,000), where the Coloured and the African population groups had a per capita income of R 73,200 and R 47,400 respectively.

## 16.17.4 Index of Buying Power

**Definition:** The Index of Buying Power (IBP) is a measure of a region's overall capacity to absorb products and/or services. The index is useful when comparing two regions in terms of their capacity to buy products. Values range from 0 to 1 (where the national index equals 1), and can be interpreted as the percentage of national buying power attributable to the specific region. Regions' buying power usually depends on three factors: the size of the population; the ability of the population to spend (measured by total income); and the willingness of the population to spend (measured by total retail sales).

**TABLE 39. Index of buying power - Buffalo City, Eastern Cape and National Total, 2020 [Number]**

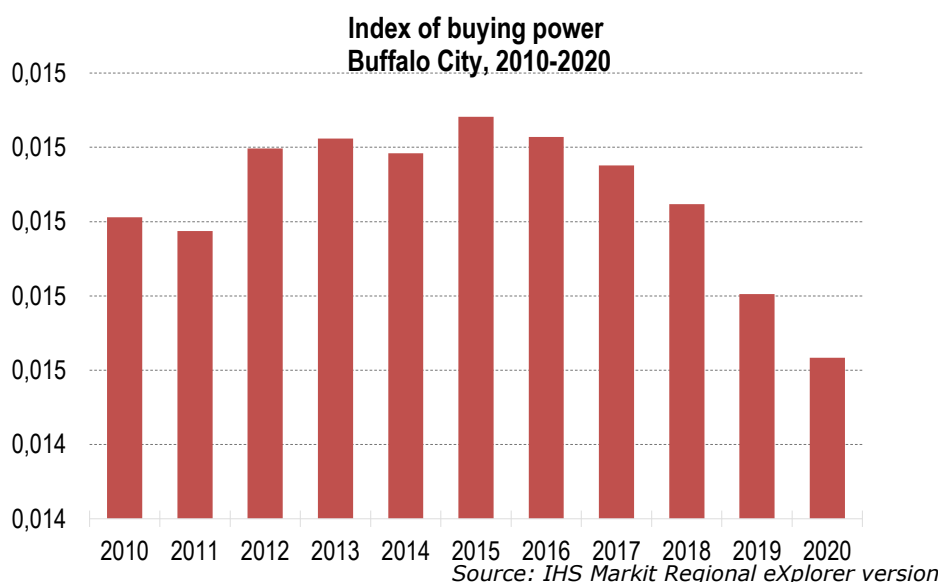
|                                      | Buffalo City | Eastern Cape | National Total |
|--------------------------------------|--------------|--------------|----------------|
| Population                           | 891,146      | 7,333,763    | 59,646,053     |
| Population - share of national total | 1.5%         | 12.3%        | 100.0%         |
| Income                               | 58,763       | 338,731      | 3,970,503      |
| Income - share of national total     | 1.5%         | 8.5%         | 100.0%         |
| Retail                               | 15,098,587   | 88,189,936   | 1,063,415,000  |
| Retail - share of national total     | 1.4%         | 8.3%         | 100.0%         |
| Index                                | 0.01         | 0.09         | 1.00           |

Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality has a 1.5% share of the national population, 1.5% share of the total national income and a 1.4% share in the total national retail, this all equates to an IBP index value of 0.015 relative to South Africa as a whole. Eastern Cape has an IBP of 0.088., where South Africa has an IBP index value of 1 relative to South Africa as a whole.

The considerable low index of buying power of the Buffalo City Metropolitan Municipality suggests that the metropolitan municipality has access to only a small percentage of the goods and services available in all of the Eastern Cape Province. Its residents are most likely spending some of their income in neighbouring areas.

**CHART 48. Index of buying power Buffalo City Metropolitan Municipality, 2010-2020 [Index value]**



Between 2010 and 2020, the index of buying power within Buffalo City Metropolitan Municipality increased to its highest level in 2015 (0.01528) from its lowest in 2020 (0.01463). The buying power within Buffalo City Metropolitan Municipality is relatively small compared to other regions and it decreased at an average annual growth rate of - 0.25%.

### **16.18 Development**

Indicators of development, like the Human Development Index (HDI), Gini Coefficient (income inequality), poverty and the poverty gap, and education, are used to estimate the level of development of a given region in South Africa relative to the rest of the country.

Another indicator that is widely used is the number (or percentage) of people living in poverty. Poverty is defined as the deprivation of those things that determine the quality of life, including food, clothing, shelter and safe drinking water. More than that, other "intangibles" is also included such as the opportunity to learn, and the privilege to enjoy the respect of fellow citizens. Curbing poverty and alleviating the effects thereof should be a premise in the compilation of all policies that aspire towards a better life for all.

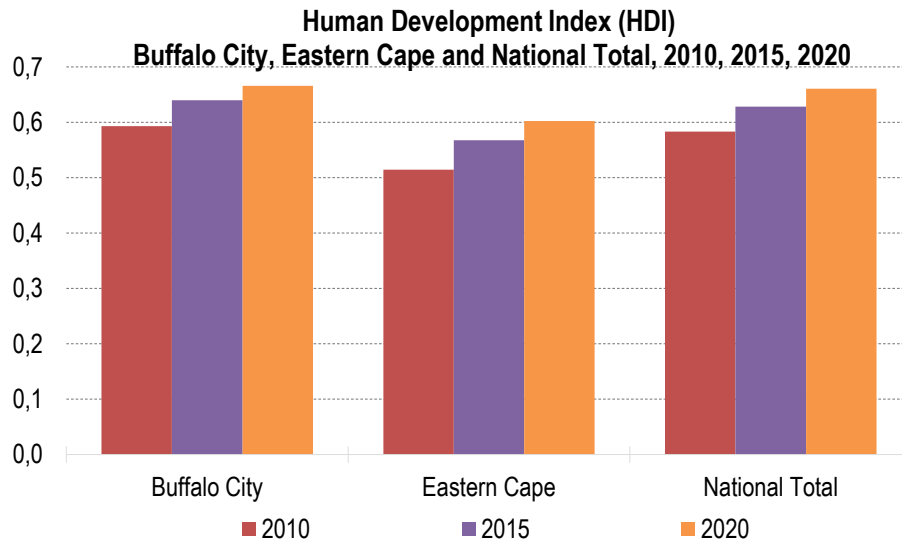
### **16.19 Human Development Index (HDI)**

**Definition:** The Human Development Index (HDI) is a composite relative index used to compare human development across population groups or regions.

HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living. A long and healthy life is typically measured using life expectancy at birth. Knowledge is normally based on adult literacy and / or the combination of enrolment in primary, secondary and tertiary schools. In order to gauge a decent standard of living, we make use of GDP per capita. On a technical note, the HDI can have a maximum value of 1, indicating a very high level of human development, while the minimum value is 0, indicating no human development.



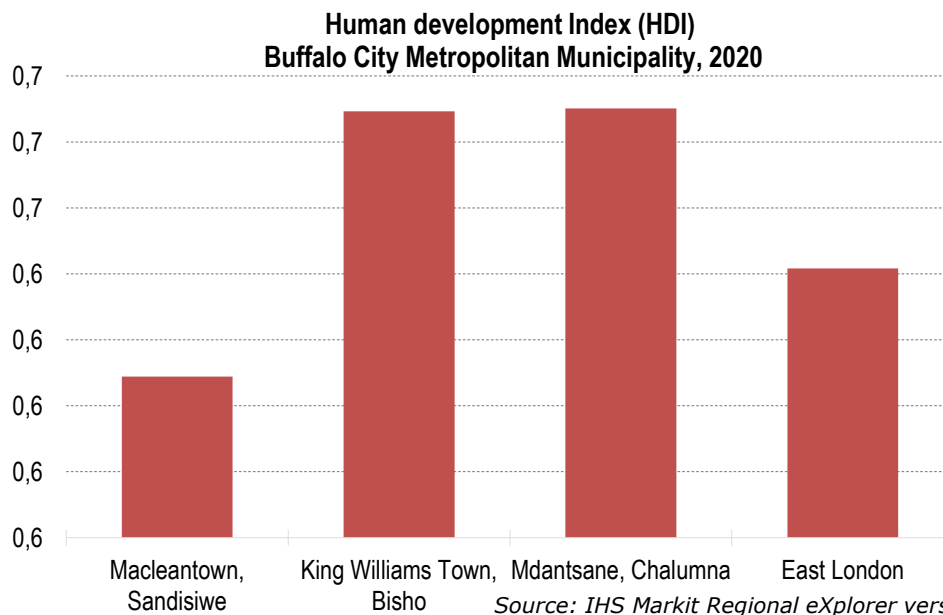
**CHART 49. Human Development Index (HDI) - Buffalo City, Eastern Cape and National Total, 2010, 2015, 2020 [Number]**



Source: IHS Markit Regional eXplorer version 2201

In 2020 Buffalo City Metropolitan Municipality had an HDI of 0.666 compared to the Eastern Cape with a HDI of 0.602 and 0.661 of National Total as a whole. Seeing that South Africa recorded a lower HDI in 2020 when compared to Buffalo City Metropolitan Municipality which translates to better human development for Buffalo City Metropolitan Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 1.26% and this increase is higher than that of Buffalo City Metropolitan Municipality (1.17%).

**CHART 50. Human development Index (HDI) - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2020 [Number]**



Source: IHS Markit Regional eXplorer version 2201

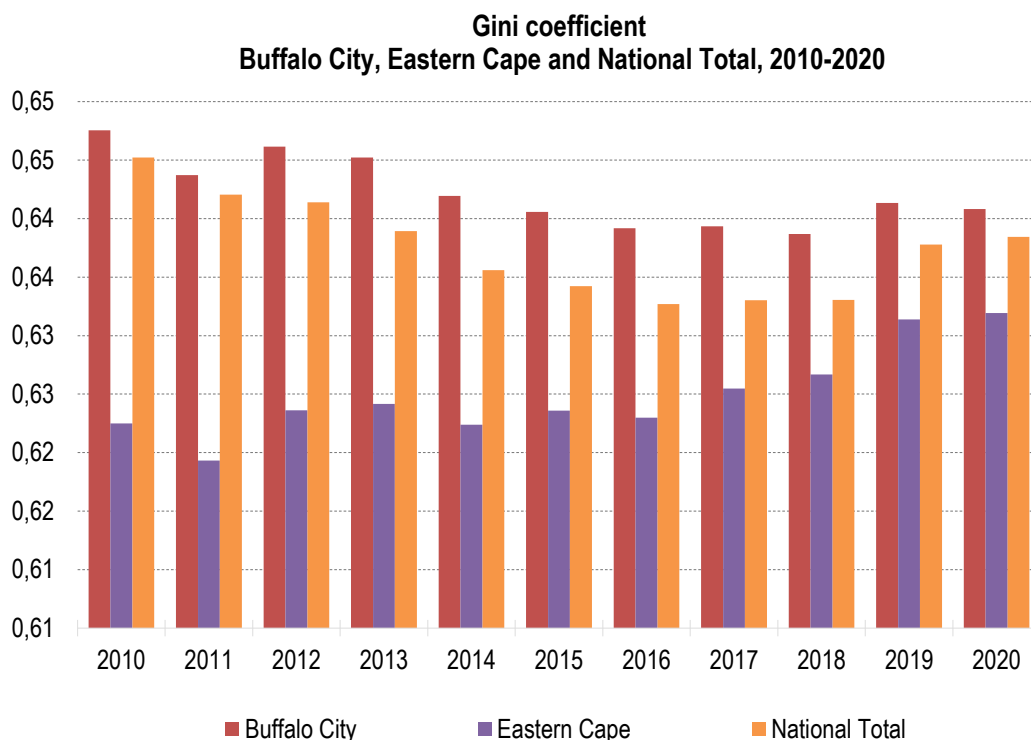
In terms of the HDI for each the regions within the Buffalo City Metropolitan Municipality, Mdantsane, Chalumna Sub-metro Region has the highest HDI, with an index value of 0.69. The lowest can be observed in the Macleantown, Sandisiwe Sub-metro Region with an index value of 0.609.

## 16.20 Gini Coefficient

**Definition:** The Gini coefficient is a summary statistic of income inequality. It varies from 0 to 1.

If the Gini coefficient is equal to zero, income is distributed in a perfectly equal manner, in other words there is no variance between the high- and low-income earners within the population. In contrast, if the Gini coefficient equals 1, income is completely inequitable, i.e. one individual in the population is earning all the income and the rest has no income. Generally, this coefficient lies in the range between 0.25 and 0.70.

**CHART 51. Gini coefficient - Buffalo City, Eastern Cape and National Total, 2010-2020 [Number]**



*Source: IHS Markit Regional eXplorer version 2201*

In 2020, the Gini coefficient in Buffalo City Metropolitan Municipality was at 0.641, which reflects a marginal decrease in the number over the ten-year period from 2010 to 2020. The Eastern Cape Province and South Africa had a Gini coefficient of 0.632 and 0.638 respectively. Buffalo City Metropolitan Municipality had the highest Gini Coefficient when comparing to Eastern Cape Province and South Africa as a whole.

**TABLE 40. Gini coefficient by population group - Buffalo City, 2010, 2020 [Number]**

|      | African | White | Coloured | Asian |
|------|---------|-------|----------|-------|
| 2010 | 0.61    | 0.44  | 0.55     | 0.47  |
| 2020 | 0.61    | 0.43  | 0.55     | 0.48  |

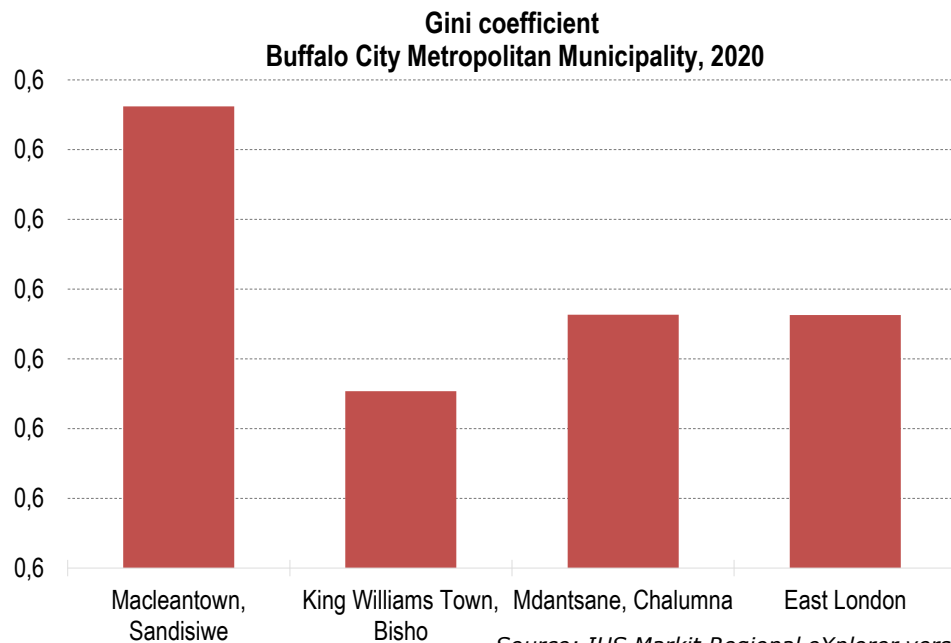
**Average Annual growth**

|           |        |        |       |       |
|-----------|--------|--------|-------|-------|
| 2010-2020 | -0.04% | -0.29% | 0.04% | 0.09% |
|-----------|--------|--------|-------|-------|

Source: IHS Markit Regional eXplorer version 2201

When segmenting the Buffalo City Metropolitan Municipality into population groups, it can be seen that the Gini coefficient for the Asian population group increased the most amongst the population groups with an average annual growth rate of 0.09%. The Gini coefficient for the White population group decreased the most with an average annual growth rate of -0.29%.

**CHART 52. Gini coefficient - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2020 [Number]**



Source: IHS Markit Regional eXplorer version 2201

In terms of the Gini coefficient for each of the regions within the Buffalo City Metropolitan Municipality, Macleantown, Sandisiwe Sub-metro Region has the highest Gini coefficient, with an index value of 0.642. The lowest Gini coefficient can be observed in the King Williams Town, Bisho Sub-metro Region with an index value of 0.64.

**16.21 Tourism**

Tourism can be defined as the non-commercial organisation plus operation of vacations and visits to a place of interest. Whether you visit a relative or friend, travel for business purposes, go on holiday or on medical and religious trips - these are all included in tourism.

**Trips by purpose of trips**

**Definition:** As defined by the United Nations World Tourism Organisation (UN WTO), a trip refers to travel, by a person, from the time they leave their usual residence until they return to that residence. This is usually referred to as a round trip. IHS likes to narrow this definition down to overnight trips only, and only those made by adult visitors (over 18 years). Also note that the number of "person" trips are measured, not household or "party trips".

The main purpose for an overnight trip is grouped into these categories:

- Leisure / Holiday
- Business
- Visits to friends and relatives
- Other (Medical, Religious, etc.)

**TABLE 41. Number of trips by purpose of trips - Buffalo City Metropolitan Municipality, 2010-2020 [Number Percentage]**

|      | Leisure Holiday | Business | Visits friends and relatives | Other (Medical, Religious, etc) | Total     |
|------|-----------------|----------|------------------------------|---------------------------------|-----------|
| 2010 | 168,000         | 52,500   | 819,000                      | 96,600                          | 1,140,000 |
| 2011 | 155,000         | 50,800   | 762,000                      | 94,100                          | 1,060,000 |
| 2012 | 137,000         | 51,200   | 678,000                      | 90,500                          | 956,000   |
| 2013 | 118,000         | 48,100   | 607,000                      | 91,500                          | 865,000   |
| 2014 | 107,000         | 46,500   | 578,000                      | 93,000                          | 824,000   |
| 2015 | 97,100          | 45,600   | 557,000                      | 91,000                          | 790,000   |
| 2016 | 93,100          | 46,300   | 543,000                      | 92,100                          | 775,000   |
| 2017 | 89,600          | 44,000   | 533,000                      | 93,200                          | 760,000   |
| 2018 | 88,900          | 42,600   | 520,000                      | 89,700                          | 741,000   |
| 2019 | 90,000          | 39,400   | 519,000                      | 85,600                          | 734,000   |
| 2020 | 24,500          | 9,500    | 151,000                      | 27,700                          | 212,000   |

**Average Annual growth**

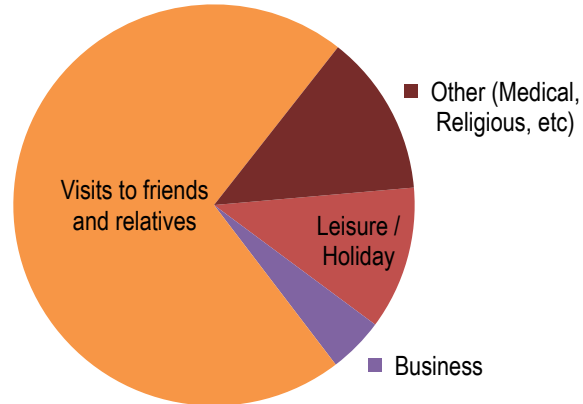
|           |         |         |         |         |         |
|-----------|---------|---------|---------|---------|---------|
| 2010-2020 | -17.51% | -15.72% | -15.57% | -11.76% | -15.44% |
|-----------|---------|---------|---------|---------|---------|

Source: IHS Markit Regional eXplorer version 2201

In Buffalo City Metropolitan Municipality, the Other (Medical, Religious, etc), relative to the other tourism, recorded the highest average annual growth rate from 2010 (96 600) to 2020 (27 600) at -11.76%. Visits to friends and relatives recorded the highest number of visits in 2020 at 151 000, with an average annual growth rate of -15.57%. The tourism type that recorded the lowest growth was Leisure / Holiday tourism with an average annual growth rate of -17.51% from 2010 (168 000) to 2020 (24 500).

**CHART 53. Trips by Purpose of trip - Buffalo City Metropolitan Municipality, 2020 [Percentage]**

**Tourism - trips by Purpose of trip  
Buffalo City Metropolitan Municipality, 2020**



Source: IHS Markit Regional eXplorer version 2201

The Visits to friends and relatives at 70.97% has largest share the total tourism within Buffalo City Metropolitan Municipality. Other (Medical, Religious, etc) tourism had the second highest share at 13.01%, followed by Leisure / Holiday tourism at 11.55% and the Business tourism with the smallest share of 4.47% of the total tourism within Buffalo City Metropolitan Municipality.

### Origin of Tourists

In the following table, the number of tourists that visited Buffalo City Metropolitan Municipality from both domestic origins, as well as those coming from international places, are listed.

**TABLE 42. Total number of trips by origin tourists - Buffalo City Metropolitan Municipality, 2010-2020 [Number]**

|      | Domestic tourists | International tourists | Total tourists |
|------|-------------------|------------------------|----------------|
| 2010 | 1,080,000         | 53,700                 | 1,140,000      |
| 2011 | 1,010,000         | 52,800                 | 1,060,000      |
| 2012 | 900,000           | 56,500                 | 956,000        |
| 2013 | 806,000           | 58,700                 | 865,000        |
| 2014 | 764,000           | 60,500                 | 824,000        |
| 2015 | 733,000           | 57,500                 | 790,000        |
| 2016 | 709,000           | 66,400                 | 775,000        |
| 2017 | 691,000           | 68,300                 | 760,000        |
| 2018 | 671,000           | 70,600                 | 741,000        |
| 2019 | 665,000           | 69,200                 | 734,000        |
| 2020 | 189,000           | 23,100                 | 212,000        |

**Average Annual growth  
2010-2020**

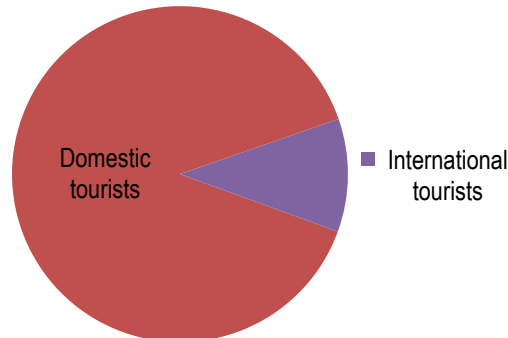
|                |               |                |
|----------------|---------------|----------------|
| <b>-16.00%</b> | <b>-8.07%</b> | <b>-15.44%</b> |
|----------------|---------------|----------------|

Source: IHS Markit Regional eXplorer version 2201

The number of trips by tourists visiting Buffalo City Metropolitan Municipality from other regions in South Africa has decreased at an average annual rate of -16.00% from 2010 (1.08 million) to 2020 (189 000). The tourists visiting from other countries decreased at an average annual growth rate of -8.07% (from 53 700 in 2010 to 23 100). International tourists constitute 10.89% of the total number of trips, with domestic tourism representing the balance of 89.11%.

**CHART 54. Tourists by origin - Buffalo City Metropolitan Municipality, 2020 [Percentage]**

**Tourism - tourists by origin  
Buffalo City Metropolitan Municipality, 2020**



Source: IHS Markit Regional eXplorer version 2201

### Bednights by origin of tourist

**Definition:** A bed night is the tourism industry measurement of one night away from home on a single person trip.

The following is a summary of the number of bed nights spent by domestic and international tourist within Buffalo City Metropolitan Municipality between 2010 and 2020.

**TABLE 43. Bednights by origin of tourist - Buffalo City Metropolitan Municipality, 2010-2020 [Number]**

|      | Domestic tourists | International tourists | Total tourists |
|------|-------------------|------------------------|----------------|
| 2010 | 5,090,000         | 607,000                | 5,700,000      |
| 2011 | 4,430,000         | 580,000                | 5,010,000      |
| 2012 | 3,720,000         | 592,000                | 4,320,000      |
| 2013 | 3,160,000         | 614,000                | 3,770,000      |
| 2014 | 2,850,000         | 649,000                | 3,500,000      |
| 2015 | 2,690,000         | 651,000                | 3,340,000      |
| 2016 | 2,630,000         | 793,000                | 3,420,000      |
| 2017 | 2,580,000         | 883,000                | 3,460,000      |
| 2018 | 2,520,000         | 945,000                | 3,460,000      |
| 2019 | 3,210,000         | 912,000                | 4,120,000      |
| 2020 | 916,000           | 301,000                | 1,220,000      |

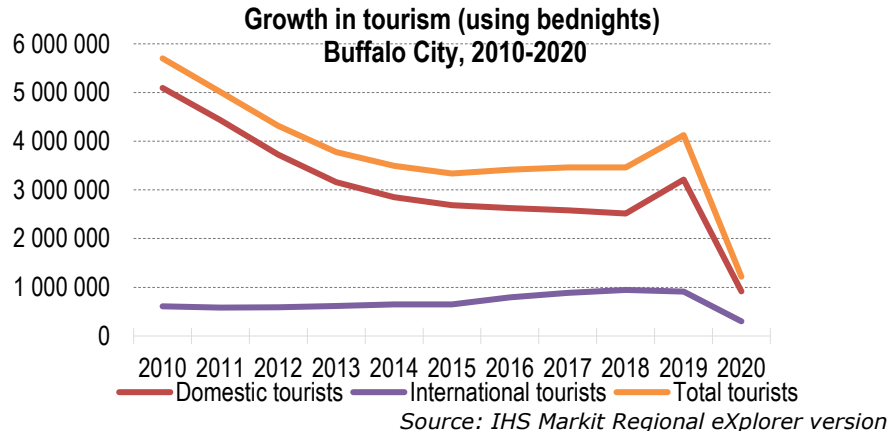
Average Annual growth  
2010-2020

|         |        |         |
|---------|--------|---------|
| -15.77% | -6.77% | -14.31% |
|---------|--------|---------|

Source: IHS Markit Regional eXplorer version 2201

From 2010 to 2020, the number of bed nights spent by domestic tourists has decreased at an average annual rate of -15.77%, while in the same period the international tourists had an average annual decrease of -6.77%. The total number of bed nights spent by tourists decreased at an average annual growth rate of -14.31% from 5.7 million in 2010 to 1.22 million in 2020.

**CHART 55. Growth in tourism (using bednights) by origin - Buffalo City Metropolitan Municipality, 2010-2020 [Number]**



### Tourism spending

**Definition:** In their Tourism Satellite Account, StatsSA defines tourism spending as all expenditure by visitors for their trip to the particular region. This excludes capital expenditure as well as the shopping expenditure of traders (called shuttle trade). The amounts are presented in current prices, meaning that inflation has not been taken into account.

It is important to note that this type of spending differs from the concept of contribution to GDP. Tourism spending merely represents a nominal spend of trips made to each region.

**TABLE 44. Total tourism spending - Buffalo City, Eastern Cape and National Total, 2010-2020 [R billions, Current Prices]**

|      | Buffalo City | Eastern Cape | National Total |
|------|--------------|--------------|----------------|
| 2010 | 2.7          | 14.3         | 187.7          |
| 2011 | 2.7          | 14.2         | 194.4          |
| 2012 | 3.3          | 16.9         | 220.1          |
| 2013 | 3.5          | 18.2         | 239.6          |
| 2014 | 3.8          | 19.9         | 263.3          |
| 2015 | 3.6          | 19.0         | 254.2          |
| 2016 | 4.2          | 22.1         | 294.5          |
| 2017 | 4.4          | 22.6         | 305.3          |
| 2018 | 4.2          | 21.8         | 303.3          |
| 2019 | 4.3          | 22.5         | 317.1          |
| 2020 | 1.2          | 6.7          | 95.8           |

Average Annual growth  
2010-2020

|        |        |        |
|--------|--------|--------|
| -7.98% | -7.35% | -6.51% |
|--------|--------|--------|

Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality had a total tourism spending of R 1.2 billion in 2020 with an average annual growth rate of -8.0% since 2010 (R 2.75 billion). Eastern Cape Province had a total tourism spending of R 6.69 billion in 2020 and an average annual growth rate of -7.3% over the period. Total tourism spending in South Africa decreased from R 188 billion in 2010 to R 95.8 billion in 2020 at an average annual rate of -6.5%.

### **Tourism Spend per Resident Capita**

Another interesting topic to look at is tourism spending per resident capita. To calculate this, the total amount of tourism spending in the region is divided by the number of residents living within that region. This gives a relative indication of how important tourism is for a particular area.

**TABLE 45. Tourism spend per resident capita - Buffalo City Metropolitan Municipality and the rest of Eastern Cape, 2010,2015 and 2020 [R Thousands]**

|                    | 2010    | 2015    | 2020    |
|--------------------|---------|---------|---------|
| Buffalo City       | R 3,483 | R 4,332 | R 1,343 |
| Nelson Mandela Bay | R 4,019 | R 4,944 | R 1,556 |
| Sarah Baartman     | R 5,182 | R 6,575 | R 2,774 |
| Amatole            | R 1,281 | R 1,631 | R 513   |
| Chris Hani         | R 1,226 | R 1,544 | R 435   |
| Joe Gqabi          | R 1,198 | R 1,411 | R 415   |
| O.R.Tambo          | R 924   | R 1,165 | R 365   |
| Alfred Nzo         | R 990   | R 1,276 | R 427   |

*Source: IHS Markit Regional eXplorer version 2201*

In 2020, Buffalo City Metropolitan Municipality had a tourism spend per capita of R 1,340 and an average annual growth rate of -9.09%, Buffalo City Metropolitan Municipality ranked third amongst all the regions within Eastern Cape in terms of tourism spend per capita. The region within Eastern Cape Province that ranked first in terms of tourism spend per capita is Sarah Baartman District Municipality with a total per capita spending of R 2,770 which reflects an average annual decrease of -6.06% from 2010. The metropolitan municipality that ranked lowest in terms of tourism spend per capita is O.R Tambo with a total of R 365 which reflects an decrease at an average annual rate of -8.87% from 2010.

### **Tourism Spend as a Share of GDP**

**Definition:** This measure presents tourism spending as a percentage of the GDP of a region. It provides a gauge of how important tourism is to the local economy. An important note about this variable is that it does not reflect what is spent in the tourism industry of that region, but only what is spent by tourists visiting that region as their main destination.



**TABLE 46. Total spending as % share of GDP - Buffalo City, Eastern Cape and National Total, 2010-2020 [Percentage]**

|             | <b>Buffalo City</b> | <b>Eastern Cape</b> | <b>National Total</b> |
|-------------|---------------------|---------------------|-----------------------|
| <b>2010</b> | 5.7%                | 6.0%                | 6.1%                  |
| <b>2011</b> | 5.4%                | 5.5%                | 5.8%                  |
| <b>2012</b> | 5.8%                | 6.0%                | 6.2%                  |
| <b>2013</b> | 5.7%                | 5.9%                | 6.2%                  |
| <b>2014</b> | 5.9%                | 6.1%                | 6.4%                  |
| <b>2015</b> | 5.2%                | 5.4%                | 5.8%                  |
| <b>2016</b> | 5.7%                | 5.9%                | 6.2%                  |
| <b>2017</b> | 5.5%                | 5.7%                | 6.0%                  |
| <b>2018</b> | 5.0%                | 5.2%                | 5.7%                  |
| <b>2019</b> | 5.0%                | 5.2%                | 5.7%                  |
| <b>2020</b> | 1.4%                | 1.6%                | 1.7%                  |

*Source: IHS Markit Regional eXplorer version 2201*

In Buffalo City Metropolitan Municipality the tourism spending as a percentage of GDP in 2020 was 1.43%. Tourism spending as a percentage of GDP for 2020 was 1.58% in Eastern Cape Province, 1.73% in South Africa.

### International Trade

Trade is defined as the act of buying and selling, with international trade referring to buying and selling across international border, more generally called importing and exporting. The Trade Balance is calculated by subtracting imports from exports.

### Relative Importance of international Trade

In the table below, the Buffalo City Metropolitan Municipality is compared to Eastern Cape and South Africa, in terms of actual imports and exports, the Trade Balance, as well the contribution to GDP and the region's contribution to total national exports and imports.

**TABLE 47. Merchandise exports and imports - Buffalo City, Eastern Cape and National Total, 2020 [R 1000, current prices]**

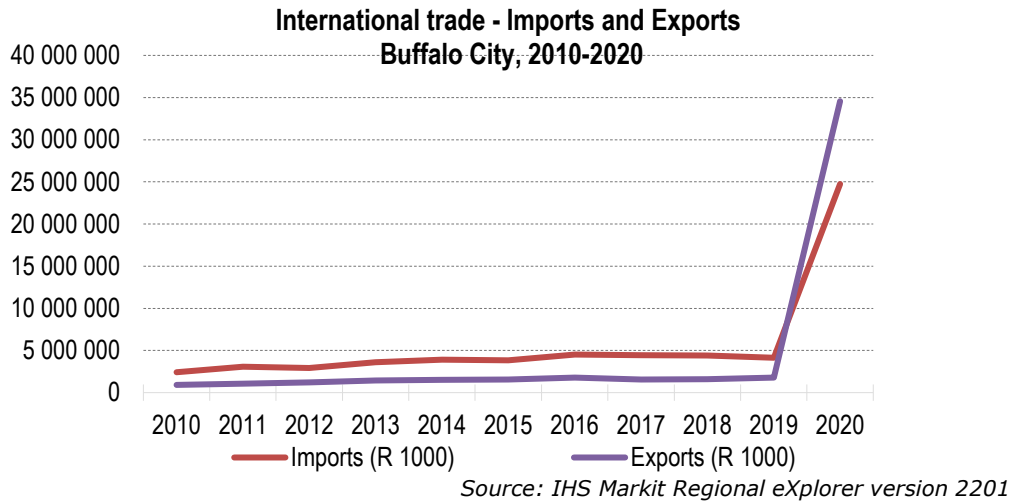
|                                     | <b>Buffalo City</b> | <b>Eastern Cape</b> | <b>National Total</b> |
|-------------------------------------|---------------------|---------------------|-----------------------|
| <b>Exports (R 1000)</b>             | 34,569,855          | 92,643,509          | 1,394,345,999         |
| <b>Imports (R 1000)</b>             | 24,744,230          | 73,918,938          | 1,109,458,999         |
| <b>Total Trade (R 1000)</b>         | 59,314,084          | 166,562,447         | 2,503,804,998         |
| <b>Trade Balance (R 1000)</b>       | 9,825,625           | 18,724,570          | 284,887,001           |
| <b>Exports as % of GDP</b>          | 41.3%               | 21.9%               | 25.3%                 |
| <b>Total trade as % of GDP</b>      | 70.8%               | 39.3%               | 45.3%                 |
| <b>Regional share - Exports</b>     | 2.5%                | 6.6%                | 100.0%                |
| <b>Regional share - Imports</b>     | 2.2%                | 6.7%                | 100.0%                |
| <b>Regional share - Total Trade</b> | <b>2.4%</b>         | <b>6.7%</b>         | <b>100.0%</b>         |

*Source: IHS Markit Regional eXplorer version 2201*

The merchandise export from Buffalo City Metropolitan Municipality amounts to R 34.6 billion and as a percentage of total national exports constitutes about 2.48%. The exports from Buffalo City Metropolitan Municipality constitute 41.26% of total Buffalo City Metropolitan Municipality's GDP. Merchandise imports of R 24.7 billion constitute about

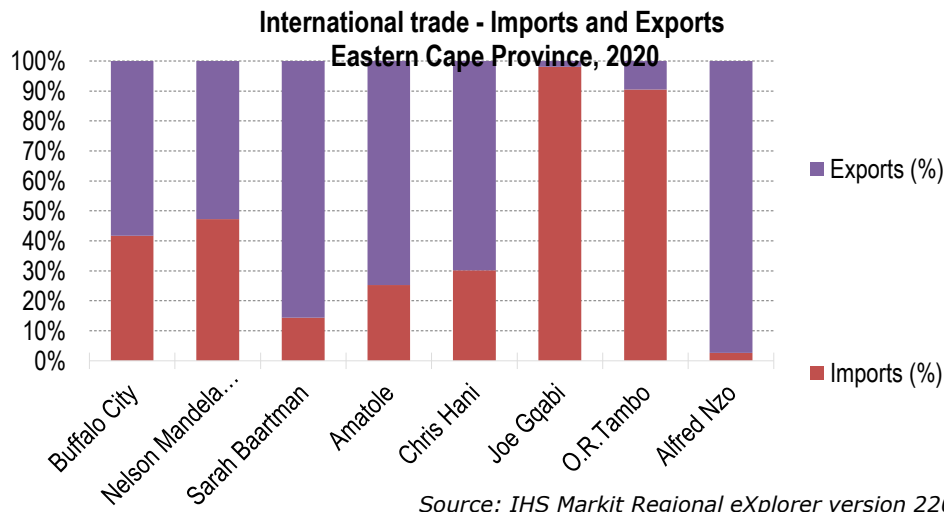
2.23% of the national imports. Total trade within Buffalo City is about 2.37% of total national trade. Buffalo City Metropolitan Municipality had a positive trade balance in 2020 to the value of R 9.83 billion.

**CHART 56. Import and Exports in Buffalo City Metropolitan Municipality, 2010-2020 [R 1000]**



Analysing the trade movements over time, total trade increased from 2010 to 2020 at an average annual growth rate of 33.35%. Merchandise exports increased at an average annual rate of 43.76%, with the highest level of exports of R 34.6 billion experienced in 2020. Merchandise imports increased at an average annual growth rate of 26.18% between 2010 and 2020, with the lowest level of imports experienced in 2010.

**CHART 57. Merchandise exports and imports - Buffalo City and the rest of Eastern Cape, 2020 [Percentage]**



When comparing the Buffalo City Metropolitan Municipality with the other regions in the Eastern Cape Province, Nelson Mandela Bay has the biggest amount of international trade (when aggregating imports and exports, in absolute terms) with a total of R 102 billion. This is also true for exports - with a total of R 53.8 billion in 2020. O.R Tambo had the lowest total trade figure at R 12 million. The O.R Tambo also had the lowest exports in terms of currency value with a total of R 1.14 million exports.

## 7. SPATIAL DEVELOPMENT PROFILE

### 7.1 An overview of spatial form

The land cover pattern is largely determined by topographical and climatic factors. However past political engineering, current tenure arrangements and population densities have impacted on the type of land cover. The Land Cover plan below illustrates that:

- ❑ 41.2% of the Municipal land cover is Thicket and bushland.
- ❑ *Approximately 9% is cultivated on a semi-commercial/subsistence basis.*
- ❑ *Just over 10% of land cover in the municipality is degraded.*
- ❑ *The urban or built up residential land covers about 7.8% of land cover*

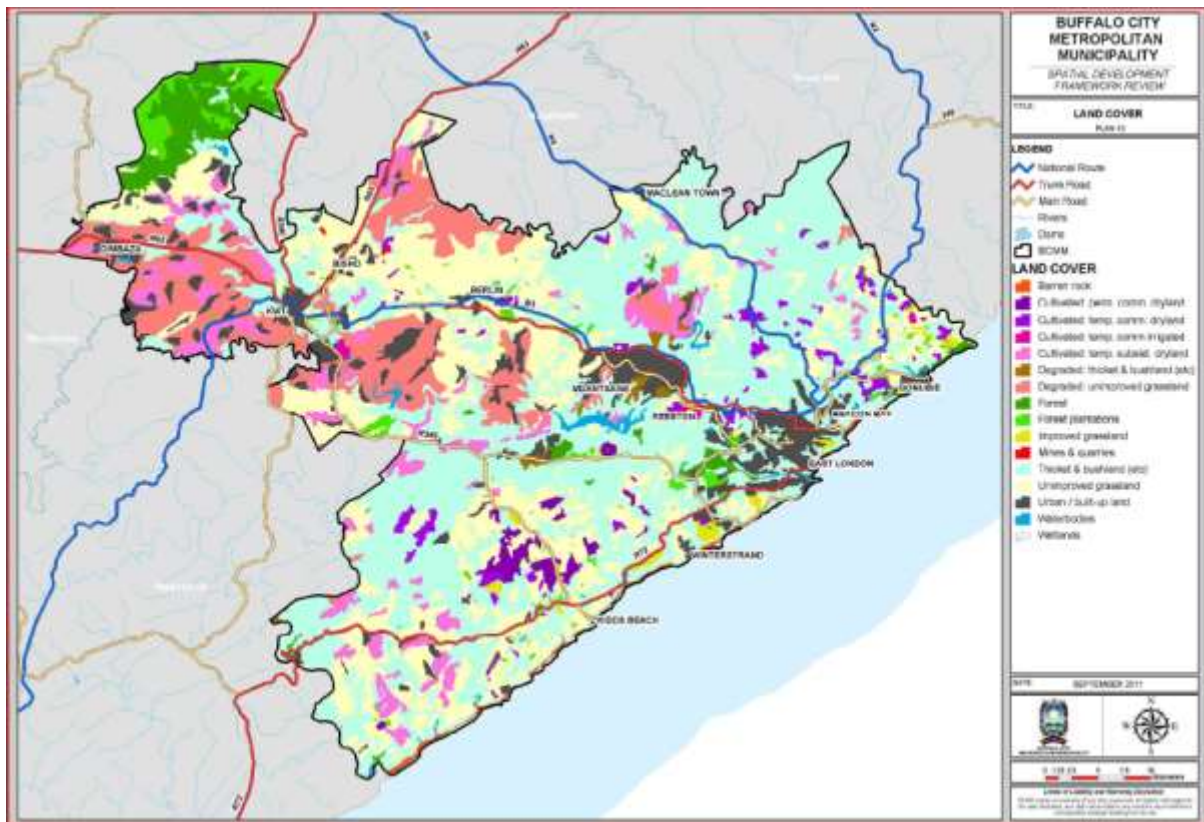


Figure 36: Plan E.1 Land Cover Plan showing Agricultural and Urban areas

BCM has a rich floral and faunal biodiversity primarily due to its coastal location and altitudinal variation ranging from sea level to approximately 2100m asl in the Amatola Mountains. The BCMM area falls also within the Albany Centre of Endemism and thus is a region with many endemic plant taxa and species of high conservation significance.

The Eastern Cape Biodiversity Conservation Plan (ECBCP) identifies Critical Biodiversity Areas and provides for Biodiversity Land Management Classes (BLMC) or guidelines of permissible land uses to conserve biodiversity. The

Plan has been developed for the entire Eastern Cape Province and has been prepared at a large scale and should be used as a planning tool over large spatial area.

From the Biodiversity plan below, it can be seen that BLMC 1 (CBA 1) occupies 15% of BCMM's land cover. This is mostly present along the coastline in the west, in the area around the Buffalo River below the Laing Dam and the indigenous forests around the Maiden Dam in the North West. BLMC 2 (CBA 2) occupies a further 29% of the land cover.

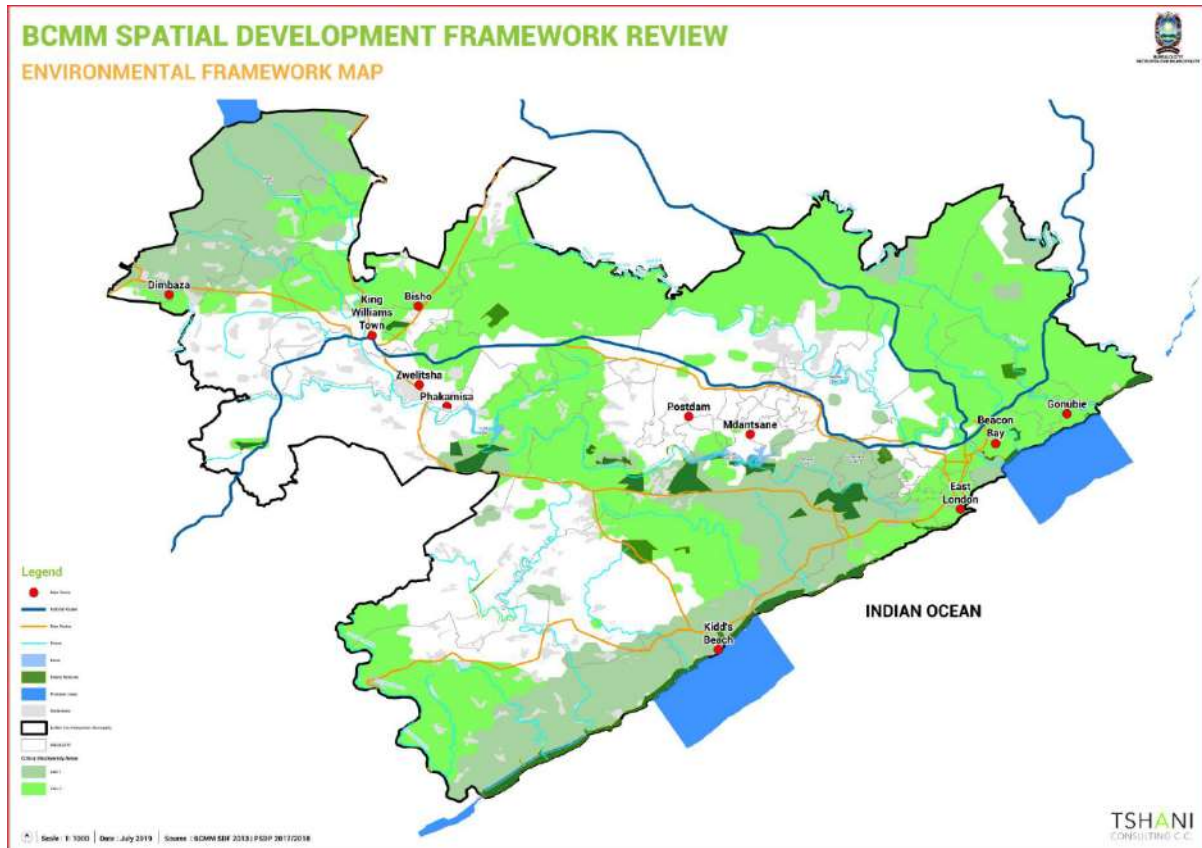


Figure 37: Plan E.2 Biodiversity and Environmentally sensitive areas

### Nodes and their role within the district and the province

Development Nodes are generally described as areas of mixed land use development, usually having a high intensity of activities involving retail, traffic, office, industry and residential land uses. These are the places where most interaction takes place between people and organisations, enabling most efficient transactions and exchange of goods and services. Nodes are usually located at nodal interchanges to provide maximum access and usually act as catalysts for new growth and development. See plan and table below.

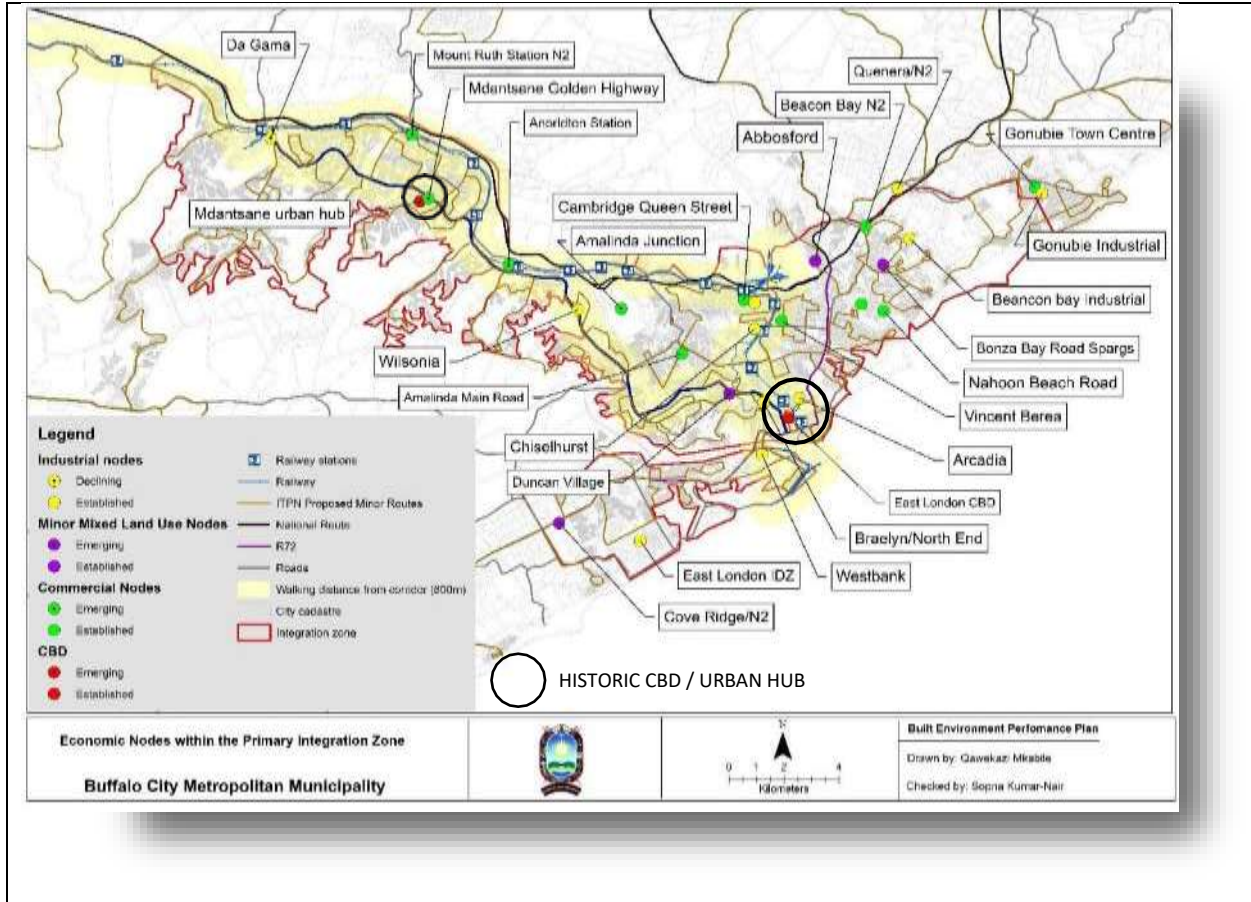


Figure 38: Plan E.3 BCMM Development Nodes

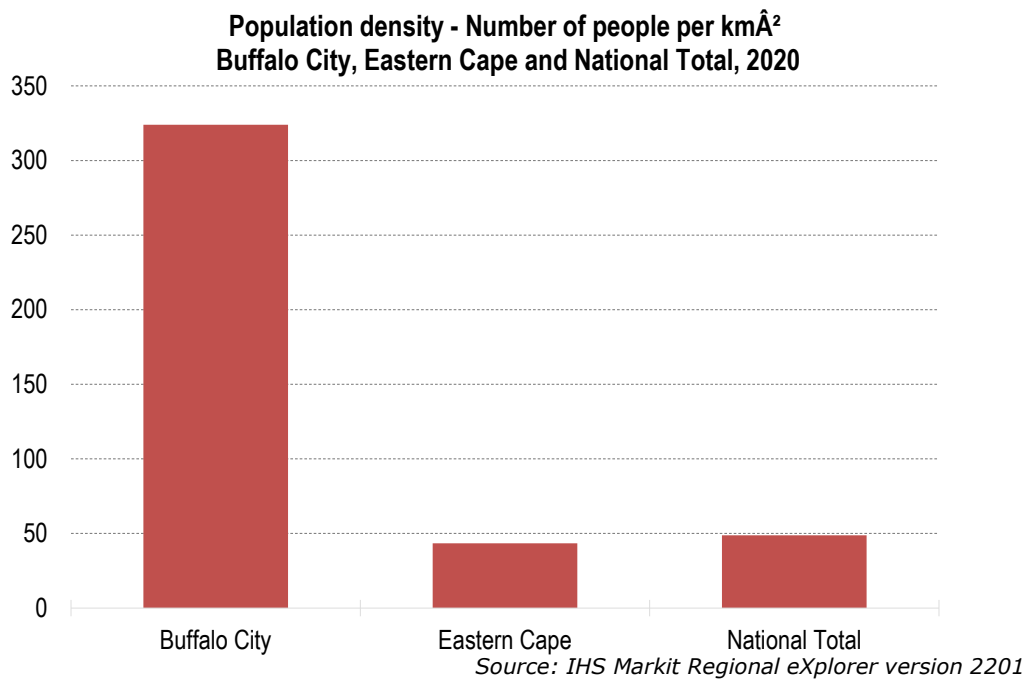
| TABLE NO. 1: NODES                            |  |
|---|--|
| NODE TYPE                                     | AREA/DESCRIPTION OF LOCALITY   |
| <b>PRIMARY NODES:</b>                         |  |
| <b>Central Business Districts (CBDs)</b>      | <ul style="list-style-type: none"> <li>▪ East London</li> <li>▪ Qonce (previously known as KWT)</li> <li>▪ Mantsane</li> <li>▪ Dimbaza</li> </ul>  |
|   | <ul style="list-style-type: none"> <li>▪ Mount Ruth Station</li> <li>▪ Arnoldton Station</li> <li>▪ Amalinda Junction</li> </ul>   |
| <b>LOCAL NODES</b>                            |  |
| <b>Minor Mixed Land Use Nodes (Existing)</b>  | <ul style="list-style-type: none"> <li>▪ Meisies Halt</li> <li>▪ Bonza Bay Road (Sparg's Centre)</li> <li>▪ Ndende (Duncan Village)</li> <li>▪ Golden Highway (Mantsane)</li> <li>▪ Berlin town centre</li> <li>▪ Zwelitsha town centre</li> </ul> |
| <b>Minor Mixed Land Use Nodes (Potential)</b> | <ul style="list-style-type: none"> <li>▪ Quenera</li> <li>▪ Brakfontein</li> <li>▪ Chester Road</li> <li>▪ Cove Ridge</li> </ul>   |

| TABLE NO. 1: NODES                      |   |
|---|---|
| NODE TYPE                               | AREA/DESCRIPTION OF LOCALITY  |
| <b>PRIMARY NODES:</b>                   |   |
|   | <ul style="list-style-type: none"> <li>▪ Nahoon Valley</li> <li>▪ Mdantsane Station</li> <li>▪ Mtsotso Station</li> <li>▪ Needs Camp</li> <li>▪ Zone CC (Mdantsane)</li> <li>▪ Fort Jackson Station</li> <li>▪ Ndevana</li> <li>▪ Phakamisa Junction</li> </ul> |
| <b>Administrative Node</b>              | <ul style="list-style-type: none"> <li>▪ Bhisho</li> </ul>  |
| <b>Commercial Nodes</b>                 | <ul style="list-style-type: none"> <li>▪ Vincent Park</li> <li>▪ Beacon Bay Retail Park/The Hub</li> </ul>  |
| <b>Industrial Node</b>                  | <ul style="list-style-type: none"> <li>▪ East London IDZ</li> <li>▪ North end</li> <li>▪ Fort Jackson</li> <li>▪ Berlin</li> <li>▪ Qonce (previously known as KWT)</li> <li>▪ Zwelitsha</li> </ul>  |
| <b>Coastal Nodes</b>                    | <ul style="list-style-type: none"> <li>▪ Kidd's Beach</li> <li>▪ Sunrise-on-Sea</li> </ul>  |
| <b>Rural Service Centre (Existing)</b>  | <ul style="list-style-type: none"> <li>▪ Crossways</li> <li>▪ St Luke's (Newlands)</li> <li>▪ Kidd's Beach Interchange</li> </ul>   |
| <b>Rural Service Centre (Potential)</b> | <ul style="list-style-type: none"> <li>▪ Khwetyana Intersection (Newlands)</li> <li>▪ Kuni Village</li> <li>▪ Upper eJojweni Village (Tyolomnqa)</li> <li>▪ Drayini Village (Yellowwoods)</li> </ul>  |

## 7.2 Spatial Density and Spatial Planning

**Definition:** Population density measures the concentration of people in a region. To calculate this, the population of a region is divided by the area size of that region. The output is presented as the number of people per square kilometre.

**CHART 58. Population density - Buffalo City, Eastern Cape and National Total, 2020 [number of people per km]**



In 2020, with an average of 324 people per square kilometre, Buffalo City Metropolitan Municipality had a higher population density than Eastern Cape (43.4 people per square kilometre). Compared to South Africa (48.8 per square kilometre) it can be seen that there are more people living per square kilometre in Buffalo City Metropolitan Municipality than in South Africa.

**TABLE 48. Population density - Buffalo City and the rest of Eastern Cape, 2010-2020 [number of people per km]**

|                           | 2010   | 2011   | 2012   | 2013   | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Buffalo City</b>       | 286.99 | 290.32 | 293.74 | 297.25 | 300.87 | 304.64 | 308.42 | 312.35 | 316.20 | 320.11 | 324.02 |
| <b>Nelson Mandela Bay</b> | 589.45 | 599.45 | 609.50 | 619.41 | 629.20 | 638.95 | 648.37 | 657.74 | 666.71 | 675.50 | 684.13 |
| <b>Sarah Baartman</b>     | 7.72   | 7.86   | 8.00   | 8.15   | 8.29   | 8.43   | 8.57   | 8.70   | 8.84   | 8.97   | 9.10   |
| <b>Amatole</b>            | 41.34  | 41.13  | 40.92  | 40.80  | 40.75  | 40.77  | 40.84  | 40.99  | 41.18  | 41.41  | 41.68  |
| <b>Chris Hani</b>         | 22.38  | 22.45  | 22.53  | 22.63  | 22.77  | 22.93  | 23.10  | 23.30  | 23.51  | 23.74  | 23.96  |
| <b>Joe Gqabi</b>          | 13.81  | 13.90  | 14.00  | 14.12  | 14.25  | 14.40  | 14.55  | 14.72  | 14.88  | 15.05  | 15.22  |
| <b>O.R.Tambo</b>          | 114.44 | 115.46 | 116.44 | 117.50 | 118.67 | 119.94 | 121.21 | 122.56 | 123.96 | 125.36 | 126.76 |
| <b>Alfred Nzo</b>         | 75.92  | 76.44  | 76.95  | 77.56  | 78.25  | 79.00  | 79.77  | 80.61  | 81.47  | 82.32  | 83.16  |

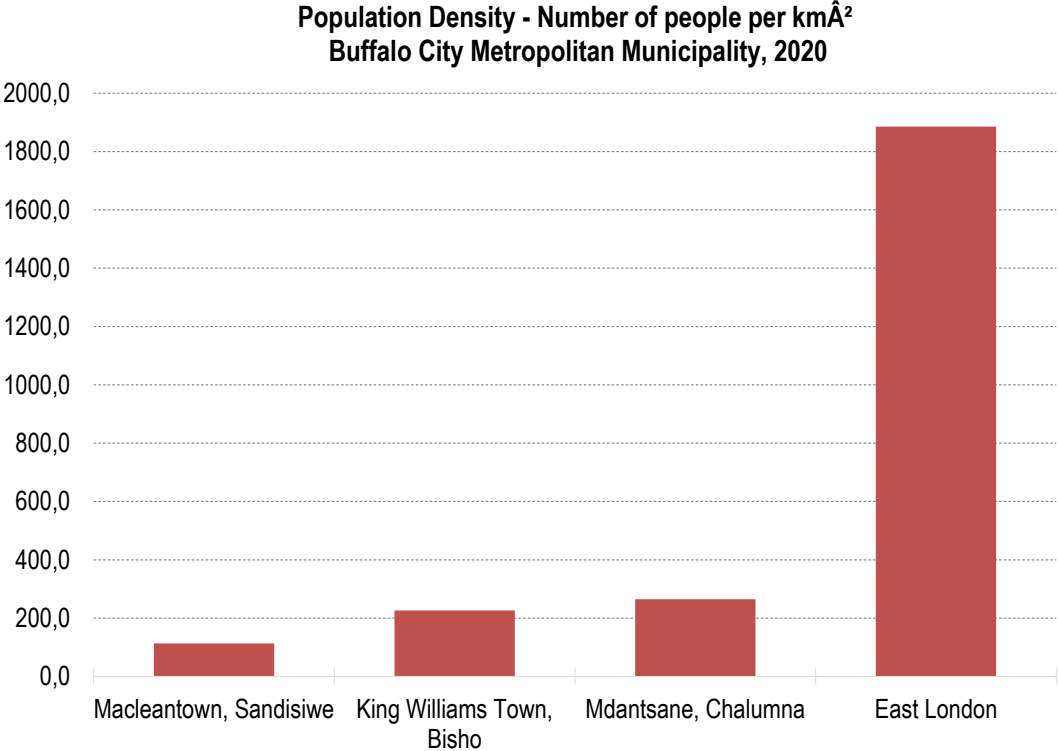
*Source: IHS Markit Regional eXplorer version 2201*

In 2020, Buffalo City Metropolitan Municipality had a population density of 324 per square kilometre and it ranked highest amongst its peers. The region with the highest population density per square kilometre was the Nelson Mandela

Bay with a total population density of 684 per square kilometre per annum. In terms of growth, Buffalo City Metropolitan Municipality had an average annual growth in its population density of 1.22% per square kilometre per annum. The region with the highest growth rate in the population density per square kilometre was Sarah Baartman with an average annual growth rate of 1.66% per square kilometre. In 2020, the region with the lowest population density within Eastern Cape Province was Sarah Baartman with 9.1 people per square kilometre. The region with the lowest average annual growth rate was the Amatole with an average annual growth rate of 0.08% people per square kilometre over the period under discussion.

Using population density instead of the total number of people creates a better basis for comparing different regions or economies. A higher population density influences the provision of household infrastructure, quality of services, and access to resources like medical care, schools, sewage treatment, community centres, etc.

**CHART 59. Population Density - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2020 [Number of people per KM]**



Source: IHS Markit Regional eXplorer version 2201

In terms of the population density for each of the regions within the Buffalo City Metropolitan Municipality, East London Sub-metro Region had the highest density, with 1 880 people per square kilometre. The lowest population density can be observed in the Macleantown, Sandisiwe Sub-metro Region with a total of 113 people per square kilometre.



### 7.3 Land ownership patterns within the region

A significant amount of land within BCMM is owned by the State of which a good deal is under Tribal Authority. BCMM owned land is situated in the urban areas but portions of it are not developable.

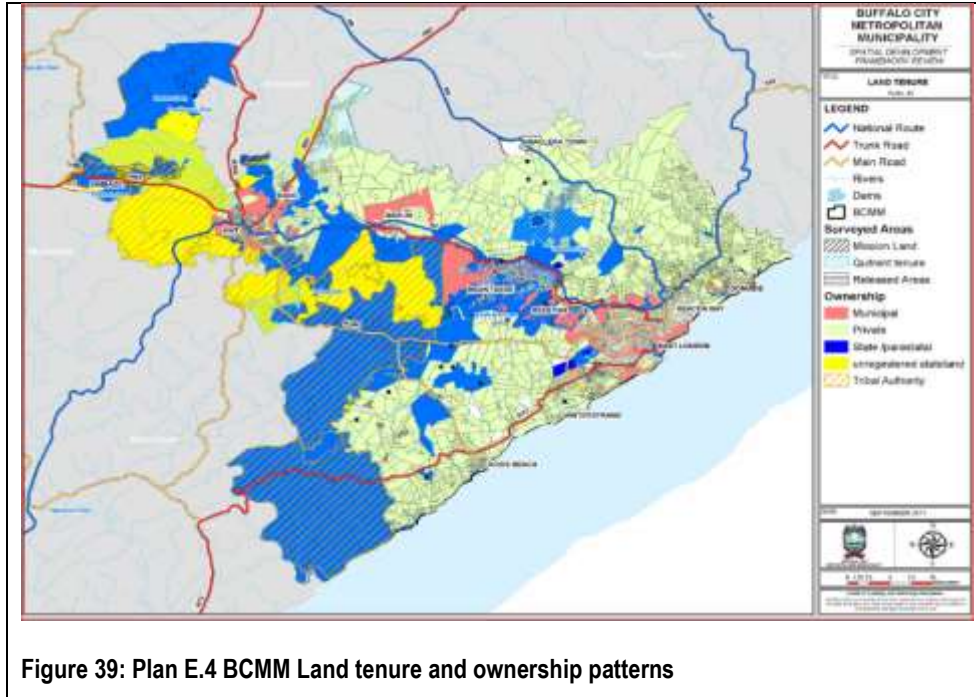
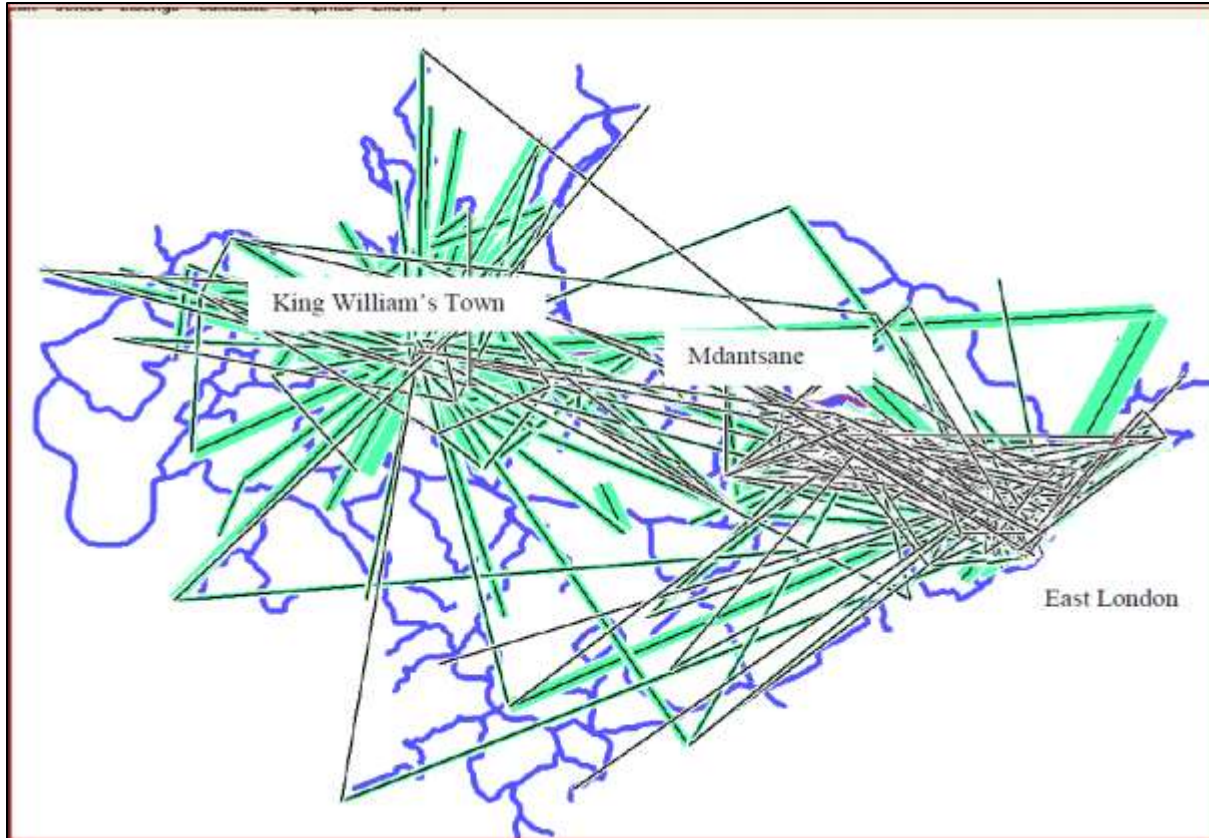


Figure 39: Plan E.4 BCMM Land tenure and ownership patterns

### 7.4 Movement patterns within the region

The current desire lines of travel in Buffalo City, illustrated in figure below, shows a concentration along the corridor between East London and Mdantsane and in the Qonce (previously known as KWT) area where Qonce (previously known as KWT) functions as a hub for the surrounding rural hinterland. In addition, many people travel from outside of BCMM for work and education purposes. Minibus taxis convey 350 000 passengers per day within the Buffalo City functional transport area.



**Figure 40: Plan E.6 BCMM Transport movement patterns**

The BCMM Transport Register which was completed in February 2018 identified the following trends in transport modal splits for work related trips.

- The predominant transport mode for work related trips in the BCMM area during a typical weekday morning peak period in 2013 was by taxi (43%), followed by private car/truck (29%), walking (21%), train (5%) and bus (2%).
- In comparison to the 2003 data, overall, there has been a 5% decline in work trips via public transport, whilst there has been a 4% increase in work trips via private transport and walking respectively.
- Nearly a third of all work trips were made via private transport in 2013, which corresponds well with the provincial average of 33%.
- Considering the decline in work trips via public transport, there appears to be a modal shift from public transport to private transport and walking in the BCMM area.

The 2013 NHTS for work related trips consisted of approximately 65 000 more trips in comparison to the 2003 NHTS.

The plan below shows the major transport/mobility corridors within BCMM:

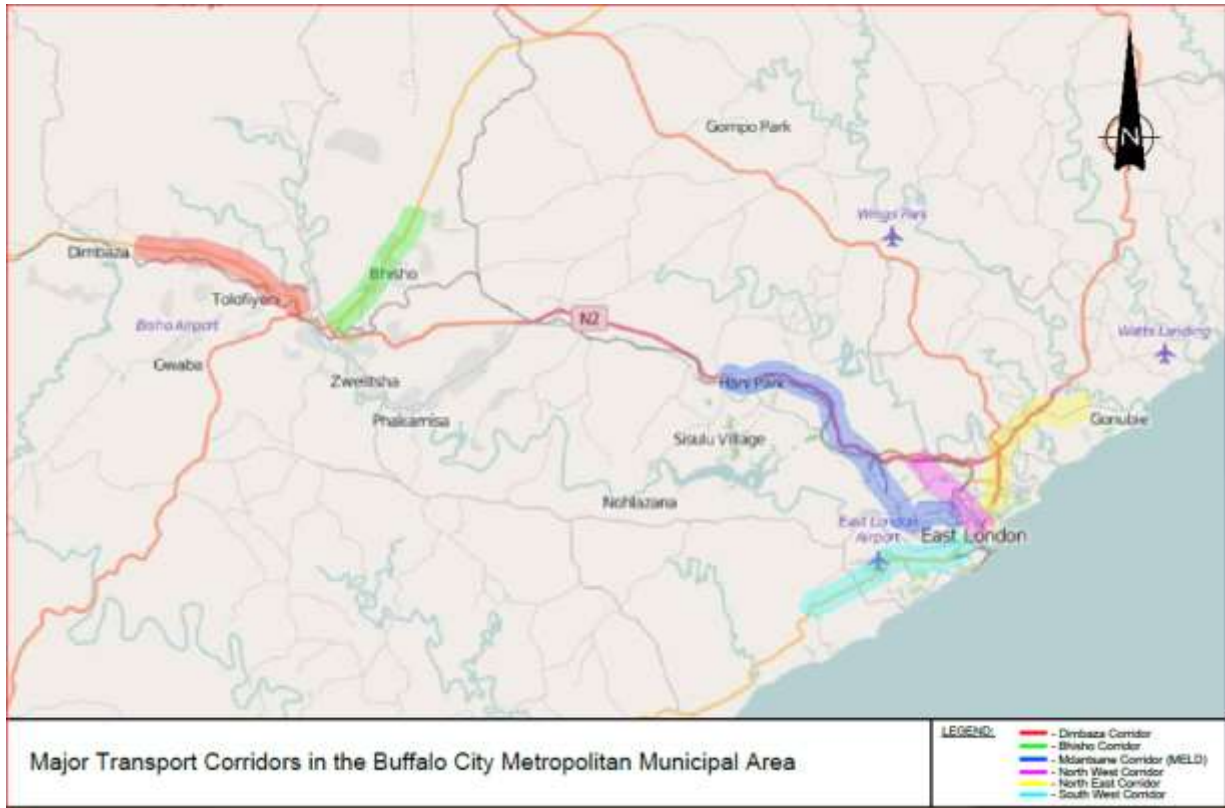


Figure 41: Plan E.7 BCMM Transport Corridors

### 7.5 Changes in spaces over time and the implications for service delivery

The development focus has changed over time as the local authority amalgamated various urban areas with rural areas. With each amalgamation service delivery priorities have been refocussed. Since 2001 with the creation of the Buffalo City Municipality the first SDF of 2003 has proposed that the focus for infrastructure development and service delivery should be the urban core area, being Mdtantsane and East London because this contains the bulk of the population. The BCMM SDF has since identified that the new West Bank be the focus of infrastructure development because of the huge increase in economic activity that is being proposed in the area. As the number of informal areas have grown on the fringes of the city this has also had implications for the prioritization.

## 8. SITUATIONAL ANALYSIS PER BCMM STRATEGIC OUTCOME AND KEY FOCUS AREA



# Strategic Outcome

# 1

AN INNOVATIVE  
AND  
PRODUCTIVE  
CITY



## SITUATIONAL ANALYSIS

### 1. STRATEGIC OBJECTIVE

To enhance the Quality of Life of the BCMM community with rapid and inclusive economic growth and falling unemployment.

### 2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcome, Strategic Objective and Key Focus Areas is depicted as follows:

| Strategic Outcomes   | Strategic Objectives   | Key Focus Areas                                       |
|--|--|---|
| STRATEGIC OUTCOME 1 (SO1): An innovative and Productive City | To enhance the Quality of Life of the BCMM community with rapid and inclusive economic growth and falling unemployment | KFA 1: Enterprise Development                         |
|  |  | KFA 2: Trade and Investment Promotion                 |
|  |  | KFA 3: Innovation and Knowledge Management            |
|  |  | KFA 4: Tourism & Marketing                            |
|  |  | KFA 5: Job Readiness & Training (External)            |
|  |  | KFA 6: Rural Development & Agrarian Reform            |
|  |  | KFA 7: Arts, Culture and Heritage Resource Management |
|  |  | KFA 8: Sport Development (Programmes)                 |
|  |  | KFA 9: Sport and Recreation Facilities                |
|  |  | KFA 10: Libraries and Halls                           |
|  |  | KFA 11: Emergency and Disaster Management             |
|  |  | KFA 12: Traffic Management                            |

### 3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2022/2023 IDP Review Process:

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities  | MTSF 2019/2024  | PDP  |
|---|---|--|
| <p><b><i>MGDS Strategic Outcome 1: An innovative and productive city - The MGDS calls on Buffalo City to become a city that builds a strong identity as a place that is supportive of business. Key to this will be problem-solving to unlock business opportunities, reduce the cost of doing business and address infrastructure bottlenecks. This enabling environment will allow Buffalo City's comparative advantages to be realized, in sectors such as manufacturing, agriculture, property, tourism and knowledge-based services (ICT and business services).</i></b></p>   | <p>Priority 2: Economic Transformation and Job Creation</p> | <p>Goal 1: Innovative, inclusive and growing economy</p> |
| <b>1. INVESTMENT</b>  |   |  |
| <ul style="list-style-type: none"> <li>a) Finalize the Economic Recovery and Investment Plan, including industry level measures to address investment constraints and grow productivity, output, inclusivity, jobs.</li> <li>b) Support the facilitation of the Buffalo City Economic Recovery Compact, which will include pledges, concessions, trade-offs, collaborations and partnerships among and between key economic role-players.</li> <li>c) Make a stronger case for two automotive hubs in the Eastern Cape.</li> <li>d) Build BCMM's potential as a cheaper lifestyle city.</li> <li>e) Re-design suitable industrial and commercial spaces.</li> <li>f) Create and implement Incentives Schemes.</li> <li>g) Arrange engagement with Department of Public Works, Eastern Cape Development Corporation and Department of Land Reform</li> <li>h) Establish a development facilitation committee/desk to assess investment from private sector and make decisions quickly.</li> <li>i) Resuscitate non-fiscal incentives between BCMM and ELIDZ e.g., CM/CEO forums for engagements.</li> <li>j) Intensify the lobbying efforts towards the widening and deepening of the East London Port to accommodate new size vessels, consequently, enhance logistical infrastructure, improve the comparative advantage of the city and increase attractiveness of the location.</li> <li>k) Build capacity to package investment projects that are fundable and will result in a return on investment.</li> <li>l) Interrogate Gonubie small craft harbour to improve tourism and oceans economy.</li> </ul> |   |  |
| <b>2. SUB-NATIONAL COST OF DOING BUSINESS (SNDB)</b>  |   |  |
| <ul style="list-style-type: none"> <li>a) Drastic reduction of red tape when measured through upward progression in the Sub-National Doing Business Index, including the automation of the property application process.</li> </ul>   |   |  |
| <b>3. SMART CITY</b>  |   |  |
| <ul style="list-style-type: none"> <li>a) Ensure strong integration between the Economic Recovery and Investment Plan (ERIP) and the Smart City Strategy being developed over roughly the same period of time, and specifically with the Digital Hub component of the Smart City Strategy which is being established to strengthen firm level competitiveness and productivity, not only in the automotive sector but in other key sectors such as agriculture.</li> </ul>  |   |  |
| <b>4. ENTERPRISE DEVELOPMENT</b>  |   |  |

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <ul style="list-style-type: none"> <li>a) Develop policy to formalise informal economy and provide basic infrastructure as an opportunity for employment.</li> <li>b) Establish BCMM relief fund to support SMMEs during times of disasters.</li> <li>c) Unlock value chains in key sectors (upstream and downstream opportunities). Whilst we are a largely automotive city, we should also support sectors and industries in which we could be competitive, including 1. the ocean economy value chain, 2. the agriculture value chain, particularly export-intensive and labour-intensive horticulture, 3. Advanced export manufacturing, anchored in local supply chains, new technological capabilities, and new logistics capabilities, and 4. light manufacturing more particularly the clothing and footwear industry, both for export and domestic consumption.</li> <li>d) Create suitable Informal Trading Hubs.</li> <li>e) Develop Supplier Development Programme (Localization Programme).</li> <li>f) Create SMME Fund.</li> <li>g) Provide start-up capital (finance, machinery &amp; equipment, intellectual property, etc.).</li> <li>h) Reduce administered costs (we are generally around number 5 of the 8 metros on rates and tariffs, but need to be the cheapest to counteract other disadvantages like location and distance from market)</li> <li>i) Expansion of the Departure Lounge at King Phalo Airport, Expansion of the runway.</li> <li>j) Rebranding and directional signage for the Airport.</li> <li>k) Revitalisation of Dimbaza, West Bank.</li> <li>l) Revitalization of Wilsonia and Fort Jackson.</li> <li>m) Automation of application processes.</li> <li>n) Access to under-utilized municipal assets (including land &amp; buildings).</li> <li>o) Develop and Implement Township Economy Strategy.</li> <li>p) Establish City Improvement Districts (CIDs).</li> <li>q) Develop and support local companies to take full advantage of the African Continental Free Trade Area.</li> <li>r) Continue to roll-out the Export Development Programme in line with the National Export Development Programme (NEDP).</li> <li>s) Resource the BCMM Export Helpdesk.</li> </ul> |                |     |
| <b>5. TOURISM</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Implement relief support measures for the tourism sector in the form of rates rebates, grant funding to stabilise the sector and put clear programmes in place to increase demand in order to recover the industry, compliance with Covid-19 and relaxation of travel restrictions.</li> <li>b) Collaborate with tourism operators in packaging more experiences for the cruise liner tourists.</li> <li>c) Develop Standard Operating Procedure (SOP) for the film sector.</li> <li>d) Develop a clear strategy and support programmes to attract business tourism into the city including development of a standard bid document for national and international events as part of tourism recovery measure.</li> <li>e) Implement campaigns directed at improving the cleanliness in the city.</li> <li>f) Gain access to key parcels of land to fast-track some of the key initiatives that seeks to promote tourism and film sector in Buffalo City.</li> <li>g) Attract niche markets e.g., religious tourism, ad venture tourism, Mice tourism.</li> <li>h) Development and promotion of the Buffalo City Creative Industry economy which has been severely affected by Covid-19 pandemic. This should include development of the key infrastructure to fast-track the growth of the sector.</li> <li>i) Market and Promote Buffalo City as a tourist destination of choice.</li> <li>j) Provide support to communities to develop tourism in both townships and rural areas.</li> <li>k) Implements programmes to improve tourists' safety.</li> <li>l) Constant engagement with tourism stakeholders and communities with the aim of improving communication and awareness about the importance of tourism</li> </ul>  |                |     |

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <b>6. JOB READINESS &amp; SKILLS DEVELOPMENT</b>   |                |     |
| a) Engage with Institutions of higher learning regarding skills development for BCMM skills needs.   |                |     |
| <b>7. AGRICULTURE &amp; RURAL DEVELOPMENT</b>  |                |     |
| a) Access to markets for locally produced goods.<br>b) Basic infrastructure such as Irrigation systems, Dipping Tanks, Fencing, Electricity, Tractors & Implements, Livestock, field crops and horticulture<br>c) Focus on niche markets (high value crops – garlic, ginger, nuts).<br>d) Increase in economies of scale (co-operation).<br>e) Improve commercialization support.<br>f) Drought mitigation.<br>g) Water saving technology (e.g. Drip Irrigation).<br>h) Co-operation with Agric Colleges.  |                |     |
| <b>8. INFORMATION &amp; KNOWLEDGE MANAGEMENT</b>   |                |     |
| a) Develop instruments to measure quality of life in BCMM and establish baselines.<br>b) Build research capacity in all BCMM Departments – To utilize ECSECC and institutions of higher learning.<br>c) Resuscitate the Knowledge Management Forum and approve IKM Policy.<br>d) Commission customer satisfaction survey every financial year.   |                |     |
| <b>9. EMERGENCY &amp; DISASTER MANAGEMENT</b>  |                |     |
| a) Increase Law enforcement visibility to deal with high crime rate in the city. <ul style="list-style-type: none"> <li>• Step up law enforcement efforts, more particularly the enforcement of by-laws and the relevant legislation regarding building.</li> <li>• Improve partnerships with the South African Police Service and the Eastern Cape Liquor Board in order to monitor and close down illegally operating Taverns and coming hard on the drug dens and prostitution rings that are operating in certain places in the city.</li> <li>• Seek a court order to interdict the illegal car washes at the East London Beachfront and to prohibit even those who are taking their cars there for a wash. The Economic Development and Agencies Directorate must engage the car washers in order to find other suitable ways of supporting their informal businesses.</li> <li>• The containers that sprawl from buildings in many of our densely populated residential areas in town such as Southernwood, King Williams Town CBD and Quigney will be given due attention and we will enforce our by-laws to make these a thing of the past. Salons and Tuckshops should be operated within legal premises, and we will, unfortunately, have to be harsh on this up until this is achieved.</li> </ul> b) Ensure that all security cameras are operated by HPS& ES by 1 January 2022.03.14<br>c) Develop land invasion mitigation strategy.<br>d) Land invasions are not stopped early enough by Law Enforcement before escalating to crisis level. Officials must respect their work and exhibit exemplary diligence in performing their tasks timeously and efficiently. Officials must go on a benchmarking mission to understand how other cities are managing the challenges pertaining to illegal land invasions.<br>e) Establish structures.<br>f) Integrate disaster risk reduction into all projects and programmes.<br>g) Conduct a comprehensive level 3 risk assessment.<br>h) Prepare level 3 disaster plans for all sectors and BCMM.<br>i) Capacitate disaster management centre. |                |     |



## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

Council Priorities

MTSF 2019/2024

PDP

### 10. PUBLIC SAFETY - CCTV - LAW ENFORCEMENT SERVICES

- a) Roll out and installation of CCTV surveillance cameras throughout BCMM communities and BCMM buildings and installations.
- b) Position the City as a safe and secure City, free from violence, crime and anti-social behaviour by monitoring these areas with CCTV Surveillance cameras.
- c) Enforce Law & Order by implementing the continuous roll out and installation of CCTV surveillance throughout BCMM Metro to monitor and prevent criminal behaviour in the Central Business Districts and other major economic/business areas, such as theft, robbery, smash and grab, snatch and run, drunk & disorderly behaviour and resultant crime.
- d) Redevelopment of Security to be a highly functional unit.
- e) Security of assets

### 11. PUBLIC SAFETY- TRAFFIC SERVICES

- a) Reduce Road Traffic fatalities & accident rate at high frequency accident locations by 5%.
- b) Upholding and Enforcement of Traffic Regulations.
- c) Provide auxiliary services ie processing of fines issued & paid, learners & drivers licences issued and renewed on an agency basis for DOT.
- d) Promote enforcement of selected critical traffic offences and contraventions and strives to improve community relations by increasing the quality and quantity of contact between citizens and Law Enforcement agencies.
- e) Provide assistance to stranded road users and attend to broken-down and abandoned vehicles.
- f) Respond, attend to, safeguard and investigate road traffic accidents and incidents.
- g) Assist in reducing traffic congestion and accident hazards and improve road user security.
- h) Promote general traffic law compliance in general to reduce the number of road accidents and road rage incidents. Officers maintain high levels of visibility in targeted crime and disorder hot spots.
- i) Capacitate a full-service Traffic Centre, by establishing an infrastructure that will accommodate all staff- Operational and Auxiliary services with the inclusion of the Vehicle licensing & registration that are currently situated in the CBD and the main office located in Braelyn. Identify land for construction of a full Traffic service one stop shop,
- j) Enable the continuation of services during loadshedding with the installation of back-up generators
- k) Capacitate Mdantsane learners centre with Public Ablution facilities currently underway as well as to cater for driving licences testing
- l) Capacitate the Gonubie Traffic centre
- m) Capacitate the Gonubie Traffic pound
- n) Capacitate the KWT traffic centre

### 12. SPECIAL PROGRAMMES

- a) Include mandatory / shared / cross cutting vulnerability reducing indicators and targets (similar to those in MFMA Circular 88) in respect of at least 2 local government specific vulnerability reducing indicators for each HoD.
- b) Collaborate with key partners to respond comprehensively and integratedly to the scourge of Gender-based Violence.

### 13. SPORT, RECREATION, ARTS & CULTURE

- a) Implement the Creative Industry Sector Relief Support Programme.
- b) Develop key arts and culture infrastructure i.e., Mdantsane Art Centre and King William's Town Art Centre
- c) Develop, Manage and Restore key heritage sites within BCMM.
- d) Package and promote BCMM's heritage.
- e) Consider capital projects in instances where a need is in line with the norms and standards.

## STRATEGIC OUTCOME 1: AN INNOVATIVE AND PRODUCTIVE CITY

| Council Priorities  | MTSF 2019/2024 | PDP |
|---|----------------|-----|
| <ul style="list-style-type: none"> <li>f) Make provision for adequate security to safeguard priority facilities.</li> <li>g) Document policies where applicable, such as norms and standards for sports and recreation facilities.</li> <li>h) Review some policies such as sports development policy and funding policy.</li> </ul>  |                |     |
| <b>14. LIBRARIES &amp; HALLS</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Transfer rural halls to BCMM together with appropriate budgets.</li> <li>b) Introduce an automated online hall booking system.</li> <li>c) Develop a Masterplan for the design and maintenance of all future halls.</li> <li>d) Lobby for an increased and realistic budget from DSRAC for the operating of libraries.</li> <li>e) Regularly update all library material, particularly Reference and children's books.</li> <li>f) Implement e-books facilities at libraries.</li> <li>g) Update all technological aspects of libraries ie. Media rooms, computer hubs, internet cafes, etc.</li> </ul> |                |     |

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

### KFA 1: Enterprise Development

Research has shown that the lack of survival of SMMEs is one of the biggest challenges in the country. Scores of people register businesses annually and only thrive for a few months or a year, after which it becomes difficult to maintain. There are numerous reasons why this is the case which could range from the lack of research, lack of business acumen, poor market access, lack of access to finance or high cost of finance, trading in saturated economic sectors, financial illiteracy, etc. The promotion of entrepreneurship and small business remains an important priority of the City.

The City's commitment is to ensure that small businesses progressively increase their growth and performance of the South African Economy in critical areas such as job creation, equity and access to markets. The City's business development programme focuses on supporting the informal trade sector, cooperatives and SMMEs as well as township economic development in all areas of BCMM inclusive of all those areas that have been demarcated from Amahlathi, Ngqushwa and Great Kei. Unemployment is a challenge Country wide and BCMM area is no exception, hence an enterprise development programme as it has been identified that SMME development is a vehicle for employment creation.

Equally, those businesses that are doing well need to be recognised and supported for further growth and expansion and access to international markets. It has also been shown that those who have been introduced to entrepreneurship at the early stages in life have better chances of success. Buffalo City therefore resolved to collaborate with several schools in rolling out a Teen Entrepreneurship Programme of which the programme had to be put on hold due to the Covid -19 pandemic that hit most of the Departments' programmes. Because the schools had to be closed down during lockdown regulation with an aim of curbing the spread of the pandemic. After the lockdown regulations were lifted participating schools were then busy chasing the curriculum.

There is a general consensus among researchers that SMMEs contribute significantly to the economy of both developing and developed Countries. SMMEs have the ability to propel economic growth because they create new jobs, increase the tax base of a Country and are drivers of innovation.

The South African government has identified SMMEs as an important vehicle to address the challenges of job creation, sustainable economic growth, equitable distribution of income and the overall stimulation of economic development in the Country.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

There can be no doubt that, compared to big business, small businesses face a wider range of constraints and problems and are less able to address the problems on their own, even in effectively functioning market economies. The constraints relate, among others, to the legal and regulatory environment confronting SMMEs, the access to markets, finance and business premises (at affordable rentals), the acquisition of skills and managerial expertise, access to appropriate technology, the quality of the business infrastructure in poverty areas and, in some cases, the tax burden. In the South African context for example the constraints have been particularly hard on entrepreneurs in rural areas and on women. In addition to sector-specific differences of constraints, the legacy of apartheid constitutes an important factor in the inability of black owned or controlled small enterprises to face business development constraints.

In addition to the constraints above research has shown that the most of businesses have been hit hard by the impact of Covid -19 and lockdown regulations that were introduced in March 2020. Most people that were operating micro and informal businesses were left without a source of income or a safety net as a result were struggling or unable to cover their basic living expenses.

Vendors, taxi ranks lost the majority of their customers as fewer people commuted to work, hair stylists who were not allowed to work and had been without income for months and business owners who can only make a fraction of their pre-covid 19 pandemic revenues due to a drop in customers, an increase in costs of doing business. Many micro and informal entrepreneurs lost their stock or equipment for example because their fresh products became rotten when the lockdown was suddenly imposed. The impact of the lockdown on these businesses was direct, they had no capital left to purchase items, failed to pay instalments for their cars or were unable to replace confiscated equipment.

Some entrepreneurs successfully adopted their businesses to the pandemic economy by communicating with their clients through digital platforms, delivery products to client's homes, manufacturing and distributing essential items such as masks, sanitizers, etc.

Despite all that has been mentioned on the above about SMMEs, the Buffalo City Metropolitan Municipality has a number of interventions that has been injected towards supporting SMMEs as a way of growing their businesses. SMMEs include: Cooperatives, Informal Trade Sector and the individual businesses in the form of CC; Pty Ltd companies. The support ranges from capacity building (training interventions), access to markets, provision of infrastructure and equipment. It is the Cities responsibility to ensure that it creates a conducive environment for businesses to thrive by developing the regulatory environment.

Business Development Services Strategy (BDSS) has been developed and it is still in a draft format. The strategy outlines how the programme of supporting SMMEs should be undertaken by the City. The Strategy, once adopted, will be implemented in phases.

| <b>Alignment with the National and Provincial Plans and Policies</b>   | <b>Link to BCMM Strategies, Sector Plan(s) and Policies</b>  |
|--|--|
| <ul style="list-style-type: none"> <li>▪ Constitution of the Republic of South Africa, 1996</li> <li>▪ Municipal Systems Act</li> <li>▪ Provincial Growth and Development Strategy</li> <li>▪ National Small Business Act of 1996 - provides for the guidelines for organs of state to promote the development of small business</li> <li>▪ Construction Development Board Act No 38 of 2000</li> <li>▪ Cooperatives Act No 14 of 2005 as Amended – provides for the registration, formation of cooperatives, Advisory Board, the winding up of cooperatives</li> <li>▪ Broad-Based Black Economic Empowerment (BBBEE) Strategy</li> </ul> | <ul style="list-style-type: none"> <li>▪ The MGDS makes a commitment to, “achieving an inclusive and sustainable economic growth and that this growth is targeted in the core productive sectors of manufacturing, tourism, creative industries, agro – processing, communications technology, construction and forestry, as priority industries, new areas of economic growth such as the oceans’ economy, etc”.</li> <li>▪ MGDS also talks to the support and promotion SMME development. The support shall lead to the expansion of opportunities for small business and co-operatives, which will be achieved through: - expanded access to</li> </ul> |

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

|  |  |
|--|--|
|  | <p>coaching, incubation and financing to sustain the businesses and co-operatives.</p> <ul style="list-style-type: none"> <li>▪ The draft Business Development Strategy builds from that mandate, the idea is to build a growing, inclusive and equitable economy through sustainable support to small businesses.</li> <li>▪ The draft Cooperative Development Strategy</li> </ul>  |
| <p><b>Progress &amp; Achievements 2016 to date</b></p> <ul style="list-style-type: none"> <li>▪ Teenentrepreneur project to the value of R 200 000 in Wards 7, 22, 14, 48, 35, 41: The City entered into a partnership programme with Teens Entrepreneur Foundation which is based in Cape Town with an aim of inculcating a culture of entrepreneurship amongst learners from grade 8 -11. <ul style="list-style-type: none"> <li>- SEK Mqhayi High School – Ward 48</li> <li>- Ebenezer Majombozi High School – Ward 7</li> <li>- Bisho High School - Ward 43</li> <li>- ZK Mathews - Ward 41</li> <li>- Hector Peterson – Ward 35</li> <li>- Qhasana Senior Secondary School – Potsdam</li> </ul> </li> <li>▪ Coca-Cola Bizniz in box in Wards 7, 41 &amp; All 13 wards in Mdantsane: This is a partnership project with Coca-Cola and DSBD in support of township businesses to the value of R 200 000.</li> <li>▪ Roll out of infrastructure for informal traders in Wards 45,43 and 17: Construction of hawkers’ stalls for informal traders to the value of R 9 000 000.</li> <li>▪ Upgrading of Masikhanyiselane bakery cooperative in Ward 7: Renovations of Masikhanyiselane bakery cooperative in support of township businesses to the value of R 1 000 000.</li> <li>▪ Development of an informal trader’s by-law in All wards: Development of an informal trader’s by-law to regulate the sector.</li> </ul> | <p><b>Challenges</b></p> <ul style="list-style-type: none"> <li>▪ Access to Markets for SMMEs and Cooperatives (domestic &amp; foreign, public procurement – localization)</li> <li>▪ Access to Finance for SMMEs and Cooperatives even though there are a lot of financial pockets available withing the DFIs, but the criteria is too stringent for them to attain (bridging finance/working capital, etc., high cost of capital - high interest rates)</li> <li>▪ Regulatory Environment (Red Tape or over-regulation)</li> <li>▪ High Cost of Doing Business as there is still too much red tape or over regulations that hinder businesses</li> <li>▪ Lack of supportive economic infrastructure (street traders/informal sector, manufacturing, etc.)</li> <li>▪ Poor business acumen and business management skills (e.g., financial management)</li> <li>▪ Lack of access to appropriate technology</li> <li>▪ Lack of support towards Intellectual Property (IP) Development (Product Development – Aloe, Traditional Medicines, Local recipes, etc.)</li> <li>▪ Poor business acumen and business management skills</li> </ul> |
| <p><b>Current State</b></p> <ul style="list-style-type: none"> <li>▪ The focus of the city in responding to the impact of the Covid-19 Global Pandemic has been on protection and mitigation (saving lives, protecting livelihoods, and working with province and national to educate our citizens and ready the health system)</li> <li>▪ Key here has been drawing down national support measures as outlined in the R500 billion COVID support package - Debt Relief Finance Scheme (soft loan for SMMEs), Debt Restructuring Facility (for SEFA-funded SMMEs), the</li> </ul>  | <p><b>Action Plans</b></p> <ul style="list-style-type: none"> <li>▪ Training / Capacity building</li> <li>▪ Teen entrepreneur programme</li> <li>▪ Coca-Cola partnership programme</li> <li>▪ Equipment and machinery for SMMEs/ Cooperatives</li> <li>▪ Roll out of hawker stalls</li> <li>▪ Youth Work Readiness Programme</li> <li>▪ Supplier Development Programme</li> <li>▪ Women in Business Programme</li> <li>▪ Buffalo City Fashion Show</li> </ul>  |

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

Business Growth Facility (working capital for COVID-related businesses), the Spaza Support Scheme (for permit-holding spaza shops), the Agriculture Disaster Support Fund, the Tourism Relief Fund, Tax Relief measures for employers, the Loan Guarantee Scheme (soft loans from private banks), UIF Relief Benefits (for lost income during lock-down), and the Social Relief Grant (R350 for unemployed persons not receiving grants or UIF benefits).

- BCMM and province need to pool resources to ensure local businesses and citizens benefits from these measures. Even though the support was made available to support businesses but a limited number of businesses from the managed to access these funds due to stringent criterion or the application process was a bit cumbersome.

- Incubation Hub / Ihub
- Seminars
- SMME Fund

### KFA 2: Trade and Investment Promotion

The Trade and Investment Unit promotes BCMM as an investment destination working with other stakeholders like Border Kei Chamber of Business and Eastern Cape Development Corporation. It is the responsibility and an aim of the Unit to enhance sector and industrial development through trade, investment and exports in order to support sustainable growth in BCMM for the benefit of all its Citizens.

The Unit facilitates trade by assisting local companies to access international markets; identify develop and package investment opportunities within the City; retain and expand trade and export activities and support emerging exporters through awareness and training programmes to make them ready in order to explore export opportunities.

Working with the Border Kei Chamber of Business, the City has developed a campaign called Invest Buffalo City which is an initiative that is driven to showcase that Buffalo City is an investment destination and has a lot to offer to investors. This is an online campaign which by a click of a button an investor will be able to know what is happening in Buffalo City in terms of investment.

The benefits derived from the initiative to businesses, especially SMMEs, will be an opportunity to display their products digitally. This kind of exposure will be significant for the following reasons:

- Businesses to do business online
- Network opportunities will increase
- Strengthening of brands and marketing will be provided by this platform
- The digital business dealing has a potential to increase productivity due to products demand
- It is a platform to improve competitiveness by reaching out to wider markets and or customers by digital means

#### **Alignment with the National and Provincial Plans and Policies**

Integrated National Export Strategy – The strategy aims to increase South Africa’s capacity for exporting diversified and value-added goods and services to various global markets. It also aims to strengthen the Country’s export performance by improving the trade and business environment as well as the competitiveness of companies.

#### **Link to BCMM Strategies, Sector Plan(s) and Policies**

The City is still in a process of developing the Trade and Investment Strategy through the assistance of Government Technical Advisory Council (GTAC).

#### **Progress & Achievements 2016 to date**

#### **Challenges**

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> <li>▪ Revitalization of industrial parks (Dimbaza) in Ward 36: Phase 1 Fencing of the industrial area has been completed. Phase 2 of the upgrading of the roads and services is underway (tender is out for the appointment of the Service Provider). The value of the project is R 11 000 000.</li> <li>▪ Establishment of BCMM Export help desk in All wards: In partnership with ECDC the city has established an export help desk which is housed at ECDC who is responsible for export development programmes. Value of project: R 2 700 000.</li> <li>▪ Export Symposium: The City, in partnership with ECDC, NMBM and the Dti hosted the first export symposium with the aim of unlocking the barriers on the exporting of goods. The cost (Export Dev. Programme) was R 2 700 000.</li> <li>▪ Invest Buffalo City Initiative: In partnership with Border Kei Chamber of Business in driving the campaign to bring about investors into the City. The budget for this was R1 479 000.</li> <li>▪ Almawash project in Ward 45: Facilitation of an inward buying mission for livestock and chilled meat to the Middle East. The cost (as part of the Export Development Programme) amounted to R 2 700 000.</li> </ul> | <ul style="list-style-type: none"> <li>▪ De-investment or capital flight</li> <li>▪ Slow turnaround times on municipal or government approvals</li> <li>▪ Skills shortage (artisans)</li> <li>▪ Poor image of the City as an investment destination</li> <li>▪ Limited diversification of BC economy</li> <li>▪ High cost of doing business</li> <li>▪ Energy Security has a negative impact in terms of attracting new investors (unreliable supply)</li> </ul> |
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### Current State

- Massive logistics constraints predicted with 400 interlinks moving between ELIDZ and MBSA when new W206 production comes on stream in mid-2021
- One of the country's key structural constraints is its weak export performance, caused in part by inefficient logistics.
- SA remains a small, open economy, meaning exports will be key to the country's industrialization and future competitiveness.
- Buffalo City is home to the country's best performing exporter – MBSA
- MBSA is investing R12 billion in W206 plant and machinery (much of which has already been invested)
- Linked to the SA Automotive Masterplan, the new focus is on local content, with some 30 new suppliers locating in ELIDZ and other industrial parks in the city (7500 jobs within the OEM and suppliers – and almost 25 000 with multipliers)
- ELIDZ gone from 30% capacity to 70% capacity utilization over past 3 years
- Huge for the country, province and city but very little reciprocal investment in supporting infrastructure

### Action Plans

- Engagement with stakeholders including EL IDZ and MBSA to position BCMM as an Automotive City. Development of Automotive Strategy Underway
- Invest Buffalo City- Call to action
- Export Development
- Revitalisation of Industrial Areas-Dimbaza
- Investment Centre

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- Massive logistics constraints predicted with 400 interlinks moving between ELIDZ and MBSA when new W206 production comes on stream in mid-2021
- The city has had to find monies for the first phase of the Settlers Way Expansion (which will deal with immediate concerns) but still huge constraints with regards port capacity (no container terminal, and inadequate depth), no air freight, no industrial land for expansion on West Bank (because of the huge, wasted footprint of the prison, military base, government fleet etc).
- Buffalo City together with ELIDZ have packaged a concept of a West Bank Logistics Hub which needs to be nationally championed
  - Huge opportunities to deepen auto supply chain (2nd and 3rd tier suppliers) – East London supplier park highly successful but needs incubator for 2nd and 3rd tier suppliers (proposal developed by ELIDZ with dti committing 50%, additional 50% funds required).

### KFA 3: Innovation and Knowledge Management

Innovation Management is the discipline of managing processes in innovation. It can be used to develop product, process and organisational innovation. The role of this unit is critical in ensuring that a common understanding of goals and processes are developed, updated, maintained and effectively communicated throughout BCMM's administration. The management of information and knowledge in all their respective complexities, is key in the management of innovation. Information and knowledge are used to steer strategic planning and play a critical role in the selection of projects, programs and key initiatives that support and propel efforts to achieve the MGDS and IDP objectives.

#### **Alignment with the National and Provincial Plans and Policies**

- Local government: Municipal Systems Act No. 32 of 2000
- National Integrated ICT Policy White Paper - The National Integrated ICT Policy White Paper outlines the overarching policy framework for the transformation of South Africa (SA) into an inclusive and innovative digital and knowledge society

#### **Progress & Achievements 2016 to date**

- Memorandum of Understanding with Universities:
- Engagements have taken place in February/March 2020 between Walter Sisulu University, University of Fort Hare, Regent School of Business, Mancosa, Rhodes university including Nelson Mandela university with BCMM and there were undertaking that we are going to work together on issues of mutual interest unfortunately Covid 19 derailed those arrangement. We have revived negotiations with these institutions of Higher learning.

#### **Challenges**

##### Knowledge Management Forum and Policy:

- BCMM does not have functional Knowledge management forum where meaningful engagement could take place except for an Internal forum that was established in February 2020 but collapsed due to Covid 19.
- IKM policy is available but has not be adopted by Council
- 5-year booklet has not been commissioned due to lack of budget.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- Customer Satisfaction survey is going to be done through WSU and UFH

### KFA 4: Tourism & Marketing

Buffalo City Metro is endowed with natural resources such as fauna and flora, rivers, dams, beautiful beaches, rich struggle history, sports legends in key sporting codes such as rugby, boxing, cricket, swimming, etc., making it best placed as a premium tourist destination. Furthermore, the built environment which has rich architecture, indigenous knowledge systems, cultural diversity also present new dimensions and a unique selling proposition for Buffalo City as compared to other coastal cities in the country. Beaches are amongst the main attractions for Buffalo City. It is estimated that 50 000 visitors visit the beaches over the festive season. Furthermore, over 200 000 revellers come to the City's Summer Season events which include music, film, fashion, dance, arts and major sporting events such as horse-racing, rowing, surfing, golf, swimming, etc. on an annual basis.

#### Tourism spending

The tourism spending in Buffalo City as a percentage of GDP in 2020 decreased significantly from 5.0% to 1.41%. Tourism spending as a percentage of GDP for 2020 also decreased from 5.1% to 1.52% in Eastern Cape Province, from 5.6% to 1.71% in South Africa. The decrease is as a result of the global pandemic.

Buffalo City Metropolitan Municipality had a total tourism spending of R 1.05 billion in 2020 with an average annual growth rate of -8.1% since 2010 (R 2.45 billion). Eastern Cape Province had a total tourism spending of R 5.75 billion in 2020 and an average annual growth rate of -7.6% over the period. Total tourism spending in South Africa decreased from R 167 billion in 2010 to R 84.9 billion in 2020 at an average annual rate of -6.6%.

#### Accommodation supply

The emergence of COVID-19 in 2020 has had a devastating impact in the tourism industry leaving many business struggling to operate. Approximately 65 accommodation establishments have closed down in Buffalo City reducing the number of accommodation establishment from 320 to 255 thus reducing the number of beds from 7940 to 6985 in 2022

The suburbs with the highest contribution to the municipality's total number of tourism accommodation establishments were Beacon Bay, Gonubie and Quigney. The highest concentration of beds in the municipality are in Quigney.

The majority of accommodation establishments are TGCSA graded, predominantly three-star grading (66%). In terms of black ownership, 19 accommodation establishments indicated that they were 75-100% black-owned. This equated to 36% of surveyed businesses. The largest percentage of businesses surveyed were not black-owned (58%).

#### Source of market for Buffalo City

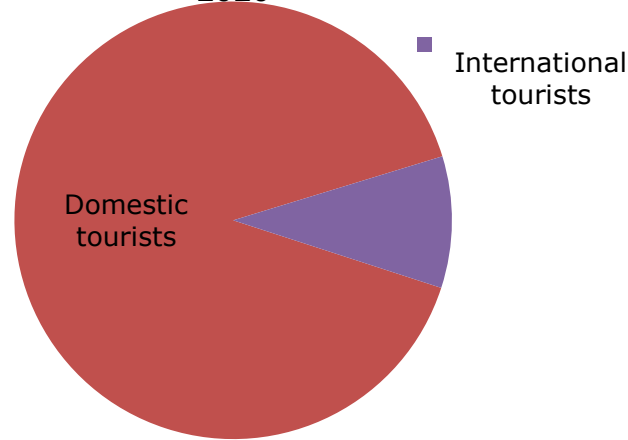
The number of trips by tourists visiting Buffalo City Metropolitan Municipality from other regions in South Africa has decreased at an average annual rate of -14.32% from 2010 (1.01 million) to 2020 (215 000). The tourists visiting from other countries decreased at an average annual growth rate of -8.07% (from 53 600 in 2010 to 23 100). International tourists constitute 9.73% of the total number of trips, with domestic tourism representing the balance of 90.27%.

CHART 60. Tourists by origin - Buffalo City Metropolitan Municipality, 2020 [Percentage]



## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

### Tourism - tourists by origin Buffalo City Metropolitan Municipality, 2020



Source: IHS Markit Regional Explorer

#### Purpose of visit

The main purpose for an overnight trip is grouped into these categories:

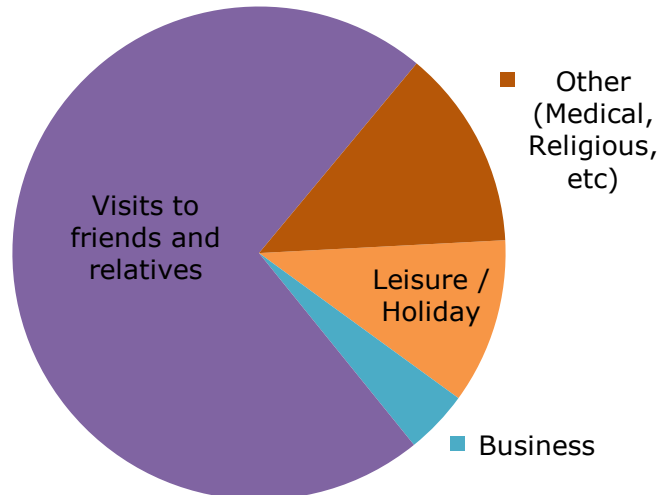
- Leisure / Holiday
- Business
- Visits to friends and relatives
- Other (Medical, Religious, etc.)

In Buffalo City Metropolitan Municipality, the Other (Medical, Religious, etc), relative to the other tourism, recorded the highest average annual growth rate from 2010 (92 000) to 2020 (31 200) at -10.24%. Visits to friends and relatives recorded the highest number of visits in 2020 at 171 000, with an average annual growth rate of -13.94%. The tourism type that recorded the lowest growth was Leisure / Holiday tourism with an average annual growth rate of -16.38% from 2010 (154 000) to 2020 (25 800).

CHART 61. Trips by Purpose of trip - Buffalo City Metropolitan Municipality, 2020 [Percentage]

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

### Tourism - trips by Purpose of trip Buffalo City Metropolitan Municipality, 2020



Source: IHS Markit Regional eXplorer version 2142

The Visits to friends and relatives at 71.85% has largest share the total tourism within Buffalo City Metropolitan Municipality. Other (Medical, Religious, etc) tourism had the second highest share at 13.13%, followed by Leisure / Holiday tourism at 10.84% and the Business tourism with the smallest share of 4.18% of the total tourism within Buffalo City Metropolitan Municipality.

The declaration of the national state of disaster has had a major impact in the tourism industry. The tourism industry is estimated to start recovering in the last quarter of 2023. At the start of 2022, the tourism sector commenced with its plans to revive the business tourism by opening up the hosting of exhibitions. This will clearly give a boost to the tourism industry. The announcement to end the national state of disaster in South Africa in March will also have positive impact to the tourism sector.

#### Recommended catalytic interventions and nodes of development

A number of catalytic interventions and nodes of development have been identified. These were identified since 2018 and have been delayed due to COVID-19 pandemic. Key recommendations flowing from this include:

- Maintain and improve existing sites for recreation
- Undertake a feasibility study on potential uses for Marina Glen/Ebuhlanti.
- East London Zoo revitalisation
- Nahoon Estuary
- Create a 'must-see attraction'
- Aquarium/Marine Discovery Centre
- Automotive manufacturing museum
- Grand prix circuit
- Develop an Adventure Centre on beachfront
- Urban design and improvements
- Beachfront redevelopment with an outdoor event space
- Sports node – Jan Smuts, ABSA Stadium and Buffalo Park

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- CBD improvement zone or Urban Development Zone (UDZ)

### Routes and zones

- East London as a gateway to enter rural hinterland “Gateway to Xhosa heartland” – with signage, route and itinerary development.
- Heritage route for struggle history and colonial/military history connecting Qonce (previously known as KWT), Ginsberg, Dimbaza, East London and rural attractions.
- Coastal tourism and environmental zone-sensitive development
- Create tourism opportunities
- Mdantsane with an event space to promote local and national sports such as boxing
- Maritime commercial space opening up in port
- Signal Hill maritime commercial development opportunities
- Mobility corridor improvements
- Buffalo Pass Road
- Qonce (previously known as KWT) bypass/traffic redirection
- Quenera road
- N2 bypass through Haven Hills

### **Alignment with the National and Provincial Plans and Policies**

- Constitution of the Republic of South Africa, 1996
- White Paper on Tourism Development and Promotion, 1996
- Eastern Cape Tourism Act of 2003
- Tourism Act 3 of 2014
- Municipal Systems Act
- National Tourism Sector Strategy, 2014
- Provincial Growth and Development Strategy
- Provincial Tourism Master Plan 2015 – 2020

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Buffalo City Metro Tourism Sector Growth Strategy
- Buffalo City Bed & Breakfast, Guest House and Hotel Policy
- Strategies and Sector Plans
- Metro Growth & Development Strategy (vision 2030)
- Buffalo City Tourism Master Plan, 2006
- Eastern Cape Tourism Master Plan

### **Progress & Achievements 2016 to date**

- Kiwane Resort and Conference Centre in Ward 32: The project involved the construction of 10 double storey chalets accommodating 40 people, 14 single storey chalets accommodating 28, two backpacker accommodation accommodating 16 people, restaurant facility accommodating 80 people and a conference facility accommodating 120 people. The project is completed and is now operational. The cost amounts to R22 000 000.
- Tourism Hub in Ward 47: The project involved the renovation of a dilapidated building (Orient Beach Complex) with the aim of turning it into a tourism hub. The tourism hub has tourism offices, information centre, curio shop and a tour operator kiosk. The project is complete and is operational. The cost amounts to R 5000 000.
- Tourism Events support Programme in All wards: The project/programme involves hosting of municipal events or providing support to event organisers to host events in the city. Over 20 events have been supported over the period

### **Challenges**

- Lack of infrastructure (venues, accommodation) to host international and local events.
- Covid 19 pandemic has affected the tourism industry globally, as such many tourism businesses have had to shut down
- Brand recognition has been highly affected.
- Global absence of marketing platforms to market the city’s tourism product.
- Partnership Agreements were negatively impacted due to targeted objective not being met fully.
- Closure of entry point (borders) to the destination.
- Ability to reach potential tourists through digital marketing platforms.
- Implementation of tourism routes
- Limited resources to support Tourism products
- Drastic retrenchment, short time and total closure in the tourism industry.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <p>under review. An amount of R35 000 000 has been spent supporting a number of events over a four-year period.</p> <ul style="list-style-type: none"> <li>▪ Destination Marketing Programme in All wards: The project involves the marketing and promotion of the city as a tourist destination of choices. Various platforms are utilised to market and promote the city. These include magazines, participation in the trade and consumer shows, hosting of media educational, use of digital marketing platforms. An amount of R14 000 000 has been spent over a period of four years.</li> <li>▪ Development of the Tourism Sector Growth Strategy which was adopted by council in 2018.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Lack of competence, non – compliance and knowledge of available resources to revive the industry by the tourism products</li> <li>▪ Potential of growth in the cruise liner tourism</li> <li>▪ Safety and security</li> <li>▪ Lack of cleanliness of the city</li> </ul> |
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| <b>Current State</b>   | <b>Action Plans</b>  |
|--|--|
| <ul style="list-style-type: none"> <li>▪ Significant decline in occupancy rate from 63% prior Covid to less than 10% and now picking up again to about 25-40% resulting many businesses closing down.</li> <li>▪ Major decrease in income generated by the tourism sector from tourism activities.</li> <li>▪ Approximately 50% loss of employment opportunities for people employed in the sector.</li> <li>▪ Closure of 65 tourism accommodation establishments resulting into reduced number of beds in the city.</li> <li>▪ Only domestic trips could take place for a period of 1 year 8 months. This resulted into a significant decrease in the number of international tourists to the city</li> <li>▪ Main source markets for domestic markets are Gauteng, Western Cape, Free state and KZN</li> <li>▪ Buffalo City has significant competitive advantage in tourism assets – beaches, unspoilt nature, and cultural heritage</li> <li>▪ Tourism sector was steadily growing pre-COVID with 38% increase in in-bound air passengers into BCM in 2019.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Implement campaigns to address seasonality.</li> <li>▪ Focus on domestic tourism to increase the number of visitors in our city especially post Covid 19.</li> <li>▪ Brand exposure in order to align programmes to those of our partners.</li> <li>▪ Improve the use of digital marketing platforms (social media, website, etc.) to increase awareness and brand exposure.</li> <li>▪ Focus on revival of the tourism industry through regular engagements with the tourism industry stakeholders.</li> <li>▪ Visibility in all tourism marketing platforms created by the tourism industry locally, provincially, nationally and internationally.</li> <li>▪ Implement tourism sector specific training programmes, workshops, awareness in order to support tourism SMMEs to comply with tourism protocols and regulations.</li> <li>▪ Development of tourism routes.</li> <li>▪ Development of key tourism infrastructure/attractions.</li> <li>▪ Hosting of major business tourism event (MICE):</li> </ul> |

### KFA 5: Job Readiness & Training (External)

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| <b>Challenges</b>   |
| <ul style="list-style-type: none"> <li>▪ High unemployment levels, specifically amongst youth (including graduates)</li> <li>▪ Limited skills offerings (low artisan skills)</li> <li>▪ Skills Mismatch (excess supply in certain areas where there is low demand) – re-training</li> <li>▪ Lack of experiential training</li> <li>▪ 55% of population (20yrs &amp; older) – less than matric, 4% - no schooling</li> </ul> |

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| <b>Current State</b> | <b>Action Plans</b> |
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## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> <li>▪ Learning Interventions (Graduates)</li> <li>▪ Artisans Training</li> <li>▪ Community Works Programme</li> </ul> | <ul style="list-style-type: none"> <li>▪ Roll-out more Learning Interventions in partnership with key stakeholders including SETAs (Learnerships, Internships, Apprenticeships, etc.)</li> <li>▪ Expand reach &amp; facilitate partnerships</li> <li>▪ Upskilling Re-orientation towards entrepreneurship</li> </ul> |
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### KFA 6: Rural Development & Agrarian Reform

Buffalo City is often referred to as a rural metropolitan municipality, characterised by large tracts of rural communities with 38,9 per cent of unemployment, resulting in poverty and inequality. Youth and women comprise a larger percentage of groups in these rural areas of Buffalo City Metropolitan Municipality. The inclusion of certain rural areas from Great Kei, Ngqushwa and Amahlathi local municipalities, through demarcation, has made the situation even worse. The challenge is to revive or transform rural economies (village economy) to create opportunities hence Comprehensive Rural Development Programme (CRDP) which was formulated by the government.

Buffalo City Metropolitan Municipality is rich in natural resources, in terms of land, water and grassland and forests, making it suitable for farming and agro-processing. That means agriculture is one of major vehicles to improve village economies and transform rural areas. Only 32 per cent of population in the Buffalo City Metropolitan Municipality practice farming and most of them are doing it (farming) for self-sufficiency, not on a commercial scale. Major agricultural activities in the BCMM area are around these commodities beef, dairy, pineapple, macadamia, maize, vegetables, poultry and piggery.

Contribution of agriculture in the economy of Buffalo City Metropolitan Municipality is shrinking annually, from 26% in 2015 to 19% in 2016. Jobs are lost as more commercial farmers are pulling out of the industry due to a number of reasons (crime, global warming, etc). More agro-processing industries either closing down or leaving BCMM for other cities. Major employers in BCMM are automotive and manufacturing industries.

BCMM developed an Integrated Agriculture and Rural Development Strategy as a way to address agriculture and rural development. The strategy is expected to be reviewed in 18/19 financial year. The strategy puts emphasis on integrated approach to agriculture and rural development. It seeks to promote coordination among various role players to avoid duplication. Strategies to involve youth and women in agriculture and rural development had to be formulated, highlighting the need for accredited training, working with relevant SETAs.

Buffalo City Metropolitan Municipality (BCMM) supported farmers with farming infrastructure to promote conducive agricultural environment. Two (2) Cattle dipping tanks, seven (7) fencing of arable and grazing land and construction of three (3) chicken and (2) piggery infrastructure. Seventeen (17) communal areas were assisted with cropping inputs. Buffalo City Metropolitan Municipality, in partnership with the Department of Rural Development and Agrarian Reform, hosted a successful agricultural show which was held in Bhisho. The main aim is to promote competition among farmers while marketing their produce.

#### Alignment with the National and Provincial Plans and Policies

- Agricultural Extension Act 87 of 1996 - the objective is to ensure that farmers adopt new farming technical innovations to improve production
- Livestock Improvement Act 62 of 1998 – for the genetic improvement of livestock

#### Link to BCMM Strategies, Sector Plan(s) and Policies

- Metro Growth & Development Strategy (vision 2030): States that Agriculture is an important sector and has potential to contribute both on a commercial scale, including job creation, food security sustenance.
- Integrated Agriculture and Rural Development Strategy

#### Progress & Achievements 2016 to date

#### Challenges

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> <li>▪ Hydroponics project in Wards 7 and 38: Construction of hydroponics tunnels for vegetable production to the value of R 18 000 000.</li> <li>▪ Dipping tanks in Wards 50 and 33: Construction of dipping tanks at Hili, Tolofiyeni and Gwaba location to improve animal health to the value of R 2 000 000.</li> <li>▪ Irrigation schemes in Wards 38 and 36: Construction and installation of irrigation system at Mzintshana, Mzantsi and Pirie Mission to the value of R 2 200 000.</li> <li>▪ Cropping: Support farmers with maize production inputs to the value of R 4 000 000.</li> <li>▪ Piggery and poultry infrastructure in Wards 37 and 40: Support to emerging farmers with poultry and piggery infrastructure to the value of R 1 200 000.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Agriculture is for subsistence farming not for commercialisation</li> <li>▪ Shrinking of agricultural contribution into the economy</li> <li>▪ Outdated Integrated Agricultural Strategy</li> <li>▪ High crime rate in the agricultural sector</li> <li>▪ Lack of agro-processing industries</li> <li>▪ Vast tracts of unused land in the rural areas</li> <li>▪ Lack of interest by youth</li> <li>▪ Lack of commitment amongst among various agricultural stakeholders</li> <li>▪ Lack of infrastructure</li> <li>▪ Outdated Technology</li> <li>▪ Only 32% percent of BC population practice farming and largely on a subsistence basis</li> <li>▪ Limited Commercial Agricultural Production (low volumes of production, limited agro-processing, limited agricultural exports)</li> <li>▪ Lack of diversification on commodities produced</li> <li>▪ Climate Change (global warming) affecting Agricultural Sector (Mitigation Measures) [Dry-land production]</li> <li>▪ Limited youth involvement in Agriculture</li> <li>▪ Fragmentation in the provision of support to communities and emerging farmers (low impact) – Need Agricultural Revolution</li> <li>▪ Lack of incentives (new developments)</li> <li>▪ Lack of basic infrastructure (irrigation, dipping tanks, fencing of arable and grazing lands, semi-processing facilities, testing facilities, etc.</li> </ul> |
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### Current State

- Low agricultural base
- EL based agro-processors (Nestle and Sundale) both on expansion plans
- Food industry potentially beneficiary from COVID (import replacement and disruption of global food chains)
- The industry has huge development potential with strong livelihoods linkages into rural economy if necessary, support is provided (both Sundale and Nestle import milk from the W Cape which should be localized)
- Food insecurity and hunger from COVID impacts (estimated 10% -20% increase) necessitates new focus on urban agriculture and food security - this urban agriculture could be linked to Public Employment Programmes

### Action Plans

- Review of Agricultural Master Plan to accommodate issues raised in the Economic Recovery Plan
- Supporting Primary Sector
- Support Agro-processing
- Support Access to local and international Markets
- Import Replacement
- Facilitate partnerships between emerging and commercial farmers

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- BCM has competitiveness in high value horticulture, dairy, livestock, nuts and sub-tropical fruits, and potential in new commodities such as cannabis and hemp.
- Development of agriculture hamstrung by poor infrastructure – grains imports and exports through EL Port undermined by differential import tariffs (which benefitted Durban and disadvantaged East London Port), although new plans to rejuvenate grain elevator through private partnership
- Plans for agricultural support infrastructure - Berlin agro-park, cold storage at EL Airport, Dimbaza etc – remain at concept and require activation and project preparation support
- Huge potential for African markets (ACFTA), following success of SA retailers

### KFA 7: Arts, Culture and Heritage Resource Management

The Directorate is responsible for the development, management and promotion of arts, culture and heritage. In executing this mandate, the Directorate implements a number of projects and programmes which are as follows:

- Development/upgrading of heritage infrastructure
- Commemoration of national days
- Artist support programme
- Geographical name change
- Exhumation, repatriation and reburial programme
- Hosting of Cultural Festivals

#### Development/upgrading of heritage infrastructure

Buffalo City has many sites of historical importance. These sites are located throughout the city. Some of the sites are developed but lack maintenance whilst others are not developed at all. It is the goal of the municipality to develop, manage and promote its rich heritage. This can only be done if the heritage sites are maintained and well conserved.

#### Commemoration of National Days

As a sphere of government closest to the people, it is the role of the municipality to educate and empower people on issues of importance. South Africa has a number of days which are significant.

#### Artist Support Programme

Buffalo City has many young people who are involved in creative arts either through being visual artists or performing artists. The majority of them are struggling because they either lack the knowledge on what opportunities are out there or they do not have access to the market. Artists support programme is aimed at providing artists with training and capacity building, create awareness about the opportunities in the industry and support artists to participate in platforms that will give them access to the market.

Through the market access programme, the Department of Tourism, Arts, Culture and Heritage assists local artists to attend platforms such as Grahamstown National Arts Festival. These platforms provide artists with an opportunity to showcase their talent. In the last two years, there has not been many platforms created for artists to showcase their talent. There was limited support provided to the artists as there was no budget allocated for the programme.

#### Exhumation, Repatriation and Reburial Programme

Exhumation, Repatriation and Reburial Programme is a programme aimed at supporting families who have members who were victims of conflict and have their mortal remains buried away from their families. The programme is aimed at helping these families to find closure

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

and heal the open wounds. The programme is implemented in partnership with the Department of Sports, Recreation, Arts and Culture. In the 2018/2019 financial mortal remains of Mzuvukile Bata and the spirit of Patrick Magxala will be repatriated and reburied.

### Geographical Name Change Programme

In South Africa the new democratic dispensation made it a law under the South African Geographical Names Change Council Act, 118 of 1998 that names of the colonisers need to be changed and names that were misspelt need to be rectified.

The Eastern Cape Geographical Names Committee (ECGNC) was established in 2003. The Provincial Geographical Names Committee has been delegated the following functions:

- Facilitate the transformation of provincial geographical names in the district through review and standardization of incorrectly spelt, corrupted, offensive, unrecorded and duplicated names.
- Take the lead in creating public interest in geographical names through briefings and provision of relevant information.
- ECGNC also has a responsibility of establishing local geographic name change committees in the district municipalities as well as the metropolitan municipalities.

Council has approved the establishment of the Buffalo City Metro Geographical Name Change Committee (BCGNCC). The Committee is a sub-committee of the Eastern Cape Provincial Geographical Name Change Committee (ECPGNC). Annually the BCGNC submits its annual plan to the ECPGNC on the work it will implement in that financial year. The ECPGNC then approves the plan of BCGNC.

During the period under review, the geographical name change committee has successfully managed to get approval to change three names in Buffalo City namely, King Williams Town was changed to eQonce, East London Airport was changed to King Phalo Airport and Berlin was changed to Ntabozuko. The pandemic has delayed the process of name change as it requires consultation with stakeholders.

### Hosting of cultural festivals

Since 2020 Buffalo City has not been able to host any events. This is due to the fact that lockdown regulations prohibited the hosting of events. Prior COVID Buffalo City Metro partnered with various stakeholders including the Traditional Leadership, Department of Sports, Recreation, Arts and Culture, Artists, Guild Theatre hosts two annual arts and cultural festivals i.e. the Ubuntu Bethu Cultural Festival and Umtiza Arts Festival. Both these events are aimed at showcasing the rich arts, culture and heritage of Buffalo City. Furthermore, it provides a platform for our local artists to showcase their talent.

### **Alignment with the National and Provincial Plans and Policies**

- Constitution of the Republic of South Africa, 1996
- White Paper on Arts, Culture and Heritage, 1996
- National Heritage Council Act 11 of 1999
- Municipal Finance Management Act 56 of 2003
- Service Delivery Budget Implementation Plan 2020/2021.
- Provincial Policy on Exhumation, Repatriation and Reburial of Victims of conflicts, 2013
- National Heritage Resources Act (No.25 of 1999)

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Metro Growth & Development Strategy (Vision 2030)
- Buffalo City Metropolitan Policy on Exhumation, Repatriation and Reburial of Victims of spirit and mortal remains conflicts, 2016

### **Progress & Achievements 2016 to date**

- Restoration of Ann Bryant Art Gallery and Coach House in Ward 3: The project involved renovations and upgrading of the art gallery to improve its competitiveness and look and feel to the value of R1 900 000.
- Dr W.B Rubusana Statue in Ward 47: The project involved the construction of a life size statue in front of the City to

### **Challenges**

- Lack of market access for artists due to the total shutdown of the entertainment industry
- Lack of access to digital market
- Growth in the film sector (increasing numbers of film makers)
- Increased opportunity for digital presence
- Poor maintenance of heritage sites



## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

|   |   |
|---|---|
| <p>commemorate the life of Dr Rubusana to the value of R945 000.</p> <ul style="list-style-type: none"> <li>▪ Heritage site preservation and protection in Wards 34,38: The project involved the installation of fences at the following sites: Rharhabe Kingdom Burial Site, Dimbaza Children’s Grave, German settler Monument to the value of R1000 000.</li> <li>▪ In the last 5 years Artists benefitted from the artists support and capacity building programme which had a budget R 7 000 0000 and was meant to benefit all wards: The project involved providing support to the local artists. The support provided include amongst other the following:</li> <li>▪ Supporting artists to participate in both national and international platforms in order to showcase their talent; and</li> <li>▪ Hosting of skills development programmes.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Vandalization of heritage sites and resources</li> <li>▪ Safety and security issues which impact negatively</li> <li>▪ Lack of cleanliness of the heritage sites</li> <li>▪ Limited proper signage to heritage sites</li> <li>▪ No budget towards artist support programmes</li> <li>▪ No budget available to host art, culture and heritage events</li> <li>▪ Formation of tourism heritage routes</li> <li>▪ Non grading of heritage sites by grading institutions or entities.</li> </ul> |
| <p><b>Current State</b></p> <ul style="list-style-type: none"> <li>▪ Total loss of income to artists due to total shutdown of economic activities.</li> <li>▪ Lack of knowledge and compliance to access funding that was available in other spheres of government.</li> <li>▪ Lack of structured relations and cooperation between Inter – governmental departments.</li> <li>▪ Non-availability of an Standard Operating Procedure for the film industry in the City.</li> <li>▪ Non- availability of grant funding to support arts initiatives.</li> <li>▪ Lack of a coherent Arts, Culture and Heritage Strategy for the City.</li> </ul>   | <p><b>Action Plans</b></p> <ul style="list-style-type: none"> <li>▪ Hosting of virtual programmes (virtual art exhibition)</li> <li>▪ Increased partnerships for ease of access</li> <li>▪ Develop formal policy for film making</li> <li>▪ Partner with relevant stakeholder to achieve targeted goals</li> </ul>  |

### KFA 8: Sport Development (Programmes)

As articulated in the Preamble to the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) “there is a need to set out the core principles, mechanisms, and processes that give meaning to developmental local government and to empower municipalities to move progressively towards the social and economic upliftment of communities and the provision of basic services to all our people, and specifically the poor and the disadvantaged”.

#### Swimming Safety and Awareness project

Drownings are listed as one of the top causes of unnatural death amongst children in South Africa. A further alarming statistic is that the majority of child drowning occurred at home in swimming pools (56%) and the rest in rivers and dams. Buffalo City Metropolitan Municipality (BCMM) has several suburbs and townships that are near or close to bodies of water which makes the life skill of swimming essential. The city has beaches, municipal swimming pools as well as rivers and dams which increases the potential for a water related accident to happen.

It is the aim of project with BCMM-Leiden City Link and Buffalo City Aquatics (BCA) that the life skill of swimming is imparted to as many children as possible. At present at least 46 children from Scenery Park and Duncan Village are participating in the programme. The goal of the project is to equip young children with the life skill of swimming and to ensure children enjoy activities in and around water in a fun and safe manner. The priority areas to realize the project goal are as follows:

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- Water safety education
- Water safety activities in an open-water environment
- Learn-to-swim lessons
- Surfing lessons
- Introduction to competitive swimming

### Alignment with the National and Provincial Plans and Policies

Constitution of the Republic of South Africa, 1996: The Preamble of the Constitution of the Republic of South Africa, as well as Schedule 5 Part A and Part B, provides the fundamental obligation on government to facilitate sport and recreation.

Section 153 of the Constitution maintains that municipalities, in keeping with their development duties must: Structure and manage its administration and budgeting processes to give priority to the basic needs of the community and to provide the social and economic development of the community: and participate in national and provincial development programmes.

### Progress & Achievements 2016 to date

- Iron Man (Sport Tourism) for All wards: To utilise sport as a mechanism to attract tourists internationally within the Metro. Ironman event markets the city as a sports destination of choice and contributes to the local economic development, economic growth and tourism of the city both directly or indirectly. 91 countries internationally are represented, with 26% of the athletes being women. Cost 2016-2019: R 7 500 000.00
- Sport Development Course for All wards: In 2020, 30 BCMM athletes passed accredited netball umpiring course, 15 BCMM athletes passed beach soccer course. Cost - R 300 000.00
- Chippa United Football Club for All wards: Talent identification in the Buffalo City Metropolitan Municipality and in the province at large. The programme gives the players exposure at high level and to play at all the top stadiums in the country and to interact with PSL players from other clubs in SA. Cost 2016-2019: R 16 500 000.00
- Steve Vukile Tshwete Games for All wards: Serve as platform to develop the sport in the entire province. It provides opportunities for sporting scouts in respective sport codes. Sport career development to represent the Metro and Province at National Games. One netball player from Scenery Park was scouted and represented SA U/19 in Angola. Cost 2016-2019: R 6 000 000.00
- Surfing SA (Sport Tourism) for All wards: Surfing in Buffalo City serves the community as a catalyst for the transformation of the sport and open up opportunities for previously disadvantaged youth to be exposed to the sport and for transformation and development. Buffalo City benefits from enhanced tourism exposure, local economic development and sport development. The event attracts approximately 250 domestic and international participants and spectators. The event also contributes to local hospitality, land transportation, food and beverage industries with at least 1250 bed nights. Members of the community were employed for securing, staging and sound. 100 kids from the Waves for Change programme were coached and trained in water safety and surf programme. Cost 2016-2019 - R 2 250 000.00
- Swimming in Ward 1: The aim of the project is to reduce the number of drownings in BCMM areas. Children were taught how to swim, water and safety education, water safety activities in an open water environment and also surfing lessons. Children from the most vulnerable areas such as Duncan Village and Scenery Park were identified, 40 children from schools in the area of BCMM participated in the project. Cost 2016-2019: R 432 000.00 (Funding sourced from City of Lادن)
- Mayor's Cup for All wards: To curb youth crime and to encourage youth to be involved in sport, the Metro hosts an annual Mayor's Cup Tournament. Games are a way of promoting the role of sport within the developmental local government agenda. As a tool of building social cohesion, this does not only act as a deterrent to criminal activities. The Buffalo City Metro Mayor's Cup commemorated Youth Month in an effort to remember the contribution made by the youth in the struggle for liberation. The best players from the metro's 50 wards being selected to participate at the Steve Vukile Tshwete (SVT) Games. Cost 2016-2019: R 6 000 000.00

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

### Challenges

- Prevalent inconsistencies amongst BCMM sport federations make it difficult for the Metro to work together with all of them.
- Sport Development Unit is understaffed
- Prevalent inconsistencies amongst BCMM sport federations make it difficult for the Metro to work together with all of them.
- The fact that sports facilities and sports programmes are not under the same directorate poses a great operational challenge (internal fragmentation)

### Current State

- Drownings are listed as one of the top causes of unnatural death amongst children in South Africa. A further alarming statistic is that the majority of child drowning occurred at home in swimming pools (56%) and the rest in rivers and dams. Buffalo City Metropolitan Municipality (BCMM) has several suburbs and townships that are near or close to bodies of water which makes the life skill of swimming essential
- The city has beaches, municipal swimming pools as well as rivers and dams which increases the potential for a water related accidents to happen.
- It is the aim of project with BCMM-Leiden City Link and Buffalo City Aquatics (BCA) that the life skill of swimming is imparted to as many children as possible. At present at least 46 children from Scenery park and Duncan Village are participating in the programme. The goal of the project is to equip young children with the life skill of swimming

### Action Plans

- The demand for sports and recreation facilities seems to be growing from communities (Youthful population and exacerbated by the number of students at UFH, WSU, TVETS and other Learning Academies in the Metro).
- However there needs to be a scientific study into the provision of sports and recreation facilities based on the norms and standards of human settlements and consider factors such as the low collection rate of municipal revenue, and the need to levy tariffs for the use of facilities versus the rising unemployment in communities.
- The impact of vandalism and theft on these facilities is very high, and the cost of repairs is rising as a result of this.
- Draft Sport Development Policy.
- Draft Sport Sponsorship Policy.
- Coaching/Umpiring courses for Soccer, Netball and Rugby

### KFA 9: Sport and Recreation Facilities

The Sport & Recreation Facilities Department comprises of the following

- Divisions: Sports Facilities;
- Recreation.
- Marine and Zoological Services.

The Department provides for the education, conservation, sport and recreation needs of the community. There are currently 130 recorded sports facilities located within BCMM. However, the number of facilities must still be verified via an audit.

The Marine and Zoological Services (M&Z Services) Division comprises of the Zoo, Aquarium and Nature Reserves. These amenities contribute to the upliftment of the communities by conservation of the environment, the education of the community, and provides for recreation and leisure opportunities for the communities.

The Aquarium and Zoo offer a variety of animal species for public display. The Zoo and Aquarium are amongst the oldest in the country. The Aquarium is located along the Beachfront/Esplanade, and the Zoo is within natural green space close the Central Business District.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

School groups including those schools from historically disadvantaged areas that visit the Zoo and Aquarium pay a school group tariff which reduces the financial strain on the schools. The Zoo and Aquarium are very popular and host many school excursions. The Nahoon Point and the Nahoon Estuary nature reserves offer recreation and education to the communities and have popular hiking trails. Nahoon Point Nature Reserve has an educational centre, which comprises of display of the history of surfing. Nahoon Estuary has a bird hide, and both nature reserves have a variety of fauna and flora. Entrance to the Nature Reserves are free.

### Sport facilities

Sports stadiums and Sportfields are used by local, regional, national associations for their league programmes, Major sports events are also hosted at the stadia, such as PSL matches at Sisa Dukashe Stadium, National Rugby matches etc. Safety issues at facilities: Currently there are insufficient Security Guards for all the sports facilities, which has resulted in vandalism and theft. This situation has a negative impact on the functionality of the sports facilities, and as a result these facilities cannot be used for sports bookings. The Sisa Dukashe Stadium has been upgraded to the Premier Soccer League (PSL) standards as part of the Upgrading and Refurbishment of Sports Facilities programme. Provincial cricket is also played at facilities managed by staff, example Amacalegusha Oval.

Informal sports fields are also maintained by the staff by doing grass cutting, supplying goalposts and nets, marking of fields where possible. Informal sports fields are not tariff levying fields. Therefore, no hard infrastructure is invested in these fields. However, wherever a need is identified to upgrade the playing surface, this is done. Example: Sweetwaters fields.

### Swimming Pools

There are 6 swimming pools within the BCMM boundaries, namely, Joan Harrison, and Ruth Belonsky (Coastal region), and Qonce (previously known as KWT) and Zwelitsha pools (Inland region). Orient and Waterworld complexes also have swimming pools. The above pools have been refurbished as part of the programme for upgrading and refurbishment of pools.

The Mdantsane NU2 Swimming Pool is currently being upgraded. A Professional Service Provider has been appointed to upgrade NU2 Pool. A concept design has been finalized. Some of the rehabilitation works has been done, such as the fencing, demolishing of old walls, and drainage etc. Major events such as National Swimming galas are hosted at our swimming pools.

### Beaches

The beaches are very popular especially in the peak festive season. There are 5 serviced beaches: Gonubie, Bonza Bay, Nahoon, Eastern and Orient Beaches. Major events such as the Iron Man 70.3 are hosted at Orient Beach The popular Ironman 70.3 Event has been hosted successfully on 26 January 2020. The event went without any drownings or serious incidents.

### **Progress & Achievements 2016 to date**

- Upgrading of Sisa Dukashe Stadium to meet Premier Soccer League (PSL) standards and the successful hosting of PSL matches at the stadium.
- Upgrading of the Jan Smuts Stadium floodlights, Phakamisa, Mdantsane NU14, NU7 and NU 1 sportsfields.
- The successful hosting of the Iron Man 70.3 event at the Orient Beach Complex, upgrading of the Eastern Beach, Nahoon Beach, Bonza Bay beach and Orient beach facilities
- Upgrading and refurbishment of the Joan Harrison, Parkside, Zwelitsha and King Williams Town Swimming Pools

### **Challenges**

- Lack of ownership of the community sports and recreation facilities, and the lack of security places the facilities at risk of vandalism and theft, and the low collection rate of municipal revenue is negatively affecting the repairs and maintenance program.
- Limited or under-developed tourism infrastructure - the large portfolio of historical, cultural and eco-tourism attractions needs to be developed into “must-see attractions” – e.g., 14 Beaches – only few are developed and known, none has a blue-flag status,

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- Upgrading of the East London Zoo facilities
- Refurbishment of the East London Aquarium
- Development of Nompumelelo community hall in ward 29: Construction of Nompumelelo hall is at 80% and the contractor is onsite. It will be completed by end of quarter 3 of 2020/21 (service provider on-site) to the value of R 16 000 000.00
- Development of Egesini community hall in ward 7: Installation of perimeter fence and gates. In the process of structure demolition and levelling of site to the value of R 2 013 749.00
- Development of N.U 3 community hall in ward 8: Installation of perimeter fence and gates for R1 500 000.00
- Upgrade and refurbishment of N.U 10 community hall in ward 30: Roofing, doors, windows, burglar proofing, gates & suspended ceiling to the value of R 2 278 476.00. Other trades to follow once additional budget is availed
- Upgrading and refurbishment of existing halls in wards 31, 09, 34, 26, 28, 19, 05, & 23 with the cost of R 12 591 035.00: Projects completed in Airport, Breidbach, Clement Kadalie, Dimbaza, Macleantown, Mzamomhle, Parkside, Schornville, Robbie De Lange, Scenery Park, & Potsdam
- Upgrading of swimming pools (Joan Harrison, Parkside, KWT & Zwelitsha) in Wards 04, 19, 37, 41 respectively: Upgrading of males and females ablutions and changerooms at a cost of R2 854 000.00
- Upgrading of Sisa Dukashe Stadium in Ward 42: Upgrading done to meet national (PSL) standards. Various work undertaken at a cost of R7 586 829.00.
- Upgrading of the East London Zoo in Ward 47: Upgrading involved boundary wall and animal enclosures to the value of R 795 927.00
- Upgrading of the Jan Smuts Stadium in Ward 47: Upgrading was installation of floodlights to the value of R1 400 000.00.
- Upgrading of various sport fields in Wards 42, 44, 03, 19, 20 & 23 respectively: Upgrading done at Orlando, Sweetwaters, Jan Smuts, I.G Foster Rugby Fields, N.U 7 and N.U 14 for R6 500 000.00

water-front development, family-oriented entertainment & tourist attractions, limited adventure offerings, recreation places – Ebuhlanti, etc.

- There is a need for urban design and cleansing around attractions to make the environment more conducive for tourism
- Re-development of key precincts for sports tourism & signature events
- Tourists Safety (beaches)
- Gaps in attractions offerings around particular interests such as Xhosa history, military history, industrial manufacturing and the automotive sector
- Re-inforce the City Branding and Marketing (build on existing momentum – extend hype to all year-round)

### Current State

- The demand for sports and recreation facilities seems to be growing from communities.

### Action Plans

- Upgrading of Sports Facilities
- Upgrading of Beaches Facilities
- Upgrading of Swimming Pools

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> <li>▪ However there needs to conduct a scientific study into the provision of sports and recreation facilities based on the norms and standards of human settlements and consider factors such as the low collection rate of municipal revenue, and the need to levy tariffs for the use of facilities versus the rising unemployment in communities.</li> <li>▪ The impact of vandalism and theft on these facilities is very high, and the cost of repairs is rising as a result of this.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Upgrading of the Zoo</li> <li>▪ Upgrading of the Aquarium</li> <li>▪ Upgrading of the Coastal Nature Reserves</li> </ul> |
|---|---|

### KFA 10: Libraries and Halls

#### Libraries

Buffalo City Metropolitan Municipality manages 17 libraries, 1 library depot, 2 mobile libraries, 3 Prison Depots and 3 Old Age Home Depots, with 110 448 Subscribers on behalf of the Provincial Government.

There is a need to extend the library service to Rural communities where the service is in high demand. Upgrading the existing Libraries by means of electronic media such as the Overdrive Press Reader, will make the services accessible to all community members without the patrons having to commute to a library, as well as Mobile Services.

#### Halls

BCMM manages 36 tariff-levying halls. After a survey conducted more than 90 facilities within the City's jurisdiction it was determined that these facilities fall into two categories, namely:

- Tariff-levying halls which are managed by BCMM of which there are 36 which were inherited from the erstwhile East London and Qonce (previously known as KWT) Transitional Local Councils. These halls have an operating budget and staff.
- Non-tariff levying halls of which there are 53 and which were primarily constructed by the Amathole District Municipality. Council levies no tariff for these halls (despite previous requests) as they have no operating budget, and no staff. It is also considered onerous for rural communities to book the facilities as there are only 3 booking points.

A general survey of halls was undertaken within the Directorate of Municipal Services which commenced in December 2004 and was reported to Council in October 2005. During that survey, more than 90 facilities were visited and technically assessed. The facilities listed were either inherited from the erstwhile East London and Qonce (previously known as KWT) Transitional Local Councils or from the Amathole District Municipality.

#### Resorts

- Gonubie 20 Chalets and 86 camp sites.
- Nahoon 52 camp sites.

Gonubie Resort has been awarded a 3-star grading by Tourism Grading Council.

#### **Progress & Achievements 2016 to date**

##### Libraries

- The purchase of Library material for all libraries in Buffalo City Metropolitan Municipality – approximately 15 809 new books were purchased since 2016, covering most genres from non-fiction, fiction, African literature, political books, etc.

#### **Challenges**

##### Libraries

- An insufficient library subsidy received from the Provincial Department towards the running costs of all libraries in Buffalo City as well as the extension of library services into much needed areas.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> <li>▪ Book donations were received in the approximate value of R200 000,00.</li> <li>▪ The launch of the Mayoral Library Legacy Project on 11 November 2016 at the NU 10 Hall in Mdantsane.</li> <li>▪ The partnership agreement with Harambee Youth Employment Accelerator Project at Central Library in order to bring work readiness programmes and to deal with many social issues affecting the youth of Buffalo City.</li> <li>▪ The partnership with Takalani Sesame and Lego Foundation for the introduction and promotion of Early Childhood Development programmes and initiatives.</li> <li>▪ The opening of a new Library Depot at the NU 5 Rental Office in Mdantsane on 18 March 2019.</li> <li>▪ Further developments in the partnership with Harambee Youth Employment Accelerator Project in the roll-out of the first Learning Lab at King Williams Town Library with each Learning Lab consisting of ten computer stations, with internet connectivity completely independent of BCMM network. The Learning Hub enabled the youth to have access to facilities to reduce their cost in looking for employment and make them more employable.</li> <li>▪ The South African Library for the Blind in conjunction with the Provincial Department of Sport, Recreation, Arts &amp; Culture have donated a Mini-Library for the Blind to service the Visually impaired community of Buffalo City.</li> <li>▪ The Provincial Department of Sport, Recreation, Arts &amp; Culture has made uncapped Wi-fi available to all BCMM Libraries over a period of three years. This will make a difference to the public i.e. job seekers, students and those doing research for work purposes and information</li> </ul> | <ul style="list-style-type: none"> <li>▪ Lack of mobile libraries to deliver library services to the rural areas where no library services exist.</li> <li>▪ Many community halls need refurbishment, estimated to exceed R90 million in value. Lack of security guards increases Council's risk. Council's insurers may decline claims on the basis that Council took no reasonable steps to secure its properties. Insufficient funding has been allocated in the budget.</li> </ul> |
|---|--|

### Current State

#### Libraries

- Buffalo City Metropolitan Municipality manages 17 libraries, 1 library depot, 2 mobile libraries, 3 Prison Depots and 3 Old Age Home Depots, with 110 448 Subscribers on behalf of the Provincial Government.
- There is a need to extend the library service to Rural communities where the service is in high demand. Upgrading the existing Libraries by means of electronic media such as the Overdrive Press Reader, will make the services accessible to all community members without the patrons having to commute to a library, as well as Mobile Services.

#### Halls

### Action Plans

#### Libraries

- Container Library Project – Greenfields Library – Completion

Anticipated further projects within the Libraries are:

- 2 X Container Libraries (Inland Region)
- Refurbishment of Public Libraries (East London Central Library & Berlin Library)
- Procurement of Mobile Libraries (4x Mobile Buses)

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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### Halls

- Development of Community Halls - Nompumelelo Hall
- Development of Gesini Hall
- Development of NU3 Community Halls
- Upgrade and refurbishment of community Halls

### KFA 11: Emergency and Disaster Management

#### Emergency Services:

The Emergency Services Department consists of the Fire & Rescue Services and Disaster Management.

#### *Fire and Rescue Services*

Functional areas of Fire and Rescue Services are:

- Suppression of fires (firefighting)
- Fire safety (including prevention)
- Fire training
- Fire Inspections
- Fire investigations
- Rescue and Recovery

#### Disaster Management:

Disaster Management is defined in legislation as a continuous and integrated multi-sectoral, multi-disciplinary process that plans and implements:

- Establishment of multi sectoral disaster risk management structures
- Assessment of disaster risk
- Prevention of disaster risk
- Mitigation of the severity and consequences of disasters
- Emergency preparedness
- Rapid and effective response
- Post disaster recovery and response

The Buffalo City Metropolitan Municipal Council adopted the Disaster Risk Management Policy Framework on 26 February 2014. The Disaster Risk Management Policy Framework was reviewed during 2019/20. Disasters occur as a result of a complex inter-relationship of Social, Economic, Spatial, Structural and Environmental vulnerabilities that expose people, their livelihoods and the environment to the



## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

hazards generated by trigger events and result in widespread human, economic and environmental losses. The Disaster Management Amendment Act, 16 of 2015, requires sector departments to plan and budget for Disaster Management in the areas of responsibility. This must include Climate Change and vulnerable groups.

### **Alignment with the National and Provincial Plans and Policies**

#### Fire & Rescue Services

- Constitution of the Republic of South Africa, 1996
- Municipal Structures Act, 117 of 1998
- Fire Brigade Services Act 99 of 1987
- South African National Standards (Various)
- National Veld and Forest Fire Act 101 of 1998
- Fire brigade Act 99 of 1987,
- SANS 10090: 2003 Community Protection against Fire,
- SANS Codes :10087, 10089,
- SANS 10040 National Building Regulations Act 103 of 1977
- National Veld and Forest Fire Act 122 of 1998,
- Explosives Act 15 of 2003

#### Disaster Management

- Constitution of the Republic of South Africa Act, 1996
- Municipal Structures Act, 117 of 1998
- Disaster Management Act 56 of 2002
- BCMM Disaster Risk Management Policy Framework, Budget & Implementation Plan
- Safety at Sports and Recreational Events Act 2 of 2010

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

#### Fire & Rescue Services

There are no Sector Plans under Fire & Rescue Services, however, operations are executed in terms of the various South African National Standards Codes applicable to Fire Departments, fire detection, firefighting equipment, liquified petroleum gas, petroleum products, fire detection, dangerous goods and National Building Regulations.

#### Disaster Management

Disaster Management By-law

### **Progress & Achievements 2016 to date**

#### Emergency Services: Fire & Rescue Services

- Procurement of Fire Engines: Supply and Delivery of one Water/Foam Tanker (2020/21 Financial Year) to the value of R5,985,000 – awaiting delivery in 2021/22.
- Procurement of Fire Engines: Supply and Delivery of one Major Pumper Fire Engine, Fully Equipped (2021/22 Financial Year) at a cost of R 6,618,651 – awaiting delivery in 2021/22.
- Refurbishment of Dimbaza Fire Station for Wards 34, 35, 36, 37, 38: Electrical, Engine Bay Doors, Painting, Plumbing, Ablutions and Kitchen. (2018/19 Financial Year) at a cost of R 441,535
- Refurbishment of Mdantsane Fire Station (2019/20 Financial Year) Maintenance on 4 Engine Bay Doors at a cost of R173,531
- Upgrade to Electrical Installation on front Engine Bay Doors at Fleet Street Fire Station (2019/20 Financial Year) at a cost of R489,758.
- (2020/21 Financial Year) Refurbishments of various Fire Stations: Repairs to Greenfields Fire Station Roof R94,697; Replace 6 garage doors at Greenfields Fire Station R160,326; Fit new lights at King William's Town Fire Station R85,750; Paint Greenfields Fire Station R66,300.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- New Fire Station Berlin for Wards 22, 25, 40, 44, 45, 49: Erf Subdivision and Floodline Assessment Completed (2019/20 Financial Year). Professional team appointed (2020/21) Sketch plans approved by department in January 2022, specifications for the Construction Phase being drawn up by Architectural Department for advertising within 2021/22 financial year.

### Emergency Services: Disaster Management

- Tactical Radio Network for All Wards: To implement a Digital Two-Way Radio Communications System for the Public Safety and Emergency Services Departments with a budget of R 2,193,218 (2020/21 Budget) and R4,250,000 Rollover Budget (2019/20) the installation of three repeater sites seven base stations mobile radios and 20 portable radios has been completed this project will continue in the 2022/23 financial year where R1 500 000 is allocated
- Community Based Risk Reduction in Wards 1 and 2: Training of Seventeen Community Risk Assessors from Wards One and Two, whereby the Community Risk Assessors are able to assist with the assessment of disasters. (Budget 2018/19 Financial Year – R 184,000)
- Distribution of emergency relief in all wards: Emergency relief packages distributed to victims of fires.

### **Challenges**

#### Fire & Rescue Services

- Extensive upgrading of fire station buildings required, including ICT infrastructure
- Additional personnel required to staff existing Dimbaza Fire Station as well as the New Fire Station at Berlin, once completed.

#### Disaster Management

- Disaster Management is not practiced in an Integrated and Coordinated, Multisectoral, Risk focused manner in Buffalo City Metropolitan Municipality.
- The need to incorporate the Sendai Framework and Sustainable Development Goals into the management of disaster risk in the Buffalo City Metropolitan Municipality.
- Epidemics Covid-19
- Fires – Informal settlements, industrial and vegetation
- Drought 2019-2020
- Severe storms and flooding.
- 230 Rural Settlements
- 154 Informal Settlements
- Poverty
- Climate Change
- Lack of understanding regarding funding for disaster Management Activities
- Insufficient Disaster Management capacity and budgeting
- Move disaster risk management focus to vulnerability instead of response.
- Climate change causing more severe and frequent disasters
- CSIR Green Book Adapting Settlements for the Future as a tool for ensuring sustainable development.

#### Disaster Management

- Disaster Management is not practiced in an Integrated and Coordinated, Multisectoral, Risk focused manner in BCMM
- Epidemics Covid-19
- Fires – Informal settlements, industrial and vegetation
- Drought 2019-2020

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- 230 Rural Settlements
- 154 Informal Settlements
- Poverty
- Climate Change
- Lack of understanding regarding funding for disaster Management Activities
- Insufficient Disaster Management capacity and budgeting
- Focus on vulnerability
- Climate change
- CSIR Green Book Adapting Settlements for the Future

### Current State

#### Fire & Rescue Services

Buffalo City Metropolitan Municipality Fire and Rescue Services operates a 24/7/365 fire and rescue service. Included in this is a Hazardous Materials Unit and a Water Rescue Unit. The section services the eastern region of the Eastern Cape area when dealing with hazardous incidents and water rescue.

Incidents responded to by the Fire and Rescue Services are:

- fire incidents
- serious motor vehicle accidents
- hazardous materials incidents
- water rescue and/or recovery, and
- rescue incidents, e.g. high angle rescues

#### OPERATIONAL STATISTICS: FIRE & RESCUE SERVICES:

During the 2020/21 financial year, the Fire and Rescue Services responded to the incidents listed below.

Fire Incidents:-

|                        |      |
|------------------------|------|
| Residential dwellings  | 314  |
| Vegetation/grass fires | 1641 |
| Commercial fires       | 41   |
| Informal dwellings     | 883  |
| Refuse/illegal fires   | 143  |

Other incidents attended to were:-

|  |    |
|--|----|
| Motor vehicle accidents                                  | 64 |
| Special services, e.g. pumping water from flooded houses | 18 |

Fire Safety:-

|   |      |
|---|------|
| Building plans inspected  | 208  |
| Trade licence applications processed  | 602  |
| Fire safety and flammable installations inspected   | 1947 |
| Lectures/demonstrations to the public   | 2    |
| Number of internal and external persons that received training in respect of various fire related aspects | 39   |

#### Disaster Management

Ward Councillors are actively involved in situations where affected persons require relief. In these instances, the Ward Councillors collect the victim's information e.g. gender, age and losses incurred, which is then forwarded to the Disaster Management Department, who then

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

forwards the relevant information to the South African Social Security Agency, BCMH Human Settlements Directorate and if applicable, the Infrastructure Directorate (Roads and Stormwater Department) for attention.

### STRUCTURAL FIRE DAMAGE

During the period 1 July 2021 to 31 January 2022 Disaster Management distributed disaster relief packages to 833 people affected by 119 fires destroyed or damaged 268 formal and informal structures.

### COVID-19 PANDEMIC

The pandemic continued to cause illness and death within the Buffalo City community. Five disaster management staff contracted COVID-19 in December 2021, but fortunately recovered. Disaster management participated in joint COVID-19 awareness campaigns. Disaster management also attended COVID-19 related meetings and webinars during the period under review.

The establishment of a Buffalo COVID-19 Command Council and Multistakeholder Command Centre has proved the value of a coordinated multi sectoral response to disasters. These structures need to be refined and adopted for disaster management in the city. The COVID-19 pandemic was declared a national state of disaster in March 2020 this has been extended on a month-by-month basis and is still effective.

### DROUGHT

The Buffalo City Metropolitan Municipal area has suffered from drought over an extended period, as the result of below normal rainfall. The supply dams reached alarming low levels but the worst impact was experienced by small and subsistence farmers in the rural areas. Large sections of the Eastern Cape and areas in other provinces were classified a national disaster in July 2021.

### SEVERE STORM 13 DECEMBER 2021

- A severe storm struck the Inland and Midland regions of the Buffalo City Metropolitan Municipality on Monday 13 December 2021 resulting in damage to houses and property and lifeline services including powerlines.
- No deaths or injuries were reported, in spite of extensive damage.
- Department of Social Development and South African Social Security Agency (SASSA) for humanitarian assistance.
- Provincial Disaster Management Centre
- Buffalo City Human Settlements
- 1153 damaged structures were assessed 503 were severe and 649 were minor and one was repaired by the householder.

### FLOODING 8 JANUARY 2022

- Heavy rain caused flooding in several areas of Buffalo City Metropolitan Municipality on Saturday 8 January 2022, tragically resulting in 9 deaths.
- Disaster Management – Liaised with the ward councillors and coordinated with the following services and organizations:
- Roads and Stormwater Department debris on roads and unblocking blocked stormwater drains.
- Traffic Department Road closures
- EMS – Transportation of Patients to Hospital
- Fire Services, SAPS and NSRI responsible for Search and Rescue
- Fire Services fires
- Municipal halls for emergency accommodation
- District Health Department - Primary Health Services at the accommodation sites.
- Department of Social Development South African Social Security Agency (SASSA), Al Imdaad and Gift of the Givers -provision of humanitarian relief.
- A total of 1358 structures were assessed 325 were seriously damaged and 745 suffered minor damage. 213 people were provided with emergency accommodation in community halls.
- The events of December 2021 and January 2022 have been classified as a national disaster this assigns the primary responsibility of the national executive to attend to the disaster in conjunction with provincial departments and municipalities.

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- This emphasise is the need for sector departments to plan and budget for the areas of responsibility and the need for coordinated response.

### SAFETY AT SPORTS AND RECREATIONAL EVENTS

- Disaster Management participates in planning sessions in respect of safety at events in terms of the Safety at Sports and Recreational Events Act and is part of the venue operations centre.
- There was a significant reduction in events due to Covid-19
- The following list of the more significant events shows a range of diversity:
- Ironman 70.3 South Africa
- State of the Province Address
- State of the City Address
- Switching on of lights (King William's Town and East London)
- Chippa United hosted one soccer match at the Sisa Dukashe Stadium, spectators were not permitted at this event.

### COMMUNITY BASED RISK REDUCTION

- The pilot risk assessment commenced in Ward 1 in January 2019. The pilot Community Risk Assessment Project was intended for Ward 1 and Ward 2, however capacity limitations only allowed it to be undertaken in Ward 2. The initial data collection has been conducted and the project is at the data analysis stage. It has not been possible to complete this project do too the carpet 19 restrictions and the higher number of infections in the Duncan Village area. Funding is required to roll out the project to all 50 Buffalo City Metropolitan Municipality wards in a phased and progressive manner that is prioritised from the highest risk to the lowest.
- REFURBISHMENT OF DISASTER MANAGEMENT CENTRE
- The internal alterations contacted at the disaster management centre has provided some relief of the overcrowding, however discussions with the architectural branch indicated that it is not possible to alter or extend the existing centre to meet the requirements for a metropolitan disaster management centre.
- A section of the fire brigade land in Fleet Street has been identified for the construction of a new disaster management centre and a report was submitted to top management. Is that report has been referred to Development Planning for further development. A budget of R200 000 has been provided in 2021/22 and a further R500 000 in 2022/23 and R500 000 in 2024/25.
- A Disaster Management Bylaw was promulgated in 2020.

### Action Plans

#### Fire & Rescue Services

- Purchase of two major pumpers fully equipped
- Planning for the Establishment of the Berlin fire station
- Refurbishment of Fleet Street, Greenfields, Gompo, Western Avenue and Qonce (previously known as KWT) fire stations
- Refurbishment of fire fighting vehicles
- Procurement of fire equipment

#### Disaster Management

- Provision of emergency relief packages and ongoing assessment of damages/losses to property as a result of floods, fires and/or severe storms.
- Holding of Disaster Management Ward Forum meetings.
- Disaster Management will continue to provide emergency relief and assessment of damages / losses to property as well as continue with the planning and management of events hosted in Buffalo City.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

### KFA 12: Traffic Management and Law Enforcement

The primary function of the Traffic Department is the enforcement of traffic laws, regulations and by laws. Areas covered by Traffic Services in terms of operation covers the majority of the BCMM area of jurisdiction albeit in limited capacity. In addition to the primary function of Traffic Services Auxiliary Services plays a vital role in the day-to-day services rendered to the Public such as, drivers / learners/PRDP's' issuing, applications and renewals. The testing of roadworthiness of vehicles as well as the registration and licencing of vehicles.

(suBy building partnership between Traffic Services, Law Enforcement, SAPS, the community, and other external agencies. These partnerships are vital as they keep the community, drivers, cyclists, and pedestrians safe at the same time it addresses the key focal indicator of traffic enforcement which is the safety of all road users alike follow and that they follow a strict and precise set of rules.

| Alignment with the National and Provincial Plans and Policies   | Link to BCMM Strategies, Sector Plan(s) and Policies   |
|---|--|
| <ul style="list-style-type: none"> <li>▪ Constitution of the Republic of South Africa</li> <li>▪ National Road Traffic Act, 1996, No. 93 of 1996</li> <li>▪ National Road Safety Act, No. 9 of 1972</li> <li>▪ Criminal Procedure Act 51 of 1977</li> <li>▪ National Land Transportation Act 5 of 2009</li> <li>▪ Municipal Systems Act 117 of 1998</li> <li>▪ The Protection of Personal Information Act (PoPI Act)</li> </ul> | <ul style="list-style-type: none"> <li>▪ Traffic Safety Plan</li> <li>▪ Roads Master Plan</li> <li>▪ Parking Meters By-Law</li> <li>▪ SAPS Strategic Plan</li> <li>▪ Operations</li> <li>▪ Law Enforcement Traffic Control</li> <li>▪ Impoundment of vehicles</li> <li>▪ Addressing verbal and written complaints</li> <li>▪ Execution of Directives issued by National Department of Transport</li> <li>▪ SLA between BCMM &amp; NDOT</li> <li>▪ Crime Prevention Strategy</li> </ul> |

#### Challenges

- Finalisation rate of infringement notices
- Extension of full services to all areas within the regions of BCMM
- Road Infrastructure
- Shortage of human resources
- Shortage of logistical resources
- Integrated Planning
- Skills Development
- Parking Management System
- No interdepartmental assistance
- Unconducive buildings and facilities
- Lack of proper CCTV & security have left the buildings vulnerable to break-ins which has resulted in theft/loss of property and damage to infrastructure. With little to no budget to effectively maintain the stations.
- Lack of proper infrastructure to cater to the increase of number of public that frequent Traffic Services
- Services rendered by Traffic Services have been detrimentally affected as the department are currently operating on a booking system to limit the number of persons in the building, closing of Traffic offices due to Covid-19 positive cases in order to decontaminate. Traffic Services as a local authority is required to ensure that all regulations and directives/mandates from National/Provincial Government are complied with as these Directives and these regulations can change at any given time. in addition to this some of the buildings have become unconducive for the staff working and the public who frequent the stations.

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

### Progress & Achievements 2016 to date

#### Public Safety: Traffic Services

- **The re-establishment of the Alcohol Evidence Centre:** It has long been acknowledged that road safety is everyone's responsibility and that partnerships between government and private concerns are paramount to the successful implementation of national, provincial and local strategies. The formation of such partnerships is not only encouraged but universally endorsed by authorities as this practice facilitates the pooling of resources and the achievement of objectives that would otherwise not be feasible or possible. The South African Breweries approached the BCMM Traffic Services with a proposal that would hopefully result in the establishment of a road safety partnership. The proposal entailed South African Breweries employing its corporate responsibility initiatives to partner with the BCMM Traffic Services to provide much needed assistance in the reduction of motor vehicle crashes within the BCMM area for the re-establishment of the Alcohol Evidence Centre which was launched on the 2<sup>nd</sup> of December 2021.
- It is well documented that South Africa has the biggest problem leading to road fatalities is driving under the influence of alcohol. South Africa bears the burden of high fatalities and accidents which is significantly higher than the global rate. Total Reduction of accident fatalities by 1% for the year under review. The Minister of Transport Mr. Fikile Mbalula released a statement on the 18<sup>th</sup> of January 2022 where he commented that: ***"The Eastern Cape recorded the largest decline in fatalities reduction of 7.9% or 210 fatalities compared to the same period last year, when we had 228 fatalities. We want to congratulate and commend the Eastern Cape leadership for the sterling work as they marshalled their troops towards attainment of this significant reduction"***. This proves that BCMM has acted on the calling of the Minister to curb road accident fatalities which is a great achievement for BCMM in the Eastern Cape.
- **The total revenue collection** for outstanding fines for the previous financial years has increased significantly totalling in the amount of +/-R 63 651 638.63 which can be attributed to the joint efforts between multi-stakeholders as well as appointment of Total Client Services as a Service Provider and the implementation of an additional Mobile Traffic Fines office unit to assist in the increase in the collection of traffic fines revenue in the Inland Region.
- **The current collection rate** for outstanding fines to date stands at R 6 439 192.85 with the remaining financial year still to be collected.
- **The Tactical Radio Network** was established to secure radio communications for all Buffalo City Metropolitan Municipality departments and officers that are attending to major incidents and bridging communications between the officers on the road and the control room. The radio communication was launched on the 2<sup>nd</sup> of December during the Safer Festive Season, the radio communications provide day-to-day network that can be rapidly converted in an emergency. The migration from analogue to digital is yet another revolutionary in technological enhancements. The implementation of the Tactical Radio Network has been successfully installed and has improved response time to incidents and apprehension of suspects.
- **Implementation of x2 Mobile Vehicle Testing Stations**, which was launched on the 2<sup>nd</sup> of December 2021, the units were Donated by the Road Traffic Management Corporation (RTMC). The units are fully equipped and is utilised at Roadblocks for the testing of vehicles, that if found non-compliant can be impounded immediately.
- **Implementation Of A New Computerised Learner's Licence Testing System** by the National Department of transport (NDoT): The installation of the equipment makes provision for the 4<sup>th</sup> revolutionary move to more technological advancement in the field of learner's licence testing. These advancement from the manual system to the installation of randomised technological testing equipment is also a deterrent for corrupt behaviour. It is a welcomed use for such technology. These Technology enhancements are transforming our processes by being highly integrated and more optimized. It saves time by speeding up the internal workflow process, thus increases the enforcement and optimizing the profitability for our Metro. The installation of the equipment makes provision for the 4<sup>th</sup> revolutionary move to more technological advancement in the field of learner's licence testing. These advancement from the manual system to the installation of randomised technological testing equipment is also a deterrent for corrupt behaviour. It is a welcomed use for such technology as these types of technology mitigates corruptions and

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

“cheaters”. These Technology enhancements are transforming our processes by being highly integrated and more optimized. It saves time by speeding up the internal workflow process, thus increases the enforcement and optimizing the profitability for our Metro.

- **The Eastern Cape Department of Transport** has from the 1<sup>st</sup> of February 2022 launched the pilot project for “ONLINE PRE-BOOKING” for learner and driving licences in the following Driving Licence Centres (DLTC) East London, Gonubie, Mdantsane & King Williams Town and Wilsonia. The online booking system allows the public to the Natis website (to book either for Learners or Drivers licences, renewals or PRDP application). Once completed the applicant will receive a pre-booking reference number, however the applicant will need to visit the DLTC to confirm that the booking is received within 3days, failing to do so will result in the pre-booking appointment expiring and nullified. Payment for the booking will still be done at the DLTC’s until such time when the online booking system is extended to allow for payments.

| Current State  | Action Plans  |
|--|---|
| <ul style="list-style-type: none"> <li>▪ BCMM Traffic Services’ is the collective team of professionals and authorities who are dedicated to upholding and enforcing the laws and statutes that are currently in force in a given jurisdiction as well provide additional auxiliary services to the metro.</li> <li>▪ These authorities include but are not limited to are Law Enforcement services, Road Traffic Management Corporation, Provincial Traffic, SAPS. The function of the Traffic Services is to provide effective, efficient and responsive services that focuses on upholding and enforcing traffic regulations, courteous and tolerate road user behaviour enforcing the rules and regulations that govern the interactions between vehicles and pedestrians.</li> <li>▪ Traffic Services promotes Traffic/ Road safety education at schools whereby learners are engaged and taught the importance of not only implementing but also promoting road safety education, these engagements are specially customised to suit each school visited however the lesson plans cover, rules of the road, consequences of driving under the influence, dangers of not wearing a safety belt, talking on a cell phone whilst driving and not adhering to the rules of the road with the aid of the two mascots Traffic Doggy and Danny Cat.</li> <li>▪ At its core, Traffic Services seeks to achieve its mandates set out, such as the enforcement of all traffic laws with the primary function of decreasing the number of road accidents. Traffic provides necessary auxiliary services to the metro services such as testing of driver, learner, PDP’s, registration of vehicles, renewals of vehicle registrations, Drivers, PRPD’s, testing of vehicle roadworthiness, road markings and management of traffic infringements.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Establishment and Implementation of a 24hour shift. Thus, enabling Traffic Services to run 24/7.</li> <li>▪ Implementation of AARTO and the demerit system, thus improving human behaviour and tolerant road user behaviour which will result in minimizing road crashes/accidents and possible reduce the number of fatalities.</li> <li>▪ Implementation of a tactical radio network communication system to render more effective and efficient services.</li> <li>▪ Providing officers with additional equipment, namely bullet proof vests, breathalysers, additional vehicles.</li> <li>▪ Skilling current staff.</li> <li>▪ Providing a safe and secure environment for staff and public in compliance as set out in the Governments Guidelines of the Disaster Management Act 2002 amendment of regulations issued in terms of section 27 (2).</li> <li>▪ Implementation of the Evidentiary Breath Alcohol Testing (EBAT). The Eastern Cape was the 6th Province to implement with 5 successful court cases: Traffic Services plan is being progressive in terms of their approach to Drunken Driving campaigns, the purpose of the EBAT machines is to limit the process of taking blood from suspects. The EBAT allows quicker readings of suspects who are under the influence and enable officers to prosecute suspected drunken drivers.</li> <li>▪ Procurement of an additional EBAT unit and provide training.</li> </ul> |



## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- Its main office is situated at Eziphunzana Bypass Braelyn, East London. With satellite stations in Gonubie, Mdantsane and Qonce (previously known as KWT). The approved structure for Traffic Services is composed of a ranking structure including the head who is some Commander, Regional Commander, Senior Superintendents, Assistant Superintendents, Traffic Wardens, Drivers Licence Examiners, Vehicle Examiners, Technical staff and Administrative personnel that provide an array of services to the entire BCMM.

- The Qonce (previously known as KWT) Traffic Centre has already benefited the communities in the Inland Region and surrounding areas whereby as a more comprehensive package of services is available which has alleviated the financial burden of communities having to commute to East London for services. It is envisaged that a phase two be considered and renovations to the drivers licence section and additional office space to accommodate the Traffic Officers be expanded along with the testing yard and additional public parking be considered as services in the region have increased.
- Implementation of Traffic Safety Plan (TSP)
- The appointment TSC for the finalisation of traffic offences increased the metros revenue collection. Currently 19/20 the revenue collected is at +/- R 8 million: will enable Traffic Services to collect on outstanding fines as well as serve proxies held by companies within the metro.
- The establishment of an additional roadblock mobile office will ensure that the mobile office be stationed more frequently in the metro thus availing services to the public who wish to verify outstanding fines and are unable to visit the Traffic Departments as well as enables Traffic Services to ensure that motorists comply with rules and regulations namely, vehicle fitness and driving with drivers' licences, etc.
- Implementation of Parking Management System (PMS): The primary goal of a Municipal Parking Management System is to ensure there is a turnover of parking bays in the City, Central Business District and surrounding suburban business hubs. This important aspect of parking management ensures that a parking bay can be used by several motorists in one day thereby increasing the number of residents who can access the CBD and other business hubs conveniently. This directly increases the commercial activity within the City and promotes long term growth for the Municipality, the community and all city stakeholders.
- The PMS is currently with Bid Evaluation Committee for recommendation.

### SERVICE STATISTICS FOR TRAFFIC SERVICES-

#### Axillary Services:

|                                    | Statistics |
|------------------------------------|------------|
| Testing of Roadworthiness          | 483        |
| Testing of Learners                | 16 221     |
| Passes                             | 11 256     |
| Failed                             | 4851       |
| Testing of Drivers                 | 4263       |
| Passes                             | 1897       |
| Fails                              | 2261       |
| Registered and renewal of Vehicles | 156 800    |
| Drivers licence card issued        | 18 8477    |

#### Traffic Law Enforcement 18/19

| Infringements   | Statistics |
|---|------------|
| No of vehicles stopped  | 58243      |
| No of drivers tested for alcohol  | 847        |
| Drivers not carrying: drivers licences, PrDP's & permits  | 4878       |
| Traffic road infringements which include the following:<br>Inconsiderate driving<br>Overtaking<br>Traffic signal violations<br>Safety belts<br>Unlicensed Vehicles<br>Handling cell phone whilst driving<br>overloading<br>Other moving offence | 22509      |
| Defects on vehicles<br>Windscreen, Steering wheel, brakes, tyres, front/rear lamps<br>Direction indicators, number plate, other   | 3885       |
| Impounded vehicles  | 229        |
| Drivers arrested for Drunken driving, speeding, reckless & negligent, outstanding warrants, false documents, driving licences and other offences  | 1848       |

## STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- During 2019/2020 the Traffic Department had 2 capital projects which was being undertaken & implemented.
  - Traffic & Law Enforcement Equipment
  - Office furniture & equipment
- Implementation of the Evidentiary Breath Alcohol Testing (EBAT). The Eastern Cape was the 6<sup>th</sup> Province to implement with 5 successful court cases.
- Currently the 2020/2021 the Traffic Department has 5 Capital projects which is currently being undertaken.
- Construction of Public Ablution facilities for the Mdantsane learners centre- currently at Bid Adjudication Committee
- Procuring a cattle truck
- Installation of backup power
- Traffic & Law Enforcement equipment

## Strategic Outcome

# 2

A GREEN CITY



## SITUATIONAL ANALYSIS

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### 1. STRATEGIC OBJECTIVE

To promote an environmental sustainable city with optimal benefits from our natural assets.

### 2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcome, Strategic Objective and Key Focus Areas is depicted as follows:

| Strategic Outcomes                         | Strategic Objectives  | Key Focus Areas                                     |
|--|---|---|
| STRATEGIC OUTCOME 2<br>(SO2): A green city | To promote an environmentally sustainable city with optimal benefits from our natural assets. | KFA 13: Environmental Management and Climate Change |
|  |   | KFA 14: Air quality                                 |
|  |   | KFA 15: Beaches, Parks and Open Spaces              |
|  |   | KFA 16: Vegetation Control and Biodiversity         |
|  |   | KFA 17: Municipal and Environmental Health          |
|  |   | KFA 18: Solid Waste Management                      |

### 3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2022/2023 IDP Review Process:

## STRATEGIC OUTCOME 2: A GREEN CITY

| Council Priorities  | MTSF 2019/2024   | PDP   |
|---|--|---|
| <p><b>MGDS Strategic Outcome 2: A Green City - The strategies for the Green City Workstream include:</b></p> <ul style="list-style-type: none"> <li>• <b>Develop waste diversion programmes and strengthen existing Solid Waste Provision Model</b></li> <li>• <b>Integrate and strengthen Environmental Management &amp; Climate Change programmes within the City.</b></li> <li>• <b>To stimulate Investment appetite and enhance socio-economic values within the City's coastline through the implementation of a people centric beach management approach and restoration programmes</b></li> <li>• <b>Provide integrated Municipal Health Services to all communities of Buffalo City Metropolitan Municipality (BCMM)</b></li> <li>• <b>Integrate and strengthen public open space management, arboriculture, grass cutting and alien vegetation control within the City.</b></li> </ul> | <p>Priority 5: Spatial Integration, Settlements and Local Government</p> | <p>Goal 5: Environmental Sustainability</p> |

### 48. CLIMATE CHANGE

- a) Integrate climate change responsive actions into the hierarchy of plans within the institution (budget and performance scorecards)
- b) Implement climate protection programme.
- c) Review existing Climate Change Strategy in line with NEMA.
- d) Coordinate Eco system-based programme (wetlands restoration & stream/river management programme).

### 49. INTEGRATED ENVIRONMENTAL MANAGEMENT

- a) Strengthen Environmental Education and awareness programmes.
- a) Review the existing Integrated Environmental Management Plan (IEMP).
- b) Facilitate Integration of ENVIRONMENTAL IMPACT ASSESSMENTS within the city.

### 50. AIR QUALITY

- a) Development of Air Quality By-Laws.
- b) Review of Air Quality Management Plan.
- c) Purchase, Replacement & Maintenance of Air Quality Equipment.
- d) Air Quality Monitoring Station.

### 51. BIODIVERSITY CONSERVATION

- a) Fence Buffalo City Metropolitan Municipalities Nature Reserves.
- b) Upgrade, repair and maintain existing boardwalks.

### 52. INTEGRATED COASTAL MANAGEMENT

- a) Review Coastal Management Plan.
- b) Implement Estuary Management Plans

## STRATEGIC OUTCOME 2: A GREEN CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <b>53. MUNICIPAL &amp; ENVIRONMENTAL HEALTH</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Review Municipal Health Services Plan and Environmental Health by-laws.</li> <li>b) Develop Municipal Health Services equipment maintenance plan</li> </ul>  |                |     |
| <b>54. SOLID WASTE MANAGEMENT</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Implement Waste diversion from disposal towards waste beneficiation and waste economy.</li> <li>b) Develop Waste to energy projects.</li> <li>c) Implement Separation of waste at source programmes.</li> <li>d) Implement Recycling projects including the establishment of buy-back centres, drop-off points, transfer stations and formalisation of Waste Pickers.</li> <li>e) Establish community-based waste management service provision.</li> <li>f) Construct a hazardous waste cell within the existing general landfill site. Manage the agreement between Swedish government Gävle and Buffalo City Metropolitan Municipality on hazardous waste.</li> <li>g) Construct Cell 5 &amp; Cell 6 at Roundhill landfill site.</li> <li>h) Construct cells and upgrading of King William's Town landfill site.</li> <li>i) Focus on the removal of illegal dumps and regular street cleaning.</li> </ul> |                |     |
| <b>55. BEACHES (BLUE FLAG)</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Conduct Bathing Water quality sampling and testing programme.</li> <li>b) Implement Coastal protection and Waste Management projects through implementation of labour-intensive projects.</li> <li>c) Pilot blue flag beaches – Gonubie and Kidd's Beach.</li> <li>d) Revitalize and construct infrastructure in priority beach areas.</li> <li>e) Ensure licensing and monitoring of existing / new boat launch sites.</li> <li>f) Implement Sand dune management and rehabilitation project to manage coastal erosion.</li> <li>g) Development of a sand dune and beach management plan.</li> </ul>  |                |     |
| <b>56. GRASS CUTTING</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Clearing of invasive plants and the adequate disposal thereof.</li> <li>b) Acquisition of arboricultural equipment (mobile chipping machine, stamp-grinder etc)</li> <li>c) Acquisition of fleet (Cherry Picker Trucks, crew cage truck, tipper truck, tractors, bush cutters, trailers for rite on etc).</li> <li>d) Acquisition of park-homes for NU6 depot (change rooms).</li> </ul>   |                |     |
| <b>57. GREEN ENERGY</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Broaden energy mix to include renewable energy and establish a green energy and technology cluster at Berlin.</li> <li>b) Consider developing Green city masterplan leveraging green industrialization.</li> <li>c) Consider leveraging the opportunities presented by Private sector green innovation in BCMM.</li> <li>d) Consider Electricity tariffs for renewables and embedded generation (how do we get the best deals for business and residents).</li> </ul>  |                |     |
| <b>58. WATER POLLUTION</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Reduce water wastage (estimated at 40%) and improve water demand management.</li> <li>b) Invest in new water storage, conveyance and treatment, as required (bulk water for coastal developments).</li> <li>c) Prevent pollution of water resources, and in particular pollution from informal sanitation. All of Buffalo City's River systems are vulnerable according to SANBI.</li> </ul>   |                |     |

## STRATEGIC OUTCOME 2: A GREEN CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| d) Increase wastewater capacity as required (Quenera, Central, West Bank, Reeston, Mdantsane). The new tunnel from Central WWTW to Reeston WWTW should be prioritized. |                |     |

## STRATEGIC OUTCOME (SO2): A GREEN CITY

### KFA 13: Environmental Management and Climate Change

Environmental Management functions are underpinned by environmental legislation and guidelines. The Integrated Environmental Management Planning unit has aligned its core functions to the principles of the National Environmental Management Act, 107 of 1998 and Sustainable Development Goals, 2015. In addition to this, the unit is directed by its strategic Integrated Environmental Management Plan which gives guidance and determine how Buffalo City Metropolitan Municipality fulfils its responsibility with regards to the environmental management and protection of the natural environment. The environmental management and protection involve development of a several tools, systems and actions to influence human activities that may have a negative impact on the natural environment.

The Buffalo City has been impacted by landscape change (habitat destruction and degradation), Invasive Alien Species, over exploitation of natural resources for example illegal sand mining practices and pollution. The high infestation by Invasive Alien Species has been observed in the metro hence the development of Invasive Alien Species control, monitoring and rehabilitation plan in 2019. The Invasive Alien species pose significant threats to human livelihoods, economic development and biodiversity, these threats are likely to be worsened by climate change.

Buffalo City has a vast number of degraded wetlands and since there is no wetlands mapping on a bigger scale in metro, wetlands have to take pressure on various types of development which is unguided. The housing development, agricultural, wetland drainage, forestry as well as sand mining activities are the main noticeable challenges that puts pressure on wetlands ecosystem and possibly this can derive from a societal perception that wetlands were undesirable, dangerous places. The developed wetland identification/ database report, 2020 gave Buffalo City more knowledge and understanding of these ecosystems. The identified wetlands can be protected for their natural functions that include water purification, food attenuation, sediment removal and others. If suitably protected and conserved, wetlands can provide places for social enjoyment and recreation, as well as contributing towards an aesthetically pleasing environment.

Climate Change is already having a direct impact on the ability of many South African municipalities to meet their developmental objectives. The challenge is our inability to predict with certainty the future conditions to which adaptation is needed. It is crucial to recognise that every directorate and department in the metro has a huge role in reducing emissions and every department will be directly and /or indirectly affected by climate change. In a nutshell the mandates and objectives of all directorates and departments will be directly affected by climate change hence the municipality adopted its own Climate Change Strategy in 2015 (BCMC118/15), which is currently due for review. Buffalo City has taken a major step to formulate and implement climate change adaptation and mitigation measures which include the development of Mapping of Coastal Vulnerable areas in 2019 and adoption of climate risk and vulnerability assessment in 2021. The mapping of Coastal Vulnerable Areas was done to identify, assess local vulnerabilities and map coastal risks zones as well as threatened sites within the metro's coastal zones. This mapping serves as a decision-making tool in order to determine the best location for new developments & Infrastructure. It can be used to determine which current developments & infrastructure need to be revisited in order to adequately prepare them for sea-level rise & by climate change. The developed CRVA aims to ensure that climate change is mainstreamed within the city's budgeting and planning.

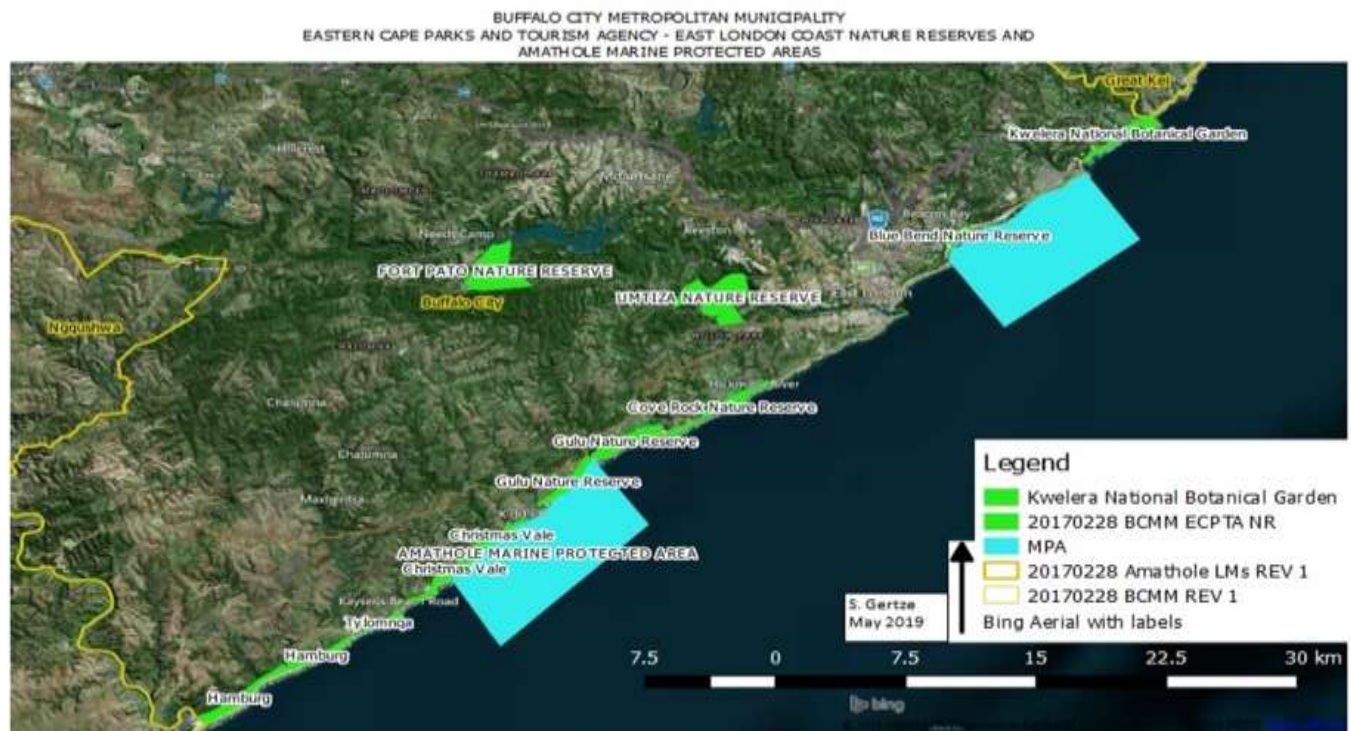
Environmental education and awareness are necessary processes that allow all individuals to address environmental issues, concerns and to act in a correct manner to improve the status of the environment and look after it. The metro is in the process of reviewing its own Environmental Education and Awareness Strategy and is awaiting council adoption. The strategy will serve as a guidance tool to the metro and the citizens will become more sensitive and knowledgeable, gain skills to identify and resolve environmental challenges and participate accordingly.

Environmental Compliance - The National Environmental Legislation focuses in promoting ecologically sustainable development practices by private individuals as well as organs of state. Facilitating compliance with environmental legislation during the planning and implementation of service delivery projects is critical to the municipality's environmental regulatory, advisory and support function. The environmental impact

## STRATEGIC OUTCOME (SO2): A GREEN CITY

assessment studies for major development in the metro are conducted to ensure that development does not hinder the environment negatively such developments include township establishments.

Protected areas- The Eastern Cape Parks and Tourism Agency (ECPTA) is the management authority as per the National Environmental Management: Protected Areas Act (No 57 of 2003) of various provincial protected areas. Protected areas under the management of the ECPTA within the BCMM jurisdiction is the East London Coast Nature Reserve, the Amathole Marine Protected Area and the Kwelela National Botanical Garden. East London Coast Nature Reserve and Amathole Marine Protected Area are solely managed by the ECPTA, whereas the Kwelela National Botanical Garden is co-managed with the South African National Biodiversity Institute. Management Plans have been developed for all protected areas managed by the ECPTA within jurisdiction of BCMM.



Buffalo City Estuaries: the metro consists of 22 river estuaries within its boundaries of which range from large open system to small closed systems. The Nahoon Estuary is considered to have the highest conservation significance within the municipal area. The Nahoon Estuary is the only estuary that has been afforded formal protection through the proclamation of the East London Coast Nature Reserve, which extends from the coast inland and encompasses most of the estuary. Nahoon Estuarine Management Plan (Notice 41 of 2016) has been gazetted and approved by Council (BMC: 702/19). The Buffalo River Estuary known as Port of East London is located at the mouth of Buffalo River. It is the only river port in South Africa. The Buffalo River falls within the R20 tertiary catchment of the Mzimvubu to Tsitsikana Waster Management Area (WMA). The estuary management plan for Buffalo River has been developed and approved by the Department of Environmental Affairs and adopted by Council. The developed plan was prepared by the Department of Environmental Affairs: Oceans & Coasts in collaboration with Transnet National Ports Authority and Nelson Mandela Metropolitan University. The plan outlines ten management objectives and they have been assigned with proposed activities and a description of the ecological impact or socio-economic consequence. Other estuaries within the metro are not protected, except for some extreme coastal extents that fall within the coastal Nature Reserves.

Buffalo City rivers and dams: The city area consist of seven main river catchments: Kwelelha, Gqunube, Nahoon, Buffalo, Gxulu, Tyolomnqa and Keiskamma. All our water sources in our environment depend on biodiversity for their cleanliness and general usefulness.

## STRATEGIC OUTCOME (SO2): A GREEN CITY

### Alignment with the National and Provincial Plans and Policies

- The National Climate Change Response (NCCR) White Paper (2011) outlines priority impact and response categories identified as part of a lengthy specialist input and consultation process that began with the National Climate Change Summit in March 2009. The White Paper outlines impacts to key sectors and systems. The possible climate change impacts on sectors and systems within BCMM are diverse.

### Link to BCMM Strategies, Sector Plan(s) and Policies

- BCMM Integrated Environmental Management Plan (IEMP) ,2004 amended 2015 which provides an overarching framework for environmental management
- BCMM Integrated Coastal Zone Management Plan (ICZMP), 2004 amended 2015 aimed at identifying and prioritising existing environmental pressures, provide the recommendation pressures, as well as the appropriate framework to manage the BCMM coastline
- State of Environment Report 2004 amended in 2015
- BCMM Climate Change Strategy, 2015
- Air Quality Management Plan
- Invasive Alien Species Control, Monitoring & Eradication Plan, 2019
- Buffalo City Metropolitan Wetlands Report, 2017
- Mapping of Coastal Vulnerable Areas, 2019
- BCMM Wetland identification report ,2020
- Nahoon Estuarine Management Plan (Gazetted in 2016) and approved by council in October 2019 (BCMC 702/19)
- Buffalo River Estuarine Management Plan (Approved in 2018)
- Environmental Education and Awareness Strategy, 2010
- Municipal Open Space System, 2010
- Climate Risk and Vulnerability Assessment,2021 (VBCMC 199/21)

### Progress & Achievements 2021 to date

#### Implementation of the Annual Green Forum resolutions

The actions that emanate from the forum are as follows:

- Establishment of Eco clubs for schools namely Ebenezer High School, Bisho High School, Lumko High School. These identified schools are from the previously disadvantaged communities.
- Upscaling the level of awareness on climate change in communities and encourage active citizenry through community workshops at Scenery Park and Nu.1 Mdantsane
- Strengthen recycling programmes & explore waste reduction alternatives.
- The city to have a demarcated pathway for non-motorized transport system (cycling and walking)
- Develop air pollution by-laws with tariffs for enforcement (in Progress)
- Adoption of Climate Risk and Vulnerability Assessment to intensify city's endeavours towards the implementation of climate change mitigation and adaptation measures.

#### Environmental Education and Awareness

- Environmental education and awareness-raising activities for environmental management, biodiversity and ecosystem protection is one of the critical functions of the City. The effort to educate and change behaviour towards environmental issues, on an ongoing basis the city implemented its programme on awareness on increasing climate change effects and global environmental issues including biodiversity. Youth is the target group they are taken to school excursions and door to door campaigns are also conducted. Youth was given an opportunity to ongoing visit the Municipal owned Nature Reserves (Nahoon Estuary Nature Reserve and Nahoon Point Nature Reserve). Both reserves are designated as Environmental Education Centres. The aim of the excursion to these Nature Reserves was to raise awareness on the importance of wildlife found within BCMM as well as the importance of the different indigenous flora found within the metro



## STRATEGIC OUTCOME (SO2): A GREEN CITY

- Environmental education in schools is conducted on an ongoing basis, amongst others are St Christophers High school, East Science Collage, Ebenezer High School, Bisho High School, Lumko High School.
- Tree planting programme was conducted in eleven Schools that are located in all the three regions. Each school of the eleven schools received three (3) trees.
- Municipal Coastal Committee which serves as an advisory body to the City Manager on matters that affect the Coastal areas within Buffalo City was established and it sits on a quarterly basis.
- The Committee constitutes the following stakeholders:
  - Internal BCMM stakeholders
  - Department of Forestry Fisheries and the Environment (DFFE)
  - BCMDA,
  - ELIDZ,
  - DEDEAT,
  - Wildlife Environment Society in Southern Africa (WESSA)
  - Eastern Cape Parks and Tourism Agency (ECPTA)
  - Nahoon Estuary Management Forum,
  - Nahoon Point Monitoring Committee, etc.
  
- Implementation of the Buffalo River and Nahoon Estuarine Management Plans
- Refurbishment of Boardwalks at Nahoon Point Nature Reserve and Nahoon Estuary Nature Reserve
- Phase 1 Wetland rehabilitation was conducted at N.U.1 Mdantsane
- Phase 2 Wetland rehabilitation was conducted at John Dube Wetland at Scenery Park.
- Biodiversity Assessment for Nahoon Point Nature Reserve was completed, and it will be followed by the proclamation of this nature reserve to obtain a Provincial status.

### Challenges

- Lack of stakeholder engagement (internal and external) poses a major threat to service delivery issues. This affects the sitting of Environment and Climate Change Committee and implementation of some of the Environmental Management programmes within the City.
- Environmental education and awareness programmes in schools were halted by Covid 19 regulations.
- Illegal structures and encroachments along BCMM coastline

### Current State

- The City is directed by its Strategic Integrated Environmental Management Plan which gives guidance and determines how Buffalo City Metropolitan Municipality fulfils its responsibility with regards to the environmental management and protection of the natural environment. The environmental management and protection involve development of a sets of tools, systems and actions to influence human activities that might negatively impact on the natural environment.
- The city is located within a special biodiversity hotspot known as the Albany Thicket Biome which is commonly referred as the Valley Bushveld. It comprises of various number of endemic plant species that are rare to find elsewhere. These may include Euphorbias, aloes, cycads, and many succulents abound. This area also consists of unique animals, birds and fish like the Golden Mole, Orange Breasted Sunbird and the Giant Earthworm. Such animals and plants that are found only within the Buffalo City region makes it more special and significant.
- The city consists of a range of ecosystems which include: its 82 km of coastline, the Albany Thicket Biome, the Savannah Biome, indigenous forests, grassland, wetlands and estuaries.
- Rivers and dams: The city area consist of seven main river catchments: Kwelerha, Gqunube, Nahoon, Buffalo, Gxulu, Tylomnqa and Keiskamma. All water sources in the environment depend on biodiversity for cleanliness and general usefulness.
- Estuaries: The city consists of 22 river estuaries within its boundaries of which range from large open system to small closed systems. The Nahoon Estuary is considered to have the highest conservation significance within the municipal area. The Nahoon Estuary is the only estuary that has been afforded formal protection through the proclamation of the East London Coast Nature Reserve, which extends from the coast inland and encompasses most of the estuary. An Estuary Management Plan has been compiled for this

## STRATEGIC OUTCOME (SO2): A GREEN CITY

estuary. Other estuaries within the Buffalo City are not protected, except for some extreme coastal extents that fall within the coastal Nature Reserves.

- Nature Reserves are as follows:
  - Umtiza Nature Reserve
  - The Nahoon River Estuary Nature Reserve
  - Bridle Dam Nature Reserve
  - Quenera Nature Reserve
  - Qonce (previously known as KWT) Nature Reserve
  - Fort Pato Nature Reserve
  - Gulu Nature Reserve
  - Kwelera Nature Reserve
  - The Nahoon Point Nature Reserve
  - Potters Pass Nature Reserve
- Environmental education and awareness are necessary processes that allow all individuals to address environmental issues, concerns and to act in a correct manner to improve the status of the environment and look after it.
- Implementation of Estuary and Buffalo River Estuary Management Plans include having a Communication, Education and Awareness Raising to create a supportive environment for the implementation of both Estuarine Management Plans.
- The city reviewed its own Coastal Management Programme in 2015.
- The DEFF Youth Community Outreach Programme (YCOP) is a community based environmental education and awareness programme. The programme aims to develop young people to become Environment Ambassadors, who will educate communities about Environmental Management issues.
- The Annual Green Forum: The green forum is one of the city's key climate change responses and in response to the city's climate change strategy, and the city committed to host an annual Green forum which is done during the month of June and is aligned with the World Environment Day celebrations. The green forum serves as a platform for the private sector, government departments and the public to come together to address climate change adaptation and mitigation actions as well as an environmental issue. It provides practical green solutions to communities and business, enabling them to harness their green consciousness in a fun and sustainable manner. The forum has different themes every year which coincides with the World Environment Day and one of its objectives is to upscale the level of awareness on climate change in communities and encourage active citizens.
- The development of Qinira Estuary Management plan: The Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) in collaboration with Buffalo City Metropolitan Municipality is in a process of developing the Qinira Estuary Management Plan. The plan is currently undergoing council processes towards adoption by Council.

### Action Plans

- Development of Management Plans for Nature Reserves
- Adoption and Implementation of Qinira Estuary Management Plan
- Implementation of Green Forum Resolutions
- Implement Environmental Education Programmes
- Coordination and mainstreaming of Climate Change Adaptation and Mitigation Programmes
- Clearance of Invasive Alien Plants
- Wetlands rehabilitation
- Implementation of Nahoon Estuary Management Plan and Buffalo River Management Plan
- Review of By-Laws to address illegal activities along the Coastline

### KFA 14: Air quality

In terms of the Air Quality Act no.39 of 2004 Buffalo City Metropolitan Municipality is mandated to manage and implement Environmental Pollution and Air Quality Management activities within its area of jurisdiction.

#### Alignment with the National and Provincial Plans and Policies

- National Environmental Management Act no. 107 of 1998
- Air Quality Act no.39 of 2004

#### Link to BCMM Strategies, Sector Plan(s) and Policies

- BCMM Air Quality Management Plan
- BCMM Air Quality By-Laws

## STRATEGIC OUTCOME (SO2): A GREEN CITY

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>▪ National Framework for Air Quality Management in the Republic of South Africa, 2012</li> <li>▪ National Water Act No. 36 of 1998</li> <li>▪ National Ambient Air Quality Standards No. 1210 of 2009.</li> <li>▪ National Dust Control Regulations No. R827 of 1 November 2013</li> </ul> | <ul style="list-style-type: none"> <li>▪ BCMM Air Quality Assurance and Quality Control System</li> </ul> |
|---|---|

### Progress & Achievements 2021 to date

- 2016/17 - Air Monitoring station for All Wards: Upgrading of BCMM's three air quality monitoring stations. Budget - R 700 000
- 2017/18 - Air Monitoring station for All Wards: A panel of specialist service providers to supply, install and commission air quality monitoring station equipment for period of two year. Budget - R 800 000
- 2017/18 - Review of the Air Quality Management Plan (AQMP): Review Buffalo City Metropolitan Municipality Air Quality management plan. Budget - R 600 000
- 2018/19 - Air Monitoring station for All Wards: A panel of specialist service providers to supply, install and commission air quality monitoring station equipment for period of one year. Budget - R 900 000
- AQMP was reviewed in 2018/19 financial year.
- BCMM AQO was appointed & designated in 2018/19 financial year.
- 2019/20 - Air Monitoring station for All Wards: A panel of specialist service providers to supply, install and commission air quality monitoring station equipment for period of three years. Budget - R 1 200 000

#### Ambient air monitoring stations

- During the financial year of 2017/18 BCMM air monitoring stations started reporting live/ sending data to South African Weather Services (SAWS).
- Manage to generate 80% of data coverage from all three stations.

#### Atmospheric Emission Licence (AEL)

- Achieved 100% of Atmospheric Emission Licences issued for each year.
- During the financial year of 2017/18 Atmospheric Emission Licence tariffs for new applications; renewal applications; transfer applications; provisional licence applications; application fee and section 22A administrative fine in terms of Section 21 of the Air Quality Act No 39 of 2004 was approved by council.

#### Implementation of the Air Quality Management Plan (AQMP)

- During the financial year 2018/19 AQMP was reviewed (every five years).
- The Chief Air Quality Officer was appointed and designated as BCMM Air Quality officer by council in 2018/19 financial year.
- During the financial year of 2019/20 five official attended Air quality management course and training of National Emission Information System (NAEIS) and South African Atmospheric Emission Licence Portal (SAAELIP).
- The Senior Air Quality Officer was appointed in 2020/21 financial year.

### Challenges

- More staff need to be trained as Environmental Management inspectors (EMI) to implement compliance and enforcement of environmental issues
- Development of air quality management by-laws
- Compliance and Enforcement tariff fines for non-compliance of industries

### Current State

- Chapter 3 of the National Environmental Management: Air Quality Act 39 of 2004 (NEM: AQA) tasks all South African Municipalities with the development and implementation of an AQMP as part their Integrated Development Plan (IDP). Where applicable, the AQMP must:
  - Improve air quality;

### Action Plans

- Implementation of the Ambient Air Quality goals as recommended and adopted by BCMM.
- Upgrading of air quality monitoring stations equipment

## STRATEGIC OUTCOME (SO2): A GREEN CITY

- Identify and reduce the negative impact on human health and the environment of poor air quality;
- Address the effects of emissions from the use of fossil fuels in residential applications;
- Address the effects of emissions from industrial sources; and
- Address the effects of emissions from any point or non-point source of air pollution

### KFA 15: Beaches, Parks and Open Spaces

The Parks Department is responsible for the enhancement of the natural environment through the development, maintenance and management of Community Parks and Open Spaces, Arboricultural and Horticultural activities.

#### **Alignment with the National and Provincial Plans and Policies**

- NEMA (National Environmental Management Act)
- NEMBA (National Environmental Management Biodiversity Act)

#### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Municipal Open Spaces System (under review)

#### **Progress & Achievements 2016 to date**

- From 2016 to date, a total Sixteen (16) Community/Recreation Parks were developed, and some upgraded across the Three (3) Regions (Coastal, Midlands, and Inland) of the Metro.
- Total of Ten (10) were New Parks and Six (6) Upgraded
- Two (2) Outdoor Gyms developed (Sweetwaters and Sterling – James Pearce Park)
- Continuous grass cutting of Open Spaces done
- Development and upgrading of parks in Wards 18, 44, 43, 36, 14, 04, 10, 23, 44, & 45: James Pearce, Sweetwaters, Bhisho Dam, Breidbach, Dimbaza, Mdantsane (N.U 3), Selborne (Installation of Playground Equipment, Fencing, and Outdoor Gym Equipment) to the value of R4 405 723.00

#### **Challenges**

- Vandalism and theft
- Increased levels of illegal dumping

#### **Current State**

- Currently there are 112 existing parks in the BCMM jurisdiction and the target for development of new parks this financial year (2020/21) is 6. Our parks are divided into 3 categories i.e., Children’s playgrounds, Community parks and Regional or Eco parks.
- Public Open Spaces are the underdeveloped green spaces which are spread across the residential areas of the Metro.

#### **Action Plans**

- Upgrading and Development of Six (6) New Community Parks
- Nursery James Pears Park
- Procurement of Grass Cutting Equipment
- Procurement of Parks New Fleet
- Development of Metro Wide City Beautification and Landscaping Plan/Strategy

### KFA 16: Vegetation Control and Biodiversity

Environmental management and protection entail development of a set of tools, systems and procedures to influence human activities that might negatively impact on the natural environment. The City has been impacted by landscape change (habitat destruction and degradation), invasive alien species, pollution and over exploitation for example illegal sand mining practices. Given the current threats to biodiversity, and the projected impacts of climate change, the municipality has committed to protecting, and managing the city’s ecological infrastructure to enhance ecosystem resilience and the ability of our citizens to adopt to persistent change and short-term disasters.

Invasive alien species pose significant threats to human livelihoods, economic development and biodiversity and these threats are likely to be exacerbated by climate change. Controlling invasive alien species, rehabilitating degraded ecosystems, and reducing the rate of land transformation are increasing priorities in ensuring the overall sustainability of the city’s ecological infrastructure. The National Environmental Management: Biodiversity Act (NEMBA, Act 10 of 2004) provides a framework for the management and conservation of South Africa’s biodiversity and outlines the requirements for sustainable use of biological resources and the protection of species and ecosystems. Chapter

## STRATEGIC OUTCOME (SO2): A GREEN CITY

5 of the Act deals with the management of invasive alien species. In August of 2014, the NEMBA regulations for invasive species were promulgated and published. These regulations list four different categories of invasive alien species and provide instructions on how these species should be managed, controlled and eradicated from areas where they may cause harm to the environment. In terms of NEMBA, all state entities (including Municipalities) must develop a strategy and management plan for the monitoring, control and eradication of IAS on land they own.

Climate Change is already having a direct impact on the ability of many South African municipalities to meet their developmental objectives. Extended dry seasons, increasing temperatures, extreme storms and sea level rise result in drought, crop failure, livestock death, damage to infrastructure, runaway fires and will further entrench poverty with the increase of vector-borne disease, disabling of existing livelihood and damage to household assets. The NCCS White Paper places an obligation on BCMM to formally include climate change response in planning. It is therefore important that BCMM proactively takes steps to consider and deal with climate change risks of high significance. In response to this the city developed climate change strategy which was adopted by council in 2015.

The key threats to the wetlands located within Buffalo City Metropolitan Municipality includes, Invasive alien plants (IAPs), Erosion, Development within and around wetlands, Pollution and excess nutrients, Draining of water, over grazing/trampling, Lack of buffer zones next to wetlands and Lack of buffer zones next to wetlands. To streamline and improve the management of wetlands, the city is implementing the Local Action for Biodiversity: Wetlands South Africa (LAB: Wetlands SA) programme with support from ICLEI Africa Secretariat (ICLEI AS). The LAB: Wetlands SA project aims to ensure the protection of priority natural wetland resources, thus enabling the supply of ecosystem services, and promoting resilient communities and sustainable local economies under a changing climate within South Africa local governments. Through the development of the Wetland Report, ICLEI AS will assist the Buffalo City in identifying the gaps in management and assist with devising new and better wetlands management strategies going forward.

Protected areas- The Eastern Cape Parks and Tourism Agency (ECPTA) is the management authority as per the National Environmental Management: Protected Areas Act (No 57 of 2003) of various provincial protected areas. Protected areas under the management of the ECPTA within the BCMM jurisdiction is the East London Coast Nature Reserve, the Amathole Marine Protected Area and the Kwelera National Botanical Garden. East London Coast Nature Reserve and Amathole Marine Protected Area are solely managed by the ECPTA, whereas the Kwelera National Botanical Garden is co-managed with the South African National Biodiversity Institute. Management Plans have been developed for all protected areas managed by the ECPTA within jurisdiction of BCMM.

### East London Coast Nature Reserve

East London Coast Nature Reserve (ELCNR) is a name coined to refer to a series of nature reserves and state forests situated primarily on the coastline between Great Fish River and the Great Kei River. The coastal Nature Reserves/State Forests include inter alia (from north-east to south-west) Cape Morgan, Double Mouth, Cape Henderson, Cintsa West & East, Blue Bend, Cove Rock, Gulu, Kidd's Beach, Kayser's Beach, Chalumna, Kiwane and Hamburg (including Forest 224). The remaining two nature reserves (Umtiza Forest and Fort Pato) are located inland, approximately 14km and 25km north of East London on the south-western banks of the Buffalo River. The ELCNR is approximately 3 424ha in size and represents approximately 60% of the 300km coastline between these two rivers.

The ELCNR comprises of a mosaic of coastal forests, thicket, bushveld and grassland vegetation. It consists of five main vegetation types, including: Transitional Coastal Forest, Valley Thicket, Eastern Thorn Bushveld, Eastern Dune Thicket and Coastal grassland.

Several species of conservation importance are found within the boundaries of ELCNR, including *Ptaeroxylon obliquum*, *Buxus macowanii*, *Umtiza listerana*, *Encephalartos altensteinii* and *E. villosus*. Agricultural practices, rural and urban development have virtually established the two inland reserves as islands of original Mesic Kaffrarian Thicket and its associated fauna, which includes several endangered species.

While the majority of the large mammals have become locally extinct over the last century many animals still occur in ELCNR – including the Samango Monkey at Umtiza. Rare fauna found in the ELCNR as a whole include the Leopard, Blue Duiker, Giant Golden Mole, and Tree Dassies. Cape Parrots used to be observed at Umtiza but have not been seen for many years. Other species of interest include Crowned Eagles, Knysna Lourie and Narina Trogon. The African Black Oystercatcher also occurs along the coast and is regarded as the second most threatened bird on the South African Coast.

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### Kwelera National Botanical Garden

Situated about 18km northeast of East London within the municipal boundaries of Buffalo City Metropolitan Municipality between the Gonubie and Kwelera Rivers, the Kwelera National Botanical Garden (KwNBG) is the first National Botanical Garden to be established in the Eastern Cape.

The declaration of the KwNBG in 2014 marked a significant step towards delivering on the National Department of Environmental Affairs Outcome 10 commitments. The Kwelera Nature Reserve (KNR), which is already declared and managed by the Eastern Cape Parks and Tourism Agency (ECPTA) as a Protected Area, is the anchor site for the KWNBG. The South African National Biodiversity Institute (SANBI) only added about 10ha of landscape garden to the anchor site. Under the signed Memorandum of Agreement, the Nature Reserve will remain under ECPTA but be co-managed with SANBI as the natural portion of the new Kwelera National Botanical Garden. The KWNBG is an important biodiversity corridor in the region and comprises 160ha of pristine coastal dune forest, marine frontage and coastal grasslands. Currently, the KwNBG is not fully operational. An Environmental Impact Assessment process is currently in process for proposed infrastructure developments within the KwNBG.

### Amathole Marine Protected Area

The Amathole Marine Protected Area (MPA) lies in the Eastern Cape Province between the Kei Mouth, Gonubie and the Gxulu Rivers at East London and extends three nautical miles to the sea (Refer to map). The Amathole MPA located within the jurisdiction of three municipalities, namely Buffalo City Municipality, Great Kei Municipality under Amathole District Municipality.

Two Sections of the three sections of the Amathole MPA fall within the jurisdiction of BCMM. The area of the two sections within the BCMM is as follows:

- ❑ The Gonubie area encompasses the sea area (excluding any estuary) between the high-water mark and a distance of three nautical miles seaward, and between, as southern-western boundary, a line drawn 145° from Nahoon Point (32° 59' .778 S; 027° 57' .096 E), and, as north-eastern boundary, a line drawn 145° from Gonubie Point (32° 56' .485 S; 028° 02' .120 E). The south-eastern offshore boundary is a straight line running 045°, which joins the southern corner (33° 02' .213 S, 027° 59' .119 E) and the eastern corner (32° 58' .955 S; 028° 04' .125 E) of the area.
- ❑ The Gxulu area encompasses the sea area (excluding the estuary) between the high-water mark, and a distance of three nautical miles seaward, and between, as southern-western boundary, a line drawn 149° from Christmas Rock (33° 11' .560 S; 027° 38' .626 E), and, as north-eastern boundary, a line drawn 144° from the Gxulu River Mouth (33° 07' .145 S; 027° 43' .893 E). The south-eastern offshore boundary is a straight line running 045°, which joins the southern corner (33° 14' .018 S; 027° 40' .422 E) and the eastern corner (33° 09' .513 S; 027° 45' .913 E) of the area.

### **Alignment with the National and Provincial Plans and Policies**

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- The National Climate Change Response (NCCR) White Paper (2011) outlines priority impact and response categories identified as part of a lengthy specialist input and consultation process that began with the National Climate Change Summit in March 2009. The White Paper outlines impacts to key sectors and systems. The possible climate change impacts on sectors and systems within BCMM are diverse.
- The National Environmental Act 1998 as amended
- Draft climate change bill, 2018
- Sustainable Development Goals
- National Development Plan

- BCMM Integrated Environmental Management Plan (IEMP), 2004 amended 2015 (Adoption Date)
- BCMM Integrated Coastal Zone Management Plan (ICZMP), 2004 amended 2015 (Adoption Date)
- BCMM Climate Change Strategy, 2015 (Adoption Date)
- State of Environment Report 2004 amended in 2015
- Municipal Open Space Systems, 2010
- Environmental Education and Awareness Strategy, 2010
- Buffalo River Estuarine Management Plan, (Gazetted in 2018)
- Nahoon Estuarine Management Plan, (Gazetted in 2016)
- Air Quality Management Plan

### **Challenges**

- Limited resources to deal with high demand of vegetation control (bush clearing)

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- Increased levels of illegal dumping

| Current State  | Action Plans   |
|--|--|
| <ul style="list-style-type: none"> <li>▪ There's currently a very high demand for bush clearing as it contributes to the increase of crime and illegal dumping</li> <li>▪ A total of 62 100 m<sup>2</sup> of vegetation control (bush clearing and noxious weed eradication) was done across the 3 regions of BCMM during the last financial.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Wetland Rehabilitation Phase 2: Clearing of Alien Invasive plants in John Dube Wetland and NU 1.</li> </ul> |

### KFA 17: Municipal and Environmental Health

Section 24 of the Constitution of the Republic of South Africa entrenches the right of all citizens to live in an environment that is not harmful to their health or well-being. Section 83 of the National Health Act, 2003 (Act 61 of 2003), defines municipal health services and clearly stipulates the responsibilities of municipalities in the performance of such services. Environmental health comprises those aspects of human health, including quality of life, that are determined by physical, chemical, biological, social and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling and preventing factors in the environment that can adversely affect the health of present and future generations. (WHO).

| Alignment with the National and Provincial Plans and Policies  | Link to BCMM Strategies, Sector Plan(s) and Policies   |
|--|--|
| <ul style="list-style-type: none"> <li>▪ National Health Act (NHA), 2003 (Act 61 of 2003)</li> <li>▪ National Environmental Management Act (NEMA), 1998 (107 of 1998)</li> </ul> | <ul style="list-style-type: none"> <li>▪ Municipal Health Services Plan</li> <li>▪ Municipal Health By-laws.</li> <li>▪ Environmental legislation.</li> <li>▪ Environmental Management By-laws.</li> </ul> |

### Progress & Achievements 2021 to date

- Number of water samples taken and analysed in All 50 BCMM Wards: 5278 water samples were taken, tested and analysed at the Municipal Scientific Services Laboratory. Notices were issued for sample failures and re-sampling conducted to ensure compliance with SANS 241 (Standard for Drinking Water). Budget - R1 548 858 (the amount for both water & food sampling due to a shared Vote)
- Number of food samples taken and analysed in All 50 BCMM Wards: 3939 food samples were taken, tested and analysed at the laboratories. Vendors/service providers who were not in compliance were issued with non-compliance notices and were re-inspected to ensure compliance with food control regulations. Budget - R1 548 858 (the amount for both water & food sampling due to a shared Vote).
- Enforcement of by-laws – hawkers in terms of food preparation/storage/selling & compliance in All 50 BCMM Wards: 48 Law Enforcement Operations were successfully conducted.
- Health and Hygiene awareness campaigns in All 50 BCMM Wards: 10 Health & Hygiene Education & Awareness Campaigns/ Events were arranged and held at venues across the Region. Budget – R 853 509
- Food Safety Equipment (3 x cold storage facilities and 3 x ATP meters for All 50 BCMM Wards: The equipment was procured to bolster MHS capacity's facilities to render efficient food control services to the region. ATP metres are portable instruments used to detect bacteria on surfaces within few minutes and without detailed Lab analysis at a cost of R 329 296,00.

| Current State   | Action Plans  |
|---|---|
| <ul style="list-style-type: none"> <li>▪ Environmental health comprises those aspects of human health, including quality of life, that are determined by physical, chemical, biological, social and psychosocial factors in the environment.</li> <li>▪ It also refers to the theory and practice of assessing, correcting, controlling and preventing factors in the environment that can adversely affect the health of present and future generations.</li> <li>▪ The identification, evaluation, control as well as prevention through education of all those factors in the total environment which exercise a detrimental effect on individual physical,</li> </ul> | <ul style="list-style-type: none"> <li>▪ Taking of Drinking Water Samples to measure compliance with SANS 241 (Drinking Water Quality Standards)</li> <li>▪ Taking of Food Samples to measure compliance with Compliance with FCD's Act &amp; its Regulations</li> <li>▪ Taking of Food Samples to measure compliance with Compliance with FCD's Act &amp; its Regulations</li> <li>▪ Inspection of Food Premises for Compliance with Regulations, GN No. R638 (Regulation Governing Hygiene of Food Premises, Transport of Food &amp; Related Matters</li> </ul> |

## STRATEGIC OUTCOME (SO2): A GREEN CITY

mental and social well-being and development. It also implies continuous efforts to educate and prevent individuals from affecting the environment in such a way that it becomes detrimental to their well-being and development.

- Inspection of solid waste landfill sites; Panel beaters; Spray-painting; Laundromat & Dry Cleaners; and Industrial premises for Compliance with the National Environmental Norms & Standards for Premises and Acceptable Monitoring Standards for EHP's, Notice 1229 of 2015
- Conduct Health & Hygiene Education and Awareness Events to Improved health status and knowledge on health and hygiene amongst target groups.
- Surveillance of Premises
- Vector Control
- Review of Municipal Health Services Plan

### KFA 18: Solid Waste Management

Solid Waste Management Services are at the centre of environmental sustainability and cover all waste services within the Metro. The department has aligned its core functions to the National Environmental Management Waste Act (NEMWA) guidelines which are refuse collections, landfills and recycling. Solid Waste Management Services are also guided by the Integrated Waste Management Plan which is currently in its final stages of consultation. These strategic sectoral plans provide guidance and determine how Buffalo City Metropolitan Municipality fulfils its responsibility with regards to Solid Waste Management perspective.

The Constitution of the Republic of South Africa Schedule 5 Part B mandates the Buffalo City Metropolitan Municipality to render the following services in a clean, healthy and safe manner.

- Refuse Collection
- Street Cleaning
- Disposal of Waste/ Landfills Operations and Management
- Clearing of Illegal Dumps
- Public Convenience

#### Street Cleaning

Street Cleaning encompasses litter picking, gutter cleaning, street sweeping, focusing mainly on main roads, CBD, entrances and exits of the city inclusive of high visibility areas such as the beach front and other beaches. This division is also responsible for refuse bag distribution in both formal and informal areas. BCMM has budgeted for the Steel Street Litter (Disposal) Bins which have been installed in all BCMM CBD's and areas with high concentration of people.

#### Refuse Removal

Entails domestic and business refuse removal and clearing of drop-off points as per the refuse collection schedule. Domestic refuse is supposed to be collected once a week from each household as per the National Domestic Collection Standards, whilst businesses are serviced according to the owner's request. BCMM in the 2018/19 financial year procured additional twenty (20) new Refuse Removal Compactor Trucks and distributed to all Regions (10 Coastal, 5 Midlands and 5 Inland). In the 2019/20 financial year, additional budget was allocated for the procurement of extra new Refuse Removal Compactor Trucks in order to strengthen this service. Such fleet has since been delivered and in operation for improved service delivery. Refuse Skips and Twenty (20) Bakkies were also acquired to service informal settlements mainly and improve refuse removal services.

#### Disposal of Waste/ Landfills Operations and Management



## STRATEGIC OUTCOME (SO2): A GREEN CITY

The Department is responsible for implementing environmentally sound disposal of waste in landfill sites. Waste disposal includes covering and compaction of general waste from all households (formal/informal), businesses and pre-treated medical waste from health institutions. The amount of waste disposed of in the landfill site is collected and measured by means of a weigh bridge system. Construction of Cell 3 and 4, upgrading of the Leachate Treatment Plant as well as the waste sorting facility were completed at Roundhill Landfill site within the 2020/ 2021 financial year.

The department is in the process of re-establishing the landfill monitoring committee for the Roundhill Landfill site to monitor compliance in terms of its operation and management. The Committee will constitute BCMM, DEDEAT, Water Affairs, Ward Councillor, representatives of the neighbouring farming community, WSU representatives, etc. Regular Environmental Audits are conducted by both internal and external auditor's operations as required in terms of the National Norms and Standards for Storage of Waste. The latest external audit outcome indicated that the site was at 80% compliance due to presence of Waste Pickers on site, broken infrastructure such as site fencing and lack of signage that is represented in three (3) spoken languages within the City.

### **Garden Transfer Stations**

These are used for the temporary storage of garden waste from the general public excluding private garden services. In the 2019/20 financial year BCMM is busy with the closure and rehabilitation of closed Domestic Waste Landfill Sites. The intention is to convert these closed and rehabilitated landfill sites to Garden Transfer Stations (expansion of garden transfer stations).

The Upgrading of Kidds Beach and Kaysers Beach Garden Transfer Stations, which includes fencing, installation of information boards, signage, access control, and paving is at 95% complete, outstanding currently is the provision of Bulk containers.

**In terms of strengthening compliance of the site with regard to operations and management of the site, the progress is outlined below:**

#### **Provision of Information & Signboard**

Information board has been installed with detailed information on operating times and the type of waste accepted in the site.

#### **Provision of Access Control**

The site is fenced with the provision of a guardhouse to improve access control.

#### **Provision of Equipment, Plant & Machinery**

The following plant and machinery have been procured to ensure proper compaction and further compliance:

- 1x Front End Loader
- 2x Tipper Trucks
- 1x Roll-on Roll-off Truck
- Grass cutting machine

#### Waste minimization

Embraces the concepts of reduce, re-use, recycle and recover. It is also responsible for the development of an Integrated Waste Management Plan (IWMP), development of by-laws and development of a waste management strategy by ensuring that communities embark on clean-up campaigns and education and awareness programmes. BCMM waste minimisation strategy will be developed in order to guide all minimisation (reduce, re-use, recycling and recover) initiatives. This strategy will also outline all clean-up campaigns, education and awareness programmes. The Department conducted a pilot project with GIZ and SEPA for diversion of waste from landfill disposal. From these pilot projects the waste profile of BCMM has been done.

## STRATEGIC OUTCOME (SO2): A GREEN CITY

### The Strategy

It is clear that a new strategic focus is required by the department. And in a real sense, there is a clear understanding by the political and administrative leadership of the Directorate of Municipal Services that there urgently requires to be a step change in policy approach and strategic orientation of the Department. This is a vital first step in any process of change management – acceptance of the need for a change agenda.

There is also evident appreciation of the broad direction in which the department needs to go. Many key elements of the Green City component of the MGDS and the policy thrust of the Environmental Management Waste Act are integrated in the Department Draft Integrated Waste Management Plan.

What has been missing to date is the How part – the change strategy – and a clear set of institutional arrangements to manage the change agenda. The essence of the proposed strategy is three-fold and deals with addressing “hotspot” issues confronting the city, as well as with putting in place processes to reorient the Directorate towards a new mandate and deal with systemic weaknesses related to structure, systems and business processes.

The three pillars of the strategy are as follows:

- (i) Urgently address the current “face of the city” challenges through a Clean City Programme implemented in partnership with BCMDA and Call to Action;
- (ii) Address capacity shortfalls and accountability failures in management and supervisory levels of the Directorate; and
- (iii) Assess and redesign the structure, business models, and systems to achieve required improvements in efficiencies and in achieving green city outcomes envisaged in the MGDS.

### **Alignment with the National and Provincial Plans and Policies**

- National Environmental Management Waste Act (NEMWA)

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Integrated Waste Management Plan
- Disaster Risk Management Policy Framework
- BCMM Integrated Environmental Management Plan (IEMP) which provides an overarching framework for environmental management
- BCMM Integrated Coastal Zone Management Plan (ICZMP) aimed at identifying and prioritising existing environmental pressures, provide the recommendation pressures, as well as the appropriate framework to manage the BCMM coastline
- BCMM Climate Change Strategy for managing energy and mitigating climate change effects
- Municipal Open Spaces System
- Air Quality Management Plan

### **Progress & Achievements 2021 to date**

- Acquisition of solid waste fleet for all the three (3) regions for improvement in the provision of Solid waste services. This specialised fleet include compactor trucks, skip loaders, tipper trucks, and horse & trailer trucks.
- Construction of Cell 3 and 4, upgrading of the Leachate Treatment Plant as well as the waste sorting facility were completed at Roundhill Landfill site within the 2020/ 2021 financial year.
- Upgrading of Kidds Beach and Kaysers Beach Garden Transfer Stations, which include fencing, installation of information boards, signage, access control, and paving are at 95%

### **Challenges**

- Increasing rate of littering and illegal dumping of waste.
- Insufficient number of Waste Transfer Stations to service communities of the BCMM to meet the demand of the entire City.
- Long distance to Roundhill Landfill Site for the Coastal and Midland regions which leads to wear and tear as well as lifespan of trucks.

## STRATEGIC OUTCOME (SO2): A GREEN CITY

|  |   |
|--|---|
| <p>completion, outstanding currently is the provision of Bulk containers.</p> <ul style="list-style-type: none"> <li>▪ Work-study on Refuse Removal has been completed in the Coastal Region, a refuse removal schedule has been developed and currently at consultation stage.</li> <li>▪ Review of Refuse Removal schedule at both Midland and Inland Regions has been completed and is already being implemented.</li> <li>▪ Acquisition and installation of Eight Hundred and Fifty (850) Street Litter Bins in strategic points across the Metro has been successfully implemented.</li> <li>▪ Good Green Deeds Programme is successfully being implemented on an ongoing basis through service delivery Fridays and awareness raising campaigns.</li> <li>▪ Two (2) operational Mini Buy- Back Centres have been established at Southernwood and East London CBD through Call-2-Action programme. Currently, other two (2) Mini Buy-Back Centres are still under construction at Quigney and Settlers Way.</li> <li>▪ The latest external audit outcome indicated that the site was at 80% compliance due to presence of Waste Pickers on site, broken infrastructure such as site fencing and lack of signage that is represented in three (3) spoken languages within the City.</li> </ul> |   |
| <p><b>Current State</b></p> <ul style="list-style-type: none"> <li>▪ Acquisition of solid waste fleet for all the three (3) regions for improvement in the provision of Solid waste services. This specialised fleet include compactor trucks, skip loaders, tipper trucks, and horse &amp; trailer trucks.</li> <li>▪ Construction of Cell 3 and 4, upgrading of the Leachate Treatment Plant as well as the waste sorting facility were completed at Roundhill Landfill site within the 2020/ 2021 financial year.</li> <li>▪ Upgrading of Kidds Beach and Kaysers Beach Garden Transfer Stations, which include fencing, installation of information boards, signage, access control, and paving are at 95% completion, outstanding currently is the provision of Bulk containers.</li> <li>▪ Work-study on Refuse Removal has been completed in the Coastal Region, a refuse removal schedule has been developed and currently at consultation stage.</li> <li>▪ Review of Refuse Removal schedule at both Midland and Inland Regions has been completed and is already being implemented.</li> <li>▪ Acquisition and installation of Eight Hundred and Fifty (850) Street Litter Bins in strategic points across the Metro has been successfully implemented.</li> </ul>                      | <p><b>Action Plans</b></p> <ul style="list-style-type: none"> <li>▪ Implement Waste diversion from disposal towards waste beneficiation and waste economy.</li> <li>▪ To Develop Waste to energy projects.</li> <li>▪ Implement Separation of waste at source programmes.</li> <li>▪ Implement Recycling projects including the establishment of buy-back centres, drop-off points, transfer stations and formalisation of Waste Pickers.</li> <li>▪ Establish community-based waste management service provision.</li> <li>▪ To facilitate implementation of the household hazardous waste pilot project</li> <li>▪ To facilitate the Construction of Cell 5 &amp; Cell 6 at Roundhill landfill site.</li> <li>▪ To facilitate the Construction of cells and upgrading of King William's Town landfill site.</li> <li>▪ To facilitate Acquisition of chipping machines for garden transfer stations</li> <li>▪ To facilitate Acquisition of refuse compactor trucks, LDV's and 4 Ton trucks</li> <li>▪ To facilitate Acquisition of plant &amp; machinery for landfill sites and garden transfer stations</li> </ul> |

## STRATEGIC OUTCOME (SO2): A GREEN CITY

- Good Green Deeds Programme is successfully being implemented on an ongoing basis through service delivery Fridays and awareness raising campaigns.
- Two (2) operational Mini Buy- Back Centres have been established at Southernwood and East London CBD through Call-2-Action programme. Currently, other two (2) Mini Buy-Back Centres are still under construction at Quigney and Settlers Way.
- The latest external audit outcome indicated that the site was at 80% compliance due to presence of Waste Pickers on site, broken infrastructure such as site fencing and lack of signage that is represented in three (3) spoken languages within the City.
- Implementation of a 2 shift system for refuse removal and street sweeping (Supervisors, Drivers & General Workers)
- The directorate has collaborated with National Treasury and BCMDA through a labor-intensive project, envisaged to commence in March 2022. The project will focus on litter picking, grass cutting, gutter clearance, beatification just to mention a few.

## Strategic Outcome

# 3

A CONNECTED CITY



## SITUATIONAL ANALYSIS

### 1. STRATEGIC OBJECTIVE

To maintain a world class logistics network.

### 2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcome, Strategic Objective and Key Focus Areas is depicted as follows:

| Strategic Outcomes                          | Strategic Objectives                        | Key Focus Areas                              |
|---|---|--|
| STRATEGIC OUTCOME 3 (SO3): A connected city | To maintain a world class logistics network | KFA 19: Roads and Storm water Infrastructure |
|   |   | KFA 20: ICT                                  |
|   |   | KFA 21: Transport Planning and Operations    |
|   |   | KFA 22: Energy Supply Efficiency             |

### 3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2021/2026 IDP Process:

| STRATEGIC OUTCOME 3: A CONNECTED CITY   |   |  |
|---|---|--|
| Council Priorities  | MTSF 2019/2024  | PDP  |
| <i>MGDS Strategic Outcome 3: A Connected City - The MGDS highlights that high-quality and competitively priced connections to ICT, electricity and transport networks (inside the city and to the outside world) are an essential requirement for a successful modern city.</i> | Priority 5: Spatial Integration, Settlements and Local Government | Goal 2: An enabling infrastructure network |

## STRATEGIC OUTCOME 3: A CONNECTED CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <p><b>This includes:</b></p> <ul style="list-style-type: none"> <li>• <b>ICT – digitization and growth of knowledge-based ICT services on the back of more stable and faster broadband and greater access through free Wi-Fi.</b></li> <li>• <b>Electricity – upgrade electricity transmission and distribution.</b></li> <li>• <b>Ports – Expand and deepen East London Sea Port, and connectivity to the Port of Ngqura; expand East London Airport (include runway extension).</b></li> <li>• <b>Roads – Improve general road maintenance and reduce heavy road haulage through the city centre through N2-R72 bypass; open up new land parcels for development through new road infrastructure (NW Expressway, Quinera-Gonubie Road etc, aligned to the SDF).</b></li> </ul> |                |     |

### 59. ROADS & STORMWATER INFRASTRUCTURE & TRANSPORT PLANNING AND OPERATIONS

- a) Collaborate with ELIDZ on infrastructure maintenance plans.
- b) Prioritise the development of a Pavement Management System (PMS) as a tool that provide a systematic method of road condition data collection, storage, analysis and modelling for decision-making associated with optimising resources across the network.
- c) Special attention should be given to storm water drainage system, and a special unit be established to deal with such.
- d) Unlock development and movement of freight in City through the currently unfunded:
  - Rehabilitation of Douglas Smith Highway
  - Rehabilitation of Settlers way (Implementation stage)
  - Rehabilitation of Ziphunzana bypass
  - Rehabilitation of Bowls Road
  - Upgrade of Northeast Express way
  - Rehabilitation of Bridges and Stormwater
  - Beacon Bay to Gonubie link road phase 3 -8
  - Rehabilitation of Beacon Hurst drive
- e) Upgrade rural roads.
- f) Explore public transportation opportunities and options.

### 60. ELECTRICITY

- a) Expand programmes and projects which support green energy initiatives.
- b) Electrify new formal settlements and developable informal settlements.
- c) Clamp down on illegal connections and improve on repairs and maintenance.
- d) Consider alternative power including a base load generation/ storage.
- e) Prioritise implementation of the energy loss reduction plan (illegal connections, tampering, vandalism and theft).
- f) Upgrade the 132 kV network to provide a stable supply and to allow for the import of renewable energies
- g) Mitigate the challenges caused by electricity loss.

### 61. ICT

- a) Prioritise and implement Smart City initiatives as identified in the workstreams through support of the World Bank.

## STRATEGIC OUTCOME 3: A CONNECTED CITY

| Council Priorities  | MTSF 2019/2024 | PDP |
|---|----------------|-----|
| b) Strengthen ICT backbone and extension of fibre network to improve reception and extend its role in the Smart City Objective.   |                |     |
| <b>62. WATER AND SANITATION</b>   |                |     |
| <ul style="list-style-type: none"> <li>a) Resource backlog on emptying of existing Ventilated Improved Pit-latrines toilets.</li> <li>b) Revisit the municipal budget process to be needs based and priority driven, rather than balancing of available funding.</li> <li>c) Create a prioritization system for budget allocation for services.</li> <li>d) Adopt best technologies for managing water leakages and enforcement of punitive tariffs, viz. prepaid water metering as an example.</li> <li>e) Prioritise the Water Indaba and roll-out the feasible bulk water supply alternative to ensure a sustainable and viable mix.</li> <li>f) Secure funding for the upgrading of Umzinyana WTW and new Kei Road Water Treatment works to accommodate the increasing water demand due to unplanned population growth</li> <li>g) Improve the quality of water.</li> </ul>   |                |     |
| <b>63. BULK INFRASTRUCTURE</b>  |                |     |
| <ul style="list-style-type: none"> <li>a) Prioritise and operationalise sector CIDMS processes and the preparation of project life cycle plans to feed into asset management and city budgeting processes (budget adequacy).</li> <li>b) Prioritise funding to continue with critical strategic connectivity projects which are game changers in the integration nodes.</li> <li>c) Update all sector plans where these are outdated in order to inform project pipelining and prioritisation within each sector.</li> <li>d) Introduce alternative sources of water as a means of mitigating the adverse effects of the drought.</li> <li>e) Upkeep and upgrade of the WWTW and WTW to secure the future of sustainable water and sanitation services in BCMM.</li> <li>f) Provide piped water to rural dwellings, suburbs and townships.</li> <li>g) Provide sanitation to the most far-flung areas.</li> <li>h) Rigorously explore opportunities for Public Private Partnerships in funding its infrastructure.</li> <li>i) Pilot a City Improvement District-type arrangement, possibly targeting the “eds and meds innovation precinct” inner city (with Frere Hospital, Life St Dominics, East London Private Hospital, WSU, UFH, Buffalo City TVET College, and a range of schools in the area -Selborne, Clarendon etc).</li> <li>j) Replace and upgrade ageing infrastructure</li> </ul> |                |     |

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

### KFA 19: Roads and Storm water Infrastructure

In any City, the road network is one of the key components of the transportation system enabling mobility for the transportation of goods and people. A good reliable roads network is vital to the economy of a City and acts as a catalyst to development. With this in mind, the Roads branches core mandate is to provide a safe all-weather roads network for the use of all road users.

Roads and Stormwater services are responsible for management of the road and infrastructure network in the built-up area. Which includes surfaced and gravelled roads with associated storm water. BCMM also has a dedicated major storm water channelling that protects the city from major flooding. Major and minor bridges and culvert also form part of the network.

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

The service contributes towards the Connected City Pillar of the Metro Growth and development strategy with priority being to ensure seamless movement of vehicles and people within and through the city through a reliable and well-kept road network.

### Alignment with the National and Provincial Plans and Policies

- The South African National Roads Agency and National Roads Act, 1998 (Act No. 7 of 1998)
- National Land Transport Transition Act, 2000 (Act No. 22 of 2000)
- National Road Traffic Act, 1996 (Act No. 93 of 1996) as amended

### Link to BCMM Strategies, Sector Plan(s) and Policies

- Roads Master Plan 2018/19
- Stormwater master plan 2009/10
- BCMM pavement management standards

### Progress & Achievements 2016 to date

- Upgrading of Mdantsane gravel roads to surfaced standards - cluster 1 – phase 3 in Wards 11, 12,14,17, 42: Upgrading of a 23,4 km gravel road to surfaced standard with associated stormwater.
  - Start date: 28 June 2016
  - End Date: 31 July 2020
  - Cost: R 136 667 544.53
- Upgrading of Mdantsane gravel roads to surfaced standards - cluster 2 – Phase 3 in Wards 11, 20,30,48: Upgrading of a 20 km gravel road to surfaced standard with associated stormwater.
  - Start date: 15 July 2016
  - End Date: 05 July 2018
  - Cost: R 128 745 195.48
- Upgrading of Mdantsane gravel roads to surfaced standards - cluster 3 – phase 3 in Wards 21,22,23: Upgrading of a 15 km gravel road to surfaced standard with associated stormwater
  - Start date: 11 June 2018
  - End Date: 01 June 2020
  - Cost: R 96 020 846.17
- Reconstruction and Rehabilitation of Fleet Street – link to R72 and NE Expressway in Ward 47: To reconstruct and rehabilitate the road layer works and surfacing of Fleet Street 1,5 km.
  - Start Date: 25 July 2016
  - End Date: 01 December 2017
  - Cost: R 134 348 213,92
- Upgrading of Gonubie Main Road in Wards 27,28: Upgrading of Gonubie Main Road CRCP (Continuously Reinforced Concrete Pavement) 4 km long dual carriageway, along with intersections, cycle path and stormwater drainage.
  - Start Date: April 2013
  - End Date: October 2016
  - Cost: R 150 581 826.72
- Beacon Bay and Gonubie Link Road, Phase 2 in Ward 27: Construction of 650 m of dual carriageway road and a major concrete culvert along with sidewalks, electrical reticulation and stormwater drainage.
  - Start Date: 11 July 2017
  - End Date: 19 March 2019
  - Cost: R81 545 300.03

### Challenges

#### ROADS PROBLEM STATEMENT

Generally, it is acceptable to have a backlog of between 5% to 10% of the roads network in a Poor to Very Poor condition at any given time. Based on the assessments done by the department, the current proportion of roads in the Poor to Very Poor condition grade is  $\pm 45\%$  of the Surfaced roads and  $\pm 35\%$  of the Gravel roads network. At the current levels of Capital funding allocation, it is impossible to address all the backlogs and have a significant improvement in the overall condition of the network.

#### STORM WATER PROBLEM STATEMENT

There is more than 610km of storm water pipes and culverts within the Metro, many of which are very old, and corroded and in need of replacement. There is a significant backlog in the maintenance and upgrade of the existing stormwater drainage systems in the city with 21% of the infrastructure in a Poor condition. There is an urgent need to make additional funding available to replace/rehabilitate and upgrade the stormwater network. The need for improved stormwater drainage systems is increasingly important due to changing climatic conditions due to Global Warming (Severe Drought and Severe Flooding).



## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- Upgrading of gravel roads in RDP settlements to surfaced standards - cluster 2 in Wards 24, 48: Upgrading of approximately 2 km gravel road to surfaced standard with associated drainage system.
  - Start Date: 14 June 2016
  - End Date: 24 July 2017
  - Cost: R 13,786,755.09

- The South African National Roads Agency and National Roads Act, 1998 (Act No. 7 of 1998)
- National Land Transport Transition Act, 2000 (Act No. 22 of 2000)
- National Road Traffic Act, 1996 (Act No. 93 of 1996) as amended

- Roads Master Plan 2018/19
- Stormwater master plan 2009/10
- BCMM pavement management standards

### Current State

#### Roads

- The Buffalo City Metropolitan Municipality (BCMM) roads branch is responsible for the rehabilitation, upgrade and maintenance of all existing BCMM owned roads, sidewalks, guard rails and street name signs within the BCMM area. The roads network is made up of ± 3310 km of roads both surfaced and unsurfaced with an estimated replacement cost of R 9,4 Billion. The surfaced roads network which includes Asphalt, Concrete and Block Paved Roads consists of ± 1670km of roads with an estimated replacement cost of ± R 7 Billion and a Gravel roads network of ±1640km with an estimated replacement cost of R 2,4 Billion.
- Subsequent to the 2016 local government elections, an additional 28 villages have been added into the BCMM boundaries. This has increased the length of roads to be maintained and upgraded in order to bring them to an acceptable level of service.

#### Roads and Stormwater Master Plan

- The Roads Branch has a draft Roads & Stormwater Master Plan that was compiled in the 2018/2019 financial year.

#### Roads Stakeholder interface

- There are ad hoc meetings between BCMM, Department of Roads and Transport, and SANRAL which take place on an as and when required basis in order to update on the activities of the various roads authorities.

#### Storm Water

- The Stormwater unit is responsible for the rehabilitation, maintenance and upgrade of all existing BCMM owned Stormwater drainage and Bridges within the BCMM area. The existing infrastructure consists of ±70Bridge Structures, ±21 000 manholes, kerb inlets, headwalls and ±610 km of pipe withi

### Action Plans

- Road improvement in the new wards has been extended to address the priority hot spots in the last few years.

### KFA 20: ICT

The function of the ICT Unit is to provide and enable technology infrastructure and support to the Municipal departments, so they may provide a cost effective and reliable service to the community. The ICT unit plays a fundamental role in data management and the distribution there off, thus ensuring a continuous improvement in ensuring automation of business processes with all its application framework uncompromisingly being MSCOA compliant.

The ICT Dept as the enabler of Information Communication and Technology of the institution, has a mandate guided by the ICT Strategy which feeds to the City Development Strategy targeting key strategic areas of the IDP, namely:

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- Municipal Transformation and Organizational Development
- Integrate physical ICT Infrastructure to enhance multimodal connectivity
- Integration of IT Systems
- Municipal Basic Service Delivery & Infrastructure Development
- Develop and establish a smart city concept for the City

### Link to BCMM Strategies, Sector Plan(s) and Policies

- User Account Management Policy
- Disaster Recovery Plan Policy
- Application Support Policy
- Application Development Policy
- Backup and Restore Policy
- Change Management Policy
- IT Governance framework
- Risk management Framework
- Firewall procedure
- ICT Security Policy

### Progress & Achievements 2016 to date

- Fibre roll-out for All Wards: East London to Qonce (previously known as KWT)
  - East London to King Williams Town
  - EL CBD, Qonce and Inland municipal offices
  - Gonubie CBD, Beacon Bay Civic Centre
- Secondary Connectivity - Microwave Radio Network 3G
- Wi-Fi for the Public and in Municipal buildings
- MSCOA: Application integration
- eProcurement platform – Vendor portal, Acquisition Management, Contracts Management and Tender Management.
- Software upgrade: Microsoft Office 365, MS Teams and MS Azure Cloud Services
- Secure access to the network using two factor authentication
- Data Centre: Upgrade of the Data, UPS and Generator for Munifin Building
- Backup Power for Qonce ICT Data Centre, Bhisho High Sight and Key Municipal Buildings

### Current State

- COVID-19 has accelerated digital transition and revealed our shortcomings

### Action Plans

- BCMM has expansive plans for SMART City development
  - This includes the undersea cable, landing station, Business Process Outsourcing (BPO) Park, Data Recovery Centre, Free Wi-Fi, 5G connectivity, Science and Technology park
  - Partnership with World Bank and Cities Support Programme (Smart City Strategy)
  - 4IR transition accelerated – must be infused into everything we do (Smart City)
- Strong potential growth in global business services sector (Global Business Services), with a number of investors secured
  - Key aim is to unlock digital access and inclusion (link to public employment programmes) – Partnership with BCMDA, CSIR, Think Wi-Fi
- Digital and High-end skilling (Digital Skills Hub with Harambee, ELIDZ Science Park and MBSA's Learning Academy)
- Master Data Management

### KFA 21: Transport Planning and Operations

The objective of the BCMM transport system is to provide easy access to places of work, schools, community services and other recreational activities in a safe and secure environment and in a cost-effective manner. The existing public transport modes in particular those servicing the poor partially meets these requirements.

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

The Integrated Public Transport Network Plan was completed in 2018 in order to access the Public Transport Network Grant. Funding was received from the 2016/17 financial year and was used to the Upgrading of Qumza Highway, development of the MELD Corridor Business and Operational Plan and the Review of the Business and Operational Plan for the entire city. The grant has since been suspended for a period of three years from July 2020.

The Comprehensive Integrated Transport Plan (CITP) is reviewed every five years and was reviewed in 2019 as per the requirements of the National Land Transport Act 5 of 2009. The current review (in draft) will provide progress on implementation of projects and incorporate any new spatial planning and other developments within the City. Sub plans that form input into the CITP are the Non-Motorised Transport Plan, the Traffic Safety Plan, the Transport Register, the Freight Plan, the Arterial Road Network Development Plan and the Public Transport Plan.

### Alignment with the National and Provincial Plans and Policies

- Eastern Cape Provincial Development Plan (2020) – Goal 2: An enabling infrastructure network
- Integrated Urban Development Framework which has as its overall objective the creation of efficient urban spaces by, et al, “reducing travel costs and distances”, “aligning land use, transport planning and housing”, and “improving public transport and the coordination between transport modes”.
- Performance Outcomes of Government – Outcome 6: An efficient, competitive and responsive economic infrastructure network.

### Link to BCMM Strategies, Sector Plan(s) and Policies

- Comprehensive Integrated Transport Plan – deals with an overall perspective of the BCMM transport planning documents.
- Non-Motorised Transport Plan – deals with plan on the implementation of priority projects in terms of non-motorised transport (sidewalks, bicycle lanes, traffic safety plans).
- Traffic Safety Plan – reduce the number of severity of collisions & casualties within its area of operations.
- Transport Register – must provide a description of all the scheduled and unscheduled services operating in, to or from the Buffalo City area and all public transport facilities and infrastructure in the Buffalo City area. The Transport Register is to include a register of all changes to operating licenses and permits in the Buffalo City area and new ones issued.
- Freight Plan – to survey the current freight movement and the modes by which such freight is being transported, and which has defined certain strategic freight corridors.
- Arterial Road Network Development Plan – Transport Planning is a dynamic process, as forecasting future needs is dependent upon current priorities, planning and development. This plan is used to assist in the formulation of an implementation programme for the next five years, and as a guide for planning in years beyond.
- Public Transport Plan – this plan assists the City in planning for public transport services and their various systems.

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>• Business Plan &amp; Operational Plan – this plan assists the City in identifying whether it can operate viable public transport and what are the costs associated with that system.</li> </ul>  |
| <b>Progress &amp; Achievements 2016 to date</b>  | <b>Challenges</b>  |
| <ul style="list-style-type: none"> <li>• Construction of Pedestrian Bridges Programme (R 12.909 million)             <ul style="list-style-type: none"> <li>▪ Cambridge Township in Ward 16 - Completed 2020</li> <li>▪ Siya in Ward 8 - Completed 2020</li> <li>▪ Matanzima in Ward 6 - Completed 2020</li> <li>▪ Sithembiso SSS in Ward 14</li> <li>▪ Scenery Park (2No.) in Ward 5</li> </ul> </li> <li>• Sleeper Site Road in Ward 47:             <ul style="list-style-type: none"> <li>▪ PHASE 1 (Bowls Road to Moore Street / Currie Street / Tutton Terrace Intersection) - Under Construction scheduled to be completed December 2020. Cost - R 58.81 million</li> <li>▪ Phase 2 (Currie Street / Tutton Terrace Intersection) – Construction scheduled to start not later than October 2021. To Be Advertised to get a price for the project in 2021</li> </ul> </li> <li>• Upgrading of Qumza Highway Phase 7 – 1&amp;2 (2.48km) in Wards 17,20,21,30 &amp; 48: Construction completed as end August 2020. Cost - R 268 million</li> <li>• Upgrading of KWT Public Transport Facilities in Ward 37: Construction completed for Taxi City Taxi Rank in June 2018 and Market Square Bus Terminal in January 2020. Construction of the Market Square Taxi Rank is 95% complete scheduled to be completed by June 2021. Cost - R 85.663 million</li> <li>• Review of the Comprehensive Integrated Transport Plan for All Wards: Draft report completed during the month of August 2020. Final approval by Council anticipated. Cost - R 2 million</li> </ul> | <ul style="list-style-type: none"> <li>• There is a crucial need to redevelop a quality formal public transport system in order to contain the growth of private traffic and also to provide accessibility for all citizens, and thereby facilitate the socio-economic development of the City.</li> <li>• For the most part, people resident in areas where access to opportunities is poorest are most reliant on public transportation. The spatial pattern and concentrations of development in these areas, however, have not historically favoured the sustainability of most modes of mass-based public transport.</li> </ul> |
| <b>Current State</b>   |  |
| <ul style="list-style-type: none"> <li>• For citizens of Buffalo City, access to transport is, like for most other cities of South Africa, characterized by a high car usage amongst the economically well-off population, while people with low income have to rely on public transport or must walk. As per the figure below, non-motorised transport accounts for 50% of trips per mode within the city and therefore this mode of transport must be catered for to ensure safety and comfort for pedestrian traffic.</li> <li>• The Operational Plan that was produced in 2009 is currently being reviewed after discussion with National Treasury and Department of Transport that funding for the PTISG grant will resume at BCMM. The municipality is proposing the</li> </ul>  |  |

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

development of the business plan; financial modelling of the Mdantsane to East London Corridor (MELD) as priority number one and associated feeder routes.

- Qumza Highway: MELD Feeder Route (5km): The feeder route along the Qumza Highway between Golden Highway and Highway Taxi rank has a 5km section that is a single carriageway that requires to be upgraded to have dropping off lane for the public transport in order to improve traffic congestion. The designs for this section of the road were completed in July 2016.
- Mount Ruth Node: Mount Ruth was specifically identified in the MELD study as an area with very high potential for development as a mixed land use node, based on its proximity to the rail line and station, it's direct connection with the Mdantsane CBD as well as its potential linkages with the N2 and N6. This highlighted the need for a more detailed nodal development plan for Mount Ruth and resulted in the preparation of the Mount Ruth Nodal Precinct Development Plan
- Mdantsane has limited access to the N2 freeway system. This lack of accessibility impacts negatively on the area, particularly with respect to attracting investment. At the same time, it was recognised that there were important linkages missing from the transport network as a whole if the logic of a hierarchical road system is to apply. In order to attract investment through improved accessibility.

### Action Plans

- BCMM has submitted R7b proposal to BFI (currently being assessed) for transport corridor development (Settlers Way co-funding, Harbour Arterial Rd, NW Expressway to densify Reeston and Amalinda, Mdantsane Access Rd, and N2-R72 Bypass), as well as bulk sewerage and bulk energy infrastructure required for projected economic and population growth.

### KFA 22: Energy Supply Efficiency

Buffalo City Electricity Department supplies more than 140 000 customers in an area covering approximately 2 500 square kilometres. Electricity for the main supply to the Metro Region is purchased at mainly 132 000, 66 000 and 11 000 volts from 13 Eskom intake point. This is re-distributed to all legal consumers within the urban edge. Our focus is to provide a safe, effective, and efficient electrical supply service in accordance with legal and statutory requirements.

In the electricity and energy department implemented projects to the listed 3 top service priorities:

#### Electrification of Formal Houses

As per government policy BCMM priorities electrification of formal RDP households, the aim is to electrify all completed homes built within the following year. The actual achievement is based on the funding made available in this financial year 100 household received electricity for the first time, improving their living standard. The continued electrification of RDP houses to prioritized to ensure that the backlog of around 2% is maintained or reduced.

#### Electrification of Informal Dwellings

Informal settlements are an urban reality and will be the only form of housing available to many residents. To improve the quality for residents of these settlements, Council took a decision that settlements meeting specific requirements in line with an approved Standard Operating Procedure (SOP) will be provided with interim electricity services. The approved SOP process proceeds through Spatial Planning and Development / Human Settlement Phase, thereafter electricity will be in a position to commence with the electrical Planning Phase in line with the OHS Act. In the year under review 900 informal dwellings received electricity.

#### Upgrading, refurbishment and replacement of the electrical equipment:

The BCMM electrical network is aged and does not have additional capacity for the number of Household that require electrification. The Electricity and Energy department have a master plan which includes future housing projects and have implemented projects that will make provision for capacity on the electrical network for these projects. The recapitalization program has also been prioritized to ensure a reliable, safe and efficient service to all BCMM legal consumers.

#### Energy Efficiency, replacement of existing street lighting

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

The objective is to align the Buffalo City Municipality to the national strategic objective of optimizing energy usage through energy efficiency Projects. As the urban population grows and the effects of climate change worsen, our cities have to adapt. Cities need to accelerate their transition to a cleaner, healthier, and more economically viable future through improvements in efficiency 155 technology reform. The implementation of these projects contributes towards the reduction of energy consumption on the electricity networks and thus reduce the energy demand. 2650 conventional streetlights were retrofitted from 50/70 watt to 36 watts (average reduction in wattage on each fitting by 50%)

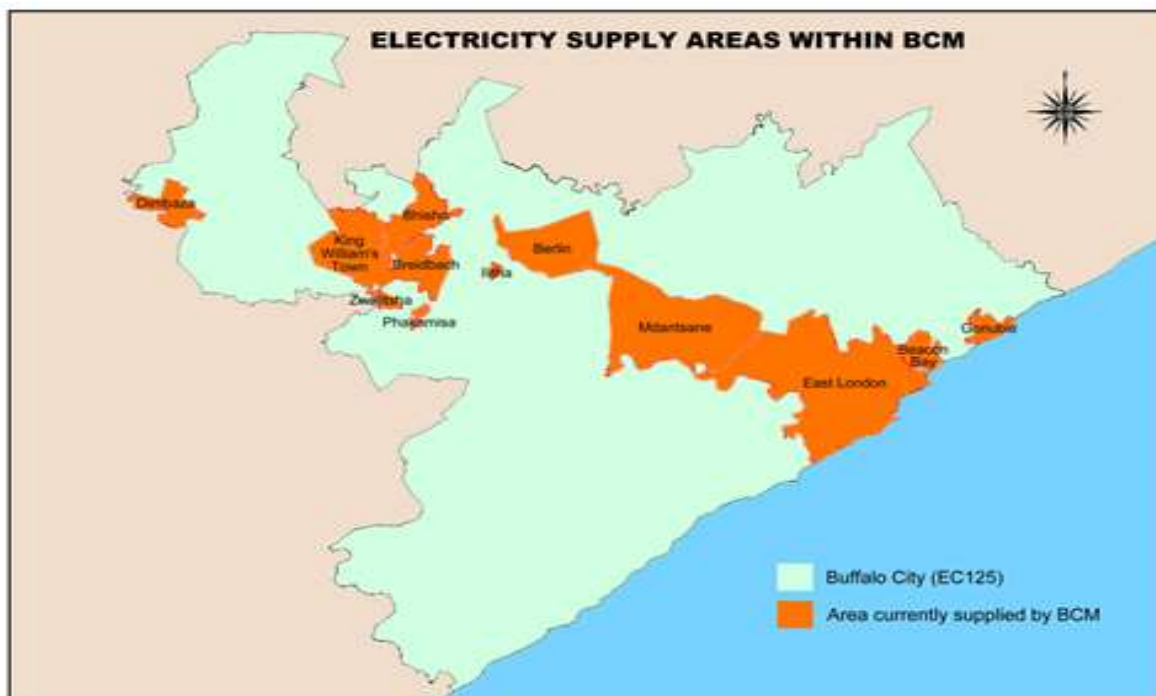


Figure 42: Electrical Supply Areas within BCM

Having an electrical Asset base in excess of R2 Billion, BUFFALO CITY METROPOLITAN MUNICIPALITY is an implementing agent for the Department of Energy's (DoE) Integrated National Electrification Program (INEP) which seeks to provide universal access to energy to all citizens. Currently the energy mix is depicted as follows:

- Private solar usage on roof tops: BCMM require all private consumers to register their roof top installation with BCMM Electricity Department, as BCMM must report all embedded generation to NERSA, as well as for network safety purposes. BCMM allow infeed onto the network, and are piloting the infeed tariff and the accounting of the energy
- BCMM roof top solar: BCMM Electricity Department has a test site for roof top solar generation. The power generated by this system is less than 0.5% of 285MW maximum demand drawn from ESKOM.
- Hydro-power: Investigation will be conducted through the Energy Audit as to the potential for Hydro power within BCMM river systems
- Wind energy: At this time discussion are being held with the IDZ for the Installation of a small wind farm in the BERLIN green hub
- Large scale Solar generation: The installation of a 50 MW solar farm has been approved by the BCMM COUNCIL this is still at conceptual stage

To meet its mandate in terms of its issued licences, the department has three distinct business unit, that of 1. Development, Contracts and Asset Management, 2. that of Operation and Maintenance and 3. the Customer and Revenue Protection Services with the mandate

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

to ensure that the electrical network is well maintained and provides an acceptable electrical service to all paying consumers. The divisions' mandates are as follows:

**Development, Contracts and Asset Management:** this section is tasked to ensure that the network remains well designed, in terms of upgrading, protection levels, manages all contract works and is responsible to maintain the asset register and ensure that equipment reaching end of life is scheduled for replacement.

- Investigate, design and upgrade existing electrical network
- Replacement of capital equipment when required.
- Provide a project management service on installation done by developers
- Inspect assets and prepare maintenance schedules
- Inspect work completed on the maintenance schedules
- Update and maintain electricity department Asset register

**Customer Care and Revenue Protection:** This section is responsible to provide customer service by providing new meters to consumers, giving advice when requested, maintaining the service kiosk, identifying illegal connections, removing illegal connections, identifying tampered meters and investigating any illegal act which may affect the municipal electrical network.

- Installation of new service connections
  - Information concerning Electricity Department
  - Repairs and replacement of non-functioning meters
  - Inspection of meters
  - Removal of illegal connections
  - Investigation of theft, vandalism and illegal connections

**Operation and Maintenance:** This section is responsible to maintain the electrical network, provide a 24 hours standby service and repair any fault which affects the service delivery

- Maintain Overhead Lines (132/66/11 kilo Volt and 400 volts)
  - Maintain underground Cable (11 kilo Volt and 400 volts)
  - Maintain Electrical equipment protection schemes
- Maintain Electrical Substations
- Scheduling of work on a monthly basis.

### **Alignment with the National and Provincial Plans and Policies**

- Electricity Act, 1987 (Act No. 41 of 1987) as amended by Act No. 58 of 1989, Act No. 46 of 1994 and Act No. 60 of 1995

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Electricity master plan: To be reviewed in the following financial year
- Energy audit / Alternative energy strategy: In the Tender process to appoint a Professional Service Provider

### **Progress & Achievements 2016 to date**

- Informal Electrification in Ward 27: Electrification of 900 informal dwellings within the BCMM area of supply to the cost in excess of R14, 000,000
- Formal Electrification in Ward 10 and Infill Installations to supply electricity to the RDP housing program of the city amounting to R2, 000,000
- Upgrade of the 132 kV Electrical Network Upgrading of Stafford, Stoneydrift and Progress, though impact is for the greater city: Cost – R25, 000,000

### **Challenges**

- BCMM has a relatively old electrical network but has invested and continues to invest in the Capital replacement program of the electrical network.
- The investment should have secured a relatively safe and stable supply this is not the case in many areas due to two major issues that impact on the supply:
  - theft and vandalism of the electrical infrastructure. This has become a major issue over the last two years

## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>▪ SCADA (4IR) in throughout the Midland Area (Mdantsane) Installation of monitoring equipment for control and network visibility. Cost – R27, 000,000</li> <li>▪ MV &amp; LV Network in All Wards, Replacement, refurbishment of Medium Voltage &amp; Low Voltage lines. Cost – R19, 000,000</li> </ul> | <p style="margin-left: 40px;">with a substantial increase in incidents, which impacts on the operational budget leading to deferred maintenance as funding meant for maintenance is used to repair the damages.</p> <ul style="list-style-type: none"> <li>▪ the theft of electricity from meter tampering and illegal connections.</li> <li>▪ If BCMM does not get the illegal connections resolved, it will continue to influence BCMM's revenue and impact on the viability of BCMM and the electricity department.</li> <li>▪ BCMM must implement all viable legal routes available to reduce this illegal act not only to save its revenue stream but to also save lives within the communities affected by these illegal connections.</li> <li>▪ The electrification of informal settlement is the long-term solution. Many of the areas do not meet the electrification for one reason or another. The main issues being land ownership and high density of informal settlements.</li> <li>▪ Increase Funding of the Operational and Maintenance function to ensure that the capital investment made is not lost and the network remains stable into the future, is a concern as this is funded through the revenue generated from electrical sales, this revenue has been affected by the increase in electrical losses, which can be attributed to increase in electricity theft.</li> <li>▪ For BCMM to become an investment destination, BCMM should consider the following:</li> <li>▪ Diversify power supply to reduce reliance on Eskom, the options considered should include renewable energies and more importantly sources that provide power at peak times such as storage)</li> <li>▪ The new energy sources should also be used to reduce electricity tariffs</li> </ul> |
|--|---|

|  |  |
|--|--|
| <p><b>Current State</b></p> <ul style="list-style-type: none"> <li>▪ Electricity and Energy services mandate is to provide sustainable electricity and energy to all BCMM authorized electricity consumers in a reliable and safe manner.</li> <li>▪ The license issued to BCMM requires the electricity department to comply with NRS 047 Quality of service and NRS 048 Quality of supply.</li> <li>▪ To date all formal households in the BCMM license area have electricity connection. This includes more than 6000 informal dwellings which have been provided a basic supply of electricity.</li> </ul> | <p><b>Action Plans</b></p> <ul style="list-style-type: none"> <li>▪ Accelerating green transition</li> <li>▪ Conversion of ELIDZ into an UNIDO approved eco-industrial park (rated No1 in SA)</li> <li>▪ BCMM has planned IPP (Thezi Langa)</li> <li>▪ Berlin Green Hub (extension of ELIDZ, photovoltaic, solar panel production for all government buildings and RDP houses)</li> <li>▪ Energy Storage Systems (Bushveld Energy and Platinum Fuel Cells) – planning to set up a Vanadium Redox Flow Battery</li> </ul> |
|--|--|



## STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- This service contributes to the achievement of the globally Connected City pillar of the Metro Growth and Development Strategy by ensuring adequate energy capacity for socio-economic growth.
  - Buffalo City Electricity Department supplies more than 140 000 customers in an area covering approximately 2 500 square kilometres. Electricity for the main supply to the Metro Region is purchased at mainly 132 000, 66 000 and 11 000 volts from 15 Eskom intake point. This is re-distributed to all legal consumers within the urban edge. Our focus is to provide a safe, effective and efficient electrical supply service in accordance with legal and statutory requirements.
  - The Metro had a total number of 6340 (2.33%) households with electricity for lighting only, a total of 235 000 (86.48%) households with electricity for lighting and other purposes and a total number of 30 400 (11.9%) households did not use electricity.
  - The region within Buffalo City with the highest number of households with electricity for lighting and other purposes is East London Sub-metro Region with 83 800 or a share of 35.69% of the households with electricity for lighting and other purposes.
  - The region with the lowest number of households with electricity for lighting and other purposes is Macleantown, Sandisiwe Sub-Metro Region with a total of 15 500 or 6.59% of the total households with electricity for lighting and other purposes.
- manufacturing plant in the ELIDZ (R400m project which will create approximately 69 jobs, and which will address the baseload conundrum that renewable energy projects present.
- ELIDZ Wind Farm – a 100% locally designed wind turbine has been designed by a company which now requires to take this innovation to production. The ELIDZ is in the process of trying to set up 6 turbines for piloting purposes as well as R&D and training.
  - Capital replacement program.
  - With the President's statement concerning municipalities being able to purchase power from other sources besides ESKOM, BCMM should consider private re-newable energy projects to stabilise the supply and possibly reduce the cost of electricity within BCMM.
  - Electrification of all dwellings meeting the required guidelines

## Strategic Outcome

# 4

**A SPATIALLY  
TRANSFORMED  
CITY**



## SITUATIONAL ANALYSIS

### 1. STRATEGIC OBJECTIVE

To develop and maintain world class infrastructure and utilities.

### 2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcome, Strategic Objective and Key Focus Areas is depicted as follows:

| Strategic Outcomes  | Strategic Objectives  | Key Focus Areas                                   |
|---|---|---|
| STRATEGIC OUTCOME 4<br>(SO4): A Spatially<br>Transformed city | To develop and maintain world<br>class infrastructure and utilities | KFA 23: Water and waste water                     |
|   |   | KFA 24: Spatial and Urban Planning                |
|   |   | KFA 25: Sustainable Human Settlements             |
|   |   | KFA 26: Built Environment Management              |
|   |   | KFA 27: Urban, Rural and Township<br>Regeneration |
|   |   | KFA 28: Property Management and Land Use          |
|   |   | KFA 29: Cemeteries and Crematoria                 |

### 3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2021/2026 IDP Process:

## STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY

| Council Priorities  | MTSF 2019/2024   | PDP   |
|---|--|---|
| <p><b><i>MGDS Strategic Outcome 4: A Spatially Transformed City - The focus of the MGDS is on addressing the apartheid spatial form of Buffalo City. Key to this is increased densification, equalization of access to services and facilities, opening up new land for development close to economic nodes where people can find work, and developing transit-oriented corridors between economic nodes and marginalized residential areas. Specific initiatives highlighted in the MGDS include:</i></b></p> <ul style="list-style-type: none"> <li>• <b><i>Upgrade all informal settlements by 2030</i></b></li> <li>• <b><i>Implement township development with a focus on the Mdantsane Urban Hub</i></b></li> <li>• <b><i>Develop transit-oriented corridors (MELD, KWT-Bhisho)</i></b></li> <li>• <b><i>Develop innovation precincts</i></b></li> <li>• <b><i>CBD/inner city regeneration plan and build new settlements for a future-oriented city</i></b></li> </ul>   | <p>Priority 5: Spatial Integration, Settlements and Local Government</p> | <p>Goal 2: An enabling infrastructure network</p> |
| <b>1. SPATIAL PLANNING &amp; BUILT ENVIRONMENT</b>  |  |   |
| <ul style="list-style-type: none"> <li>a) Resolve the challenge of dilapidated and unsightly buildings which have characterised some areas of our towns through enforcement and other measures provided to us by law.</li> <li>b) Address delays in implementing Beachfront and Waterworld Projects.</li> <li>c) Release BCMM land in townships for housing and business purposes – Land Release programme.</li> <li>d) Establish an online Portal for Electronic Submission of Land and Building applications.</li> </ul>  |  |   |
| <b>2. LAND &amp; PROPERTIES</b>   |  |   |
| <ul style="list-style-type: none"> <li>a) Facilitate Land release by National &amp; Provincial Government as well as Private Sector. The land is required for Community needs.</li> <li>b) Rectify properties which were erroneously transferred to the Municipality.</li> <li>c) Conduct a municipal property leasing audit.</li> <li>d) * Buffalo City Metropolitan Development Agency should look at pedestrianizing Oxford Street and put fencing around the City Hall in order to change the face of the City and beautify the precinct. * Central Business District must be re-organised so that it does not become a slum (e.g. buildings in Oxford Street needed a facelift).</li> <li>e) The City should move to densification and make land available to all classes to be able to build houses particularly middle class to move away from informal settlement (emphasis should be on less talk and more action).</li> <li>f) Avoid land invasions and illegal occupations through provisions of anti-land invasion dedicated unit or service provider.</li> </ul> |  |   |
| <b>3. CEMETERIES &amp; CREMATORIUM</b>  |  |   |
| <ul style="list-style-type: none"> <li>a) Formulate a BCMM Cemetery Strategy.</li> <li>b) Introduce an Electronic Burial Management System.</li> <li>c) Secure additional resources for maintenance of cemeteries.</li> <li>d) Secure more budget for fencing and internal roads.</li> <li>e) Identify Strategic land parcels for new cemeteries.</li> <li>f) Develop a Strategy to address cultural issues and uncoordinated burials.</li> <li>g) Second Crematorium to accommodate Midland, Inland and surrounding towns outside BCMM</li> <li>h) Identify Heritage Cemeteries.</li> </ul>  |  |   |

## STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY

| Council Priorities  | MTSF 2019/2024 | PDP |
|---|----------------|-----|
| i) Explore idea of Crematorium for animals for more revenue generation.   |                |     |
| <b>4. PARKS &amp; OPEN SPACES</b>   |                |     |
| a) Development of City Wide Public Open Space & Greening Master Plan (Parks, Landscaping & Beautification)  |                |     |
| b) Mapping of all BCMM Parks and Public Open Spaces   |                |     |
| <b>5. INTEGRATED HUMAN SETTLEMENTS</b>  |                |     |
| a) Respond to the exceptionally high housing demand in BCMM by building more houses.  |                |     |
| b) Upgrade 154 informal Settlements through the Informal Settlement Upgrading Programme Grant (ISUPG).  |                |     |
| c) Review and update the current Informal Settlement Study (ISS) approved by Council in 2012 so that municipality is aware of the magnitude of informal settlements within the BCMM jurisdiction.                       |                |     |
| d) Update and develop institutional related Housing Policies such as: Housing allocation Policy, and Housing Relocation Policy; Rental Policy and Social Housing Policy.  |                |     |
| e) Acquire well-located land. Once the land is acquired, feasibility studies, planning and surveying processes will have to be undertaken to pave way for construction of houses and relevant facilities and amenities. |                |     |
| f) Depart from one man, one plot, Housing allocation Strategy due to land scarcity providing double storey buildings and duplexes.  |                |     |
| g) Avail planned and surveyed land to cater for the people who are in the National Housing Needs register, blue card holders, back yarders, overflow, and those who are in the informal settlements.                    |                |     |
| h) Avoid land invasions and illegal occupations through provisions of anti-land invasion dedicated unit or service provider.  |                |     |
| i) Provide Serviced Sites for homeless and first-time homeowners as an option that needs to be explored due to funding challenges.  |                |     |








## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

### KFA 23: Water and waste water

The Water Services Authority is responsible for the planning, design, construction, operations and maintenance of all water and sanitation services.

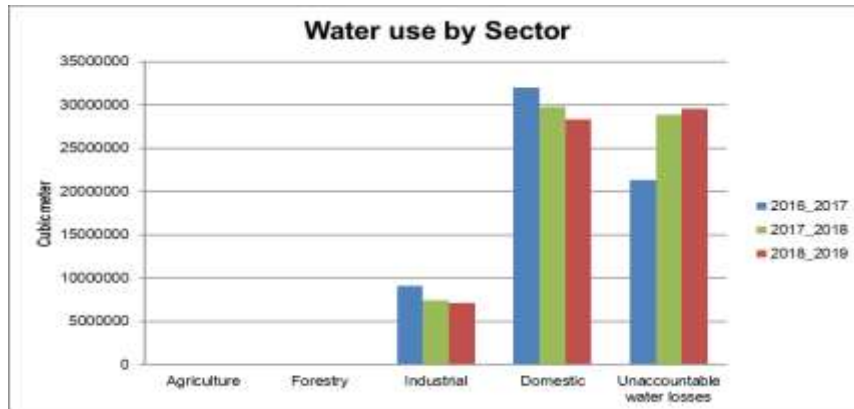
It performs a comprehensive function of directing the various divisions to plan their business, so they meet BCMM's overall goal of fully integrated development and with clear outputs that satisfy the Metro's Strategic pillar "Spatially Transformed City" and objectives as espoused in the Council's Integrated Development Plan which is directed by the long-term strategy in the Metro Growth and Development Strategy.

In doing so the unit has achieved progress to serve up to 92% of BCMM citizens with adequate sanitation, the 8% is currently serviced with communal ablutions at strategic locations in the informal settlements.

It is a legal requirement that a Municipality prepares a Water Services Development Master Plan (WSDP) to progressively ensure efficient affordable, economical and sustainable access to water and sanitation services that promote sustainable livelihoods and economic development. A new plan must be developed at least once every five years and updated as necessary and appropriate in the interim years.

#### Water Use by Sector

## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY



The system yield is adequate to meet the high growth projections until the next planned additional water resource augmentation which is expected to be implemented by 2027. The metro has reliably provided water services to communities. A total volume supplied in the 2018/2019 financial year has decreased by a massive 1 931 280 adding to a previous year saving of 1 474 227 kilolitres.

There are some 850 rural non-residential consumers units (i.e., schools, clinics, police stations sports facilities) within BCMM. These often have rudimentary standalone water supplies and generally have basic onsite dry sanitation facilities, which are not serviced by BCMM. No significant growth in the number of public institutions and dry industries are anticipated in the short to medium term, although proposed and/or planned developments have been submitted for approval by the city.

### Progress & Achievements 2016 to date

#### Water

- Eradication of Water Backlogs Programme in Wards 26,31,32,33,36, 40, 34, 36, 38, 35, 45: Water backlogs have been reduced from 98% to 2% covering Ncera, Amahleke, Siyathemba, Newlands, Kidds Beach water supply schemes. Cost - 80.9 million
- Augmentation of Umzonyana Water Treatment Works for All Coastal and Midland Wards though located in ward 13 excluding West Coast rural areas and farms. Completed 1200mm diameter raw water bulk mains to Buffalo River Pump Stations. Improvement of filter beds at the WTW. Completed Inlet Works from Dam intake tower to stilling basin, Construction of new Chlorine and Flocculent Storage and dosing facilities and Security Fence. Cost - 106.9 million
- Provision of Westbank Bulk Infrastructure in Wards 46 and 19: Completed bulk water mains and 7.2 Ml reservoirs for Westbank Restitution projects and future industrial/commercial/private development. Cost - 37 million
- Replacement of existing ageing Water Infrastructure for All Wards: On going multiyear programme. Cost - R170.1 million
- Eradication of Water Backlogs Programme: Bulk Water Supply to Coastal Areas Phase 2H2 - Construction of approximately 9km of Bulk line and connection to existing reservoirs. Cost - R19,462 923.00. Project commenced November 2020.
- Eradication of Water Backlogs Programme: Augmentation of Mxhalanga, Cwengcwe & Magqobokeni Water Supply - Construction and equipping of a Pumphouse, construction of approximately 3,7km x 75mm diameter PVC rising main & construction of approx. 2,5km pipeline extensions with associated standpipes. Cost - R5 400 000.00. Project is 85% complete.
- Eradication of Water Backlogs Programme at Nosanti Village Extensions: Construction of approximately 1,6km pipeline extensions and associated standpipes to Nosanti Village. Cost - R1 244 259.00. Project commenced in October 2020.
- Water Conservation and Demand Management: Refurbishment of Bulk Meter & Pressure Reducing Valves at Various Sites throughout the City. Cost - R2 000 000.00. Project commenced in October 2020.
- Pipe & Water meter replacement in Bisho, KWT: Replacement of approx 0,2km of existing AC to a 110mm diameter uPVC in Zwelitsha Zone 8. Cost - R701 734.40. Project commenced in October 2020.
- Pipeline & Water Meter Replacement in Bisho, KWT: Replacement of approx 0.15km of existing AC to a 75mm diameter uPVC in Thembisa, Dimbaza. Cost - R590 270.00. Project commenced in October 2020.

## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- Bulk pipe & Water meter in Bisho , KWT: Relocation of Water meters in Phakamisa Valley ,KWT. Cost - R1 190 525.60. Project commenced in October 2020.
- Reservoirs, Pipe & W/Meter Repl Mdantsane: Change over leadings and meter relocation NU 13. Cost - R1 000 000.00. Project commenced in October 2020.
- Distribution Amahleke Water Supply: Construction of Leadings from Didikana Bulk to existing Didikana Village Jojo Tanks. Cost - R3 000 000.00. Project commenced in October 2020.
- Dams AND Weirs - KWT & BISHO Infrastructure: Refurbishment of KWT Treatment works - sludge, holding Dam & drainage. Cost - R1 205 327.29. Project commenced in October 2020.
- Upgrade Water Networks: Upgrading of bulk infrastructure to Newlands water supply scheme - consists of construction of 1.5ML concrete reservoir, 3900m of 315mm rising main and upgrading of pumps at Nahoon dam. Cost - R9 291 420.00. Multiyear Project to complete in May 2020.

### Wastewater

- Berlin sewer upgrade in Ward 45: Provision of conveyancing capacity to connect area serviced by conservancy tanks in the Berlin CBD to include capacity for future expansion of CBD to the value of R 25 million
- Bhisho, KWT and Zwelitsha Phase 2 in Wards 25, 35, 37, 41, 44: Upgrading of Zwelitsha Wastewater Treatment Work to 15ML/d to accommodate diversion of effluent from Schornville, Bhisho and Breidbach treatment works to the value of R 450 million
- Upgrading of Reeston Wastewater Treatment Works in Ward 13: Upgrading of Reeston Wastewater Treatment Works to 12ML/d to accommodate diversion of effluent from Central WWTW to the value of R 220 million
- Ablution Facilities to Informal Settlement in Wards 1,2,6,7,9,10,12,13, 14, 15, 16,17, 19,21, 23, 24, 28,29, 25: Provision of communal Ablution Facilities to Informal Settlements which include seats and associated water points to the value of R 25 million
- Rural Sanitation in Wards 17,22,24,25,26,27,31,32,33,35,36,37,38,40,43,44,45,49,50: Provision of Ventilated Improved Pit-latrines (VIPs) to rural communities in eradicating sanitation backlogs to the value of R 260 million
- Hoodpoint Outfall sewer in Wards 19,46, 31: Provision of the outfall sewer to the west bank wastewater treatment facility in compliance with NEMAAct. This includes refurbishment of the existing Hoodpoint WWTW. Cost - R25 Million

### **Challenges**

- Most informal settlements provided with water and toilets but the continued mushrooming of more informal structures in the urban core is putting pressure of the capacity of infrastructure to provide a reliable service
- KWT no development due to bulk sewer challenges
- Water capacity challenges in midlands rural and some inland urban areas
- 92% of rural households have on site VIP toilets but perpetual occupation of unregistered state or communal land in rural areas makes this a moving target
- Limited operational budget to meet growing needs to keep infrastructure in high working order causing deferred maintenance and unwanted emergencies

### **Current State**

#### Waste water

- BCMM had a total number of 194 000 flush toilets (71.61% of total households), 43 000 Ventilation Improved Pit (VIP) (15.83% of total households) and 19 900 (7.32%) of total households pit toilets.
- The region with Buffalo City with the highest number of flush toilets is East London Sub-metro Region with 71 100 or a share of 36.55% of the flush toilets within Buffalo City.
- The region with the lowest number of flush toilets is Macleantown, Sandisiwe Sub-Metro Region with a total

### **Action Plans**

- Augmentation of Water Treatment capacity
- Bulk Water Supply to Coastal areas)
- Amahleke water Supply
- Bulk Water Provision- Replacement of existing infrastructure
- Bulk Sanitation Provision
- Diversion of Sewage from Central WWTW to Reeston WWTW
- Sanitation Backlog Eradication (Provision of VIPs to eliminate rural sanitation backlogs.)
- Undertaking further Phases of KWT WWTW
- Implementation of the WW Tunnel for Sewer Diversion
- Complete all water projects and provide connections

## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

|  |   |
|--|---|
| <p>of 12 100 or a share of 6.24% of the total flush toilets within BCMM.</p> <ul style="list-style-type: none"> <li>▪ When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2008 the number of Households without any hygienic toilets in Buffalo City Metropolitan Municipality was 73 400, this decreased annually at a rate of -7.38% to 34 100 in 2018.</li> </ul> <p><u>Water</u></p> <ul style="list-style-type: none"> <li>▪ The regions within BCMM with the highest number of households with piped water inside the dwelling is East London Sub-metro Region with 47 100 or a share of 36.59% of the households with piped water inside the dwelling within BCMM.</li> <li>▪ The region with the lowest number of households with piped water inside the dwelling is Macleantown, Sandisiwe Sub-metro Region with a total of 7 910 or a share of 6.15% of the total households with piped water inside the dwelling within BCMM.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Feasibility study on alternative sources of water</li> </ul> |
|--|---|

[KFA 24: Spatial and Urban Planning](#)

In terms of Section 26(e) of the Municipal Systems Act (Act No. 32 of 2000), the Spatial Development Framework is a legally required component of the Municipality’s IDP and, furthermore, has the status of a Statutory Plan. As such, the SDF serves to guide and inform all decisions made by the Municipal Council on spatial development and land use management in the area to which it applies.

| <b>Alignment with the National and Provincial Plans and Policies</b>  | <b>Link to BCMM Strategies, Sector Plan(s) and Policies</b>   |
|---|---|
| <ul style="list-style-type: none"> <li>▪ Spatial Planning and Land Use Management Act, 2013 (Act No.16 of 2013): “To provide a framework for spatial planning and land use management in the Republic”.</li> <li>▪ National Development Plan: “Strong and efficient spatial planning system, well integrated across the spheres of government”.</li> <li>▪ Eastern Cape Provincial Development Plan (20230): Goal 2 – An enabling infrastructure network</li> <li>▪ Integrated Urban Development Framework: The overall objective of the IUDF is to create efficient urban spaces by:               <ul style="list-style-type: none"> <li>○ Reducing travel costs and distances;</li> <li>○ Aligning land use, transport planning and housing;</li> <li>○ Preventing development of housing in marginal areas;</li> <li>○ Increasing urban densities and reducing sprawl;</li> <li>○ Shifting jobs and investment towards dense peripheral townships; and</li> <li>○ Improving public transport and the coordination between transport modes.</li> </ul> </li> <li>▪ Performance Outcomes of Government</li> </ul> | <ul style="list-style-type: none"> <li>▪ Buffalo City Metropolitan Municipality Spatial Development Framework (SDF), the SDF serves to guide and inform all decisions made by the Municipal Council on spatial development and land use management in the area to which it applies. It supports the development vision, objectives and strategies identified in the Buffalo City Municipality’s Integrated Development Plan (IDP).</li> </ul> |

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- The New Growth Path
- Eastern Cape Provincial Development Plan (2030)
- Eastern Cape Provincial Spatial Development Strategy
- Eastern Cape Provincial Economic Development Strategy

### Progress & Achievements 2016 to date

- BCMM Spatial Development Framework Review for All wards: The Draft SDF Review has been finalised and has been submitted to Council for approval. Cost - R800 000
- Approval of Land Use Applications for All wards: A total of 4293 land use applications have been approved by the HOD: Spatial Planning and Development under delegated authority in the last five years.
- Approval of Township Establishments for All wards: A total of 6378 sites were planned and created in the last five years at a cost of R 5 000 000 as follows:
  - Coastal: 5023 sites
  - Midlands: 1139 sites
  - Inland: 216 sites
- Creation of Approved General Plans for Township Establishments in Wards 10, 11, 12, 16, 17, 20, 21, 27, 39 and 45: A total number of twenty (20) general plans consisting of 3770 residential plots across all three BCMM operational regions were approved at a cost of R 5 500 000,00 as follows:
  - Coastal = 2708 Plots
  - Midland = 504 Plots
  - Inland = 558 Plots
- Creation of approved general plans:
  - Ward 10 - 1037 residential plots have been created in East Bank Resititution and Ndancama. Cost - R 963 000,00
  - Ward 11 - 86 residential plots have been created in Hani Park, Hlalani and Phola Park. Cost - R 211 000,00
  - Ward 12 - 340 residential plots have been created in Dacawa. Cost - R 159 691,00
  - Ward 16 - 412 residential plots have been created in Cambridge West. Cost - R 382 146,00
  - Ward 17 - 203 residential plots have been created in Masibulele. Cost - R 127 965,00
  - Ward 20 - 144 residential plots have been created in Empilisweni, Khayelitsha and Matsheni Park. Cost - R 290 403,00
  - Ward 21 - 71 residential plots have been created in Soga. Cost - R 144 482,00
  - Ward 27 - 919 residential plots have been created in Mzamomhle. Cost - R 600 369,00
  - Ward 39 - 165 residential plots have been created in Ginsberg areas. Cost - R 320 100,00
  - Ward 45 - 342 residential plots have been created in Emarantiyeni and Ilitha park. Cost - R 321 080,00
  - Ward 17 - Tachy survey to facilitate planning proceses (feasibility and township establishment) and engineering design. Cost - R 1 687 257,00
  - Ward 12 - Tachy survey to facilitate planning proceses (feasibility and township establishment) and engineering design. Cost - R 634 938,00
- Replacement of old lifts in various Municipal owned buildings with new lifts. Cost - R 8 000 000. Lifts have been installed to the City hall, Electricity House, Central Library, Old Mutual Building, Munifin Centre, Planning and Engineering Centre.

### Challenges

- The challenge regarding the turnover time for land-use applications is being addressed by a weekly meeting with line departments to speed up the comments on applications circulated.
- Administration of Land Use Applications is complicated and confusing due to different legislation being applicable to different areas. The proposed Provincial Planning Legislation mentioned above will deal with this problem.
- Council does not have delegated authority to dispose of applications in certain areas, which must go the MEC for final approval resulting in delayed service delivery.
- The above non-delegation of powers results in unnecessary red tape.
- Unauthorised land uses are problematic due to staff constraints and lack of a dedicated unit to deal with such. Although provision has been made on the Metropolitan organogram, the positions are still vacant and unfunded.



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### Action Plan

- SDF Review 2020: Key components of BCMM's Spatial Transformation initiative are:
  - Focusing on creating a Compact City  
Supporting the Smart City and opportunities in the new digital economy
  - 4 Development Corridors:  
MELD, North West Corridor, West Bank Economic Corridor, Bhisho Corridor
  - 2 Key Nodes:  
EL Inner City, Mdantsane CBD
  - 6 Mass Human Settlement areas  
West Bank, Quenera, Bhisho Precinct, Ginsberg, Amalinda Junction, Arnoldton/Reeston North
  - Intensifying and densifying the urban areas
  - Upgrading of urban and rural settlements
  - Land release
- An advertisement was placed in the Provincial Government Gazette and the Local Media on 16 March 2020 in terms of Section 20(3) of the Spatial Planning and Land Use Management Act 16 of 2013, giving the public 60 days to comment. The COVID 19 lockdown began on 26 March 2020 and as a result the public only had 10 days of the prescribed 60-day period in which to comment.
- Therefore, the Draft Spatial Development Framework Review was re-advertised on the 14 September 2020 for a 60-day period. So far, two comments from the public have been received.
- The Draft Spatial Development Framework has been submitted to the Spatial Planning and Development Portfolio Committee of the 7 October 2020 and recommended further to Mayoral and Council for approval.
- The relevant comments from the Public will be incorporated as the report progresses.

### KFA 25: Sustainable Human Settlements

The key role of the Human Settlements Directorate is the creation of settlements which do not only include the provision of housing and services, but rather ensuring that housing is within close proximity to necessary social facilities such as health care, community centers, parks or sporting activities, a police station, etc. This ensures that residents have easy access to necessary services and would minimize the need to travel distances to reach these activities. Also, the creation of affordable and well-located rental stock for the rapidly growing, mobile (migrant) and urban population within inner city and other locations close to economic opportunities is a priority.

The Directorate is also involved in the following priority housing programmes:

- Emergency housing programme - Provision of the temporal relocation units (trus) in urban and rural areas to the indigents and for dedensification. Ziphunzana Bypass and Mtsotso Temporary Relocation (TRA) Projects and others.
- Upgrading of informal settlement programme (UISP)- This is an ongoing programme wherein currently there about 29 Informal Settlements being upgraded in BCMM in terms of providing Engineering Services prior the final upgrade and construction of top structures.
- Rural housing subsidy programme through (Provincial Department of Human Settlements (PDoHS) - This is jointly being undertaken by BCMM and Provincial Department of Human Settlements.
- Project Linked Subsidy Programme - Provide assistance with registration and screening exercise for the potential beneficiaries.
- Disposal of municipal housing stock - On-going disposal of municipal housing stock to previously disadvantaged incumbent in terms of issuing them title deeds.
- Social Housing Support Programme - Assist with provision of support and beneficiary list for projects though this is a provincial executed function.
- Consumer Education and Social Facilitation - Consumer Education is undertaken in informal areas and established settlements so as to outline different subsidy quantum and to outline subsidy qualification criterion.
- Beneficiary Administration – Undertaken after pre-screening exercise that is undertaken by Housing Practitioners.
- Relocation of approved beneficiaries to completed houses - One of the Job creation Activity as it undertaken by Local Labour and the beneficiaries

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- Duncan Village Re-development Initiative (DVRI) – This is the Presidential Catalytic Programme which has the backing of the Inter-spherical Support of National and Provincial Departments of Human Settlements and BCMM

### **Alignment with the National and Provincial Plans and Policies**

#### The Housing Act, 1997 (Act No. 107 of 1997)

- The National Housing Act of 1997 defines the roles of different spheres of government in relation to the delivery of housing in South Africa. In terms of the responsibilities of Local Government in relation to housing delivery it states (Part 4 Sec 9.1).
- The Act defines the functions of national, provincial and local governments in respect to housing development and provides for financial arrangements for housing development. Furthermore, every municipality must as part of the municipality's process of integrated development planning take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to: -

Ensure that: -

- The inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis;
- Conditions not conducive to the health and safety of the inhabitants of its area of jurisdiction are prevented or removed; and
- Services in respect of water, sanitation, electricity, roads, stormwater drainage and transport are provided in a manner which is economically efficient.

Set housing delivery goals in respect of its area of jurisdiction.

Identify and designate land for housing development.

This Act further creates the provision for all spheres of government to give priority to the needs of the poor in respect of housing development.

#### National Housing Code, 2009

- The purpose of the National Housing Code is to set out clearly, in one comprehensive document, the National Housing Policy of South Africa. National Housing Policy comprises an overall vision for housing of South Africa and the way in which this vision should be implemented. The requirements for the establishment of the National Housing Code are set out in Section 4 of the Housing Act, 1997 (Act No. 107 of 1997). This act requires the Minister of Housing to publish a code to be called the National Housing Code. The code must contain National Housing Policy and administrative guidelines, in order to facilitate the effective implementation of the National Housing Policy.

#### Breaking New Ground 'BNG', 2004

- This document suggests a number of progressive changes to the delivery of housing in South Africa. Since the documents approval in September 2004 a number of these suggested changes have been incorporated, the following is a summary of the major relevant shifts in housing delivery strategy currently being incorporated into policy based on this document.
- The new human settlements plan reinforces the vision of the Department of Housing, to promote the achievement of a non-racial, integrated society through the development of sustainable human settlements and quality housing.

#### Spatial Planning & Land Use Management Act (Act 16 of 2013)

- The Spatial Planning & Land Use Management Act (Act No. 16 of 2013) was signed into law by the President on 5 August 2013.

Whilst the Act is yet to be operationalised and much work needs to be done to prepare the different spheres of government for its use, the Act is to become the framework legislation guiding the practice of Spatial Planning and Land Use Management in South Africa in the future. As such, the Act is to be noted at this juncture.

## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

### Link to BCMM Strategies, Sector Plan(s) and Policies

- Buffalo City Metropolitan Municipality Spatial Development Framework (SDF)

The Buffalo City Municipality compiled its 1st Generation Spatial Development Framework (SDF) in 2003 to support the development vision, objectives and strategies identified in the Buffalo City Municipality's Integrated Development Plan (IDP). This was subsequently reviewed in 2005.

In terms of Section 26(e) of the Municipal Systems Act (Act No. 32 of 2000), the Spatial Development Framework is a legally required component of the Municipality's IDP and, furthermore, has the status of a Statutory Plan. As such, the SDF serves to guide and inform all decisions made by the Municipal Council on spatial development and land use management in the area to which it applies.

### Policies

Housing Allocation and Relocation Policy was approved by Council in November 2014 to address:

- Interference with Beneficiary Master list
- National Housing Needs Register
- Accommodate backyarders
- People with Special Needs
- Integrated Residential Development Programme (IRDP)

The Directorate will review the policy in 2020/2021 financial year in order to address the following amongst other issues:

- Housing Allocation gaps
- Clear qualification criteria
- Application of Housing Needs Register which promotes first come and first served basis in the context existing informal settlement upgrade
- Inclusion of destitute programme
- Enforcement of relocation upon approval of the beneficiary
- Relocation processes and procedures
- Relocation structures

| Progress & Achievements 2016 to date  | Challenges  |
|---|---|
| <ul style="list-style-type: none"> <li>▪ Fynbos Cluster 3 Project in Wards 8 and 10: Provision of 1397 units and associated Engineering Services. An amount of R 340m has been spent on this project, project at practical completion phase.</li> <li>▪ Mdantsane Cluster 1 in Ward 12: 1459 Units and, Associated Services. An amount of R 150m spent to date, 1039 units completed to date.</li> <li>▪ Reeston Stage 3, Phase 2 in Ward 13: 2500 Units and Associated Engineering Services. An amount of R89,6m spent to date, for provision of Engineering Services project implemented jointly with Province.</li> <li>▪ Westbank Restitution in Ward 46: Provision of 992 units and associated Engineering Services. An amount of R41m spent to date for bulk Services (Roads, Water and Stormwater).</li> <li>▪ Peelson Cluster in Ward 43: Provision of 2174 Top Structures to 4 Peelson Clusters. For recently award cluster 1 and cluster 3 undergoing final procurement.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Unutilised NHNR/Waiting list during project implementation.</li> <li>▪ Allocation and Relocation policy not being implemented.</li> <li>▪ The Directorate only focuses on upgrading of Informal Settlement rather than focus to also people staying on backyard dwellers, disabled people (special needs), senior citizens (Elderly) and child headed homes.</li> <li>▪ A major challenge for the Metro has been the shortage of well-located and affordable land for housing provision.</li> <li>▪ Illegal invasion of houses during construction phase</li> <li>▪ Allocation of houses for non-qualifiers</li> <li>▪ Bulk Infrastructure non availability further cause delays in developing land earmarked for housing development</li> </ul> |

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| <ul style="list-style-type: none"> <li>▪ Mdantsane Zone 18cc in Ward 22: Provision of 1500 Top Structures and associated Services. An amount of R150m has been spent to date, project currently at Implementation Stage.</li> <li>▪ National Government Awards - Best Performing Metro of the year award in 2018/19 financial year</li> </ul>   |  |
| <p><b>Current State</b></p>   | <p><b>Action Plans</b></p>   |
| <p><u>Duncan Village Redevelopment Initiative</u></p> <ul style="list-style-type: none"> <li>▪ Housing development in Duncan Village has started but progress is very slow.</li> <li>▪ There is a challenge of mushrooming of informal structures and land unavailability in Duncan Village.</li> </ul> <p><u>Subsidised housing units</u></p> <ul style="list-style-type: none"> <li>▪ The provision of housing units is steadily making progress even though there are challenges caused by various factors such as delayed procurement processes due to budget shortfall as a result of responsive bidder's tender's offers being lower than the subsidy amount per unit.</li> <li>▪ In 2018/19 financial year, there was illegal occupation of about 300 houses at Ndancama &amp; Fynboss 1&amp;2. The matter was taken to Court which later ruled in favour of BCMM to evict non-project beneficiaries.</li> </ul> <p><u>Formal sites serviced</u></p> <ul style="list-style-type: none"> <li>▪ Human Settlements Directorate is doing well in terms of providing services like roads, water and sanitation to individual sites.</li> <li>▪ Since 90 % of the human settlements projects include/combine internal services provision to individual sites, the invasion of sites by non-project beneficiaries' results in delays in terms of continuation of work on site.</li> </ul> <p><u>Beneficiary Registration</u></p> <ul style="list-style-type: none"> <li>▪ The Human Settlement Directorate is providing and doing Beneficiary Administration as per accreditation level 1, the section is doing beneficiary registration in all housing projects implemented by the metro. People who are looking for housing opportunities are encouraged to register on the National Housing Needs Register (NHNR)/Waiting list.</li> <li>▪ Currently, BCMM has ±100 000 prospective beneficiaries contained in the National Housing Needs Register (NHNR). In respect of informal settlements, the BCMM has ± 60 000 households who are residing in informal settlements. Once they are registered and captured on the system they will wait on the system until strategic well-located land and budget is available from</li> </ul> | <ul style="list-style-type: none"> <li>▪ Verification and Installation of Bulk Services at D-Hostel and Gompo Site</li> <li>▪ The award of major infrastructure contracts that are under procurement.</li> <li>▪ Conclusion of the accredited Service Providers reservation process in terms of Municipal Finance Management Act Regulation section 14 .</li> <li>▪ The award of major infrastructure contracts will accelerate the pace of work on the provision of serviced sites.</li> <li>▪ The upgrading of informal settlements through provision of incremental services is amongst our top priorities.</li> <li>▪ Register all people looking for housing opportunities on National Housing Needs Register (NHNR).</li> <li>▪ The section will register potential beneficiaries on the HSS system depending that funding/budget for the project is approved by Province and the project is loaded on HSS as for the beneficiaries to be approved and relocated to their completed houses.</li> <li>▪ Review Allocation and Relocation Policy.</li> </ul> |

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National and Provincial Department of Human Settlement. Once land and budget are available the section will start to do informal structure and population survey, community engagement/mobilization beneficiary verification, formulation of master lists, registration of potential beneficiaries up until the beneficiaries are approved through HSS system and then after that they can be relocated to their completed houses.

### KFA 26: Built Environment Management

The Built Environment Performance Plan is a strategic spatial planning tool that provides an integrated investment rationale, plan and process for the implementation of priority catalytic programmes and projects within the city. Amongst its many roles, the BEPP manages the performance of the Built Environment through targeted catalytic programmes and projects aimed to transform the Metro's built environment into a more compact, liveable, integrated, inclusive, productive and sustainable place.

The ultimate impact of spatial transformation through targeted is anticipated to be:

- A reduction in poverty and inequality.
- Enabling of faster and more inclusive urban economic growth.
- Improved quality of life, through access to: public and social amenities, safe and efficient public transport and diverse housing options.

#### **Alignment with the National and Provincial Plans and Policies**

##### National Development Plan (NDP)

The BEPP aligns to the NDP in terms of its national spatial transformation goals. Focus on the three elements of urban structure i.e. – jobs, housing and transport in the NDP are echoed in the BEPP through the implementation of the Urban Network Strategy, which focusses on the following:

- Reduced travel costs and distances,
- Prevention of further development of housing in marginal places,
- Increasing urban densities and reducing sprawl,
- Improved public transport and coordination between transport modes, and
- Shift of jobs and investment towards dense peripheral townships.

##### Integrated Urban Development Framework (IUDF)

The IUDF is a response to and builds on various chapters in the National Development Plan (NDP), more specifically Chapter 8 which deals with “Transforming human settlements and the national space economy”.

BCMM given its jurisdiction within a predominantly rural development context, the IUDF's emphasis on the rural-urban continuum and the ability of urban areas to respond to in-migration in a manner that optimises the urban dividend stresses the need to focus on poverty alleviation, job creation and the creation or

#### **Link to BCMM Strategies, Sector Plan(s) and Policies**

The BEPP is complementary to the metro's other strategic documents, including the Metro Growth and Development Strategy which provides the strategic frame and vision for the city, the Municipal Spatial Development Framework, the Integrated Public Transport Network Plan, the Integrated Human Settlements Plan all of which align with and feed into the Integrated Development Plan and Budget.



**Relationship with strategic documents (Source: BCMM BEPP 2020-2021)**

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more liveable settlements especially for marginalised and informal settlements within the metropolitan area. The spatial transformation focus of the BEPP through the principles of spatial targeting and related budgeting aligns with the four strategic goals and emerging none policy levers of the IUDF. The overall objective of the IUDF is to create efficient urban spaces by:

- Reducing travel costs and distances;
  - Aligning land use, transport planning and housing;
  - Preventing development of housing in marginal areas;
  - Increasing urban densities and reducing sprawl;
  - Shifting jobs and investment towards dense peripheral townships; and
  - Improving public transport and the coordination between transport modes.
- Performance Outcomes of Government
  - The New Growth Path
  - Eastern Cape Provincial Development Plan (2030)
  - Eastern Cape Provincial Spatial Development Strategy
  - Eastern Cape Provincial Economic Development Strategy

### Progress & Achievements 2016 to date

- There has been a steady progress in the rating and evaluation of the BCMM BEPP by National Treasury over the past few years. The document has progressed from a Tin rating in 2016/17 to a Silver rating in 2017/18, GOLD rating in 2018/2019 and a PLATINUM rating in 2019/20. As of 2021/22 the BEPP is no longer a compliance requirement for the allocation of grant funding to the city from National Treasury. However, the Municipality finds value in continuing with an annual update of the document as a means of monitoring and documenting progress on each of identified strategic catalytic programmes.

*Established Catalytic Programmes that form part of the strategic interventions of the city over the past few years include:*

- The East London CBD & Inner-City Catalytic Programme
- The MELD Corridor (Central) Programme
- Mdantsane Urban Hub Programme
- West Bank Economic Corridor (Port – MBSA – ELIDZ – Airport).
- Bhisho-Qonce-Zwelitsha Corridor

### Challenges

- The preparation of an Institutional Long-Term Financing Strategy, project preparation activities including options-analyses and feasibilities, investigations into alternative and innovative project financing through vehicles such as PPP's will assist the city to fast-track the implementation of catalytic programmes.
- The path to economic development within each of the catalytic programmes would need to be further augmented through focussed investment interventions aimed at sustainable job creation within each of the catalytic programme areas.
- Targeted urban management strategies for prioritised catalytic precincts would need to be further developed in line with appropriate and aligned financing strategies and governance models.

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### KFA 27: Urban, Rural and Township Regeneration

The implementation of Urban, Rural and Township Regeneration should be guided by the Council approved Spatial Development Framework. The SDF serves to guide and inform all decisions made by the Municipal Council on spatial development and land use management in the area to which it applies.

| Alignment with the National and Provincial Plans and Policies   | Link to BCMM Strategies, Sector Plan(s) and Policies  |
|---|---|
| <ul style="list-style-type: none"> <li>▪ National Development Plan: building a capable and developmental state: Improve relations between national, provincial and local government</li> <li>▪ Integrated Urban Development Framework: The overall objective of the IUDF is to create efficient urban spaces by:                             <ul style="list-style-type: none"> <li>○ Reducing travel costs and distances;</li> <li>○ Aligning land use, transport planning and housing;</li> <li>○ Preventing development of housing in marginal areas;</li> <li>○ Increasing urban densities and reducing sprawl;</li> <li>○ Shifting jobs and investment towards dense peripheral townships; and</li> <li>○ Improving public transport and the coordination between transport modes.</li> </ul> </li> <li>▪ Performance Outcomes of Government</li> <li>▪ The New Growth Path</li> <li>▪ Eastern Cape Provincial Development Plan (2030)</li> <li>▪ Eastern Cape Provincial Spatial Development Strategy</li> <li>▪ Eastern Cape Provincial Economic Development Strategy</li> </ul> | <ul style="list-style-type: none"> <li>▪ <b>Buffalo City Metropolitan Municipality SDF, 2013:</b> within the context of Buffalo City Metropolitan, urban renewal represents an opportunity to use existing infrastructure and, in places, existing buildings, to achieve strategic spatial development objectives such as densification of well-located areas; prioritisation of stagnating areas in strategic localities; and the regeneration of local social and economic opportunities by the upgrade of existing roads and infrastructure.</li> </ul>  |
| Progress & Achievements 2016 to date  | Challenges  |
| <ul style="list-style-type: none"> <li>▪ The Urban and Rural Nodes Regeneration Strategy is set to be developed during the 2019/2020 Financial Year. Not only will the strategy guide development proposals for the urban and rural nodes but will facilitate a needs-based provision of essential and quality services in the identified areas to benefit all citizens.</li> <li>▪ The strategy will also provide a framework by which communities will be encouraged to actively participate in the development of their respective areas and ensure implementation of priority projects to respond to peoples' needs.</li> <li>▪ Moreover, focus will be on provision of quality services to the people with a view to generally improving their welfare and quality of life. It is hoped the implementation of the strategy will also facilitate integration of urban and rural development programmes to create synergy and to bring about redress in especially the previously disadvantaged areas.</li> <li>▪</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Development programmes have so far mostly focused on urban nodes thus neglecting rural nodal areas. The Buffalo City Metropolitan Municipality also acquired some new rural areas because of demarcation.</li> <li>▪ This situation thus extended not only the boundaries but also placed extra financial burden in terms of service provision in general. Hence the metropolitan organogram incorporated the Urban and Rural Regeneration Department to integrate provision of quality services in the entire Metropolitan Municipal area.</li> <li>▪ The Urban and Rural Nodes Regeneration Strategy will then incorporate the two components, that is Urban and Rural Nodes.</li> </ul> |

## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

| Current State  | Action Plans   |
|--|--|
| <ul style="list-style-type: none"> <li>▪ Where the people of Buffalo City Metropolitan Municipality (BCMM) do not have the means to use private cars or public transport for daily transport to gain access to work, education and other activities the various forms of Non – Motorised Transport (NMT) become their only mode of transport. Non-motorised Transport facilities are currently being provided in Buffalo City. Rural areas and low-income areas, where pedestrian facilities are needed the most, are generally currently being rolled out.</li> </ul> | <ul style="list-style-type: none"> <li>▪ To develop an all-inclusive Township Regeneration Strategy to harness development and deliver quality services to improve the quality of life in the townships.</li> <li>▪ The Buffalo City Metropolitan Municipality (BCMM) is working towards regenerating the CBD of East London &amp; KWT by making movement by vehicle and pedestrianization a friendly priority.</li> <li>▪ Ongoing coordination and pipelining of multi-sector and multi-funding projects (BCMM, Province, SOE's and Other) within Catalytic Programme Areas of the city.</li> <li>▪ Ongoing development of urban management initiatives within Catalytic Programme Areas of the city.</li> <li>▪ Preparation of an Integrated Design Framework for Public Realm Upgrades in the East London CBD and Inner City. The above framework will identify and coordinate various interventions within the public realm of the East London CBD.</li> </ul> |

### KFA 28: Property Management and Land Use

The Buffalo City Metropolitan Municipality (BCMM) has a very large portfolio of Capital Assets, Land, Buildings and Facilities of different uses, from which it delivers services to the community.

The department is responsible for.

- Estate Management, Property Transfers and Transactions
- Property Disposals, Acquisitions, Exchange and Expropriations
- Building Maintenance, Refurbishment and Renewal

| Alignment with the National and Provincial Plans and Policies  | Link to BCMM Strategies, Sector Plan(s) and Policies  |
|--|---|
| <ul style="list-style-type: none"> <li>▪ Government Immovable Asset Management Act 97 of 2007</li> <li>▪ Deeds Registries Act No. 47 Of 1937</li> <li>▪ Expropriation Act No. 63 of 1975</li> <li>▪ Upgrading of Land Tenure Rights Act No. 112 of 1991</li> <li>▪ Restitution of Land Rights Act No. 22 of 1994</li> <li>▪ Constitution of The Republic of South Africa No. 108 of 1996</li> <li>▪ Housing Act No. 107 of 1997</li> <li>▪ Prevention of Illegal Eviction from Unlawful Occupation Of Land Act No. 19 of 1998</li> <li>▪ Municipal Finance Management Act No. 56 Of 2003</li> <li>▪ Construction Industry Development Board Act No. 38 of 2000)</li> <li>▪ Occupational Health and Safety Act No. 85 of 1993)</li> <li>▪ National Building Regulations and Building Standards Act No. 103 of 1977</li> <li>▪ National Heritage Resources Act No. 25 of 1999</li> </ul> | <ul style="list-style-type: none"> <li>▪ Land Restitution: The goal of the restitution policy is to restore land and provide other restitutionary remedies to people dispossessed by racially discriminatory legislation and price, in order to provide support for the vital process of reconciliation, reconstruction and development.</li> <li>▪ Restitution is an integral part of the broader land reform programme and closely linked to the need for the redistribution of land and tenure reform.</li> <li>▪ Land Re-Distribution: The purpose of the Land Redistribution Programme is to provide the poor with access to land for residential and productive uses, in order to improve their income and quality of life.</li> <li>▪ Land Tenure Upgrading: Its purpose is to make existing land rights i.e., site permits, residential permits, lodgers permits, certificates of occupation, permission to occupy more secure. This aspect of land reform finds its authority in Section 25(6) of 1996 Constitution.</li> <li>▪ Extended State Discount Benefit Scheme: The Extended State Discount Benefit Scheme is specifically dealing with all the beneficiaries prior to 1994 who were allocated houses by the previous regime. All the land rights are now being upgraded to full title.</li> </ul> |



## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- Land Management Policy for Buffalo City 2007
- Land Disposal and Acquisition Policy
- Supply Chain Management Policy and regulations

### Challenges

- Lack of a dedicated unit to respond to land invasions
- Cumbersome and lengthy process in obtaining prohibitory Court Orders
- It will have a negative effect on the municipality's ability to plan on the productive use of land and if the land invasion problem is not resolved it will result in BCMM having to provide alternative accommodation which is non-existent on many cases

### Progress & Achievements 2016 to date

- Enhanced Extended Discount Benefit Scheme to All Wards: The Department of Housing, Local Government and Traditional Affairs (Department) announced the introduction of the State Discount Benefit Scheme, which was aimed to achieve the following:
  - To assist beneficiaries to acquire State financed rental housing and to assist existing debtors to settle their outstanding balances.
  - The discount benefit relates to State financed property, which was first occupied before 01 July 1993 and to units or stands contracted for by 30 June 1993 if allocated to individuals by 15 March 1994.
  - To date the number of transfers effected to rightful beneficiaries amounts to 669
  - The project is funded by the Provincial Department of Human Settlements
- Land Acquisition for construction of Quenera Road in Ward 27: Acquisition of Portion 1 of farm 1234 E.L. for Quenera Road for enhancement of Gonubie Corridor and further development of the area at a cost of R2 300 000,00
- Acquisition of a building for office Accommodation in Ward 47: Erf 63589 E.L., held by Certificate of consolidated Title Number T18418/2019 situate in Buffalo City Metropolitan Municipality, Division of East London, Province of the Eastern Cape previously known as the Reserve Bank was acquired for office accommodation at a cost of R10 900 000,00
- Sonwabiso Informal Settlement: Land Acquisition for Human Settlements Purposes in Ward 17:
  - Mdantsane Unit 3 was registered in the name of BCMM on the 27 November 2018 held by Deed of Transfer No. T 19230/2018 (R142 000,00);
  - Erf 9965 Mdantsane Unit 3 was registered in the name of BCMM on the 3 September 2019, held by Deed of Transfer No. T14093/2019 (R142 000,00);
  - Erf 9967 Mdantsane Unit 3 was registered in the name of BCMM on the 3 September 2019 held by Deed of Transfer No. T14117/2019.
  - Erf 9848 Mdantsane Unit 3 was registered in the name of the Municipality on the 9 September 2020 and the Deeds Office information not as yet updated on the system (R2 865 000,00).
- Opening of Township register:
  - Ward 12 - BCMM has registered the general plan in respect of Erf 396 Mdantsane North (Masibulele) at the Deeds Registry Office, KWT on the 19 September 2019. Value - R28 462,00
  - Ward 42 - BCMM has successfully registered the general plan in respect of Dacawa at the Deeds Registry Office, KWT on 29 May 2020. Now that the townships have been duly registered at the Deeds Registry Office, KWT, the individual transfers in favour of the rightful beneficiaries can be initiated through their respective housing projects. Value - R82 970,00
- Upgrading of municipal buildings to be disability friendly
  - Wards 42,14,11,30,23: Zone 2,4,5,11,14,16: These municipal buildings have been rendered universally accessible and disability friendly. Access path and ramps constructed. Cost - R750 000,00
  - Ward 47: City Engineering Building – Ablution upgraded, universally accessible and disability friendly. Cost - R525 601
- Upgrading and refurbishment of municipal buildings:
  - Ward 47: Beaconsfield Health Department Refurbishment - R4 000 000
  - Ward 47: Fleet Street Fire Station Refurbishment - R2 500 000
  - Ward 47: New Air conditioner replaced at Caxton Street - R1 250 000
  - Ward 29 - Gonubie Traffic Department Refurbishment - R2 500 000

## STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- Ward 47 - Orient Theatre Refurbishment (Offices - LED) - R2 000 000
- Ward 43 - Bisho Civic Centre – parking at the rear of the Building - R1 600 000

### Action Plans

- Land Audit: Audit of municipal land and buildings - Project ongoing. Service provider appointed. Property Asset Register Integration completed. Zoning integration, valuation roll integration and lease integration completed.
- Upgrading of Municipal buildings: Refurbishment of municipal buildings - To date Munifin, Buxton House and Electricity House conditional assessment completed.

### KFA 29: Cemeteries and Crematoria

The Cemeteries and Crematoria Section is responsible for the development and maintenance of cemeteries and crematoria.

#### Alignment with the National and Provincial Plans and Policies

- NEMA (National Environmental Management Act)
- HEALTH ACT 2003
- SAHRA (South African Heritage Resources Act)
- Air Quality Act
- Births and Deaths Registration Act

#### Link to BCMM Strategies, Sector Plan(s) and Policies

- Air Quality Management Policy

#### Progress & Achievements 2016 to date

- Development and upgrading of cemeteries in Wards 37, 10, 19, 47, 26, 42, & 44: KWT, Lujiza, Buffalo Flats, Haven Hills, John Dube, East, Macleantown, Mtsotso, Breidbach (Fencing, Upgrading of Internal Roads, Upgrading & Maintenance of Buildings, and Extension of Cemeteries) at a cost of R15 276 553.00
- Upgrading and Refurbishment of Cambridge Crematorium in Ward 4: Upgrading of existing building at a cost of R 400 000.00

#### Challenges

- Maintenance of cemeteries
- Rapid urbanisation and high mortality rate causing strain on cemeteries
- Poor access roads
- Criminal activity in cemeteries
- Theft and vandalism of infrastructure
- Uncontrolled and increased spread invasive alien vegetation species due to lack of funding and resources.

#### Current State

- There are 32 formal cemeteries, approximately 247 informal (rural) cemeteries and 1 crematorium. The majority of burial sites in the rural areas are either located on unsuitable or undeveloped land. The 32 formal cemeteries were properly established and are legislatively compliant.
- The Cemeteries and Crematoria Section has been addressing the land availability challenge by extending selected existing cemeteries in the short term. A masterplan is being developed to address the medium and long-term burial space within the cemeteries.
- The target for development and upgrading of cemeteries this financial year is 13 and maintenance therefore remains a challenge due to vandalism and theft.

#### Action Plans

- 8 cemeteries will be upgraded and developed

## Strategic Outcome

# 5

**A WELL-  
GOVERNED  
CITY**



## SITUATIONAL ANALYSIS

### 1. STRATEGIC OBJECTIVE

Promote sound financial and administrative capabilities.

### 2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcome, Strategic Objective and Key Focus Areas is depicted as follows:

| Strategic Outcomes  | Strategic Objectives                                    | Key Focus Areas  |
|---|---|--|
| STRATEGIC OUTCOME 5 (SO5): A well-governed city                 | Promote sound financial and administrative capabilities | KFA 30: Risk Management  |
|   |   | KFA 31: Stakeholder Participation & Customer Relations                     |
|   |   | KFA 32: Intergovernmental Relations (IGR) and International Relations (IR) |
|   |   | KFA 33: Communications (Internal and External)                             |
|   |   | KFA 34: Corporate Marketing (Branding)                                     |
|   |   | KFA 35: Revenue Management   |
|   |   | KFA 36: Expenditure and Supply Chain Management                            |
|   |   | KFA 37: Budget and Treasury  |
|   |   | KFA 38: Corporate Asset Management   |
|   |   | KFA 39: Internal Human Capital and Skills Development                      |
| KFA 40: Gender, Elderly, Youth and Disabled (Vulnerable Groups) |   |  |

| Strategic Outcomes | Strategic Objectives | Key Focus Areas  |
|--------------------|----------------------|--|
|                    |                      | KFA 41: Performance Management and Monitoring and Evaluation |
|                    |                      | KFA 42: Fleet Management                                     |
|                    |                      | KFA 43: Employee Performance Management                      |
|                    |                      | KFA 44: Human Resources Management                           |
|                    |                      | KFA 45: Internal Audit                                       |

### 3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2022/2023 IDP Review Process:

| STRATEGIC OUTCOME 5: A WELL-GOVERNED CITY   |   |  |
|---|---|--|
| Council Priorities  | MTSF 2019/2024  | PDP  |
| <p><b>MGDS Strategic Outcome 5: A Well-governed City - To achieve Buffalo City's 2030 Vision, the city will need a well-governed and responsive municipality. Key to this will be:</b></p> <ul style="list-style-type: none"> <li><b>Strong leadership that is able to build trust with stakeholders and communities, enable public participation in decision-making processes, and sustain consensus on the development agenda.</b></li> <li><b>Strong leadership that is able to minimize political disruptions</b></li> <li><b>The effective and efficient delivery of services</b></li> <li><b>Leveraging investment from the public and private sectors</b></li> <li><b>Ensuring financial sustainability</b></li> </ul> | <p>Priority 1: A Capable, Ethical and Developmental State</p> | <p>Goal 6: Capable democratic institutions</p> |
| <b>6. COMMUNICATION &amp; CORPORATE MARKETING</b>   |   |  |
| b) Explore reliable/ easily accessible platforms to report service delivery emergencies.  |   |  |
| <b>7. INTERGOVERNMENTAL RELATIONS</b>   |   |  |
| b) Review BCMM IGR Framework  |   |  |
| <b>8. INTERNATIONAL RELATIONS</b>   |   |  |
| b) Review the BCMM international relations strategy post Covid-19 and its impact on BCMM's partnerships given the scarcity of resources across the world.   |   |  |

## STRATEGIC OUTCOME 5: A WELL-GOVERNED CITY

| Council Priorities  | MTSF 2019/2024 | PDP |
|---|----------------|-----|
| <b>9. STRATEGIC PLANNING &amp; PERFORMANCE MANAGEMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>d) Develop / procure an automated Capital Investment Prioritisation System, coupled with National Government support in refining Capital Expenditure Framework as the Long-term Financial Plan is crafted.</li> <li>e) Each service delivery Directorate must capture in the in the SDBIP measures to promote revenue collection, e.g., parking meters, hiring of halls, chalets, traffic fines, etc. To generate revenue is not only the responsibility of finance, but a responsibility of all directorates</li> <li>f) Address the issue of the audit of pre-determined objectives or PMS. We need to have coordinators responsible for each directorate to improve the reliability and accuracy of information planned and reported by directorates. Most of our audit findings are emanating from this aspect of auditing.</li> </ul>   |                |     |
| <b>10. HUMAN RESOURCES MANAGEMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>d) There should be an improvement on consequence management and acting on positions should be avoided at all times.</li> <li>e) Upgrading of municipal buildings and ablution facilities to accommodate disabled people to, amongst others, enable the municipality to employ more persons with disabilities.</li> <li>f) Fill critical vacant positions</li> </ul>  |                |     |
| <b>11. INTERNAL HUMAN CAPITAL AND SKILLS DEVELOPMENT</b>  |                |     |
| <ul style="list-style-type: none"> <li>e) Implement a structured change management programme. Councillors and Management must be able to articulate clearly and consistently what the BCMM vision and strategies are.</li> </ul>  |                |     |
| <b>12. EMPLOYEE PERFORMANCE MANAGEMENT</b>  |                |     |
| <ul style="list-style-type: none"> <li>f) Review performance management policies.</li> <li>g) Improve employee productivity.</li> <li>h) Review issues of overtime attendance and policies.</li> </ul>  |                |     |
| <b>13. GOVERNANCE &amp; INTERNAL AUDITING</b>   |                |     |
| <ul style="list-style-type: none"> <li>g) Audit opinion and the Auditor General's report is very concerning and any concrete plans to turn things around as the City had obtained qualified audit opinions from 2017 / 2018, 2018 / 2019 must be shared with Council and progress reported.</li> <li>h) Internal control measures such as Municipal Public Accounts Committee and Audit Committee should be intensified, and they should provide a plan or come up with a strategy to improve audit outcomes.</li> <li>i) Service delivery monitoring on quarterly basis to give progress reports on priority issues.</li> <li>j) Strengthen oversight role by Members of the Mayoral Committee and Councillors to ensure budget is spent timeously.</li> <li>k) Executive Mayor's office to give clarity on issue of roles and functions between Sport and Solid waste Directorates</li> <li>l) In Council's monitoring of service delivery and performing of their oversight function, the Office of the Mayoral Committee, which is led by the Executive Mayor, the Speaker and the Chief Whip, accompanied by the City Manager and senior management must visit all clusters (Inland, Midland and Coastal Urban and Rural Regions), on a quarterly basis to give progress reports on priority issues from those wards and, furthermore, give councillors an opportunity to engage with ward councillors.</li> </ul> |                |     |
| <b>14. REVENUE MANAGEMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>g) Address integrity issues in the billing system as part of the efforts of improving the collection rate of the city.</li> </ul>  |                |     |

## STRATEGIC OUTCOME 5: A WELL-GOVERNED CITY

| Council Priorities   | MTSF 2019/2024 | PDP |
|--|----------------|-----|
| <ul style="list-style-type: none"> <li>h) Give particular attention to the challenge of billing up until it is resolved in a manner that does not disadvantage communities and negatively impacts on the financial viability of the municipality; and report quarterly to Council on progress made.</li> <li>i) Review and implement cost-effective tariffs.</li> <li>j) Identify alternate sources of revenue to supplement the existing revenue streams.</li> <li>k) System analysis on smart metering (analysis of strength and weaknesses on the system)</li> <li>l) Public awareness on smart metering</li> </ul> |                |     |
| <b>15. EXPENDITURE &amp; SUPPLY CHAIN MANAGEMENT</b>   |                |     |
| <ul style="list-style-type: none"> <li>c) Undertake expenditure reviews to find wastage and areas where there is less value for money, which can then enable reprioritization.</li> <li>d) Devise a strategy on the city's expenditure on local small businesses, more particularly those owned by young people within the law and report on progress in that regard in each quarter. This is inclusive of local content and local sourcing of labour, machinery and supplies done by big companies working with our municipality.</li> </ul>  |                |     |
| <b>16. BUDGET &amp; TREASURY</b>   |                |     |
| <ul style="list-style-type: none"> <li>c) Develop and adopt a Long-Term Financial Model (LTFM) and Long-Term Financial Strategy (LTFS) to enhance financial sustainability of the City over the long-term.</li> <li>d) Strengthen evidence-based prioritization especially now in the context of reduced grants and reduced own revenue (given our resource endowment, we are trying to do too much across too many catalytic programmes).</li> </ul>  |                |     |
| <b>17. CORPORATE ASSET MANAGEMENT</b>  |                |     |
| <ul style="list-style-type: none"> <li>d) Make adequate budgetary provision for maintenance of infrastructure and acquiring of new assets.</li> <li>e) Roll-out of Enterprise Resource Management to enhance Asset Management system.</li> <li>f) Capital Asset replacement prioritisation</li> </ul>  |                |     |

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

### KFA 30: Risk Management

The City recognises risk management as one of the cornerstones of sound and responsible municipal governance. Apart from complying with the MFMA requirement that the municipality establishes and maintains a system of, among others, managing risks, risk management is positioned as a strategic management function that enables and facilitates good governance practices. The Risk Management Department is responsible for overseeing, guiding, facilitating and monitoring various systems of governance, risk management and compliance in the municipality.

Key among the responsibilities of the risk unit is developing, monitoring and reporting on the municipality's strategic risk profile. A combination of top-to-bottom (mainly considering the IDP and metro-wide SDBIP) and bottom-to-top approaches (considering the departmental performance priorities) was taken to aggregate the identified strategic risks of the municipality. The Key Risk Indicators (KRIs) for all the categories of strategic risk were defined to bring further structure and focus to the way the mitigation of these risks is monitored.

#### Top Five Strategic Risks

- Infrastructure: Infrastructure unable to meet service delivery needs and requirements

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

- Contracts Management: Poor contracts management
- Waste Management: Inability to render efficient and effective waste and refuse removal services
- ICT Network: Inadequate development and management of ICT network and infrastructure
- Electricity: Illegal & non-metered electricity connections, including theft and tampering

### Alignment with the National and Provincial Plans and Policies

### Link to BCMM Strategies, Sector Plan(s) and Policies

- Municipal Finance Management Act 56 of 2003
- King IV Report on Corporate Governance
- Public Sector Risk management framework
- COSO framework
- ISO 3100

- Enterprise Risk Management Policy

### Challenges

- The Major challenge within the risk management is the institutional culture, risk management is not embedded to the operations of the institution.
- Planning is not yet risk based, this is impacted by the risk maturity level of the institution, risk management ought to influence the strategic planning of the institution.
- The current structure of risk management does not speak to the functions of the unit and as such negatively impacts on the full effectiveness of this unit.

### Current State

### Action Plans

The Enterprise Risk Management Plan was approved by the Risk Management Committee and the following have been implemented:

- Continuous risk assessments both at strategic and operational level have been conducted.
- Progress reports on risk mitigation plans had been tabled to the Risk Management Committee together with the Audit committee quarterly.
- Policies have been developed but have not yet been approved.
- The process of automation of the risk management processes has been delayed, however specification for procuring the ERM software had been submitted to the Bid spec committee, project to be finalised in the 2020/21 financial year.

- Implementation of the Enterprise risk management strategy
- Fraud Risk Assessment and resolution of whistle blowing cases

Though the Fraud mitigation plan has not yet been adopted, the following have been implemented:

- Awareness: Bulk SMS system has been used to promote the ethics hotline.
- Further fraud awareness posters have been designed and posted on all key points within the Municipality.
- Also, as part of marketing the fraud hotline, the number has been posted on the Municipal website and also on the email banner.
- Several cases have been received through the whistle blowing platform which include electricity theft, alleged financial misconduct cases, alleged corruption.
- Electricity theft cases had been resolved through the revenue protection unit.
- Financial misconduct related cases have been dealt with through the Disciplinary Board.

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

- Progress report on resolution of cases is tabled to both the risk management committee and Audit committee.

### KFA 31: Stakeholder Participation & Customer Relations

The goal of the Buffalo City Metro on Good Governance and Public Participation is to realize a viable and caring institution that will promote and support a consultative and participatory local government. Good governance is in the main a participatory, transparent, democratic and accountable system of governance. Developmental local government legislation put in place mechanisms for community interface so as to create enablers to realize good governance within a municipality. The key focal area within good governance is that good governance is a responsibility of all service delivery directorates / units and as such must find a concrete expression in their operational plans. The strategic intent of good governance and public participation is to ensure that BC Metro is accessible to its citizens. This is in keeping with the current municipal vision “A responsive, people-centred and developmental City”.

#### Mechanisms to promote a culture of community participation

In terms of Section 43 of the Municipal Structures Act, a municipality through appropriate mechanisms, processes and procedures must involve the local community in the development, implementation and review of the Municipality’s management system. The Metro shall strive to build a strong leadership, with clear vision, maximum participation by the community, the private sector and all stakeholders to meet the basic needs of all and build a solid foundation for growth and lasting prosperity”.

Buffalo City Metro has within its realm of development established different platforms to enhance participatory local governance.

#### Involving our communities

The National draft policy guideline on public participation details the following basic assumptions of public participation:

- Public participation is designed to promote the values of good governance and human rights;
- Public participation acknowledges a fundamental right of all people to participate in the governance system;
- Public participation is designed to narrow the social distance between the electorate and elected institutions.

#### Mechanisms in brief

| Tools                                | Example  |
|--------------------------------------|--|
| BCMM Public Participation Strategy   | There is an approved Public Participation Strategy adopted by Council in 2011 to provide for mechanisms by which the public may participate in the affairs of the Municipality and to clarify roles and responsibilities of all the role players and interested parties. However, the Buffalo City Metropolitan Municipality is in the process of reviewing the current strategy and the reviewed strategy will be translated to isiXhosa and Afrikaans thereafter. The Public Participation Strategy demonstrate community involvement in the IDP development.  |
| Ward Committees                      | These are critical platforms or organs of peoples power our communities use to interface with their municipality throughout the 50 wards. Informing the community of council decisions, community rights and duties, municipal affairs etc. Community informing ward councilor of their concerns. They form the bridge between Metro and communities by facilitating proper communication.   |
| Community Development Workers (CDWs) | To improve service delivery, accessibility and to ensure that there’s constant interaction between government and communities. There are 32 CDWs working in 50 wards of BCMM, 16 (East London), 7 (Mdantsane) 9 (Qonce (previously known as KWT)). 18 Wards have no CDWs however those wards are serviced by nearest CDWs. They have a fully equipped office with IT equipment and telephone. They get assistance with their operational needs i.e., stationery, transport, to enable them to perform their functions efficiently and effectively. CDW's assist with community mobilization and participated in Metro public participation programmes i.e., IDP Budget Roadshows and co-ordinating signing of Development initiatives, poverty alleviation initiatives and other development undertakings are being planned and implemented in partnership with ward committees. |



## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

| Tools  | Example   |
|--|---|
| Public meeting or imbizo   | Informing the community of council decisions, community rights and duties, municipal affairs etc.<br>Community informing councillors and officials of their issues that concerns its inhabitants.   |
| Council meetings open to public                                  | Informing the community of council decisions, community rights and duties, municipal affairs etc.   |
| Annual report  | The key instrument of engagement with the public and part of the oversight responsibility includes the obligation to bring key issues of governance, performance and financial accountability to the attention of the public and to further elicit public input on these matters. |
| Surveys  | Informing the municipality of the needs of a local ward, or of the levels of satisfaction with the delivery of a service.   |
| Newsletter   | Informing the community of council decisions and municipal affairs.   |
| Posters, loudhailers, banners, email notification, media adverts | Inform public of an event or meeting, e.g. council meeting or IDP hearings.   |
| Access to Information Act Manual                                 | Communities and stakeholders are allowed by law to access information.  |
| State of the City Address  | The Executive Mayor outlines the programme for the year and how the communities can track municipal service delivery programmes.  |
| IDP Stakeholder / Rep forum                                      | Metro involves stakeholders in the IDP, Budget, Performance management system, performance assessment and service delivery agreements processes.  |
| IDP, Budget Hearings   | A platform to encourage residents to play a role and participate in becoming authors of their own development through making direct input in the IDP.   |
| Ward Based Planning  | The rigorous involvement of communities in the planning process to develop their areas and plan for service delivery.   |

### Alignment with the National and Provincial Plans and Policies

### Link to BCMM Strategies, Sector Plan(s) and Policies

- The South African Constitution of 1996 states:
  - Section 151(1) (e) Municipalities are obligated to encourage the involvement of communities and community organizations in Local Government.
  - Section 152(1) states that local government must encourage the involvement of communities and community organizations in matters of local government.
  - Section 195 (e) in terms of the basic values and principles governing public administration – people’s needs must be responded to, and the public must be encouraged participate in policy making.
- The Municipal Structures Act 117 of 1998 (as amended in 2000 and 2003) allow for category A Municipality with sub-council or ward participatory system or a category B Municipality with a ward participatory system and Executive committees or Executive Mayors must annually report on the involvement of communities and community organizations in the affairs of the Municipality.
- The Municipal Systems Act 32 Of 2000 requires a Municipality to develop a culture of Municipal governance that complements formal representative government with a system of participatory governance to encourage and create conducive conditions for

This KFA is aligned with the following Strategies, Sector Plans, Policies and Bylaws (where applicable):

- Buffalo City Metropolitan Municipality Public Participation Strategy: 2011
- Metro Growth & Development Strategy (vision 2030): Strategic Outcome 5 - A well-governed city.

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

|  |  |
|--|--|
| <p>the communities to participate in the Municipal matters, including the IDP performance Management system, monitoring and review of performance, preparation of budget, strategic decisions and Municipal services. The Act further compels Municipalities to establish appropriate mechanisms, process and procedures to enable the local community to participate in the affairs of the Municipality.</p> <ul style="list-style-type: none"> <li>▪ The National draft policy guideline on public participation details the following basic assumptions of public participation: <ul style="list-style-type: none"> <li>▪ Public participation is designed to promote the values of good governance and human rights;</li> <li>▪ Public participation acknowledges a fundamental right of all people to participate in the governance system;</li> <li>▪ Public participation is designed to narrow the social distance between the electorate and elected institutions.</li> </ul> </li> <li>▪ The Municipal Structures Act 117 of 1998 specifically outlines the structures and processes required to effectively implement public consultation and participation in the matters of the municipality. The Act further establishes ward committees which consist of ten members and chaired by the ward councillor.</li> <li>▪ Traditional Leadership and Governance Framework Act 41 of 2003 stipulates that traditional leaders should be part of democratic structures at the local government level. In their co-operative relationship with municipalities, traditional leaders are expected to facilitate public participation in policy and service delivery initiatives that affect rural communities.</li> <li>▪ The Municipal Finance Management Act 56 of 2003 calls for the participation of the general public in the municipal budget formulation process in line with Chapter 4 of the Municipal Systems Act.</li> <li>▪ The Municipal Property Rates Act 6 of 2004 stipulates that a municipality must extensively consult with its citizens before it adopts its rates policy.</li> </ul> |  |
| <p><b>Progress &amp; Achievements 2016 to date</b></p>   | <p><b>Challenges</b></p>   |
| <ul style="list-style-type: none"> <li>▪ The Metro is in the process of establishing new Ward Committees to play a meaningful role in the development of their communities.</li> <li>▪ The Metro established 72% ward based COVID-19 rapid response task team in 36 wards according to Section 41 (h) of the South African Constitution of 1996, that fosters organs of state to co-operate with one another in mutual trust and good faith by, assist one another, inform one another on matters of common interest and coordinate their actions adhering to agreed procedures.</li> <li>▪ Civic Education: To empower communities with knowledge so that they can effectively participate in governance and to</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Party political challenges prevalent in communities affecting Ward Committee elections.</li> <li>▪ Poor attendance and participation by Government Departments in Ward Based COVID-19 Rapid Response Task Teams.</li> <li>▪ The project has no funding since the beginning of the COVID-19 pandemic.</li> </ul> |

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

encourage the community to organise themselves and be more effective in promoting local democracy and local development.

### Current State

- Lack of commitment in responding to queries and complaints from the community concerning service delivery resulting in Poor Communication between the Metro and Communities.
- Lockdown Regulations due to COVID-19 are limiting the platforms available for public participation to engage meaningfully with stakeholders on the Integrated Development Plan and Budget of the City.
- Many residents do not have access to the virtual platforms currently being used and there is increasing frustration communicated to BCMM as many community members feel that they are not sufficiently consulted on issues.
- Monitoring and support the functionality of ward committees to help accelerating service delivery and for them to successfully execute their mandate.
- Empowerment of communities with knowledge so that they can effectively participate in governance issues.

### Action Plans

- Establishment of new ward committees for the new term of Council.
- To intensify capacity building for ward committees.
- To provide support to the Moral Regeneration Movement and Traditional Initiation Programme.
- To provide information and learning experiences to equip and empower citizens to participate in democratic processes by conducting one civic education programme in each quarter

### KFA 32: Intergovernmental Relations (IGR) and International Relations (IR)

The ultimate goal of Development Cooperation, International Relations and Intergovernmental Relations is to focus on the implementation of development cooperation programmes, international relations and intergovernmental, strategies and programs that creates awareness, improves organizational, social, cultural and developmental objectives and goals of the Metro through partnerships, agreements and engagements with local, national and international partners, donors and stakeholders. To leverage off strategic national, regional and international partnerships to improve municipal services and functions, attract resources, and improve skills. The attention should be directed into the world development agendas which shall include globalization and its impacts to the society, to millennium development goals, human security, gender equality, environmental conservations, human rights, etc.

#### International Relations

International Relations is a national function delegated to local government. Therefore, Buffalo City Metro is guided by South Africa's foreign policy is guided by government's apex strategy, the National Development Plan (NDP), which sets out a long-term vision that seeks to address the triple challenge of unemployment, poverty and inequality, and put South Africa on a path towards long-term development and prosperity.

In this regard, Chapter 7 of the NDP envisions an active role for South Africa in the region, the continent and the world. The country seeks to build strategic partnerships for development to advance its national interests and promote the enduring values that define the nation, namely democracy, human rights and good governance.

The country continues to pursue regional political and economic integration and promote Africa's development through sustained South-South solidarity and mutually beneficial relations with the North. The adoption of the strategy for the BRICS economic partnership is expected to facilitate trade and investment, enhance market access opportunities and facilitate market interlinkages between the countries. The BRICS' New Development Bank is expected serve as an instrument for financing infrastructure investment and sustainable development projects in the BRICS and other developing countries and emerging market economies

On a local level BCMM is also guided by the International Relations Framework. The framework which is aligned to the SA Foreign Policy looks at city to city partnerships and twinning with partner cities abroad. This Framework promotes partnerships across the world in ways which will ensure maximum learning, synergy and promotion of our national interest, including investment promotion.

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The role of local government in IR has moved significantly from the symbolism of the past to meaningful interaction of mutual benefit with far reaching implications for the image of South Africa and the development agenda at a local government level i.e attainable economic benefits.

In this regard it has been determined that the growing demands and complexity of South African municipal service delivery imperatives has impacted significantly on the range and depth of skills and competencies required from within the municipal economy thereby necessitating serious consideration of municipal international relations as an increasingly viable conduit for scarce skills and resources. BCMM in line with its developmental trajectory embraces its metro status however the demands on capacity and resources are still a challenge.

The aim of BCMM's partnerships with international cities and donors is to:

- a. Facilitate information and knowledge sharing.
- b. Equip councillors and officials with additional skills and capacity.
- c. Build managerial and technical capacity.
- d. Promote Buffalo City Municipality as an attractive location for investment and tourism.
- e. Develop project partnerships for mutual benefits.
- f. Explore new ways of performing its core business of service delivery.
- g. Address regional and global challenges that have local impact which need to be tackled on a broad basis like climate change; and
- h. Contribute to global understanding, solidarity and peace.

Therefore, the Metro maintains its current partnership agreements and aims to seek out new partnerships to strengthen institutional capacity and obtain support for human resource and technical skills development and access to international aid and as well as funding for community development projects and programmes. A key focus of some of the current partnerships are on issues affecting not only Buffalo City but other cities in the world. These issues include matters of youth, human rights, climate change, service delivery and other development challenges facing municipalities.

### Intergovernmental Relations

The South African Constitution, 1996, puts emphasis on fact that, the three spheres of government are distinctive, interdependent and interrelated. In May 2014 the Buffalo City Metropolitan Municipality Intergovernmental Relations (IGR) Forum was launched. The IGR Forum was launched in terms of the Intergovernmental Relations Framework Act, 2005 (Act No.13 of 2005) which is located in Chapter 3 of the South African Constitution, 1996 which sets out the basic principles and values of co-operative government and intergovernmental relations.

Section 41 of the Constitution requires an Act of Parliament to:

- a. Establish and provide for structures and institutions to promote and
- b. facilitate intergovernmental relations; and
- c. Provide for appropriate mechanisms and procedures to facilitate the settlement of intergovernmental relations disputes.

The Forum's focus is:

- Unlocking of bottlenecks in government programmes and projects which hinder services to the community;
- Sharing information on government programmes for support, joint participation or sharing with communities; and
- Discussion on resources available to the Metro and the process of the accessing of the resources.

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Therefore, IGR seeks to improve integrated planning with other spheres and agencies of government; engage Sector departments on issues and projects that are cross-cutting with BCMM; and jointly resolve challenges faced within wards on functions that are not part of BCMM responsibilities.

The IGR Forums hosted by BCMM takes its cue from the Intergovernmental Relations Framework Act, 2005 (Act No.13 of 2005) located in Chapter 3 of the South African Constitution, 1996, the basic principles and values of co-operative government and intergovernmental relations requires integrated planning across all spheres of governments . IGR Forum meetings are held at least 4 times a year with Sector Departments, State-Owned Enterprises and municipal departments . At the IGR Forum meetings, programmes of government are shared with all stakeholders; projects and funds for projects in BCMM from Sector and National Departments are reported on; challenges with service delivery or key assets eg the Port are discussed, IDP outreaches and timelines are provided so sector departments can participate, feedback from the Imbizos is shared for input, introduction of government models for implementation are communicated and general government information and concerns are raised and shared. In addition, BCMM also holds IGR Roundtable Sessions with Sector Departments and relevant BCMM departments to resolve issues raised in the IGR Forum meetings. Furthermore, BCMM also holds the IGR Core Group comprised of the OTP, COGTA and BCMM departments to discuss the agenda for the IGR Forums and also to look at approaches to resolve challenges that could be hindering the smooth coordination of IGR amongst all spheres of government.

The municipality is engaged in inter-municipal planning; however, this occurs across the municipality and there is no formal reporting by departments on these planning sessions. This needs more strengthening as the Buffalo City Metro is regarded as a regional hub and has a huge impact on its neighboring municipalities and vice versa and more strategic sessions need to be held with neighboring municipalities especially in the Amathole region.

More recently due to climate change effects the need for inter-municipal planning became apparent. Through the Cooperation with the City of Oldenburg in Germany, an awareness raising water project was approved for BCMM. BCMM brought aboard Amathole District Municipality and Amahlati Municipality together with Department of Water Affairs and Amathola Water to look at working together in protecting the catchment areas as all three municipalities relied on the catchment for their water resource. The project looked at challenges experienced in the municipalities and how uniform communication messages could be used by all the municipalities for communities to protect and use the resources responsibly.

| Alignment with the National and Provincial Plans and Policies  | Link to BCMM Strategies, Sector Plan(s) and Policies  |
|--|---|
| <ul style="list-style-type: none"> <li>▪ Section 152 and 153 of the Constitution of the Republic of South Africa (Act 108 Of 1996) legislates the developmental mandate of local government and outlines the need for cooperative governance.</li> <li>▪ The Local Government: Municipal Systems Act (Act No. 32 of 2000) refers to the need for municipal planning, through the integrated development plans developed by municipalities, to be developmentally oriented in line with Sections 152 and 153 of the Constitution. Municipal Systems Act provides greater clarification regarding the legal nature, and the rights and duties, functions and powers, of municipalities. Particularly relevant for this Policy is Chapter 5 which concerns integrated development planning, which this Policy gives effect to in the sphere of external and international relations.</li> <li>▪ The Local Government Municipal Finance Management Act 56 of 2003</li> <li>▪ The White Paper on Local Government of March 1998</li> <li>▪ Intergovernmental Framework Act 13 of 2005: The IRFA was passed in order to give effect to the principle of cooperative governance as enshrined in the Constitution. It is relevant for the</li> </ul> | <ul style="list-style-type: none"> <li>▪ Metro Growth &amp; Development Strategy (vision 2030): Which states that BCMM must continue to serve on IGR structures to enhance the flow of information and encourage participation with the City. This will be implemented, through identified systems for regular interaction (between BCMM and all its' publics/stakeholders</li> <li>▪ The Buffalo City International Relations Framework/ Draft Policy (2008/2013): the document align BCMM's international relations and international development cooperation activities closely to the South African foreign policy; Positions BCMM in the ongoing national discussion about the role of local government – and specifically municipalities – in the conduct of international relations, and actively engage with key stakeholders (eg DIRCO, SALGA, COGTA) in this regard; Ensure prioritization of BCMM's strategic priorities as outlined in the, IDP/Budget and LED strategy; Promote BCMM as an attractive location for investment and tourism.</li> <li>▪ Draft BCMM International Relations Policy</li> </ul> |

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| <p>purposes of the policy to the extent that it informs the manner in which high-level inter-governmental agreements are concluded.</p> <ul style="list-style-type: none"> <li>▪ The South African Foreign Policy: The essence of South Africa's foreign policy is to promote and protect the interests and values of its citizens. The Foreign policy belongs to South Africa's people and;             <ul style="list-style-type: none"> <li>- It mirrors their long relationship with the international community</li> <li>- It reflects the rich tapestry of their international heritage</li> <li>- It demonstrates their desire to live in harmony with their neighbours</li> <li>- It signals their intent to contribute creatively to Africa's future</li> <li>- It beckons them to international service so that their country may fulfill its calling as a responsible global player</li> <li>- It summons all South Africans to think beyond the immediate, to reach towards the challenges of the approaching century.</li> </ul> </li> <li>▪ The National Development Plan: Vision 2030: Chapter 7 of the Plan specifically outlines South Africa's positioning in the world in terms of a global and regional context. The Plan highlights the need for promoting regional integration for a more competitive and fast-growing Southern Africa, trade integration, Tripartite Free Trade negotiations, strengthening economic diplomacy and building effective partnerships with private sector and state-owned enterprises.</li> <li>▪ Operation Masiphathisane an integrated service delivery model ie war rooms which sees to promote working together as government to ensure responses on the ground at ward and municipal levels take place.</li> </ul> |   |
| <p><b>Progress &amp; Achievements 2016 to date</b></p>   | <p><b>Challenges</b></p>  |
| <ul style="list-style-type: none"> <li>▪ Youth Engagement Project for All Wards: The project objective is that "Youth are included in local democratic processes. Cost - R 1.5 million (Multi-year project i.e., 3 years)</li> <li>▪ BRICS Local Government Conference: Hosted Representatives from Brazil, Russia, India, China and South Africa to an international 4-day Conference fin 2018 focused on the role of local government in driving the BRICS agenda. Cost - R 5 million</li> <li>▪ Nahoon Estuary Boardwalk: Climate Change Project: Upgrading of the Nahoon Estuary Boardwalk which was damaged due to floods and lack of funding for maintenance. Cost - R 846 000.00</li> <li>▪ Jinhua Homestay Project: The project is aimed at young people to promote cultural interaction, tolerance and understanding but</li> </ul>   | <p><u>International Relations</u></p> <ul style="list-style-type: none"> <li>▪ Donor Resources across the world is becoming scarcer. BCMM will need to make more deliberate efforts to access donor funding through its international partnerships. It would also need to ensure that all international projects are successfully coordinated, project led and completed to be seen as a credible recipient of donor aid. This will assist BCMM to seek out new partners to access donor funding.</li> </ul> <p><u>Intergovernmental Relations</u></p> <ul style="list-style-type: none"> <li>▪ There is still a need to bridge the gap in the planning process by having more data and information from Sector departments to ensure a more informed IDP.</li> </ul> |

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| <p>also the understanding of historical villages of Jinhua by direct experience of local culture. Buffalo City Metro nominated at least 14 students to participate in the Homestay Programme of the City of Jinhua in the People’s Republic of China from 2016 to 2019. Cost - R 210 000.00</p> <ul style="list-style-type: none"> <li>▪ Upgrade of the German Settler Monument: Beachfront. Installation of Mosaics on the beachfront to replace the plaques that were stolen to provide a colourful mosaic wall to improve the attractiveness of the beachfront and attract visitors and tourists. Cost - R 150 000.00</li> <li>▪ BCMM guided by the South African Foreign Policy, Provincial IR Strategy and the BCMM IR Framework.</li> <li>▪ Assessment of 2016/2021 IDP and consequent Annual Reviews were to be found credible by EC Provincial Government during IDP Assessments.</li> <li>▪ A key accomplishment thus far is that BCMM has included its first “Metro Development Profile” as part of the adopted IDP Review for 2020/2021 (see Section B of the IDP 2020/2021) and this was submitted to National Treasury.</li> <li>▪ Functional BCMM Technical IDP/Budget/PMS Workstreams with the inclusion of IGR partners for more effective implementation of the District/Metro Development Model, IDP/Budget/PMS Process Plan and COVID-19 Response plan for BCMM</li> </ul> | <p>BCMM departments are all engaged in IGR processes with other spheres of government, parastatals, agencies however this is not reported on and therefore needs more mainstreaming. The IGR forum which is held four times a year to unlock bottlenecks and provide a platform for integrated planning still faces a major challenge which is non-attendance and poor participation of sector departments and internal departments in these Forums. This results in fragmented information shared and non-credible data and less synergy between government spheres.</p> |
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| <b>Current State</b>   | <b>Action Plans</b>   |
|--|---|
| <ul style="list-style-type: none"> <li>▪ IR has taken on a new significance because of an increasingly interconnected world, allowing nations to cooperate with one another, pool resources, and share information as a way to face global issues that go beyond any particular country or region.</li> <li>▪ The Covid-Pandemic saw sister cities providing support to Buffalo City Metro through the donation of masks and offering medical advice and support.</li> <li>▪ The Provincial Government was also assisted during the crisis by its foreign counterparts. Contemporary global issues include disasters/ pandemics, terrorism, human rights, economy/trade/investment and the environment/climate change effects are of global interest and need to form an integral part of our international partnerships.</li> <li>▪ Provincial Government has approximately 8 international partnerships international relations across the globe.</li> <li>▪ BCMM has 4 international partnerships in Germany, China, and Sweden (new).</li> <li>▪ BCMM participates in a number of international platforms, conferences, exhibitions, shows etc.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Review of the IGR framework</li> <li>▪ Implementation of the DDM to support an integrated and responsive IDP.</li> <li>▪ Support to the Ward-based Response Task Teams</li> <li>▪ Government Calendar</li> </ul> |

### KFA 33: Communications (Internal and External)

Communications is a strategic tool for service delivery as it is aligned with the goals and objectives of the organization. Communications analyses the municipal communication environment, identifies stakeholders, links them with the Municipality’s core business and

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spearheads a concrete programme of action that promotes how the Municipality communicates its objectives effectively (with its stakeholders).

Communications also seeks to ensure that everyone within BCMM understands its vision and speaks with shared/common voice and purpose, and that there is ownership and clarity on the message the Municipality puts across.

Communication's role is to also ensure that BCMM is a well-known and marketable brand internally and externally.

Communications also ensures that the Municipality comprehends with the community needs, takes actions that are informed by the environment and identifies relevant communication platforms.

Linked with BCMM's vision, mission, values and MGDS, Communications strategic objectives are to:

- To communicate priorities of the IDP to communities
- To encourage open, honest and accountable two-way dialogue with all stakeholders
- To strengthen and improve internal and external communication
- To build and protect BCMM's corporate identity
- To forge meaningful partnerships with key relevant stakeholders
- To bridge information gap between BCMM and its stakeholders by maximising use of all communication properties including new media (includes social media)
- To create and maintain sound relations with the media, and community media in particular.
- To ensure customer oriented communication service as well as adherence to the Batho Pele principles
- To ensure a functional Local Government and Communication System (LGCS)

The institution recognises communication as a strategic and support function and as an integral part of the daily functioning of the municipality.

The BCMM also subscribes to a notion of a caring, responsive and accountable local government whilst committed to being well-governed, connected, green and innovative City.

### Internal communication

Internal communication is the function responsible for effective communication among participants within an organization. The main purpose of internal communication is to facilitate and manage the flow of information within the municipality in order to create an informed workforce while building a sense belonging, ownership and stimulating the role of councillors and employees as ambassadors of the BCMM.

The weakness in internal communication affects the efficiency of external communication and its capability to achieve BCMM general objectives. A BCMM Communications policy and BCMM Code of Conduct form part of this strategy for BCMM internal communication with the aim of improving the achievement of BCMM's institutional agenda through internal communication mediums, supporting the rapid flow and active exchange of information among the various BCMM Directorates, departments, units and individuals.

Key components to these are:

- Disseminating a unified culture of communication amongst BCMM employees with respect to BCMM's responsibilities as well as to the importance of the Communication objectives, provided such culture be unanimous and supported by the senior management.
- Improving employees' understanding and commitment to BCMM's general and specific objectives of its sectors and the missions they undertake.
- Developing a high level of coordination between BCMM directorates in the fields of information collection and dissemination, causing a rapid and active flow of the information required for external communication.



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- Increasing feedback capacity to transfer information through outreach communication media.

It is vital for stimulating the role of councillors and all employees in being ambassadors of local government communication in the environmental media, awareness and education.

### **Alignment with the National and Provincial Plans and Policies**

Legislation/ prescripts governing Communications (Internal and External) include:

- The Constitution of South Africa, Act 108 of 1996 contains The Bill of Rights which is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom.
- The Municipal Systems Act 32 of 2000 as amended, emphasises on communication that encourages participation of communities / stakeholders in the affairs of a municipality.
- Section 21 of the Municipal Systems Act states that a must notify or communicate with local communities about anything in terms of the Systems Act or other relevant legislation, using local newspapers of its area which is circulated in its area and determined by Council as a newspaper of record or by means of radio broadcast covering the area of the municipality, and such notification must be in the official languages determined by the council, having regard to language preferences and usage within its area.
- Section 21 A, details that Documents to be made public (1) All documents that must be made public by a municipality in terms of a requirement of this Act, the Municipal Finance Management Act or other applicable legislation, must be conveyed to the local community.
  - by displaying the documents at the municipality's head and satellite offices and libraries;
  - by displaying the documents on the municipality's official website, if the municipality has a website as envisaged by section 21B;
  - by notifying the local community, in accordance with section 21, of the place, including the website address, where detailed particulars concerning the documents can be obtained.
- The Promotion of Access to Information Act 2 of 2000 gives effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights prescribes how communities can access information.
- The Promotion of Administrative Justice Act (PAJA) aims to make the administration effective and accountable to people for its actions. Together with the Constitution it embraces the Batho Pele principles and promotes South African citizens' right to just administration.
- Electronic Communications Act 36 of 2005. The Electronic Communications Act 36 of 2005 ("the ECA") is the primary legislative instrument governing the transmission of electronic communications in South Africa. It promotes the convergence in the broadcasting, broadcasting signal distribution and telecommunications sectors and to provide the legal framework for convergence of these sectors; to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting.
- Government Communication Policy
- National Development Plan
- The National Government Communication Framework
- GCIS Communications Handbook
- Local Government Communication System (LGCS) Guidelines for Municipal Communication
- SONA, SOPA, SOCA

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Communications strategy
- Communications action plan
- Communications policy

### **Progress & Achievements 2016 to date**

- Communications Strategy: Review of Communications Strategy done in-house.
- Digital and Social Media platforms: Risk identified for a need to audit, register and professionalise BCM social media platforms: i.e., Facebook, Twitter. Auditing of platforms done. Registration process underway. Cost - R1, 6m

### **Challenges**

#### Internal Communication

- In many instances staff members do not understand the inner workings of government and/or its programmes.

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- Community Media: Service Level Agreement in place with the City's community radio stations in order to ensure maximum reach of information to stakeholders. Cost - R800 000
- Website revamping and redesign
- Strengthening of Digital Media Platforms. Increasing of followers and updates on social media platforms. These are done through video boosting, live short videos Infographics and live host watching.
- Implementation of Covid-19 Communications Resurgence plan per alert level. Issuing of weekly and daily updates on Covid-19 statistics, decisions and hotspot areas
- Implementation of communication innovations
- Review of communications strategy
- Functional Metro Communicators Forum
- Creation of corporate identity manual
- SLA with community radio stations
- Effective community media relations
- Regular ward-based newsletters
- Compliant presidential hotline
- Enhanced media relations including networking sessions with institutional leadership
- Ever growing social media presence and influence
- Advancement of usage of digital platforms like screens, live streaming, short videos
- Effective and advance media monitoring tools
- Lack of understanding of the communications role within some municipal departments
- Non-alignment of municipal programmes
- Information leakage and handling of confidential information is vital, and lack thereof possess many legal and reputational risks for the institution
- An intranet is a private network accessible only to an organization's staff. The Communications Department has a vital role to play on the intranet in that it provides support to the ICT Department towards the look and feel and the type of information to be made available on the Intranet. The current BCMM intranet needs improvement
- Flooded emails: Internal emails are a vital component of internal communications. Emails are immediate, fast, cost effective and are good for record keeping. Whilst the custodians of emails and their functionality is ICT, Communications has a key role to play in the type of messaging that is being sent out on emails. Currently there are no guiding principles on internal emails. Communications, through policies, guidelines and advisory, should guide the language, content and frequency at which email communication is being disseminated. Communications should also guide email banners, signatures, slogans, taglines and quotes that are to be used.
- Reach on workers that are not on emails both in terms of access to information; the utilisations of notice boards/ internal screens and the usage of the isi-Xhosa language
- External Communication
- Lack of information on how government works and lack of understanding of different roles and functions within municipality and government departments;
- Limited feedback to communities on the state of service delivery;
- Cry on accessibility and visibility of councillors in the communities they represent
- Public perception that government only communicates service delivery issues during the election period.
- The new age phenomena of fake news
- Leaks in the media
- Instability
- Inadequate funding

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

| Current State   | Action Plans  |
|---|---|
| <ul style="list-style-type: none"> <li>▪ Communications policy and strategy needs to be reviewed, in order to align with the new term of office</li> <li>▪ Implementation of an action plan towards an effective communication internally and externally</li> <li>▪ BCMM logo is old, outdated and not applicable. The corporate identity of the City needs to be reviewed to be aligned with the new vision, mission and MGDS</li> </ul> | <ul style="list-style-type: none"> <li>▪ Review of the Communications policy.</li> <li>▪ Implementation of the current Communications Strategy action plan.</li> <li>▪ Implementation of the brand review process plan</li> </ul> |

### KFA 34: Corporate Marketing (Branding)

Corporate Identity is a representation of the Municipality views itself and how it wishes to portray itself to the public which includes customers, employees, investors and collaborators.

This involves the application of a corporate identity, marketing and branding.

Communications, as the custodian of the overall corporate identity of the BCMM, ensures that the brand is protected and positioned properly within the institution and outside.

In performing this task, various instruments such as the style-guide and corporate identity manual are applied in order to ensure that key institutional messages and messaging is an integral part of corporate identity.

These corporate identity comprehensive guidelines and instructions assist the Municipality on the correct use of the graphic and layout elements which will be used as a manual in the application of the institutional logo.

The current logo of BCMM is old, outdated and needs to be revamped. The institution does not have a current brand manual nor does it have style guide on the application of the current logo in various marketing platforms. There are also no main institutional colours and themes associated with the logo.

The process of revamping the BCMM brand is an important priority for the City to change and modernize itself and follow the trends of Cities around the world.

Such an inclusive exercise will also involve modernising the current visual image of the current logo, design, and collaterals. The revamping of the logo of BCMM is not directly aimed at a change in brand values, but to align it with the institutional vision and Metro's Growth and Development Strategy.

Corporate marketing and branding also enables the institution to explore conventional artistic and unconventional ways of spreading messaging. This includes graffiti and taking up space in buildings for electronic messaging. To also make messaging effective, the City is encouraged to partner with the private sector and also market itself through some of its local icons.

Corporate marketing also includes tourism marketing which deals with different tourist attractions, tours and activities, destinations and uses various marketing platforms to promote the City.

Furthermore, in order to enhance the marketing of the brand, the City needs to acquire its own land space and erect its own billboards and banners.

To project and protect the corporate identity of the City, BCMM's office building, vehicles, corporate stationery production of all branding material and promotional material needs to carry the same look and feel.

Management is expected to always ensure adherence to the BCMM's branding protocol as prescribed by the Communications Policy.

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Activities that are crucial for Corporate Marketing (Branding) are as follows:

- Develop or revamp new BCMM logo/ corporate identity.
- Develop and Promote adherence to the BCMM Corporate Identity Style-guide.
- Acquire land and erect own billboards.
- Acquire space in buildings or prime areas to promote the City brand through electronic messaging.
- Partner with express to promote the City brand through arts and graffiti.
- Partner with icons to promote the City brand.
- Develop and monitor media production and branding manual/guide.
- Liaise with key Departments and entities, for co-marketing and branding.
- Produce corporate videos covering but not limited to BCMM official events.
- Design and produce electronic and print institutional/corporate stationery.
- Design and produce artwork for all promotional and branding material in accordance with the BCMM style-guide.
- Design and print invites, programmes, posters and notices for all BCMM official events/activities.
- Set up branding material at all BCMM official events at least before commencement of such events.
- Run a professional, scientific and effective social media and digital marketing program

### Theme

A theme is the overall definition of the main message that the City represents.

The Municipal theme for the current term of as pronounced during the State of the City Address is: Unity in Action, A City hard at work.

This BCMM main theme will be used within the context of government themes, applicable to local government which are:

- Working Together
- Khawuleza
- Thuma Mina

The theme for the City is linked to the Metro Growth and Development Strategy and is part of the key institutional messages which are:

- Unity in Action
- A well-governed City
- An Innovative and Productive City
- A Green City
- A Connected city
- A spatially transformed City

The BCMM also subscribes to a notion of a caring, responsive and accountable local government and these must be depicted in the corporate marketing and branding of the City.

### Tag line:

A tagline is a marketing message used consistently with the organization's name and logo. It is a short and catchy phrase or group of words that summarize the overall organisation.

Emotion is a big part of a tagline as it tells your audience how they will feel if they deal with the organisation.

Our tagline is a summation of the brand promise which is contained in our mission, vision and values.

BCMM tagline: A City hard at work.

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Branding and promotional material include:

- Office signage
- Buildings look and feel
- Stadiums, walls, halls look and feel
- Vehicle signage and branding
- Banners
- Flags
- Business Cards
- Corporate Wear (protective clothing, blazers, ties, scarfs, t-shirts, tracksuits etc.)
- Corporate Stationery
- Corporate marketing material, Video
- Corporate Gifts

### Strategies and Plans Developed

- Communications policy
- Communications strategy
- Communications action plan

| <b>Alignment with the National and Provincial Plans and Policies</b>  | <b>Link to BCMM Strategies, Sector Plan(s) and Policies</b>   |
|---|---|
| <ul style="list-style-type: none"> <li>▪ Legislation/ prescripts governing Communications (Internal and External) include:</li> <li>▪ The Constitution of South Africa, Act 108 of 1996 contains The Bill of Rights which is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom.</li> <li>▪ The Municipal Systems Act 32 of 2000 as amended, emphasises on communication that encourages participation of communities / stakeholders in the affairs of a municipality.</li> <li>▪ Section 21 of the Municipal Systems Act states that a must notify or communicate with local communities about anything in terms of the Systems Act or other relevant legislation, using local newspapers of its area which is circulated in its area and determined by Council as a newspaper of record or by means of radio broadcast covering the area of the municipality, and such notification must be in the official languages determined by the council, having regard to language preferences and usage within its area.</li> <li>▪ The Promotion of Access to Information Act 2 of 2000 gives effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights prescribes how communities can access information.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Metro Growth &amp; Development Strategy (vision 2030)</li> <li>▪ A well-governed city: a smart and responsive municipality (working with other levels of government) that plans and efficiently delivers high quality services and cost-effective infrastructure, without maladministration and political disruptions.</li> <li>▪ To promote sound financial and administrative management</li> <li>▪ Communications Strategy (February 2019)</li> <li>▪ Signage Bylaw</li> <li>▪ Tourism Master plan</li> <li>▪ BCMM Communications Policy</li> </ul> |

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

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|--|--|
| <ul style="list-style-type: none"> <li>▪ Electronic Communications Act 36 of 2005. The Electronic Communications Act 36 of 2005 (“the ECA”) is the primary legislative instrument governing the transmission of electronic communications in South Africa. It promotes the convergence in the broadcasting, broadcasting signal distribution and telecommunications sectors and to provide the legal framework for convergence of these sectors; to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting.</li> <li>▪ Government Communication Policy</li> <li>▪ National Development Plan</li> <li>▪ The National Government Communication Framework</li> <li>▪ GCIS Communications Handbook</li> <li>▪ Local Government Communication System (LGCS) Guidelines for Municipal Communication</li> <li>▪ SONA, SOPA, SOCA</li> </ul> |  |
| <p><b>Progress &amp; Achievements 2016 to date</b></p>   | <p><b>Challenges</b></p>   |
| <ul style="list-style-type: none"> <li>▪ Review of Communication strategy</li> <li>▪ Creation of corporate identity manual</li> <li>▪ Implementation of communication innovations</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Non-registration of the current logo</li> <li>▪ Current logo is outdated and has too many colours which hinder application</li> <li>▪ Outsourcing of design function</li> <li>▪ Inadequate tools of trade to match current technological trends</li> <li>▪ Insufficient budget</li> <li>▪ Negative media publicity that affects the brand negatively</li> <li>▪ Accurate, safe and interactive website</li> </ul> |
| <p><b>Current State</b></p>  | <p><b>Action Plans</b></p>   |
| <p>BCMM logo is old, outdated and not applicable. The corporate identity of the City needs to be reviewed to be aligned with the new vision, mission and MGDS</p>  | <ul style="list-style-type: none"> <li>▪ Implementation of the brand review process plan</li> <li>▪ Submission of process plan to Council structures for adoption</li> <li>▪ Rolling out of the new corporate identity</li> </ul>  |

### KFA 35: Revenue Management

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

- Efficient revenue management, which aims to ensure not less than 92.5% annual collection rate over the medium term for property rates and other key service charges.
- Achievement of full cost recovery of specific user charges especially in relation to trading services.
- The City is striving to ensure that all its trading services are financially self-sustainable.
- Move from a flat-rate billing system to all consumers billed according to consumption.
- Implementation of an automated billing system as opposed to a manual meter reading process.
- Update of the valuation roll through implementation of monthly supplementary valuations until the implementation of the next General Valuation on 1 July 2023 and every four years thereafter in terms of the Municipal Property Rates Act.
- Creating a conducive environment to attract potential investors.
- Review of the Spatial Development Plan to allow for human capital resources to be closer to economic and job opportunities.
- BCMM bills the consumers on a monthly basis as per the norms and standards of revenue management.

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

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| <b>Alignment with the National and Provincial Plans and Policies</b>  | <b>Link to BCMM Strategies, Sector Plan(s) and Policies</b>  |
| <ul style="list-style-type: none"> <li>• Municipal Finance Management Act 56 of 2003</li> </ul>   | <ul style="list-style-type: none"> <li>• Metro Growth &amp; Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city</li> </ul>  |
| <b>Progress &amp; Achievements 2016 to date</b>   | <b>Challenges</b>  |
| <ul style="list-style-type: none"> <li>• General Valuations Roll for all wards: Compilation of the General Valuation Roll every 4 years in terms of Section 32 of the Municipal Property Rates Act. Two General valuation Rolls successfully implemented to the value of R18 523 854.             <ul style="list-style-type: none"> <li>▪ GV2013 – valid June 2014 to June 2018 and,</li> <li>▪ GV2017 – valid July 2018 to June 2022.</li> </ul> </li> <li>• Electricity and Water Smart Metering Solution for all wards: Changing of electricity and water meters from manual to smart meters. As of 15 February 2022, 109 243 water smart meters installed and 36 757 electricity smart meters installed. Cost – R124 936 448.77 – water smart meters &amp; R146 755 426.79 – electricity smart meters.</li> </ul>  | <ul style="list-style-type: none"> <li>• Non-achievement of the targeted collection rate</li> <li>• Continued implementation of the Punitive water tariff, which increases the debt book and affects the collection rate.</li> <li>• The suspension of full credit control action during COVID-19 pandemic has contributed to the decline in collection rate.</li> </ul>   |
| <b>Current State</b>  | <b>Action Plans</b>  |
| <ul style="list-style-type: none"> <li>• Not all Indigent debtors have registered to be able to benefit from free basic electricity services.</li> <li>• The Collection rate is below target. Contributing factors to the non-payment include the COVID-19 pandemic resulting in economic hardships. Water punitive tariffs have also contributed to the increase in billing which has a direct impact on the collection rate.</li> <li>• Manually reading of meters poses a risk on accuracy and completeness of the readings.</li> <li>• BCMM raise interims due to non-reading of meters</li> <li>• BCMM has a limited revenue base which makes it difficult to sustain its budget going forward and currently experiencing a deficit on electricity trading services. This makes it difficult to meet the demand for funding the expenditure budget as informed by the service delivery needs.</li> <li>• Continuous decline in collection rate and increase in debtors.</li> </ul> | <ul style="list-style-type: none"> <li>• Indigent registration is ongoing on a daily basis in the regional offices. Furthermore, the department will be conducting Indigent Registration Campaigns in order to register potential Indigent Consumers.</li> <li>• Blockings/disconnections of non-paying consumers in terms of the Credit Control Policy is in place and continued to be enforced.</li> <li>• Implementation of the Meter Reading System is in place to ensure that manual reading is reduced.</li> <li>• Furthermore, the implementation of Smart Meter Reading System is continuing which will reduce the human interaction with the reading.</li> <li>• Both Systems are to ensure that interims are reduced by all means.</li> <li>• Enforce implementation of the Cost Containment Policy and promote Credit Control Policy</li> <li>• Enhance the revenue collection measures.</li> <li>• Implementation of Revenue Enhancement Strategy in order to improve the revenue generation.</li> </ul> |

### KFA 36: Expenditure and Supply Chain Management

BCMM SCM system is premised on section 217 of the South African Constitution which must be, fair, equitable, transparent, competitive and cost effective. The BCM SCM Policy is reviewed annually as prescribed by section 3 of the MFMA and during the 2017/2018 financial year the SCM policy was reviewed and approved by Council in May 2018.

The SCM department is constituted in line with the SCM system and comprises of: -

- a. Demand Management and Supplier Development Section
- b. Acquisitions Section (Buying and contracts)
- c. Logistics, Warehouse and Disposal Sections

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- d. Risk and Compliance Management Section and
- e. Contracts Performance Management Section

| Alignment with the National and Provincial Plans and Policies  | Link to BCMM Strategies, Sector Plan(s) and Policies  |
|--|---|
| <ul style="list-style-type: none"> <li>• Municipal Finance Management Act 56 of 2003</li> </ul>  | <ul style="list-style-type: none"> <li>• Supply Chain Management Policy</li> </ul>  |
| Progress & Achievements 2016 to date   | Challenges  |
| <ul style="list-style-type: none"> <li>• Reviewal of the SCM Policy by Council in May 2019.</li> <li>• Continuous identification and reporting of irregular and unauthorized expenditure</li> <li>• Rolling out the E-Procurement System to improve procurement of goods and services.</li> <li>• Implementation of the Electronic Document Management System (EDMS) to access bid documents and contracts through the EDMS system</li> <li>• Implementation of Internal Controls on Formal Written Quotations (Informal Tenders) to improve turnaround times on the Quotation System.</li> <li>• Development of The Audit Improvement Plan and all matters raised during the audit are dealt with and reported in the relevant structures of Council. The AIP is a tool developed to ensure continuous monitoring of issues raised and dealt with progressively.</li> <li>• Implemented host to host for both payment of supplier and salaries</li> <li>• Timeous submission of annual financial statements to the Office of the Auditor General.</li> <li>•</li> </ul> | <ul style="list-style-type: none"> <li>• Weak institutional demand planning: Late or non-submission of demand procurement plans from user department resulting in poor planning and late implementation of projects leading to low and non-spending of the budget.</li> <li>• Weak institutional contracts management (role clarification between unit and departments) exacerbated by lack of automated system – resulting in irregular and unauthorized expenditure.</li> <li>• No centralised storage place or facility for SCM documents resulting in potential risk of loss of information.</li> <li>• Lack of the necessary skills set with SCM Unit increase risk of Procurement Related Litigations against the City.</li> <li>• There are no controls or mechanisms to demonstrate Supplier rotation on the Manual System.</li> <li>• Manual processes still being used for example Contract register are not automated which was another Audit General finding.</li> <li>• Difficulty to maintain the 30 days payment period at year end due to late submission of invoices</li> <li>• There is resistance by staff to implement e-procurement system due to not having the required set of skills and not embracing change</li> <li>• The e-procurement system is driven by the system owner and lacks the necessary drive from the users' perspective</li> <li>• There is no automated system that tracks expiry of contracts to inform user departments that their contracts have expired</li> <li>• Non-compliance with processes and procedures by departments resulting in delays to processing payments (e.g.: creditors not paid within 30 days)</li> <li>• No expenditure management policy</li> </ul> |
| Current State  | Action Plans  |
| <ul style="list-style-type: none"> <li>• Implementation of the Electronic Document Management System (EDMS) back-scanning is done.</li> <li>• E- Procurement system has been implemented and is running.</li> <li>• Implementation of automated contract management module in progress and at an advance stage of completion and full utilisation.</li> </ul>  | <ul style="list-style-type: none"> <li>• Full implementation of the Electronic Document Management System (EDMS) back-scanning.</li> <li>• Continuous training of officials informed by the skills gap analysis.</li> <li>• Funding and filling critical vacant posts.</li> <li>• Policy Development.</li> </ul>  |



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- Complete elimination of adhoc manual requisitions
- Full implementation of contract module and no manual preparation of contract register.
- Continuous training of officials informed by the skills gap analysis.
- Funding and filling critical vacant posts.
- Policy Development.

### KFA 37: Budget and Treasury

Budget needs to reflect the targets priorities reflected and stated in the Integrated Development Plan (IDP). The IDP is broken down by Service Delivery Budget Implementation Plan onto quarterly service delivery targets. Annual performance agreements also reflect these targets and managers are responsible in meeting these targets.

The aim is to manage and apply resources to meet public needs with limited resources which need to be allocated according to priority. The budget reflects municipality's strategic direction and delivery potential to include:

- Implications of new infrastructure and programmes
- Maintenance of existing infrastructure
- Sustaining existing service levels
- Ring fencing – specific projects and programmes
- Balance between social and economic infrastructure investment

The delivery of services is dependent on the compilation of budget to identify resources and applying them to meet the objectives of an organisation. The budget is used as a management tool to control spending (Actual vs. Budget) within the allocated budget, maximise potential of available resources, basis for performance assessment, linkage to non-financial targets / objectives and support accountability and financial management. Administration is aware of the targets that need to be met and how they have been determined so that they can report accordingly during review process.

The Budget and Treasury department is responsible for:

- Ensure the strategic objectives of their organisation are achieved.
- Contribute to the Efficient Allocation of Resources within the municipality.
- Funding is available to meet daily operational and capital expenditure requirements by effectively managing cash resources.
- Source loan funding for capital expenditure projects which will generate favourable return on investment.
- Cash and Cash Equivalent resources are managed in order to remain financially viable and sustainable.
- Basis of determining fees and charges which are implemented in order to generate funding for the budget.
- Implement cost reflective tariffs for specific user charges especially in relation to trading services were this is feasible.
- Impact assessment of changes in policies, responsibilities, priorities and events.

#### **Alignment with the National and Provincial Plans and Policies**

#### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Municipal Finance Management Act no. 56 of 2003
  - Budget Preparation - S68
  - Budget Implementation - S69
  - Impending Shortfalls, Overspending and Overdraft - S70
  - Long term Debt Management - S46
  - Cash Management and Investment - S13
  - Monthly Budget Statement - S71, S52 and 72
- Municipal Budget and Reporting Regulations, 2009

- Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city
- Tariff Policy
- Budget Virement Policy
- Budget Policy
- Long-term Borrowings
- Investment and Cash Management Policy

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

- Municipal Finance Management Act Regulations on Standard Chart of Accounts issued under Government Gazette No. 37577 dated 22 April 2014 Division of Revenue Act (DORA)

### Progress & Achievements 2016 to date

- Automation of supply chain management process to eliminate risk and interferences including payment and receipting: Supply Chain has relaunched the Acquisition Management Module of the Electronic Procurement System (E-Procurement).
- The purchase requisitions for goods and/or services between the value of R0 - R30 000, out of contract, none-stock items are processed online using the E-Procurement System only
- The contract module has been activated in the solar financial system to enable automation of the process of capturing contracts.
- The linking of CSD Codes onto solar financial system under the contracts management module is being undertaken in order to upload contracts.

### Challenges

- Shortfall in funding the City's capital programme as well as operating budget
- Cash and Cash Equivalent is reflecting a declining trend.
- Non-achievement of the targeted collection rate

### Current State

- Develop a Long-Term Financial Strategy (LTFS) and Long-Term Financial Model (LTFM):
- National Treasury appointed a service provider to support BCMM with the implementation of the LTFM. Through engagements with key directorates and using the City's strategic documents, the service provider has developed a draft LTFS.
- Difficulty in maintaining affordable tariffs and achieving cost reflective tariffs
- Alternate sources of revenue to supplement the existing revenue streams: The City is in discussion with SALGA to develop proposal for raising PPP agreements, loans, Grants, Land Financing and Collaborative Financing
- Programme/ Project Evidence Based Prioritization (Capital Prioritisation)

### Action Plans

- Development of the long-term financial strategy and training of staff on the use of the LTFM
- Implementation of automated full Cost Reflective Tariffs Model
- Initiate alternative financing options for Capital Infrastructure
- Approval of policy and development of Capital Prioritisation Model for Budgeting

### KFA 38: Corporate Asset Management

The institution has approved a Corporate Asset Management unit as part of the institutional structure. The unit is still in the initial stages of creation with historical and current processes being performed with the assistance of a service provider that is hosting the current GRAP compliant Asset Management System. The processes performed were the creation of Asset Management Plans for each user department as well as the identification of the risk profiles of each asset portfolio. This information is to be used to identify funding needs for the replacement and refurbishment of infrastructure assets.

The institution has an approved Infrastructure Asset Management Policy in place and is being implemented to manage and update all the Infrastructure Assets. The accounting policy adopted by the institution is the revaluation method on all infrastructure assets which is done at each reporting date, this method is considered appropriate for the institution to ensure sustainability and future financial viability. This method allows for the accumulation of funds that can be invested back into the replacement and refurbishment of existing infrastructure assets. This approach is achieving positive results as our investment of own funds in infrastructure replacement is improving.

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The expansion of the infrastructure asset base is funded through grant funding, loan funding and own funding. There are no infrastructure assets that are funded through PPP funding and none of the Institution's assets are held as a collateral.

Improving asset management continues to be a focus for Buffalo City Metropolitan Municipality, as it is the area from which services are delivered to the inhabitants of the Municipality and subsequently the primary area of revenue generation. The Metro has engaged a service provider to assist with asset management and reporting, including the review and updating of the Infrastructure Asset Management Policy.

In deciding which projects to implement and also which assets to maintain, the relevant Buffalo City Metropolitan Municipality user departments undertake needs analyses to establish the communities' priority needs and individual asset maintenance needs. This information is then fed into the IDP and Budget and used to make informed decisions with regard to which assets require prioritization.

| <b>Alignment with the National and Provincial Plans and Policies</b>  | <b>Link to BCMM Strategies, Sector Plan(s) and Policies</b>  |
|---|--|
| <ul style="list-style-type: none"> <li>• MFMA, Act no. 56 of 2003</li> <li>• GRAP framework</li> <li>• mSCOA regulations</li> </ul>   | <ul style="list-style-type: none"> <li>• Metro Growth &amp; Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city</li> <li>• Movable Asset Management Policy</li> <li>• Immovable Asset Management Policy</li> <li>• Disposal of immovable capital assets by the municipality and its entities</li> </ul>   |
| <b>Progress &amp; Achievements 2016 to date</b>   | <b>Challenges</b>  |
| <ul style="list-style-type: none"> <li>• Acquire ERP system (Asset Management System, Procurement System, Etc) for all wards: Full cycle asset management system and E-Procurement. First phase of the project (financial information) has been completed. Started with the Second phase – integrating user Departments. Cost - R37 699 608</li> </ul>  | <ul style="list-style-type: none"> <li>• Non-availability of the already developed fully integrated ERP system from the open market.</li> <li>• Staff shortages due to the moratorium placed on some positions in the approved organogram and budget constraints to new posts.</li> <li>• Non-availability of the required office space to accommodate the entire Corporate Asset Management Department</li> <li>• Ever changing operating environment due to the changes in the regulated mSCOA environment</li> <li>• Changes in GRAP reporting environment</li> </ul> |
| <b>Current State</b>  | <b>Action Plans</b>  |
| <ul style="list-style-type: none"> <li>• Non-availability of the already fully developed fully integrated ERP system from the open market.</li> <li>• Staff shortages due to the moratorium placed on some positions in the approved organogram and budget constraints to new posts.</li> <li>• Non-availability of the required office space to accommodate the entire Corporate Asset Management Department</li> <li>• Ever changing operating environment due to the changes in the regulated mSCOA environment</li> <li>• Changes in GRAP reporting environment.</li> </ul> | <ul style="list-style-type: none"> <li>• Develop the procured system to integrate with other departments.</li> <li>• Provide funding for the vacant posts.</li> <li>• Look office space and/or prioritise the use of Reserve bank building.</li> <li>• Provide more training for both GRAP and mSCOA to get more knowledge about new developments</li> </ul>   |

### KFA 39: Internal Human Capital and Skills Development

Human Capital Investment is the prime focus of Buffalo City Metropolitan Municipality particularly orderly implementation of skills development initiatives for all its employees. Annually BCMM develops a Workplace Skills Plan (WSP) for the ensuing year, which encompasses training needs analysis, training budget and implementation plan for the capacitation of employees throughout the ensuing

## STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

year as well as Annual Training Report on the implementation of current WSP. An Annual Implementation Plan flowing from the WSP is then drawn up containing scheduled interventions.

In line with the Municipal Systems Act 32 of 2000 which requires municipalities to develop their human resource capacity for optimisation of their competencies and performance, BCMM has implemented systems and controls to improve staff capacity.

- Critical scarce skills have been addressed by BCMM implementing the following strategies:
  - Total of 142 interns in an internship programme in BCMM.
  - Bursary for staff is allocated to scarce skills
  - ISDG programme funded by National Treasury wherein interns in the Built Environment are assisted towards professional registration.
- Workplace Skills Plan and HRD Policy are in place.
- HRD Policy was approved in 2019 and it includes Succession Planning, Talent Management, Bursary and Training of staff.

| Alignment with the National and Provincial Plans and Policies   | Link to BCMM Strategies, Sector Plan(s) and Policies  |
|---|---|
| <ul style="list-style-type: none"> <li>▪ The Labour Relations Act (LRA), Act 66 of 1995</li> <li>▪ Employment Equity Act, No 55 of 1998</li> <li>▪ Skills Development Act, No 97 of 1998</li> <li>▪ SAQA Act, No 58 of 1995</li> <li>▪ National Skills Development Strategy III</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Metro Growth &amp; Development Strategy (vision 2030): Which states that capacity building programmes for officials and councillors should be institutionalised, so that officials meet the prescribed minimum competency requirements.</li> <li>▪ Local Government Sector Skills Plan</li> <li>▪ Qualification recognition policy (To be Reviewed)</li> <li>▪ Progression grading policy to be reviewed.</li> <li>▪ Scarce Skill Remuneration Policy</li> <li>▪ Employee Performance Policy (To be reviewed)</li> <li>▪ Employee/Staff Provisioning</li> <li>▪ Employment Relations</li> <li>▪ Scarce Skills Policy (To be reviewed)</li> <li>▪ HRD Policy</li> </ul> |
| Progress & Achievements 2016 to date  | Challenges  |
| <ul style="list-style-type: none"> <li>▪ Skills Audit: Skills Audit of SCM staff and Skills Audit of Built Environment. Done with GTAC assistance and In-house capacity.</li> <li>▪ 23 ISDG interns towards professional registration in 2019/2020</li> <li>▪ 20 interns on scarce skills appointed on job training.</li> <li>▪ 18 OTP apprentices in automotive fields completed in February 2020.</li> <li>▪ Draft WSP 2020/2021 ready for approval</li> <li>▪ Partnership with NSG renewed.</li> <li>▪ Expenditure targets met for the past three quarters.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Covid-19 lockdown resulting in non-completion of skills auditing for SCM and Built Environment.</li> <li>▪ GTAC is currently assisting the Municipality with the skills assessment for the Built Environment.</li> <li>▪ Non-alignment of capacitation to job functions but will be addressed through competency framework.</li> <li>▪ Ad hoc Training requirements. Non-compliance with Workplace Skills Plan</li> </ul>  |
| Current State   | Action Plans  |
| <ul style="list-style-type: none"> <li>▪ In order to ensure compliance with the provisions of the National Treasury Regulations on minimum competency levels for municipal finance officers. Staff members affected by the regulations were identified and developed to acquire prescribed competencies/ unit standards.</li> <li>▪ The programme was also availed to aspirant senior officials for career advancement as well as talent pool creation.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Almost all affected staff have acquired the prescribed competencies/ unit standards the remaining few staff are enrolled on the programme.</li> <li>▪ Six monthly progress report on development of affected municipal officials will continue to be submitted to National Treasury.</li> </ul>  |

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| <ul style="list-style-type: none"> <li>▪ A Workplace Skills Plan (WSP) for the 2019/20 financial year which spelt out training and development initiatives was developed and implemented throughout the municipality including spontaneous training requests arising out of performance deficiencies during the year. A target which was in line with IDP objectives was set up for human resource development activities at 100% of the annual training budget which was equivalent to R35 732 427.0.</li> <li>▪ WSP for 2020/2021 is in draft will be submitted as final WSP by 31 May 2020</li> <li>▪ BCMM has a policy on recruitment and selection which promotes consideration of previously disadvantaged people with disabilities.</li> <li>▪ BCMM strives to attract and retain employees falling under scarce skills, scarce skills policy and Talent Retention and Management Strategy are in place.</li> <li>▪ BCMM is implementing the following <u>human resource development initiatives</u>, learnerships, skills programs, internships targeting scarce skills occupational areas as well as in-service training for students, Adult Basic Education and Training (ABET), apprenticeships, induction as well as bursaries to both members of the public and staff members.</li> <li>▪ Partnerships with interested parties for human resource development initiatives have been formed with stakeholders like MBSA – Mercedes Benz of South Africa where there is information sharing as well as with National Treasury to assist financially with the implementation of internship programmes within Built Environment in three-year circle, and National School of Governance which conducts certain training programmes.</li> </ul> | <ul style="list-style-type: none"> <li>▪ New staff affected by the regulations and requiring acquisition of the prescribed unit standards within 18 months will also be developed accordingly.</li> <li>▪ Prepare competency framework and skills audit for input into the WSP 2020/2021.</li> <li>▪ EE &amp; Training Committee to be arranged for WSP approval prior to submission.</li> <li>▪ Training Implementation plan flowing from the WSP 2020/2021 to be drawn up after WSP submission and circulation.</li> <li>▪ Capacitation initiatives to be rolled out for identified people with disabilities with performance problems.</li> <li>▪ Review scarce skill remuneration beneficiaries and scarce skills policy.</li> <li>▪ Continue payment of professional registration for scarce skills beneficiaries.</li> <li>▪ Prioritise scarce skills beneficiaries on training and bursaries.</li> <li>▪ MBSA partnership regarding core skills such as leadership and management training to be actioned.</li> <li>▪ ISDG project to continue in liason with National Treasury and in accordance with a business plan submitted by BCMM.</li> <li>▪ Continue induction programme improvement.</li> <li>▪ Review of Bursary scheme to align to the latest scarce skills within Local Government Sector.</li> </ul> |
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### KFA 40: Gender, Elderly, Youth and Disabled (Vulnerable Groups)

The following groups are deemed to be “vulnerable” within the metro’s development trajectory; Women, Older Persons, Children and Youth, Persons with Disabilities as well as persons infected and affected by HIV and AIDS. BCMM strives for holistic transversal mainstreaming in keeping with its development trajectory so as to reduce vulnerability. This means that the metro’s core deliverables and mandate must seek to support and beneficiate the vulnerable groups and their needs ought to be reflected and tracked across the operation plans and budgets of all metro departments and linked to the metro’s Performance Management and financial reporting systems.

The reporting, monitoring and evaluating of transversal mainstreaming of vulnerable groups issues in directorates’ planning and budgeting remains a challenge and typically directorates grapple with how the cross-cutting issues are impacted on by their service delivery and vice versa. BCMM has institutional structures for vulnerable groups to participate in metro processes namely: The Gender, Disability and Older Persons Forums as well the Metro AIDS Council and Youth Council.

#### **Alignment with the National and Provincial Plans and Policies**

- The South African Constitution of 1996
- Sustainable Development Goals: 2020
- The Municipal Structures Act 117 of 1998 (as amended in 2000 and 2003)
- The Municipal Systems Act 32 of 2000
- The Municipal Systems Act (Act no 32 of 2000), Section (2)

#### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- BCMM MGDS: 2030
- BCMM Mainstreaming Millennium Development Goals Framework: 2014
- BCMMM’s Vulnerable Groups Strategies and Guidelines namely:
  - BCMM Disability Strategy: 2016

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- BCMM Metro AIDS Council Implementation Plan HIV, TB and STIs: 2017
- Reviewed Guidelines for BCMM's Vulnerable Groups Forums: Gender, Persons with Disabilities and Older Persons: 2017
- Reviewed Child and Youth Development Strategy: 2017
- Reviewed BCMM Youth Council Constitution and Code of Conduct: 2019
- BCMM Public Participation Strategy
- The Strategy provides mechanisms by which the public may participate in the affairs of the municipality.

### Progress & Achievements 2016 to date

- BCMM Executive Mayoral Bursary Fund advertised in all wards: Project provides access for youth to attend tertiary institutions of learning who would have been unable to do such. The Bursary Fund seeks to support deserving youth studying scarce skills as determined by BCMM HR and also seeks to provide beneficiaries with a BCMM internship at the end of the study. Multi-year project, Own funded (R3m)
- BCMM Youth Development Centres (Mdantsane, Qonce (previously known as KWT) and Duncan Village): There is one Centre per region and outreach activities are undertaken into all wards. Staffed Centres provide a basket of services to youth whether in or out of school or dropouts. These include access to youth computer labs, Career Guidance, CV and job readiness preparation. These centres work with Harambee as well and sector departments like Expanded Public Works Programme (EPWP) and Office of the Premier so that youth can access training, capacitation and employment opportunities. Cost - R1 200 000
- BCMM – Harambee Youth Employment Accelerator Hub
- Whilst the Hub is based at the EL Central Library, outreach activities are undertaken into all wards and libraries. Unemployed out of school youth are assisted with online registration for employment opportunities as well as online blended learning for example K53 learner training programme and Microsoft Digital. In terms of the agreement, BCMM provides Harambee office space.
- BCMM Gender, Disability and Older Persons Fora as well as Metro AIDS Council for All wards: Gender, Disability and Older Persons Fora are elected from their respective vulnerable groups Ward Committee Portfolios and seek to ensure the participation of vulnerable groups and their mainstreaming within metro processes. These Fora also assist with awareness raising including the commemoration of international days of importance i.e., International Women's Day Commemoration. The Metro AIDS Council is coordinated by BCMM and seeks to ensure a multi stakeholder response to HIV/ AIDS, Sexuality Transmitted Diseases and Tuberculosis. Each Fora and AIDS Council historically received an annual budget of R100 000. for coordination.

### Current State

- The BCMM Older Persons, Gender, Persons with Disability Forums as well as the Child and Youth sector have a dedicated strategy and develop annual action plans.
- The Metro AIDS Council has an Implementation Plan as derived from the Eastern Cape AIDS Council Implementation Plan 2017-2022,
- These structures are more of coordination vs implementation and Coordinators within the Special Programmes Unit provide logistical support to these Forums.

### Action Plans

- Need for greater accountability in respect of shared vulnerability reducing cross-cutting indicators within the institutional performance management system such that directorates are compelled to report on cross-cutting mainstreaming opportunities and programmes promoting the inclusion of and beneficiation of vulnerable groups within their core mandates.
- Provincial and Local Government are well placed to lead such by means of institutional performance

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management indicators for youth participation and beneficiation.

- There is a need for mandatory/shared/cross cutting vulnerability reducing indicators and targets (as per MFMA Circular 88) in respect of at least 2 local government specific youth vulnerability reducing indicators for each Head of Directorate for example:
- Number of youth employment/ job creation / economic opportunities created within directorates' core business.
- Percentage directorate budget spend benefiting / targeting youth development within directorates' core business.

### KFA 41: Performance Management and Monitoring and Evaluation

Roll-out of Performance Management (PMS) in BCMM has been implemented in accordance with the Municipal Systems Act 32 of 2000 for the Accounting Officer and Section 57 senior officials and administered by the Department of Integrated Development Planning and Performance Management.

PMS is still at an initial stage of implementation at the lower levels following those of the Section 57 senior officials and no performance rewards have been issued as yet.

BCMM ICT Department assisted Performance Management unit with the designing of a customised integrated electronic performance management system. However, due to unprocedural appointment of a service provider that was designing customised integrated electronic performance management system, the contract was terminated.

The institution further approved a budget for the introduction of an Institutional Cultural Behaviour and Change Management project for the next three (3) years commencing in the 2018/19 financial year. The aim of this project is to implement Change Management to all staff to change the organization's culture to an ethical, accountable and performance-oriented culture.

#### Alignment with the National and Provincial Plans and Policies

- The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996).
- The White Paper on Transforming Public Service Delivery (Batho-Pele) (1997).
- The White Paper on Local Government (1998).
- The Municipal Systems Act, 2000 (Act 32 of 2000)
- DPLG Performance Management Guidelines 2001
- Municipal Planning and Performance Management Regulations (2001).
- Municipal Finance Management Act 2003 (Act 56 of 2003)
- Municipal Performance Regulation for Section 57 Employee (2006)

#### Link to BCMM Strategies, Sector Plan(s) and Policies

- Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city
- Integrated Development Plan (IDP)
- BCMM PMS Framework
- BCMM Employee Performance Management Policy

#### Challenges

- Lack of capacity
- Creating a balance between compliance and quality of performance reports (unreasonable timeframes)
- Lack of quality of Quarterly performance reports
- Inaccurate performance information / data reported by Directorates
- Directorates not meeting set deadlines for performance reporting

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- Manual system that BCMM is using allows performance information or reports to be tampered with, as result, that compromises reliability, authenticity, validity, accuracy and quality.

| Current State   | Action Plans  |
|---|---|
| <ul style="list-style-type: none"> <li>• The Directorate is currently reviewing the BCMM PMS Framework to ensure alignment with MGDS and other policies that have an impact on PMS.</li> <li>• Assessment of HOD's performance is currently being done manually.</li> <li>• Quarterly reports and Annual Performance reports are being developed manually.</li> <li>• PMS unit is currently having two permanent PMS coordinators appointed and two interns whereas there are three (3) positions.</li> <li>• BCMM, in the past five years particularly, has embraced all the changes introduced by National Treasury and the Auditor General South Africa (AGSA) in the performance management field.</li> <li>• There are numerous developmental reforms introduced to mention a few, the introduction of Circular 88 with its challenges in the institution, value audit with its buzz words like system descriptions or business processes, standard operating procedures and technical indicator descriptions.</li> <li>• All these challenges made the City to realise that our system require immediate capacitation.</li> <li>• The OPMS Unit bravely absorbed much of these growing developmental reforms but struggling to come to grips with the mounting complex and professional demands.</li> <li>• Unlike many other municipalities, the Buffalo City Metropolitan Municipality dealt with these increasing demands on performance planning and reporting without the assistance of consultants. All of these occurred in the context of the city not yet having transitioned to the use of automation due to various challenges.</li> <li>• Insufficient staff capacity has contributed to the pace at which the unit had been able to incrementally make progress with improvements on performance planning and reporting. However, the limitations on contact meetings, due to COVID-19 Regulations, really brought the weaknesses in the business process of performance management to the surface. Credible performance reporting has also been compromised by the absence of in-year monitoring of predetermined objectives, which leads to problems with indicators bottlenecking to the point where correcting efforts become overwhelming.</li> </ul> | <ul style="list-style-type: none"> <li>• Finalising designing of customised integrated electronic PMS (for both Institutional and Individual electronic PMS)</li> <li>• Auditing of the design and functionality of the electronic PMS system (Requesting BCMM Internal Audit)</li> <li>• Conducting change management workshops for HOD's, GM's, PM's and other KPI custodians</li> <li>• Roll-out of the transition from manual to electronic PMS (using phase in approach)</li> <li>• Facilitate the appointment of three permanent PMS coordinators to build capacity within PMS unit</li> <li>• It is recommended that the city appoints a consultant to do the following:</li> <li>• Technically advise on revision of the Performance Management Policy Framework that will embrace all these developmental reforms and review the Institution Standard Operating Procedure</li> <li>• Technically advise on development of technical indicator definitions institution wide</li> <li>• Review the technical systems descriptions for 2020/21 and 2021/22</li> </ul> |



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### KFA 42: Fleet Management

Mechanical workshop, Plant and Fleet services provides centralized quality, cost effective, efficient, integrated and ensures compliance with the National Road Traffic Act, health and safety of vehicles and plant to BCMM Directorates at large.

The Department achieves the above goals through preserving the value of vehicles & equipment investments by applying the best practice of management for the maximum utilization of plant and vehicles with the following strategies (1) minimizing downtime, (2) rightsizing of the fleet, (3) replacing old fleet, amongst others. The process starts with collecting & analyzing needs from the departments so that an intelligent fleet management decision can be made, which will assist service delivery departments to achieve their mandate in line with the set service delivery targets.

| Alignment with the National and Provincial Plans and Policies  | Link to BCMM Strategies, Sector Plan(s) and Policies   |
|--|--|
| <ul style="list-style-type: none"> <li>▪ Recapitalization of fleet using National Treasury contract RT 57.</li> <li>▪ MFMA</li> <li>▪ National Road Traffic Act</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Metro Growth &amp; Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city</li> <li>▪ BCMM fleet management policy</li> <li>▪ BCMM Supply Chain Management Policy</li> </ul>   |
| Progress & Achievements 2016 to date   | Challenges   |
| <ul style="list-style-type: none"> <li>▪ Procurement of 11 Compactor trucks for Solid Waste departments; 6 allocated to Coastal, 2 each to Midlands and Inland for the efficient collection of waste from households and industry</li> <li>▪ Procurement of 4 Water Tankers for Waterworks; 2 allocated to Coastal; 1 each allocated to Midlands and Inland for the transportation of water to rural and urban areas.</li> <li>▪ Procurement of 4 Water Carts trucks for Roads and Construction; 2 to be allocated to Coastal and 1 each to Midlands and Inland for the construction and maintenance of rural and urban roads.</li> <li>▪ Procurement of 12 x 1 Ton LDVs to assist various departments.</li> <li>▪ Procurement of 3 Single Cab 4x4 LDVs to assist departments servicing rural areas</li> </ul> | <ul style="list-style-type: none"> <li>▪ Budget shortfall to address request from all the various departments.</li> <li>▪ Due to increased number of vehicles, there is inadequate workshop space</li> <li>▪ Staff shortage due to moratorium on filling funded vacant posts.</li> <li>▪ A total of 135 units (vehicles, trucks, yellow plant, tractors and trailers) are absolute and therefore deregistered to be sold on auction</li> </ul> |
| Current State  | Action Plans   |
| <ul style="list-style-type: none"> <li>• There is still a huge demand for vehicles especially yellow plant.</li> <li>• Replacement value and acquiring the new vehicles &amp; yellow Plant is estimated at R 300 M.</li> <li>• There is not enough space at the Mechanical Workshop &amp; overnight secured parking space for BCMM vehicles.</li> <li>• A request for bigger piece of land to address space shortage was submitted to spatial planning</li> <li>• Shortage of mechanics vs the number of vehicles.</li> <li>• Partly addressed by procuring new vehicles with service plan for 120 000 km or 5 years.</li> </ul>   |  |

### KFA 43: Employee Performance Management

Performance Management is a tool to ensure that the aims and goals of the IDP are implemented, measured, monitored and reported for all the staff within the institution. The idea is to ensure that all staff are aware of the IDP goals, capacitated to achieve such goals and remedial actions taken timeously where required.

Prior to July 2011, Employee Performance Management System (EPMS) fell under the Directorate of Executive Support Services (ESS) coordinated by the IDP/BUDGET/PMS Department. The coordinating function now falls under the Directorate of Corporate Services and the draft EPMS policy and framework were fully adopted by Council on June 21, 2013. Subsequently, the EPMS as a project was formally rolled out, effectively, from July of 2013.

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PMS is still at an initial stage of implementation at the lower levels following those of the Section 57 senior officials and no performance rewards have been issued as yet.

BCMM has approved a budget for 2021/22 financial year to procure a service provider to supply and implement Electronic Performance Management System to all staff.

The institution further approved a budget for the introduction of an Institutional Cultural Behaviour and Change Management project for the next three (3) years commencing in the 2022/23 financial year.

The institution is in the process of sourcing a service provider to implement Institutional Culture Change Management and tender is on final stages at Bid Evaluation Committee. The aim of this project is to implement Change Management to all staff to change the organization's culture to an ethical, accountable and performance-oriented culture.

| <b>Alignment with the National and Provincial Plans and Policies</b>  | <b>Link to BCMM Strategies, Sector Plan(s) and Policies</b>  |
|---|--|
| <ul style="list-style-type: none"> <li>▪ The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996).</li> <li>▪ The White Paper on Transforming Public Service Delivery (Batho-Pele) (1997).</li> <li>▪ The White Paper on Local Government (1998).</li> <li>▪ The Municipal Systems Act, 2000 (Act 32 of 2000)</li> <li>▪ DPLG Performance Management Guidelines 2001</li> <li>▪ Municipal Planning and Performance Management Regulations (2001).</li> <li>▪ Municipal Finance Management Act 2003 (Act 56 of 2003)</li> <li>▪ Skills Development Act, Act 97 of 1998</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Metro Growth &amp; Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city.</li> <li>▪ Buffalo City Employee Performance Management &amp; Development Policy</li> <li>▪ Buffalo City Employee Performance Management &amp; Development Framework</li> </ul>  |
| <b>Progress &amp; Achievements 2016 to date</b>   | <b>Challenges</b>  |
| <ul style="list-style-type: none"> <li>▪ EPMS Policy and EPMS framework is in place</li> <li>▪ Workshops were conducted to staff on EPMS</li> <li>▪ Roadshows to promote performance culture ongoing</li> <li>▪ PMS intervention Plan ongoing</li> <li>▪ Marketing and communication are ongoing</li> <li>▪ Culture change management has been introduced.</li> <li>▪ Monitoring of performance at lower-level employees in ongoing</li> <li>▪ Heads of Departments are taking ownership of the system</li> <li>▪ Rewards system on good performance approved by TM</li> <li>▪ Interim Performance Initiative: Staff Recognition and Acknowledgement “Annual Mayoral Best Employee Awards” Draft Framework</li> </ul> | <ul style="list-style-type: none"> <li>▪ Implementation of performance management has been challenging due to a range of factors inclusive of staff uncertainty regarding performance management, resistance by some staff members. These challenges will be addressed by the implementation of the electronic performance management system which includes an intensive change management and communication process. The electronic system will ensure alignment of targets and enforce the actions needed to be taken by participants to ensure compliance.</li> </ul> |
| <b>Current State</b>  | <b>Action Plans</b>  |
| <ul style="list-style-type: none"> <li>▪ The Top Management Meeting of the 24th of February 2020 resolved that manually submissions of performance management agreements to be discontinued until the roll-out of Electronic Performance Management System has been implemented.</li> <li>▪ Municipality partnership with MBSA has been cancelled and project is now out on tender – Change Management.</li> <li>▪ Budget for the implementation and roll-out of Organisational Culture Change management and electronic performance</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Rewards system on good performance to be implemented and to be aligned with the electronic performance management system.</li> <li>▪ Rewards system to be workshopped to all staff prior its implementation.</li> <li>▪ Rewards System Policy to be developed.</li> <li>▪ Appointment of a Service Provider to roll out the Organisational Culture Change Management Project.</li> </ul>  |

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management system has been approved for the next 3 years and the tender is on final stages at Bid Evaluation Committee.

- Tender on Organisational culture change and behavioural management and Electronic Employee Performance management system has been advertised.

### KFA 44: Human Resources Management

BCMM's employees and the skills they bring to the workplace are a critical input in the delivery of all services. Municipal services differ widely in terms of the skills needs and labour intensity. The City acknowledges that for it to meet the demands of service delivery it needs to evolve and be responsive to changing labour market and individual needs, and yet be flexible enough to address skills imbalances and shortages. This requires a *properly planned and holistic approach to human resources management and development*.

#### **Alignment with the National and Provincial Plans and Policies**

- Labour Relations Amendment Act 42 of 1996
- Basic Conditions of Employment Act 75 of 1997
- Employment Equity Act 55 of 1998
- Municipal Systems Act 32 of 2000
- Municipal Finance Management Act 56 of 2003

#### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- Metro Growth & Development Strategy (vision 2030): Which states that imperatives implemented through the IDP for 2018/19 include programmes that require rigorous planning and quality organisational performance reporting. The translation of the broad objectives of the BCMM's development plans and strategies into real results depends on the existence of a capable workforce.
- Affirmative Action
- Attraction and Retention
- Code of Conduct for employees
- Human Resource and Development
- Employment Equity
- Recruitment, Selection and Appointments
- Promotion Policy
- Transport / Locomotion Allowance
- Home-Owner Allowances

#### **Progress & Achievements 2016 to date**

- Review of Organisational Structure: Draft Macro-structure developed. Presented to Mayoral Committee and various councillor workshops. Done internally.
- Job Evaluation: To date 4400 jobs have been evaluated and audited out of 5861. Relates to 75% completion. Cost implications are at approximately R90 million to date.
- Electronic Access to Payday: Electronic leave application and approval of leave.
- Electronic access of payslip and other personal information updates. Tax certificates etc. The cost implications are R3 500 000.00 over five years (PayDay licence).
- Electronic Attendance Control: Biometric attendance control system at a cost of R7 800 434.00
- Permanent appointment of Political Office Administration employees
- ISDG Project: To professionalise graduates in the built environment. The cost amounts to R50 000 000.00 (National Treasury Grant for 5yrs).

#### **Challenges**

- The current process of Job Evaluation and the release of results
- Alignment of the staff keys to the approved structure
- The proposed amendments to the Recruitment and Selection policy, approval and implementation
- Capacitating the Workforce Planning section

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| <b>Current State</b>   |  |  |                 | <b>Action Plans</b>   |
|--|--|--|-----------------|---|
| <b>Turn-over Rate</b>  |  |  |                 | <ul style="list-style-type: none"> <li>■ With the current process of Job Evaluation being undertaken there will be an increase in the number of posts to be advertised. A further effort from the Staff Provisioning Section is to capacitate the Manpower planning section so that it is functional. This will assist greatly with future staff availability (“supply”) whilst taking into account, the effects of turnover, retirements, planned hiring, and internal staff movement.</li> <li>■ The Collective Agreement on Disciplinary Procedure and Code has been concluded by the parties at a National level of Bargaining and is circulated in terms of circular 1 of 2018. Discipline in BCMM is handled in terms of the new Disciplinary Procedure &amp; Code</li> <li>■ Finalisation of the successive plan for implementation as from 01 July 2021.</li> </ul> |
| Details  | Total Appointments as of beginning of Financial Year | Terminations during the Financial Year | Turn-over Rate* |   |
|  | No.  | No.                                    |                 |   |
| Year 2018/2019   | 5116   | 120                                    | 2.34%           |   |
| 2019/2020  | 5641   | 134                                    | 2.37%           |   |
| 2020/2021  | 5663   | 271                                    | 4.78%           |   |
| 2021/2022 (Jan 2022)   | 5552   | 146                                    | 2.6%            |   |
| <p><b>The above figure for 2021/22 represents the turn-over rate as at January 2022.</b></p> <p><b>Continuous efforts are underway for the filling of vacant funded posts and currently adverts are placed once a month.</b></p> <p><b>The turnaround time for Recruitment process has also been improved from three months to one month.</b></p> <p>Council approved the split in Municipal Services into 2 Directorates namely is SOLID WASTE AND ENVIRONMENTAL MANAGEMENT and SPORT, RECREATION AND COMMUNITY DEVELOPMENT. The Head of Directorate (HOD) for the Directorate: Solid Waste &amp; Environmental Management has been appointed, and the recruitment process for the Head of Directorate of Sport, Recreation and Community Development is underway.</p> <p><u>Employee Relations</u><br/>                     The Main Collective Agreement on Organizational Rights reflects on the Local Labour Forum (LLF) and its compositions. LLF is a platform that consult and negotiates matters of mutual interests including discipline and grievances. It is governed by chapter v, section 79 of the Labour Relations Act. Buffalo City Metropolitan Municipality (BCMM) holds its LLF on a monthly basis and has made achievement in the last three past financial years. The Collective Agreement on Disciplinary Procedure and Code is at the advance stage of negotiations at a National Bargaining level. Currently, Municipalities are relying on schedule 8, Code of Good Practice of the Labour Relations Act and the strategy is working. The LLF strategy is functional and has achieved employer - employee relationship improvement.<br/>                     The Collective Agreement on Disciplinary Procedure and Code has been concluded and is still in operation.</p> |  |  |                 |   |

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### Recruitment and Selection

The current Employment Equity Plan is expiring at 30 June 2021. In complying with the legislation, the process of preparing and developing the successive plan has been initiated and it is anticipated that it would be table in the May Council meeting for approval.

### KFA 45: Internal Audit

The role of internal audit is to provide independent assurance that an organization's risk management, governance, and internal control processes are operating effectively. Internal audit is conducted objectively and designed to improve and mature an organization's business practices. Internal audit unit as an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organization accomplish its objectives by bringing improved systematic, disciplined approach where value can be derived from, in order to evaluate and improve the municipality's processes. The municipality enjoys peace of mind if adequate assurance is provided by internal audit though combine assurance. The consultative aspect of auditing enables IA to forge partnerships with the departments within the municipality.

### **Alignment with the National and Provincial Plans and Policies**

### **Link to BCMM Strategies, Sector Plan(s) and Policies**

- MFMA 165(2) The internal audit unit of a municipality and municipal entity must
  - a) Prepare a risk based and audit program for each year
  - b) (i-vii) Advise the accounting officer and report to audit committee on matters relating to, internal audit, internal control, accounting procedures and practices, risk and risk management, performance management, loss control and compliance with MFMA, DORA and any other applicable legislation. (e.g., Water Services Act, Electricity Regulation Act, Municipal Fiscal Powers and Functions, Disaster Management Act etc.)
  - c) Perform such other duties as may be assigned by the accounting officer.

- Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city
- Working according to International Standards for the Professional Practice of Internal Auditing (Standards) from the Institute of Internal Auditors (IIA).
- Internal Audit Charter
- Audit Committee Charter

### **Progress & Achievements 2016 to date**

### **Challenges**

- The City has an established in-house unit with an appointed Head: Governance and Internal Auditing leading the section.
- All the employees of the Internal Audit unit are members of the Institute of Internal Auditors ("IIA"), an international professional association with a mission inclusive of advocating and promoting value addition by internal auditors to their organizations.
- As part of the requirements for continued membership, the IIA requires that its members undertake monitored Continued Professional Development. This serves as a benefit to the City in that the Governance and Internal Audit unit, as a result, maintains professional due care at all times for effective value addition to the City.
- The Governance and Internal Audit unit reports administratively to the City Manager's office and operationally to the Audit Committee, which Committee continues to be fully functional with appointed members.
- The unit also has established and healthy working relationships with other assurance providers such as the external auditors (Auditor-General South Africa, "AGSA"), Provincial COGTA, as

- The in-house team is currently still under capacitated due to budget unavailability resulting in reliance on external consultants to bridge capacity gaps and some planned and follow-up audits not being timeously completed.
- This impedes from the ideal long-term view and vision for the unit towards timeously assisting management with sustainable strong control environment for good governance.
- Additionally, the combined assurance model in the City is not yet effectively implemented although various awareness initiatives are in place and underway, i.e., having the different assurance providers and oversight bodies visibly working together towards the same goals and understanding their role in the risk and controls management process.
- Further to this the different structures towards good governance that have been put in place by the City are not yet yielding the desired result, e.g., the Audit

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|  |   |
|--|---|
| <p>well as National Treasury, with whom the City has a specifically allocated Internal Audit support team. Regular formal and informal engagements are held with these stakeholders.</p> <ul style="list-style-type: none"> <li>▪ Such relationships are fundamental in establishing a sustainable combined assurance model for the City as well as to ensure that such model is practically implementable, as opposed to only theoretically ideal, and results in more efficient and economical assurance provision for the City.</li> <li>▪ The AGSA has placed increased reliance on the work of Internal Audit as part of driving combined assurance. Discussions and plans on additional reliance by the AGSA on the work of Internal Audit are ongoing. This will, on a progressive basis, result in synergies that will translate to economic benefit for the City due to decreased external audit fees.</li> <li>▪ The Internal Audit unit has, in line with National Treasury and City cost containment measures, embarked on funding of unfunded vacant positions and parallel decrease on the use of consultants through funding two out of the eight previously unfunded vacancies within the unit. This is part of the progressive implementation of the funding of vacant positions in accordance with the unit's approved Governance and Internal Audit Strategic Plan.</li> <li>▪ In addition, the unit has embarked on a process of independent Quality Assurance review as required by the IIA SA to obtain assurance to compliance of its functioning and further expert improvement advice.</li> </ul> | <p>Improvement Plan as a tool does not seem to be utilised effectively due to, inter alia, a lack of institutionalisation of the tool and observed lack of sufficient prioritisation thereof as internal controls review tool.</p>  |
| <p><b>Current State</b></p> <ul style="list-style-type: none"> <li>▪ The Operational Plan for the period from July 2020 to June 2021 was only partially completed due to 1) unfunded vacancies of positions in the unit; 2) delays in the procurement of a panel of service providers to augment such capacity. The reviews from this year have been re-assessed against the organization's risk assessment and considered in the Operational and Strategic plans for the 2021/22 and 2021/22 – 2023/24 years respectively.</li> <li>▪ The lack of enabling mechanisms within the structure of governance impedes the professional energy of internal auditors. Timelines for completion of audit projects is evident of negative perception and lack of support and buy in from Management. This is also evident in the slowness of response to internal audit requests by management.</li> </ul>   | <p><b>Action Plans</b></p> <ul style="list-style-type: none"> <li>• Implementation of risk-based Internal Audit Plan – ongoing, still impeded to some extent by capacity constraints that are being attended to.</li> <li>• Decreased reliance on consultants through transfer of the consultants' budget to funding of in-house approved vacancies on a progressive basis – two out of eight vacancies funded thus far.</li> <li>• Digitalisation of operations (driving 4IR objectives and re-introducing Teammate Audit Software to move away from manual collation of audit evidence) – funding sourcing in process.</li> <li>• Leading the implementation of the combined assurance model for the City Governance and Internal Audit Workshops – in process, has been included in workshops and awareness initiatives, observed increased discussions around combined assurance from all levels, training planned for Top Management during the last quarter of the 2021/22 financial year.</li> </ul> |

# SECTION C: SPATIAL DEVELOPMENT FRAMEWORK

## 1. INTRODUCTION

The Buffalo City Municipality compiled its 1st Generation Spatial Development Framework (SDF) in 2003 to support the development vision, objectives and strategies identified in the Buffalo City Municipality's Integrated Development Plan (IDP). The second review of the BCMM Spatial Development Framework was undertaken in 2019 and 2020 and was approved by Council on 11 December 2020. Below is an executive summary of the SDF but more detail can be obtained from the full SDF document.

## 2. THE SPATIAL DEVELOPMENT FRAMEWORK AND THE IDP

The Buffalo City Spatial Development Framework forms a component of the Municipality's Integrated Development Plan (IDP). In essence, the Spatial Development Framework is "the picture" of the IDP – that is, it illustrates the form and extent of development that the Buffalo City Municipality wishes to promote, within the strategic approach adopted by the IDP.

The Buffalo City Metropolitan Municipality (BCMM) has undertaken a new 5-Year SDF Review for the Buffalo City municipal area in terms of Sections 25(1) and 26(e) of the Local Government: Municipal Systems Act (Act 32 of 2000 – MSA), read with Sections 12 and 20 of the Spatial Planning and Land Use Management Act (Act 16 of 2013 – SPLUMA), and Chapter 2 of BCMM's Spatial Planning and Land Use Management By-Law (published under Local Authority Notice 62 in the Eastern Cape Provincial Gazette on 18 July 2016).

In line with the new system of spatial planning brought into being in 2014 by SPLUMA, government policies increasingly emphasise the need to pursue strategic outcomes that would lead to a change in the entrenched but unsustainable Apartheid-based segregated spatial patterns of development that prevail in almost all South African municipalities, including BCMM. For this reason, a key focus of the new Buffalo City Municipal SDF during this review has been to enable and promote spatial transformation so that a more spatially just, efficient, resilient and sustainable spatial pattern of development can be achieved to underpin economic growth and social progress over time.

The SDF Review is guided and informed by the overall Development Vision contained in the IDP and aims to propose how best to use available land for development in a way that is both practical and sustainable (i.e., will not use up land or resources that are necessary for the future wellbeing of the Buffalo City Metropolitan area).

### **The Consultative Process Followed**

In compiling the Spatial Development Framework for Buffalo City, BCMM engaged in a process of consultation within the Municipal organisation, as well as with external stakeholders representing different organisations and civil society in general. The Spatial Development Framework was advertised for 60 days for comment as required by the Spatial Planning and Land Use Management Act.

### 3. CURRENT REALITY AND A NEW VISION FOR SPATIAL DEVELOPMENT

A brief summing up of the status of land development in BCMM since 2003 would note that the challenges of implementing complex projects and infrastructure network upgrades have led to a situation where there remain significant issues to be dealt with in regard to the management and formalisation of informal settlements in Buffalo City; the improvement of the range, type and quality of state-assisted housing opportunities in the area; the development of appropriate forms of land uses at appropriate levels of density and intensity in key strategic land areas; and the development of enabling infrastructure and social services to underpin the spatial transformation of Buffalo City.

#### **A 10-Year MSDF Spatial Development Vision: What BCMM Seeks to Achieve by 2030**

To begin with, the Municipal SDF takes its lead from the Long-Term Vision set out in the BCMM Metro Growth and Development Strategy (MGDS) and Integrated Development Plan:

**“Buffalo City: well-governed, connected, green and innovative”**

In responding to this IDP Vision, the MSDF review puts forward a 10-Year Spatial Development Vision. This describes what the Municipal SDF is working towards achieving over the next 10-year time frame and serves to guide BCMM's continued efforts to improve local and regional economic opportunities and, ultimately, to facilitate sustainable growth in the Metropolitan Area.

- ❑ Buffalo City has re-invented itself through its transformation from a spatially and socially divided past, to consolidate its position as a ‘City-in-a-Region’ that anchors socio-economic development in the Eastern Cape Province.
- ❑ It has put in place the necessary enabling infrastructure, transportation and Information and Communication Technology systems to underpin an innovative Knowledge-Based Economy that embraces the 4<sup>th</sup> Industrial Revolution (4IR) and Digital Transformation.
- ❑ In so doing, it has advanced its progress to create a successful, prosperous and dynamic modern city that is enterprising, green, open and connected, spatially integrated and well-governed.
- ❑ Its citizens are proud of their beautiful coastal lifestyle city, which is the capital of the Eastern Cape Province, home to a globally competitive auto industry, and has excellent social, educational and medical services and a diverse housing market that meets their varying needs.
- ❑ They continue to strive to achieve a compact, sustainable and resilient City.



## 4. GUIDING POLICY

### The Draft National Spatial Development Framework (NSDF)

The NSDF aims to detail the spatial development vision for South Africa. The objective of the National Spatial Development Perspective is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework.

The NSDF aims to eventually serve as an overarching spatial framework for the country that informs spatial planning at the lower spheres of government. The principles and the spatial proposals contained NSDP thus also inform the Spatial Development Framework of the Municipality.

### NSDF Principles

In order to contribute to the broader growth and development policy objectives of government, the NSDP puts forward a set of five normative principles:

**Principle 1:** Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key.

**Principle 2:** Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities) wherever they reside.

**Principle 3:** Beyond the constitutional obligation identified in Principle 2 above, government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private-sector investment, to stimulate sustainable economic activities and to create long-term employment opportunities.

**Principle 4:** Efforts to address past and current social inequalities should focus on people, not places. In localities where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low demonstrated economic potential, government should, beyond the provision of basic services, concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes. It should also reduce migration costs by providing labour-market intelligence to give people better information, opportunities and capabilities, to enable them to gravitate - if they choose to - to localities that are more likely to provide sustainable employment and economic opportunities.

**Principle 5:** In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres. Infrastructure investment should primarily support localities that will become major growth nodes in South Africa and the SADC region to create regional gateways to the global economy.

The NSDP principles are aimed specifically at focusing government action and investment, avoiding the so-called “watering-can”-approach and enabling the Developmental State to achieve maximum social and economic impact within the context of limited resources

The **key** the NSDF for the BCMM are:

**Buffalo City is identified as 1 of 5 key Urban Regions.** The role of the identified Urban Regions is to be Global Gateways and to serve as engines of transformation, inclusive economic growth and well being. As such the a number of game changing interventions are required from each Urban Region:

1. Consolidate urban growth in a network of more compact, densified and diversified urban core regions
2. Enable a generation of young people to reap the benefits of urbanisation through
  - a. human capital development, and
  - b. the opening-up of urban economies to enable and support a multiplicity of livelihood options
3. Maintain and strengthen international trade, ports, transport, through-routes and related infrastructure
4. Support diversification of economies, tourism, the knowledge economy, the entertainment industry, the green economy and alternative energy-related enterprise development
5. Use effective land administration and urban land reform to guide and manage the interface between settlement, land-use and infrastructure planning in fast growing cities

Specifically the NSDF has proposed national **coastal spatial development corridor** which affects the Eastern Cape and Buffalo City

**Figure 49: The Coastal Transformation Corridor Close-Up**



As result the Industrial Development Zone (ELIDZ) and other industries on the West Bank has an important economic role to play within the Coastal Transformation Corridor

As a designated Urban Region the NSDF requires BCMM to focus on the economy on tourism and the knowledge economy and upgrade the port and airport

The focus on young people guides BCMM to focus on the economic opportunities associated with having universities in our city

The NSDF also notes that the Eastern Cape will likely be impacted by climate change, from increasing arid conditions and, as such, should adopt mitigating measures that protect local water bodies.

## 5. SPATIAL DEVELOPMENT OBJECTIVES AND STRATEGIES

The focus of the 2020 Municipal SDF is to make spatial development and land use management proposals that:

- a) **Comply with the legal and policy guidance** provided by global treaty and governance agreements, national and provincial policy and legislation, and the strategic objectives set by the Buffalo City Integrated Development Plan;
- b) **Ensure that the biophysical environment is protected and wisely managed** to maintain biodiversity and ecosystem goods and services such as water, fertile soils and clean air, so that the essential conditions for sustainable human development endure over the long term.
- c) **Facilitate the creation of more efficient and compact towns and cities** by enabling the densification and intensification of prevailing and new land uses in localities that are well-connected to existing developed areas and infrastructure.
- d) **Promote higher-density residential uses as well as mixed residential and economic land uses** within inner-city areas and at identified nodes or strategic localities along identified public transport corridors;
- e) **Prioritise the development of improved linkages** between places of residence and places of employment and to strengthen connectivity between settlements and communities across Buffalo City;
- f) **Build on and facilitate key economic development initiatives** that are being driven by national, provincial and local government in partnership with the private sector and civil society by ensuring that spatial proposals support the requirements of these initiatives for strategic connections to workforces and markets; and
- g) **Promote the implementation of a Land Reform and Settlement Programme** in the rural areas of Buffalo City by identifying zones of opportunity for integrated human settlement development.

The Municipal SDF sets out its proposals arranged in nine Themes. Each Theme contains a set of Directive Principles on which proposals for that thematic area are based.

- Spatial
- Economic
- Sustainable Human Settlement
- Infrastructure
- Transport
- Environment
- Rural Development
- “SMART City”
- Information Technology, and Governance

## 6. BCMM CONCEPTUAL SPATIAL DEVELOPMENT FRAMEWORK

### 6.1 Strategic Approach to Spatial Targeting of Investment

As BCMM must plan to achieve its goals and objectives within the limits set by available financial and human resources, it has adopted a strategic approach to focusing key investment by identifying five broadly defined spatial areas where such investment should be prioritised. These are described as Spatial Focus Areas (SFAs) and are listed in order of relative priority as:

#### Spatial Focus Area 1 – West Bank

##### Key Development Proposals:

- West Bank Economic Development Corridor – Catalytic Programme Area
- West Bank Mass Housing development area approx. 71 340 res units

##### Key Projects and enabling infrastructure:

- Expansion of MBSA production plant
- High speed internet cable and associated development opportunities
- Harbour expansion and deepening
- Airport Expansion
- Water services – especially Wastewater Treatment to serve the West Bank and ELIDZ
- Roads and bridges(N2/R72) linking West Bank to Urban Core

## **Spatial Focus Area 2 – Urban Core – East London to Mdantsane**

### **Key Development Proposals:**

- The MELD and North West Development Corridors (2000 res units) - Catalytic Programme Area
- Mdantsane CBD/Hub Revitalisation – Catalytic Programme Area
- East London Inner City Revitalisation - Catalytic Programme Area
- Duncan Village Revitalisation
- Mdantsane Revitalisation and informal settlement upgrading
- Inner City Innovation District
- Amalinda Junction Mass housing development area - approx. 6 009 res units
- Arnoldton Mass housing development area – approx. 25 695 res units
- Urban Densification to create a better Live Work Play environment

### **Key Projects and enabling infrastructure:**

- The Sleeper Site redevelopment (mixed land use development and Knowledge Economy node)
- Roads and bridges(N2/R72) linking West Bank to Urban Core
- Realignment of R72 through Sleeper site to open it up for development
- The Central-Reeston Wastewater Transfer System
- North West Expressway Extension linking CBD to Amalinda Junction and N2

## **Spatial Focus Area 3 - KWT-Bhisho**

### **Key Development Proposals:**

- KWT-Bhisho Development Corridor - Catalytic Programme Area approx. 6 144 res units
- Ginsberg Mass housing development area approx. 14 190 res units
- Township Revitalisation - Zwelitsha, Ndevana. Illita, Dimbaza.
- The Bhisho Revitalisation Mixed Use Precinct
- “Green Energy” Hub located at Berlin
- Revitalization of Dimbaza as an agro-processing hub linked to Bulembu Airport

### **Key Projects and enabling infrastructure:**

- Bulk Water and Sewerage upgrade

## **Spatial Focus Area 4- Quenera**

### **Key Development Proposals:**

- Quenera Mass housing development area approx. 26 595 res units
- Beacon Bay to Gonubie Development Corridor

- Gonubie Main Road Development Corridor

**Key Projects and enabling infrastructure:**

- The Beacon Bay- Gonubie Link Road and intersections

**Spatial Focus Area 5 – Rural areas**

**Key Development Proposals:**

- Finalise Development of the identified Rural Land Reform and Settlement Zones
- Upgrading of designated rural economic nodes
- Formulate a Rural Land release programme
- Update the Rural housing programme
- Promote cultural and eco-tourism and agriculture and agro-processing;

**Key Projects and enabling infrastructure:**

- Rural electrification programme
- Provision of basic level of services, road linkages, social amenities

**SFA 5 covers the rural areas and has been given its own thematic chapter. REFER to THEME 7: RURAL DEVELOPMENT**

**Table 10: Strategic Approach to Spatial Targeting of Investment**

**6.2 Key Spatial Development Proposals in the Municipal SDF include the following:**

**6.2.1 Promoting Spatial Transformation**

The National Development Plan; National spatial Development Framework; the Integrated Urban Development Framework; National Treasury’s Circular 88; and the Spatial Planning and Land Use Management Act have clearly defined and set the Spatial Transformation Agenda as an imperative that Council must adhere to. The Spatial Development Framework is thus bound by policy and law to adhere to the Spatial Transformation Agenda. Key components of the BCMM SDF’s Spatial Transformation initiative are:

- A. 4 (four) Development Corridors as Catalytic Programme areas
  - i. Mdantsane to East London Development (MELD) Corridor
  - ii. North West Corridor – capacity for approx. 2000 res units
  - iii. Bhishe/KWT Corridor
  - iv. West Bank Economic Corridor (As part of the National Coastal Transformation Corridor)

- B. 2 (two) Key Development Nodes as Catalytic Programme areas
  - i. Mdantsane CBD/Hub
  - ii. East London CBD and Inner City
  
- C. Development of 6 (six) well-located Mass Housing areas with a capacity of 140 000 residential units within the BCMM Urban Edge which is sufficient to cater for the entire housing backlog and future growth for more than 10 years. These areas are specifically located adjacent to areas of economic opportunities, and in conjunction with identified Development Corridors/Catalytic Programme Areas:
  - i. West Bank – capacity for approx. 71 340 res units
  - ii. Bhisho Corridor Precinct – capacity for approx. 6 144 res units
  - iii. Ginsberg Extension - capacity for approx. 14 190 res units
  - iv. Quenera – capacity for approx. 26 595 res units
  - v. Amalinda Junction – capacity for approx. 6 009 res units
  - vi. Arnoldton/Reeston North – capacity for approx. 25 695 res units
  - a. All new housing areas to be developed based on principles underpinning integrated and sustainable communities:
    - i. Densities to be increased at strategic localities wherever feasible and environmentally acceptable; and
    - ii. Developments to be programmed to coincide with the provision of infrastructure and required social facilities.
  
  - b. Innovative residential development projects will be favoured, including the application of cross-subsidizing financial models to develop a range of housing types to cater for varying market requirements and enable inclusionary housing at strategic localities.
  
- D. Revitalisation of 6 (six) Townships
  - a. Mdantsane
  - b. Duncan Village
  - c. Zwelitsha
  - d. Ilitha
  - e. Phakamisa
  - f. Dimbaza
  
- E. Focusing on the improvement or creation of road links between the West Bank Economic Corridor and the Greater Mdantsane - East London area, with key priorities including:
  - i. Development of a new N2/R72 Bridge over the Buffalo River linking the West Bank to the central East London area and hinterlands served by the N2;
  - ii. Strengthening the Mdantsane-East London (MELD) Corridor by infill development and enhancing the transportation modes available;
  - iii. Developing the North-West Freeway Corridor.
  
- F. Broadening the policy of intensifying and densifying land uses in existing commercial/retail areas and incentivizing mixed land use developments in appropriate localities throughout the City;

- G. Following a strategic **land release** programme to facilitate development in a transparent manner that complies with legislative requirements;
- H. Incremental Upgrade Programme of Informal Settlements in terms of the National Upgrading Support Programme (NUSP):
- I. Informal settlements upgraded and redeveloped in line with assessments and prioritization.

## 6.2.2 Facilitating Economic Growth and Development

- A. Supporting the development of a multifaceted **New Digital Economy** by:
  - i. Promoting the creation of a West Bank Logistics and Manufacturing Hub centred on the East London IDZ;
  - ii. Leveraging **high-speed broadband Internet connectivity** to facilitate the 5G technologies that will expand the BCMM economy into **4IR** and promote **Digital transformation**;
  - iii. Supporting the transition to a Knowledge based economy by promoting the University Town concept to facilitate the transition to the new economy. It also that seeks to enable the tertiary institutions in the City to strengthen, complement each other, and link their education offerings to the needs of the Regional and National economy; and
  - iv. Related to the University Town concept, proposing the creation of the East London “Inner City Knowledge and Innovation District”, which would be centred on the East London CBD and the surrounding suburbs of Southernwood and Belgravia, with strong linkages to the ELIDZ and West Bank Logistics Hub.
  
- B. Repurposing existing industrial areas and establishing new industrial areas that are fit for purpose:
  - i. Positioning the West Bank as a motor manufacturing and logistics hub;
  - ii. Re-purposing Dimbaza’s industrial area for agri-processing industries based on the potential of logistical linkages to Bulembu airport;
  - iii. Re-purposing industrial areas in Wilsonia, Mdantsane and Fort Jackson as logistics centres linked to the West Bank Logistics Hub; and
  - iv. Re-positioning Berlin Industrial area as a “Green Energy hub”.



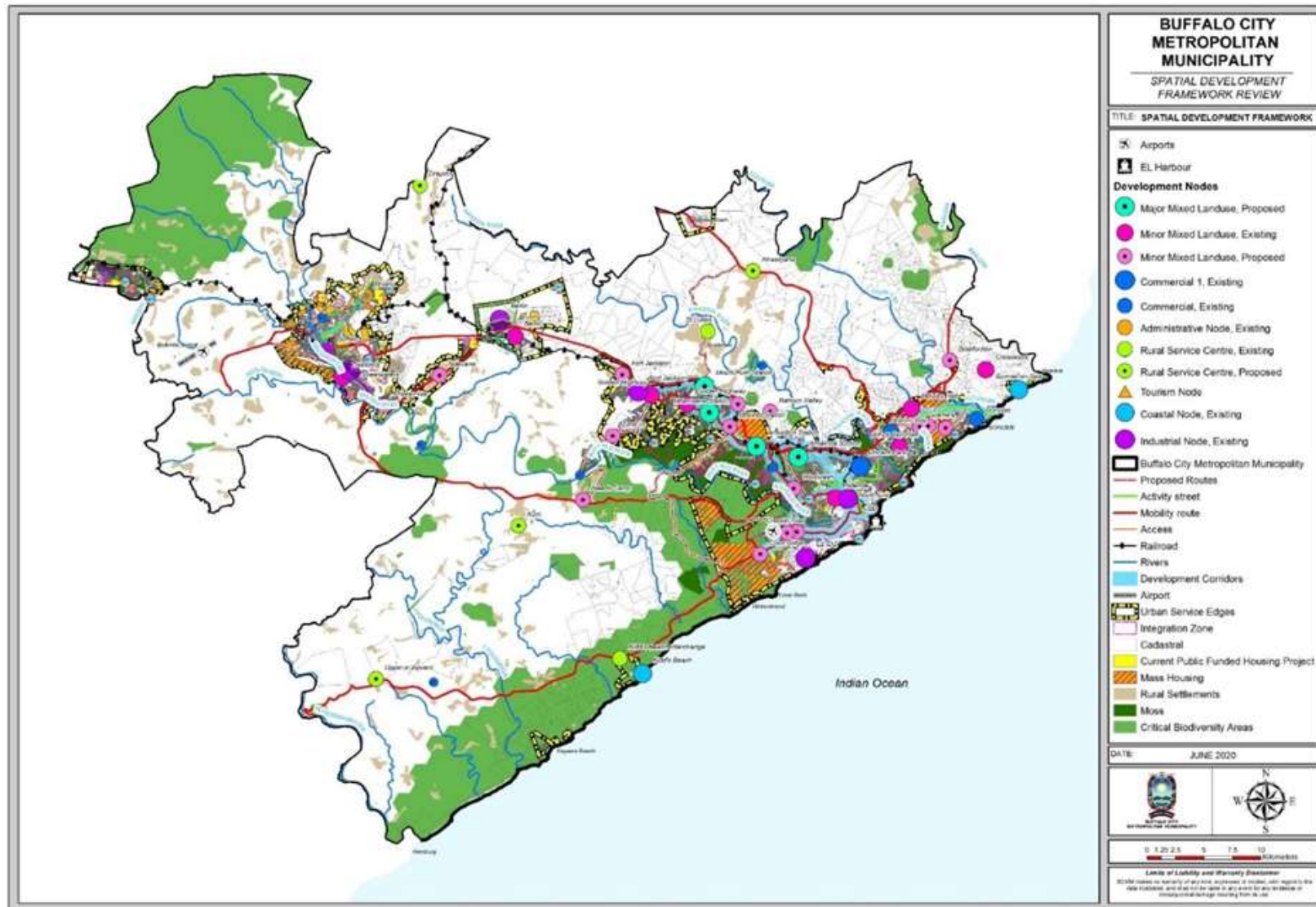


Figure 43: Development Nodes (SDF Review)

# SECTION D – ONE PLAN: Three Spheres Service Delivery Budget, Programmes and Projects

## 1 INTRODUCTION

### 1.1 District/Metro Development Model

The District Development Model (DDM) was approved by Cabinet as a government approach to enhance integrated development planning and delivery across the three spheres of government with district and metro spaces as focal points of government and private sector investment. The envisaged integrated planning and delivery in the district and metro spaces will be enabled by joint planning, budgeting, and implementation processes.

It is acknowledged that the DDM introduces a new planning instrument in the form of the One Plan. This process comes into a planning environment where there are existing planning instruments at local, provincial, and national levels of government. However, the One Plan is not meant to replace any of the existing prescribed development, departmental strategic and annual performance plans that each sphere, department and state entity is responsible for or required to develop. The One Plan is rather informed by these plans and once in place, it will guide the review of these plans and budgets.

### 1.2 One Plan

The One Plan is an intergovernmental plan that outlines a common vision and desired future outcomes in each of the 44 district and 8 metro spaces. The objectives of the One Plan are to:

- Address the misalignment caused by a “silo” approach at a horizontal and vertical relationship level between all spheres of government.
- Maximise impact and align plans and resources through the development of a One Plan, enabling the vision of One Metro, One Plan and One Budget”.
- Narrow the distance between people and government by strengthening the coordination role and capacities at a district and local level.
- Ensure inclusivity through gender-responsive budgeting based on the needs and aspirations of the people and communities at a local level.
- Build government capacity to support municipalities.
- Strengthen monitoring and evaluation at a district and local level.
- Implement a balanced approach towards development between urban and rural areas, and.
- Ensure sustainable development whilst accelerating initiatives to promote poverty eradication, employment, and equality.

### 1.3 Metro Growth and Development Strategy (MGDS: Vision 2030)

Buffalo City Metropolitan Municipality adopted the Metro Growth and Development Strategy which is the vision towards 2030. The MGDS is the primary foundation for BCMM's future to work in partnership to achieve goals, programmes and encourage business and investment into a common direction. The strategic outcomes for long term development of the city are identified in the MGDS. The implementation of the MGDS will cross throughout the 15-year time- frame over three IDPs (5 years each) to 2030. A large component of the programmes and projects identified require partnerships between the city and its stakeholders in order to achieve vision 2030. The MGDS vision 2030 implementation plans are encapsulated into the five strategic outcome areas and are aligned to the IDP process.

### 1.4 Integrated Development Plan

Section 25 of the Municipal Systems Act states that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the municipality. Section 35(1)(a) of the Systems Act defines an integrated development plan as:

- a) *the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality*
- b) *binds the municipality in the exercise of its executive authority*

Sections 28 and 34 of the Act stipulate the need for the annual review of the IDP and the development of a process plan which will guide the review.

### 1.5 Relationship between the ONE PLAN, Metro Growth and Development Strategy (MGDS) and Integrated Development Plan (IDP)

The One Plan does not replace the Integrated Development Plans of municipalities as the “single, inclusive and strategic plan for the development of the municipality” but is meant to strengthen and enhance the IDPs and other plans of the municipalities. It is foreseen to provide greater certainty and direction for the IDPs. During the development of the One Plan, the IDP has informed the One Plan. However, after approval of the One Plan, the IDP will be directed by the strategies and priorities outlined in the One Plan. In this regard, the IDP will be the vehicle through which implementation of the One Plan will happen at local government level.

The table below outlines a comparative analysis of the MGDS, IDP and One Plan:

| One Plan (Long Term – 30 Years)   | IDP (Medium Term – 5 Years)   |
|---|---|
| Long-term vision of the district area of impact and common understanding of goals and objectives amongst stakeholders in the district area.                             | Determine how the long-term vision, goals and objectives contribute towards addressing challenges at a local level by directing actions and interventions towards the vision.   |
| Long-term vision expressed in policy and long-range plans across all spheres of government, i.e., NDP, PGDS, NSDF, PSDF, MSDF, etc.                                     | Implementation of short to medium term service delivery programmes and projects informed by the MTSF, municipal SDFs, sectoral/master plans and long-term financial strategies. |
| Determines government-wide key development strategies and priorities to be addressed.   | Elaborate on municipal strategies, Council development priorities/objectives and community needs.   |
| Conceptualisation of the desired future and results (outcomes and impact) to be achieved by the metro in the long term.   | Plans implemented by municipalities respond directly to the desired outcomes and impact.  |
| Spatially referenced plans and budgets at district and metro level with emphasis on long-term catalytic programmes and interventions to unlock developmental potential. | Focus on implementation of immediate service delivery interventions and priority projects in the One Plan.  |

## 2 THE PROCESS OF FORMULATING THE ONE PLAN

### 2.1 Introducing the District Development Model

The following sessions were held to introduce the District Development Model to stakeholders and consult them on the best way to proceed within the context of the Buffalo City Metropolitan space.

| DATE OF SESSION         | TITLE OF SESSION                 | TOPIC FOR DISCUSSION   | TARGETED STAKEHOLDERS   |
|-------------------------|----------------------------------|--|---|
| 1. 03 December 2019     | IGR Core Team Meeting            | Update on District Development Model   | <ul style="list-style-type: none"> <li>• COGTA</li> <li>• OTP</li> <li>• EC TREASURY</li> <li>• BCMM (IDP, IGR, EPMO)</li> </ul>  |
| 2. 28 - 29 January 2020 | Capacity Building Workshop       | DDM Roll out Plan  | <ul style="list-style-type: none"> <li>• COGTA</li> <li>• ECSECC</li> <li>• Treasury</li> <li>• Sector Departments</li> <li>• District and Metro Municipalities</li> </ul>                                |
| 3. 06-07 February 2020  | Provincial Consultative Workshop | District Development Implementation  | <ul style="list-style-type: none"> <li>• Government Departments</li> <li>• State Owned Entities</li> <li>• District and Metro Municipalities</li> <li>• COGTA</li> <li>• OTP</li> </ul>                   |
| 4. 10 February 2020     | IGR Core Team Meeting            | Roll-out of District Development Model in BCMM   | <ul style="list-style-type: none"> <li>• COGTA</li> <li>• OTP</li> <li>• EC TREASURY</li> <li>• BCMM (IGR, IDP, EPMO)</li> </ul>  |
| 5. 21 February 2020     | Technical IGR Forum              | Update on District Development Model   | <ul style="list-style-type: none"> <li>• Government Departments</li> <li>• State Owned Entities</li> <li>• BCMM HOD's</li> </ul>  |
| 6. 30 June 2020         | Provincial IGR Forum             | Update on DDM Implementation and Institutionalisation <ul style="list-style-type: none"> <li>• Progress report in OR Tambo Pilot</li> <li>• Reflections and prospects of rolling out the DDM to prioritized District in the province.</li> </ul> | <ul style="list-style-type: none"> <li>• Government Departments</li> <li>• State Owned Entities</li> <li>• District and Metro Municipalities</li> <li>• COGTA</li> <li>• OTP</li> <li>• ECSECC</li> </ul> |
| 7. 14 October 2020      | IGR Core Team Meeting            | Implementation of District Development Model   | <ul style="list-style-type: none"> <li>• COGTA</li> <li>• OTP</li> <li>• BCMM (IGR, IDP, Public Participation, EPMO)</li> </ul>   |
| 8. 19/20 November 2020  | Councillors Workshop             | Operationalisation of the District Development Model   | <ul style="list-style-type: none"> <li>• COGTA Former Deputy Minister - Mr Parks Tau</li> <li>• SALGA CEO - Mr Xolile George</li> <li>• BCMM Councillors, City Manager, HOD's, IGR, IDP</li> </ul>        |

| DATE OF SESSION     | TITLE OF SESSION                              | TOPIC FOR DISCUSSION  | TARGETED STAKEHOLDERS  |
|---------------------|---|---|--|
| 9. 03 December 2020 | Provincial IGR Forum                          | Reflections on DDM implementation processes and prospects   | <ul style="list-style-type: none"> <li>• Government Departments</li> <li>• State Owned Entities</li> <li>• District and Metro Municipalities</li> <li>• COGTA</li> <li>• OTP</li> <li>• ECSECC</li> </ul>  |
| 10. 09 April 2021   | Political IGR Forum                           | Update on District Development Model  | <ul style="list-style-type: none"> <li>• BCMM Portfolio Holders</li> <li>• Government Departments</li> <li>• State Owned Entities</li> <li>• BCMM HOD's</li> </ul>   |
| 11. 15 June 2021    | Premier's Intergovernmental Forum             | Municipal Performance on rollout of District Development Model  | <ul style="list-style-type: none"> <li>• MECs</li> <li>• Municipal Managers for Districts and Metros</li> <li>• Government Departments</li> <li>• State Owned Entities</li> </ul>  |
| 12. 23 June 2021    | Integrated Planning Session: Amatole and BCMM | Long- term planning session with Provincial and National Departments  | <ul style="list-style-type: none"> <li>• EC Treasury</li> <li>• Sector Departments</li> <li>• ADM (IDP, IGR)</li> <li>• BCMM (IDP, EPMO, IGR)</li> </ul>   |
| 13. 25 June 2021    | Political IGR Roundtable                      | Feedback from BCMM on IDP and DDM one plan inputs   | <ul style="list-style-type: none"> <li>• BCMM Portfolio Holders</li> <li>• COGTA</li> <li>• OTP</li> <li>• EC-Treasury</li> <li>• ECSRAC</li> <li>• DPW</li> <li>• Human Settlements</li> <li>• DIFFE</li> <li>• BCMM (Infrastructure Services, Municipal Services, Spatial Planning and Development)</li> </ul> |
| 14. 29 June 2021    | Special Technical MUNIMEC                     | DDM update on One Plan  | <ul style="list-style-type: none"> <li>• Government Departments</li> <li>• State Owned Entities</li> <li>• District and Metro Municipalities</li> <li>• COGTA</li> <li>• OTP</li> <li>• ECSESS</li> </ul>  |
| 15. 01 July 2021    | National COGTA Meeting                        | Reporting by Political Champions  | <ul style="list-style-type: none"> <li>• National COGTA</li> <li>• Provincial COGTA's</li> <li>• Metro's</li> <li>• Districts</li> </ul>   |
| 16. 14 July 2021    | IGR Core Team Meeting                         | Buffalo City Metro Development Model Stakeholder Engagement Session Towards an Inclusive and Realistic One Plan | <ul style="list-style-type: none"> <li>• COGTA</li> <li>• ECSECC</li> <li>• OTP</li> <li>• BCMM (IGR, IDP, EPMO, FINANCE, SPD)</li> </ul>  |

| DATE OF SESSION   | TITLE OF SESSION                                  | TOPIC FOR DISCUSSION   | TARGETED STAKEHOLDERS   |
|-------------------|---|--|---|
| 13 August 2021    | BCMM Councillors and Traditional Leaders Workshop | <ul style="list-style-type: none"> <li>The Draft 2022/2023 Integrated Development Plan Process and Plan and Time Schedule and BCMM One Plan</li> </ul> | <ul style="list-style-type: none"> <li>All Councillors</li> <li>All Traditional Leaders</li> <li>BCMM HOD's</li> <li>COGTA</li> </ul>   |
| 17 August 2021    | BCMM Interdepartmental Session                    | <ul style="list-style-type: none"> <li>DDM and One Plan Finalisation</li> </ul>  | <ul style="list-style-type: none"> <li>BCMM IGR</li> <li>BCMM IDP</li> <li>City Managers Office</li> </ul>  |
| 23 August 2021    | Provincial Technical MuniMEC                      | <ul style="list-style-type: none"> <li>Update on DDM One Plan Development &amp; S47 Regulatory Framework</li> </ul>                                    | <ul style="list-style-type: none"> <li>All municipalities</li> <li>Sector Departments</li> </ul>  |
| 24 August 2021    | DDM Technical Support Meeting                     | <ul style="list-style-type: none"> <li>DDM and One Plan</li> </ul>   | <ul style="list-style-type: none"> <li>All municipalities</li> <li>COGTA</li> <li>OTP</li> <li>Sector Departments</li> </ul>  |
| 27 August 2021    | Technical IGR Session                             | <ul style="list-style-type: none"> <li>Final Analysis of BCMM's One Plan</li> <li>BCMM One Plan</li> </ul>   | <ul style="list-style-type: none"> <li>Sector Departments</li> <li>State Owned Entities</li> <li>COGTA</li> <li>ECSECC</li> <li>OTP</li> <li>BCMM HOD Directorates</li> <li>BCMM IGR</li> </ul>   |
| 15 September 2021 | Special Technical MuniMEC                         | <ul style="list-style-type: none"> <li>DDM High level oversight report and approval processes of "One Plans"</li> </ul>                                | <ul style="list-style-type: none"> <li>All Municipalities</li> <li>Sector Departments</li> <li>COGTA</li> <li>ECSECC</li> </ul>   |
| 17 September 2021 | Political IGR Forum                               | <ul style="list-style-type: none"> <li>BCMM One Plan</li> </ul>  | <ul style="list-style-type: none"> <li>Deputy Executive Mayor</li> <li>Mayoral Committee</li> <li>MEC COGTA</li> <li>Sector Departments</li> <li>State Owned Entities</li> <li>SALGA</li> <li>COGTA</li> <li>ECSECC</li> <li>OTP</li> <li>BCMM HOD Directorates</li> <li>BCMM IGR/IDP/PP</li> </ul> |
| 15 October 2021   | IGR Core Group Think Tank Session                 | <ul style="list-style-type: none"> <li>Knowledge Product for</li> </ul>  | <ul style="list-style-type: none"> <li>National Treasury</li> <li>BCMM IGR/IDP/Finance/CM Office</li> </ul>   |

| DATE OF SESSION  | TITLE OF SESSION                         | TOPIC FOR DISCUSSION   | TARGETED STAKEHOLDERS   |
|------------------|--|--|---|
|                  |  | improved strategic facilitation between development planning, infrastructure delivery, financial management, reporting, monitoring and evaluation functions  | <ul style="list-style-type: none"> <li>• COGTA</li> <li>• OTP</li> </ul>  |
| 27 October 2021  | DDM Technical Support Meeting            | <ul style="list-style-type: none"> <li>• DDM/One Plan Summaries</li> </ul>   | <ul style="list-style-type: none"> <li>• All Municipalities</li> <li>• COGTA</li> <li>• OTP</li> </ul>  |
| 08 November 2021 | DDM Technical Task team Meeting          | <ul style="list-style-type: none"> <li>• Alignment of IDPS &amp; One Plans</li> <li>• DDM Provincial Workshop</li> </ul>                                     | <ul style="list-style-type: none"> <li>• All Municipalities</li> <li>• COGTA</li> <li>• OTP</li> </ul>  |
| 19 November 2021 | BCMM Technical IGR                       | <ul style="list-style-type: none"> <li>• GAP Analysis on BCMM One Plan and IDP</li> </ul>  | <ul style="list-style-type: none"> <li>• Sector Departments</li> <li>• SALGA</li> <li>• State Owned Entities</li> <li>• COGTA</li> <li>• ECSECC</li> <li>• OTP</li> <li>• BCMM HOD Directorates</li> <li>• BCMM IGR/IDP/PP</li> </ul> |
|                  |  |  |   |
| 30 November 2021 | BCMM Interdepartmental Session           | <ul style="list-style-type: none"> <li>• BCMM One Plan on GIS system</li> </ul>  | <ul style="list-style-type: none"> <li>• BCMM IGR</li> <li>• BCMM IDP</li> <li>• BCMM GIS</li> </ul>  |
| 18 January 2022  | Councillors Workshop                     | <ul style="list-style-type: none"> <li>• IGR</li> <li>• BCMM IDP and One Plan</li> </ul>   | <ul style="list-style-type: none"> <li>• ALL Councillors</li> <li>• All HODS</li> <li>• COGTA</li> <li>•</li> </ul>   |
| 31 January 2022  | Provincial DDM Technical Support Meeting | <ul style="list-style-type: none"> <li>• DDM Provincial Update</li> <li>• DDM/One plan Post Assessment</li> <li>• Planned Provincial DDM Workshop</li> </ul> | <ul style="list-style-type: none"> <li>• All municipalities</li> <li>• COGTA</li> <li>• OTP</li> </ul>  |

| DATE OF SESSION     | TITLE OF SESSION                  | TOPIC FOR DISCUSSION   | TARGETED STAKEHOLDERS   |
|---------------------|-----------------------------------|--|---|
| 17/18 February 2022 | BCMM IGR Framework and TOR Review | <ul style="list-style-type: none"> <li>• Long Term Planning /One Plan</li> </ul>   | <ul style="list-style-type: none"> <li>• BCMM Strategic Departments</li> <li>• COGTA</li> <li>• OTP</li> <li>• DCOG</li> </ul>  |
| 22 February 2022    | BCMM Three Sphere Engagement      | <ul style="list-style-type: none"> <li>• Update on catalytic projects, budgets and commitments by other spheres</li> </ul> | <ul style="list-style-type: none"> <li>• All Sector Departments</li> <li>• COGTA</li> <li>• OTP</li> <li>• Parastatals</li> <li>• Agencies</li> </ul>   |
| 08 March 2022       | BCMM Political IGR Forum          | <ul style="list-style-type: none"> <li>• Progress Update on the DDM/One Plan</li> </ul>                                    | <ul style="list-style-type: none"> <li>• Deputy Executive Mayor</li> <li>• All Mayoral Committee</li> <li>• All HOD's</li> <li>• All Sector Departments</li> <li>• COGTA</li> <li>• OTP</li> <li>• Parastatals</li> <li>• Agencies</li> </ul> |

## 2.2 Formulating the One Plan

The following table depicts the respective roles of the envisaged DDM Hubs, IDP/Budget/PMS Workstreams and the functioning IGR Fora, clearly illustrating the similarities in these structures which all have both political and technical significance.

### DDM INSTITUTIONAL ARRANGEMENTS

#### DISTRICT HUBS

- A DDM Hub is conceived as a functional network of support and a facilitation system for Intergovernmental Planning in relation to a specific district or metropolitan space or a combination of district spaces or metropolitan spaces.
- The District/Metropolitan Hubs are being set up as extensions of CoGTA to facilitate technically the DDM model and One Plan.
- The Hubs are aimed primarily at facilitating intergovernmental joint planning and unlocking misalignment.
- Shared Municipal Support/Shared Services will be Integrated capacity building support to District/ Metro's (hands on support).

### BCMM IDP, IGR, INSTITUTIONAL ARRANGEMENTS

#### IDP/BUDGET/PMS WORKSTREAMS

- BCMM's 5 Work-streams are small strategic and operational teams that are, at a technical level, led by Heads of Directorates (HODs) or delegated key officials and they are politically led by Councillors who are Members of the Mayoral Committee.
- The role of the work-streams is to ensure inter-directorate, intergovernmental and civil society coordination, cooperation and strategic thinking about the achievement

#### IGR FORUM (POLITICAL & TECHNICAL)

- A democratic model for cooperative governance that provides basis for Intergovernmental Relations.
- To facilitate the Intergovernmental Relations dialog and structure with relevant provincial government departments, parastatals and state-owned enterprises by creating a conducive working relationship between the municipality, Provincial



- Over time will review the distribution and location of powers and functions and facilitate appropriate location in the Two-Tier District System of the Metro Growth and Development Strategy, review of the IDP, Budget and Performance Management System. departments and other stakeholders.

Pursuant to the objectives of the MDM and One Plan's Impact Focus Areas, as aligned with the 5 Strategic Outcomes of the MGDS and IDP, the Workstreams crafted the One Plan as illustrated below:

| MDM IMPACT FOCUS AREAS                                | IDP/BUDGET/WORKSTREAMS   |
|---|--|
| 1. Demographic Change and People Development          | Workstream 1: Innovative and Productive City                         |
| 2. Economic Positioning                               |  |
| 3. Spatial Restructuring and Environmental Management | Workstream 4: Spatially Transformed City<br>Workstream 2: Green City |
| 4. Infrastructure Engineering                         | Workstream 3: Connected City   |
| 5. Integrated Services Provisioning                   |  |
| 6. Governance and financial management                | Workstream 5: Well-governed City                                     |

The One Plan is a culmination of a series of Strategic Planning Sessions ranging from IDP/Budget/PMS Workstreams (together with external stakeholders and other spheres of government), 3 Top Management Technical Planning Sessions, a Mayoral Lekgotla, Council Lekgotla and a 3 Spheres Intergovernmental Joint Planning Session during the course of the 2020/2021 municipal financial year as part of the IDP Process.

The following process was followed to formulate the BCMM 2021/2026 IDP and One Plan:

| IDP/One Plan Phases | Steps Taken  |
|---------------------|--|
| <b>Preparation</b>  | This phase included a series of meetings, think tanks and workshops to introduce the District/Metro Development Model to MECs, Municipal Managers for Districts and Metros, Government Departments., State Owned Entities. The key outcomes for this phase were the adoption of the IDP/Budget/PMS Process Plan and the integration of the DDM/One Plan Process Plan with the time schedule for the IDP Process.   |
| <b>Analysis</b>     | Marked by intensive IDP/Budget/PMS Workstreams and Executive Mayoral Imbizos held with communities from the three functional regions of the metro during which all spheres and sectors (including both other spheres of government and external stakeholders) shared perspectives on the situational analysis of the metro resulted in the first draft diagnostic assessment. BCMM, Sector departments and State-Owned Enterprises also presented their current and future plans at these engagements. |
| <b>Strategies</b>   | Due to time constraints and the limitations of strategic planning methodologies imposed on participants because of the Covid-19 Global Pandemic and restrictions, a visioning  |

| IDP/One Plan Phases | Steps Taken   |
|---------------------|---|
|                     | <p>exercise was not done. However, due to the inherent strategic alignment between the BCMM MGDS, IDP, SDF, Built Environment Performance Plan (BEPP) and National and Provincial Government imperatives, the BCMM Vision, Mission Statement, and Strategic Outcomes were accepted as the framework for the One Plan.</p> <p>Based on the diagnostic analysis, stakeholders participated in deep deliberation of gaps and serious disconnection between various plans and development objectives for the medium to long-term. Complementing the section on Implementation Commitments reflected in this One Plan, a separate operational action plan was agreed on and this will be monitored through the BCMM Technical and Political IGR Fora. Key strategies emanating from agreeing on the desired outcomes are further unpacked in a later session of this One Plan. These strategies were later endorsed by Council through the Mayoral Lekgotla and Council Lekgotla that took place in October and November 2020.</p> |
| <b>Projects</b>     | The agreed actions to give effect to the One Plan in the form of programmes, projects, key initiatives and interventions were collated and packaged in the Implementation Commitments.  |
| <b>Integration</b>  | Sector plans across BCMM line departments and commitments from Provincial, National Government and State-owned Enterprises were incorporated into the IDP, so that the One Plan effectively forms part of the IDP of BCMM. This is reflected in the adopted IDP in Sections B and D respectively of the 2021/2026 IDP.  |
| <b>Approval</b>     | As part of the IDP documentation the One Plan was made public for comment as part of the IDP and Budget consultation processes of the metro. The Implementation, Monitoring and Review process will be undertaken in terms of the government planning and budgeting cycle (MTSF, Strategic Plan, APPs, IDPs and Budgets)  |

### 2.3 Layout of the One Plan

The BCMM One Plan has six (6) sections:

|                  |   |
|------------------|---|
| <b>Section 1</b> | <p><b>Introduction</b></p> <p>Providing a summarised overview of the District/Metro Development Model, this section contextualises the model in the BCMM space, defining its relationship with the long-term strategy (MGDS) and the IDP</p>  |
| <b>Section 2</b> | <p><b>The Process of Formulating the One Plan</b></p> <p>This Section explains the process followed to develop the One Plan, highlighting how the institutionalisation of the District/Metro Development Model at the metro was merged with standing institutional arrangements for the city's IDP, Budgeting and Performance Management Processes.</p> |
| <b>Section 3</b> | <p><b>Summary of Diagnostic Analysis</b></p> <p>Critical insights into the analysis of the Buffalo City Metropolitan Profile are provided in the Diagnostic Analysis Section. It allows for strategic perspectives on the most pertinent development trends and issues that shape the Buffalo City's future.</p>  |
| <b>Section 4</b> | <p><b>Vision Setting</b></p>  |

|                  |  |
|------------------|--|
|                  | <p>The desired future state of the city is depicted in the section, as informed by the long-term development trajectory of the metro as encapsulated in the Metro Growth and Development Strategy.</p>   |
| <b>Section 5</b> | <p><b>Strategy Formulation</b></p> <p>The strategy formulation describes strategies and programmes required to address prominent issues identified in the diagnostic assessment and strategies and programmes need to achieve the desired end state as articulated in the vision framework.</p>  |
| <b>Section 6</b> | <p><b>Implementation Commitments</b></p> <p>The contents of the One Plan depict details on projects from all three spheres of government identified to give effect to the objectives and strategies as agreed. The programmes and projects seek to address the key challenges identified in the Diagnostic Analysis in Section 4 and are further unpacked in the Municipal Scorecard whilst sector departments and State-owned enterprises captured others in their plans and programmes.</p> <p>The programmes are arranged as follows:</p> <ul style="list-style-type: none"> <li>❑ <b>Buffalo City Metropolitan Municipality Programmes and Projects</b></li> <li>❑ <b>Eastern Cape Provincial Government BCMM Programmes and Projects</b></li> <li>❑ <b>South African National State-owned Enterprises BCMM Programmes and Projects</b></li> <li>❑ <b>South African National Government BCMM Sector Programmes and Projects</b></li> </ul> |
| <b>Section 7</b> | <p><b>One Plan Implementation, Monitoring and Evaluation</b></p> <p>All spheres of government should work towards common outcomes as agreed to in terms of an Implementation Framework for the One Plan.</p>   |

# BUFFALO CITY METROPOLITAN MUNICIPALITY

## CATALYTIC PROGRAMMES AND PROJECTS

### SPATIAL TARGETING STRUCTURING ELEMENTS

The spatial proposals contained in the 2013 SDF and the 2019-2024 SDF as revised and adopted by Council in December 2020 form the spatial backdrop against which a further layer of strategic prioritization is undertaken through the application of the Urban Network Strategy concept. The Urban Network Strategy aims to bring together **three key elements viz. i) economic nodes / areas of employment, ii) marginalised residential areas and informal settlements and iii) strategic public transport corridors** linking the first two elements into an integrated framework (NT Guidance Note, 2017). See Figure F1 below.

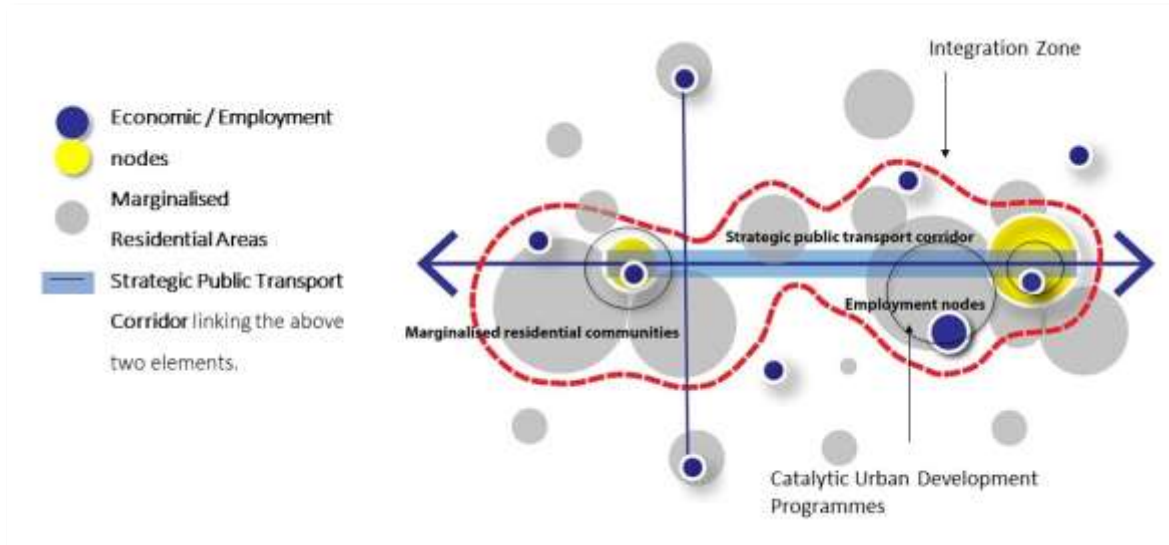


Figure F44: Spatial Targeting Structuring Elements: Public Transport Corridors and Nodes (Source: BCMM BEPP

2019-2020)

The above strategy has assisted in the packaging of key **Catalytic Programmes and Projects** in the city which aim to unlock strategic infrastructural enablers which will have positive economic and social spin-offs within the targeted focus areas. The BCMM catalytic programmes aim to package a series of **interdependent mutually reinforcing or complimentary built environment projects**.

These programmes incorporate **national, provincial, municipal** and **private sector** parties in partnership, with the intention that these projects are aligned and coordinated in **the same precinct** or **series of precincts** which fall within a **larger programme**.

Each programme therefore contains a portfolio of sub-programmes **which cut across various sectors and functions** but fall within a specific spatial precinct. The above integrated nature of the programmes allows **'aligned' implementation** both **within municipal line departments** as well as **intergovernmental stakeholders**. 'The Urban Network Plan, and specifically the identification of prioritised spatial targeting areas, provides a mechanism for integrated planning and in particular, the spatial alignment of investments in public transport and housing' (NT Guidance Note, 2017). Along this concept, the Buffalo City Urban Network Strategy identifies two such spatially targeted areas within BCMM namely, Primary Integration Zone and Secondary Integration Zone.

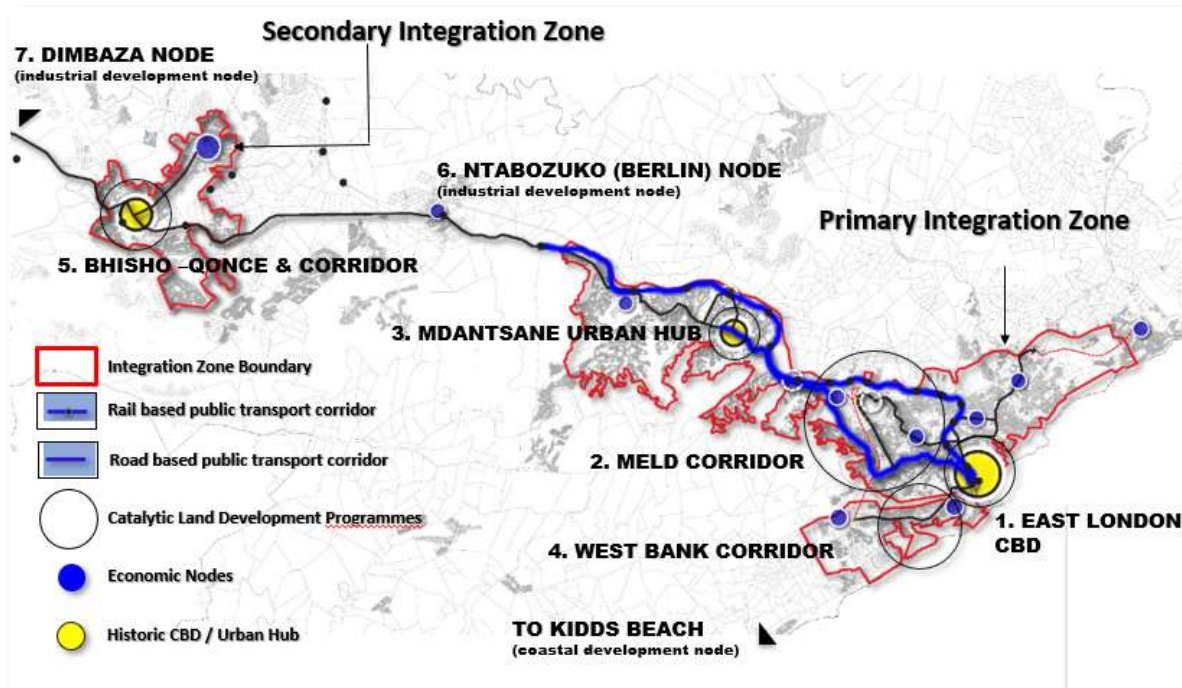


Figure F45: Spatial Targeting: BCMM Urban Network Strategy (Source: BCMM BEPP 2022-23)

## STRATEGIC DEVELOPMENT CORRIDORS: PRIMARY INTEGRATION ZONE

The primary and secondary integration zones acknowledge a number of key corridors within the metropolitan area which hold potential for the future spatial and economic transformation of the City.

The **MELD Corridor** is the historic corridor which links the East London CBD to outlying townships by means of a primary movement network formed by both road and rail infrastructure. The **Mdantsane Urban Hub** forms a primary destination on the **MELD corridor** and is located within BCMM's largest township, Mdantsane. The area contains the bulk of BCMM's population and is subjected to critical infrastructure backlogs, which severely hinder the progress of development.

The **MELD Corridor** stands out as the key public transport corridor within BCMM and is the busiest artery serving the Primary Integration Zone. This is based on the following criteria and characteristics:

- Existing and future public transport passenger demand – this corridor has the highest passenger demand in Buffalo City.
- Operations – this corridor also provides the most operationally efficient service within Buffalo City and therefore the most cost effective.
- In terms of the development and planning framework proposed by Buffalo City, this corridor is the key strategic transport corridor for the city.

The Rail system and the Bus and Taxi Route in combination with the rest of the public transport routes result in most residents within the Integration zone being within 1km of public transport. BCMM largest housing project being **Duncan Village** and **Reeston** are situated on the MELD Corridor.

A further emerging corridor which is seen as one which links key strategic and investment related hubs structured along **Settler's Way / the R72** westwards from the CBD, highlights the **Port – MBSA – IDZ – Airport** hub as an additional catalytic programme area within the primary integration zone. This programme is broadly termed in the 2019/20 BEPP as the **West Bank Economic Corridor**. Strategic investments along the West Bank R72 / Settler's Way corridor include **Mercedes Benz South Africa** (MBSA), the **East London Industrial Development Zone** (ELIDZ) and the **Airport**. These nodes as well as the logistics link between these and the **Port of East London** form a key strategic programme within the Primary Integration Zone.

The **City–Vincent–Beacon Bay–Gonubie** link corridor is also acknowledged as a key future growth corridor within the primary integration zone. The integration zone boundaries for the primary integration zone remain largely the same though the boundaries have been streamlined and shrunk where possible to strengthen spatial targeting objectives.

In summary, the **key catalytic programmes within the Primary Integration Zone** for BCMM, therefore includes the following strategic focus areas:

1. **The East London CBD & Inner City**
2. **The MELD Corridor (Central)**
3. **Mdantsane Urban Hub**
4. **West Bank Economic Corridor (Port – MBSA – ELIDZ – Airport – Logistic Hub).**

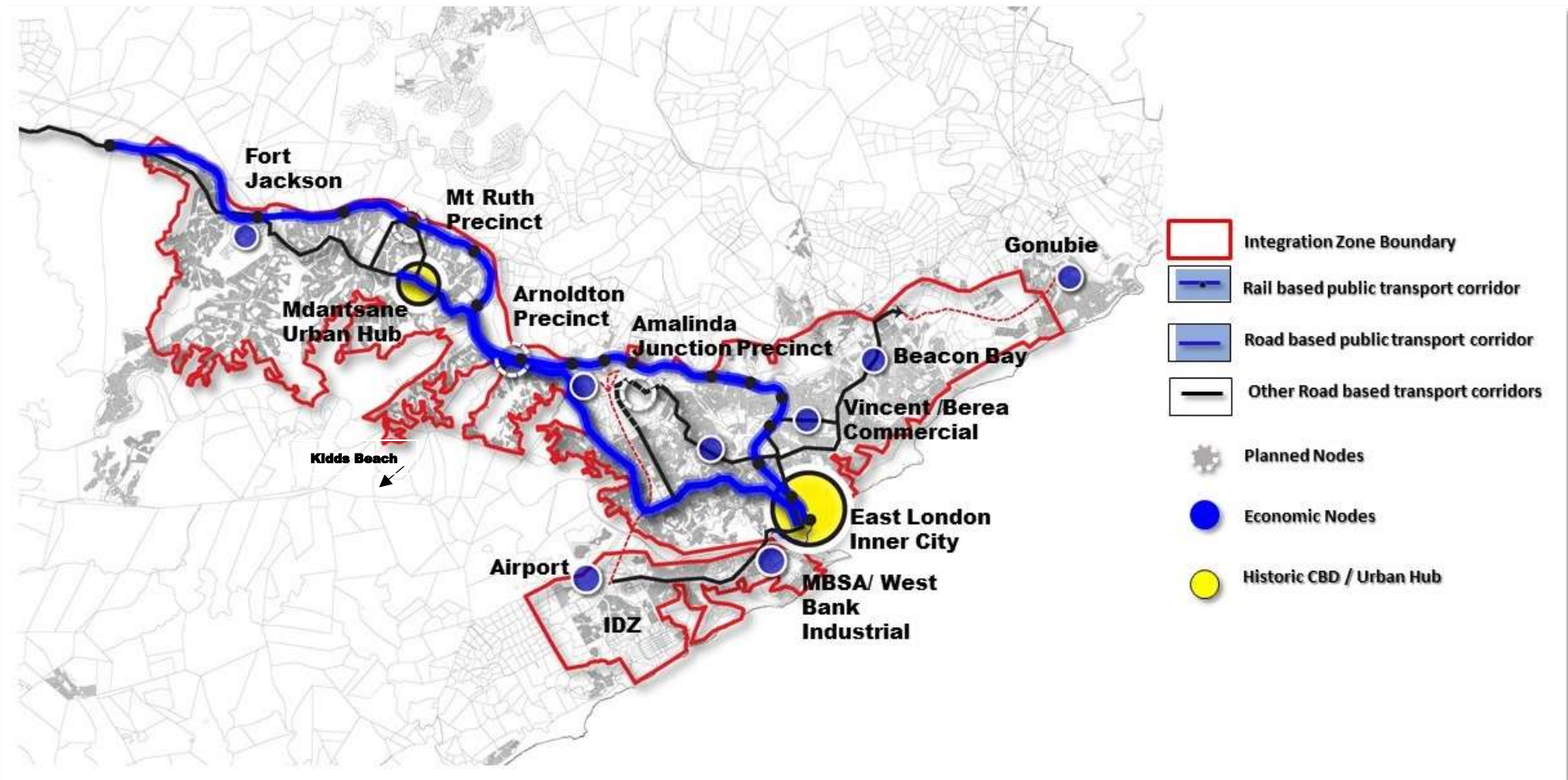


Figure F46: Spatial Targeting: Nodes & Corridors within Primary Integration Zone (Source: BCMM BEPP 2019-20)

## STRATEGIC DEVELOPMENT CORRIDORS: SECONDARY INTEGRATION ZONE

The Secondary Integration Zone for BCMM, is formed around and includes the following focus areas:

5. Qonce (previously King William's Town, KWT) – Bhisho – Zwelitsha zone including the R63 corridor between KWT and Bhisho

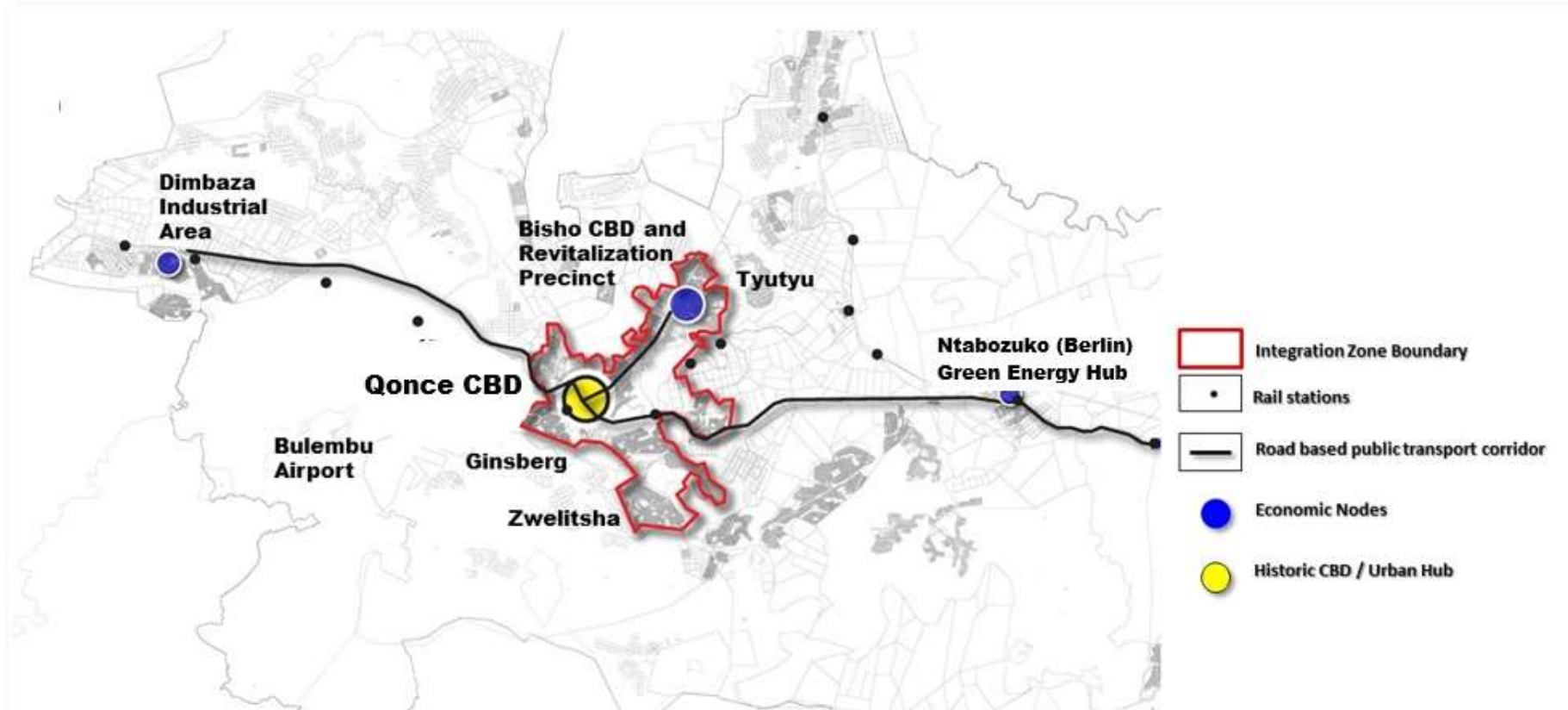


Figure F47: Spatial Targeting: Secondary Integration Zone (Source: BCMM BEPP 2019-20)



The Secondary Integration Zone is made up primarily of the historic CBD / hub of Qonce (previously known as KWT) and surrounding townships of Ginsberg, Zwelitsha and Breidbach. The Qonce CBD has been identified as a key secondary regional service node within the metropolitan context. As noted in the 2013 SDF, Qonce is a strong and vital Rural Service Centre providing goods and services to the rural hinterland areas. Bhisho retains its prominence as the Provincial Capital of the Eastern Cape and this status remains the main driver of investment in the area.

As indicated in Figure F.4 above the Secondary Integration Zone incorporates the administrative hub of Bhisho which forms a strategic employment node within this Zone. The **R63 KWT- Bhisho Corridor** forms an important public transport route within the Secondary Integration Zone. Other strategic economic nodes surrounding the Secondary Integration Zone include **the Dimbaza Industrial Area** to the west and the **Ntabozuko (Berlin) Green Energy Hub** to the East. Both the above areas though outside the secondary integration zone, are located close to Railway station nodes within the area and are earmarked as areas for the promotion for investment and enhanced job creation.

The above areas are additionally surrounded by and serve a large rural hinterland population therefore playing an important role and function within the rural to urban continuum as envisaged in the Integrated Urban Development Framework (IUDF), (COGTA,2016).

## **DEVELOPMENT AND RESOURCING OF CATALYTIC PROGRAMMES AND PROJECTS**

The development and resourcing of catalytic programmes is achieved through an ongoing interdepartmental as well as intergovernmental conversation which is supported through the municipal Integrated Development Planning (IDP) Processes as well as the BCMM Intergovernmental Relations (IGR) Office through its IGR processes. Over and above the aligning of interdepartmental and intergovernmental projects, the shared platform of the catalytic programmes provides an opportunity to align various grant funding including the following infrastructure grants:

- **PPPSG:** Programme and Project Preparation Support Grant, Schedule 5B (specific purpose allocations to metropolitan municipalities);
- **USDG:** Urban Settlements Development Grant, Schedule 4B (supplements municipal budgets);
- **ISUPG:** Informal Settlements Upgrading Partnership Grant, Schedule 5B (specific purpose allocations to municipalities);
- **HSDG:** Human Settlements Development Grant, Schedule 5A (specific purpose allocations to provinces);
- **NDPG:** Neighbourhood Development Partnership Grant, Schedule 5B (Capital Grant), Schedule 6B (Technical Assistance);
- **EEDSMG:** Energy Efficiency and Demand Side Management Grant, Schedule 5B (specific purpose allocations to municipalities).

## East London CBD and Inner-City Regeneration Programme

The East London CBD and Inner-City Regeneration Programme fosters visible investment in the East London CBD and Inner-city area in order to promote a unique city identity as well as to spur additional investments in the centre of the city. High impact projects would focus on improving the quality of the area which would in turn strengthen investor confidence and growth.

The key planned sub-programmes and projects that form a part of this programme include:

- ❑ Buffalo City Knowledge and Innovation Precinct
- ❑ East London Beachfront Development
- ❑ Development of the Sleeper Site
- ❑ Development of the City to Sea Boulevard
- ❑ Development of the East Bank by Port Authorities (Signal Hill and Latimer's Landing)

Further projects that fall within this programme and budgetary details thereof are found below.



Figure F48: BCMM: Current and planned projects within the East London CBD Urban Development Programme (Source: BCMM Final BEPP 2022-23)

## INTERGOVERNMENTAL BUDGETARY ALLOCATIONS

| EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME                   |                     |                             |                              |  |                                  |                             |
|--|---------------------|-----------------------------|------------------------------|--|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects                                   | Total Value (R'000) | Own (2022/2023)<br>(R'000)  | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000)                      | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Sleeper Site Road  | R 213,000           |                             |                              | R 25,000 (USDG)                                    |                                  |                             |
| City to Sea Boulevard  | R 255,000           | R 2,640                     |                              |  |                                  |                             |
| Court Crescent Implementation (BCMDA)                                | R 90, 000           | R 30,100                    |                              |  |                                  |                             |
| Public Realm Upgrades and Greening (PPPSG)                           | TBD                 |                             |                              | R 2,582<br>(PPPSG carry-over to<br>be applied for) |                                  |                             |
| Orient Theatre Upgrade (Planned)                                     | TBD                 | R 1, 500                    |                              |  |                                  |                             |
| Refurbishment of the Aquarium  | R 200,000           | R 400                       |                              |  |                                  |                             |
| Upgrade of Ubuhlanti Park (Marina Glen B) & Little Mauritius         | R 30,000            | BCMDA processes<br>underway |                              |  |                                  |                             |
| Development of Marina Glen   | 1,443,000           | BCMDA processes<br>underway |                              |  |                                  |                             |
| Development of Sea View Terrace                                      | R 267,000           | BCMDA processes<br>underway |                              |  |                                  |                             |
| Development of the Sleeper Site                                      | TBD                 | BCMDA processes<br>underway |                              |  |                                  |                             |
| Upgrading of the Zoo   |                     | R 400                       |                              |  |                                  |                             |
| East London Station Development: Railway Station Precinct<br>(PRASA) | R 133,897           |                             |                              |  |                                  | PRASA                       |
| Rehabilitation of Latimer's Landing<br>(TRANSNET - East Bank)        | TBD                 |                             |                              |  |                                  | TRANSNET                    |
| Rehabilitation of Signal Hill (TRANSNET - East Bank)                 | TBD                 |                             |                              |  |                                  | TRANSNET                    |

## BUDGETARY ALLOCATIONS OVER THE MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF)

| EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME                              |  |  |                                |                                |                        |
|---|--|--|--------------------------------|--------------------------------|------------------------|
| Project Name  | Project Type (Description)   | Project Status                           | Financial Year 2022/23         | Financial Year 2023/24         | Financial Year 2024/25 |
| <b>Sleeper Site Road</b>  | New Road to unlock the Sleeper Site Development  | Construction Stage                       | R 25 000 000.00                | R 15 000 000.00                | R 15 000 000.00        |
| <b>City to Sea Boulevard</b>  | New multi-use boulevard on Moore Street East London  | Planning Stage                           | R 2 640 632.00                 | To be informed by current work |                        |
| <b>Court Crescent Implementation (BCMDA)</b>                                    | Public Space Upgrade on the East London Beachfront   | Implementation Stage: Contractor on site | R30 000 000.00                 | R9 000 000.00                  | -                      |
| <b>Public Realm Upgrades and Greening (PPPSG/ CIPPPF)</b>                       | Integrated Design Framework for Public Space Upgrades in the East London CBD and Inner-City area | Planning Stage                           | R 2 582 000.00                 | To be informed by current work |                        |
| <b>Orient Theatre Upgrade</b>   | Structural Engineering upgrades to the Orient Theatre  | Construction Stage                       | R1 500 000.00                  | R1 500 000.00                  | R 500 000.00           |
| <b>Refurbishment of the Aquarium</b>  | Upgrade enhance the esplanade precinct   | Planning stage                           | R 400 000.00                   | R600 000.00                    | R 700 000.00           |
| <b>Upgrade of Ubuhlanti Park (Marina Glen B) &amp; Little Mauritius (BCMDA)</b> | Integrated plans for infrastructural upgrades at Ubuhlanti and Little Mauritius                  | Planning Stage                           | To be informed by current work | To be informed by current work |                        |
| <b>Development of Marina Glen A and Sea View Terrace (BCMDA)</b>                | Development of publicly owned vacant land parcels on the East London Beachfront                  | Planning Stage / Turnkey / BOT           | N/A                            |                                |                        |
| <b>Development of the Sleeper Site (BCMDA)</b>                                  | Development of publicly owned land in the East London CBD  | Planning Stage / Turnkey / BOT           | N/A                            |                                |                        |
| <b>Upgrading of the Zoo</b>   | Upgrading of the Zoo   | Planning Stage                           | R400 000.00                    | R900 000.00                    | R 1 000 000.00         |

## MELD Corridor Central Programme

The MELD Corridor is the area straddling the main transportation routes (roads and railway) and links the townships of Mdantsane and other previously disadvantaged areas to East London's Central Business District.

The key sub-programmes that form a part of this programme include:

- ❑ The Duncan Village Upgrade
- ❑ The development of the Amalinda Junction
- ❑ The Central to Reeston Tunnel and WWTW will unlock projects within the Amalinda Junction.

Details of current and planned projects within the MELD Corridor Urban Development Programme are found below:

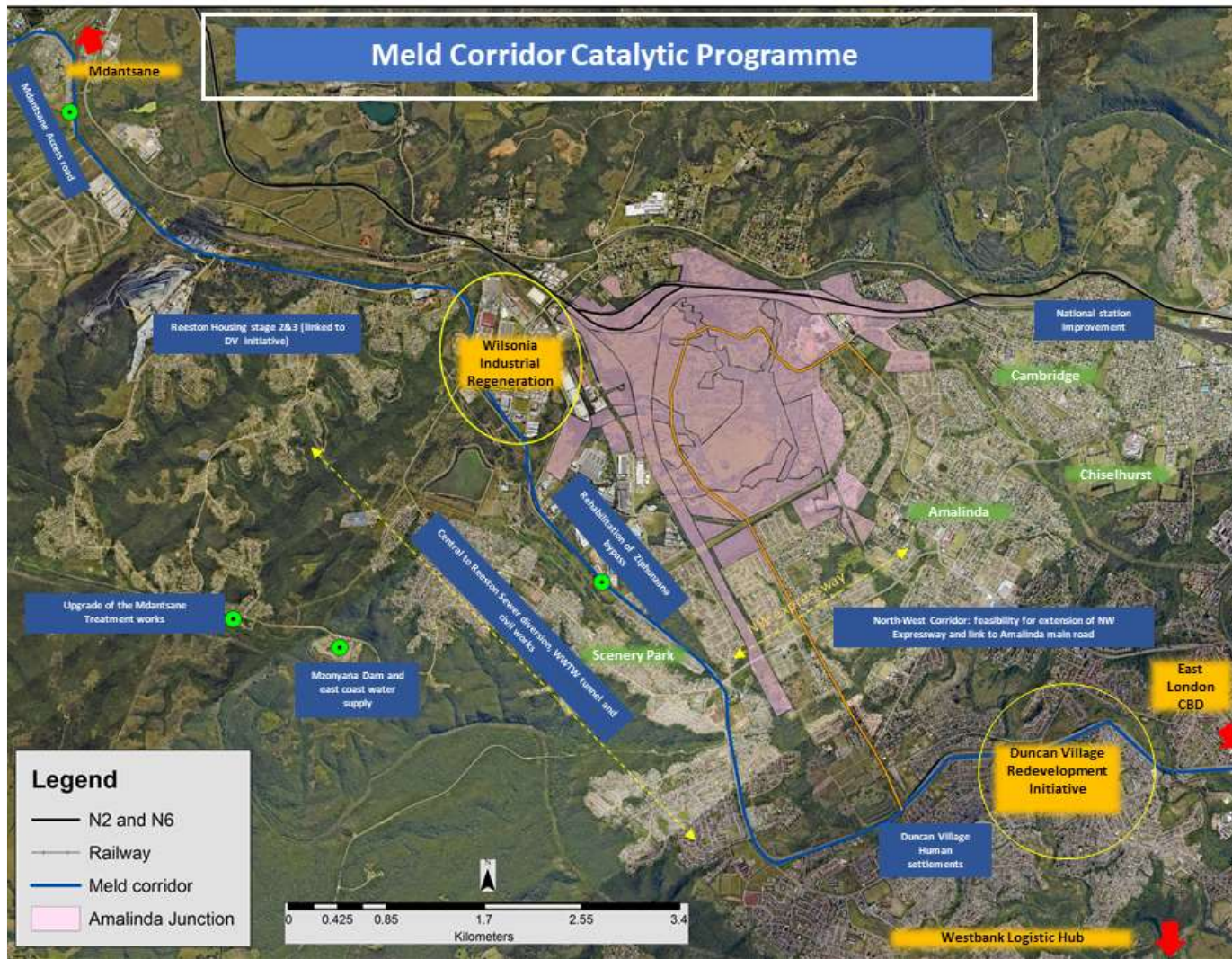


Figure F49: BCMM: Current and planned projects within the MELD Corridor Urban Development Programme (Source: BCMM Final BEPP 2022-23)

## INTERGOVERNMENTAL BUDGETARY ALLOCATIONS

| MELD CORRIDOR CATALYTIC PROGRAMME   |                     |   |                              |                               |                                  |                             |
|---|---------------------|---|------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects  | Total Value (R'000) | Own (2022/23)<br>(R'000)                    | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000) | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Mdantsane Access Road   | R580,000            | R 11, 034                                   |                              |                               |                                  |                             |
| Duncan Village Redevelopment Initiatives:<br>Human Settlements  | TBD                 |   |                              | R 16,600<br><b>(ISUPG)</b>    | R 9,500<br><b>(HSDG)</b>         |                             |
| Duncan Village Tourism Route Development:<br>Phase 1 – Mzonyana and Dr Rubusana<br>Gravesites landscaping and Eco-Park<br>Development | TBD                 | Preparatory work being<br>done by the BCMDA |                              |                               |                                  |                             |
| Reeston Housing Stage 2&3 (linked to DV<br>Initiative)  | TBD                 |   |                              | R 16,500<br><b>(USDG)</b>     | R 5,200<br><b>(HSDG)</b>         |                             |
| Central to Reeston Sewer Diversion, WWTW<br>Tunnel and Civil Works  | R 500,000           |   | R 399,254                    |                               |                                  |                             |
| Rehabilitation of Ziphunzana Bypass   | R 5,000             | R 1,000                                     |                              |                               |                                  |                             |
| North-West Corridor: Feasibility for<br>extension of NW Expressway and link to<br>Amalinda Main Road.                                 | R 800,000           | Funding allocated in<br>2024/25             |                              |                               |                                  |                             |
| National Station Improvement Programme  | R 50,883            |   |                              |                               |                                  | <b>PRASA</b>                |
| Upgrade of the Mdantsane Treatment Works  |                     |   |                              | R25,000<br><b>(ISUPG)</b>     |                                  |                             |
| Umzonyana Dam and East Coast Water<br>Supply  |                     |   | R 50,000                     | R 35,000<br><b>(USDG)</b>     |                                  |                             |
| Market Hall Upgrade   | R 21, 000           |   |                              | R8,000<br><b>(USDG)</b>       |                                  |                             |



## BCMM BUDGETARY ALLOCATIONS OVER THE MTREF

| MELD CORRIDOR PROGRAMME  |   |   |                        |                        |                        |
|--|---|---|------------------------|------------------------|------------------------|
| Project Name   | Project Type (Description)  | Project Status  | Financial Year 2022/23 | Financial Year 2023/24 | Financial Year 2023/24 |
| <b>Upgrading of the Public Transport Corridor from East London to Mdantsane: Qumza Highway Phase 7</b> | Phase 2 - Dualization of Qumza Highway from Mdantsane Mall to NU12 intersection. Phase 1 - Dualization of Qumza Highway from NU12 intersection to the Sasol Intersection in Fort Jackson. | Construction Stage  | R18 200 000.00         | R66 082 040.00         | R20 000 000.00         |
| <b>Mdantsane Access Road</b>   | Widening of the Mdantsane Access Road from Vergenoeg to Mdantsane Gate  | Conceptual and Preliminary Design Stage   | -                      | R 11 034 470           | -                      |
| <b>Duncan Village Redevelopment Initiative (DVRI): Duncan Village proper</b>                           | Development of Duncan Village to provide roads, houses and hostels, business premises for the community of Duncan Village   | Consultant appointed for the design of 5000 units and social survey is in progress. | R 500 000.00           | R 500 000.00           | R 500 000.00           |
| <b>DVRI: Duncan Village Composite Site</b>   |   | Implementation stage  | R2 500 000.00          | R1 000 000.00          | R 1 000 000.00         |
| <b>DVRI: C Section and Triangular Site</b>   |   | Implementation stage  | R2 000 000.00          | R2 000 000.00          | R 2 000 000.00         |
| <b>DVRI: D Hostel</b>  |   | Implementation stage  | R10 500 000.00         | R16 163 320.00         | R 16 163 320.00        |
| <b>Reeston Housing linked to DVRI relocations</b>  | Phase 3, Stage 3  | Implementation Stage  | R 3 000 000.00         | R2 000 000.00          | -                      |

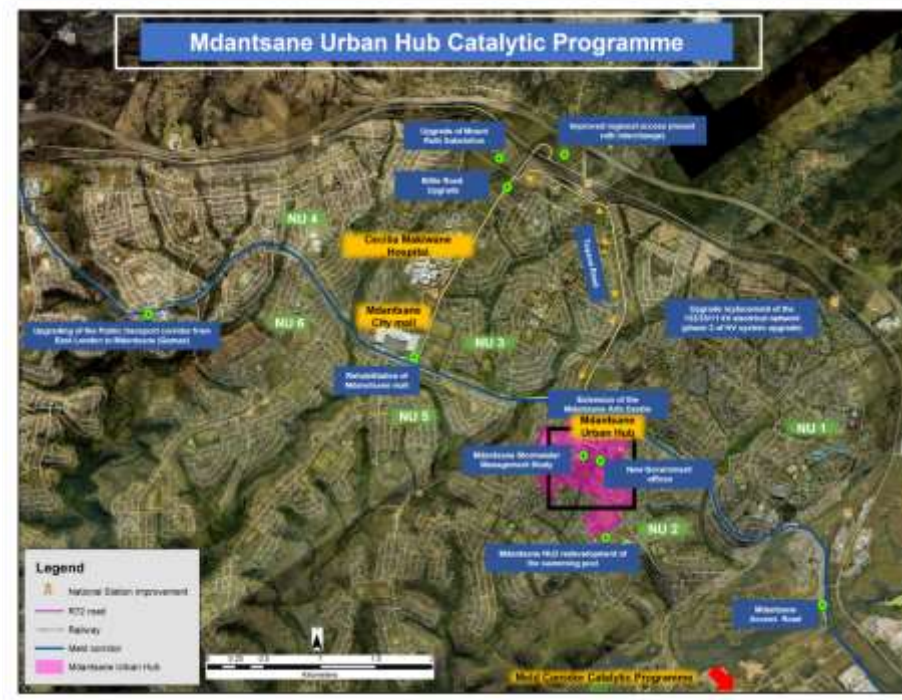
**MELD CORRIDOR PROGRAMME**

| <b>Project Name</b>  | <b>Project Type (Description)</b>  | <b>Project Status</b>                                  | <b>Financial Year 2022/23</b> | <b>Financial Year 2023/24</b> | <b>Financial Year 2023/24</b> |
|--|--|--|-------------------------------|-------------------------------|-------------------------------|
| <b>Central to Reeston Sewer Diversion, WWTW Tunnel and Civil Works</b> | Diversion of Sewage from Central to Reeston Wastewater Treatment Works                                 | Finalisation of the reviewed tender document expected. | R399 524 000.00               | R194 405 000.00               | -                             |
| <b>Upgrading of the Mdantsane Wastewater Treatment Works</b>           | Upgrade of the Mdantsane Treatment works.  | Construction   | R15 000 000.00                | -                             | R 11 278 348.00               |
| <b>Umzonyana Dam and East Coast Water Supply Upgrade</b>               | Water supply coastal and midlands area   | Implementation   | R85 000 000.00                | R 175 000 000.00              | R58 127 604.00                |
| <b>Rehabilitation of the Ziphunzana Bypass</b>                         | Rehabilitation   | Planned Implementation                                 | R1 000 000.00                 | (Project Complete)            | -                             |
| <b>North-West Corridor</b>   | Dual carriage way road from the Amalinda Main Road (SPCA) to Ziphunzana Bypass near Traffic Department | Preliminary Design Stage                               | Approval process and funding  | Approval process and funding  | R 8 957 810.00                |
| <b>Market Hall Upgrade in Wilsonia</b>                                 | Upgrade of the Fresh produce Market in Wilsonia  | Planned implementation                                 | R8 000 000.00                 | R8 000 000.00                 | R5 500 000.00                 |

## Mdantsane Urban Hub Catalytic Programme

This programme focuses on the creation of a self-sustaining, attractive and vibrant Economic Hub that showcases the creative arts, sports, cultural history and identity of Mdantsane. Improved circulation and connectivity in and around the taxi rank, improved social facilities and the development of mixed use and social housing are key projects envisaged for the area.

A number of projects in the Hub have gained momentum at the current time including the Toyana Road upgrade and link to the Mount Ruth Station for which concept plans and detailed designs have been done. The project includes public realm upgrades and the provision of social amenities such as mini-parks, basket-ball courts, seating, lighting as well as the provision of wi-fi accessibility. Progress is yet to be made in relation to with negotiations with SANRAL to the improve the regional accessibility to the hub via Billy Road.



**Figure F50: BCMM: Current and planned projects within the Mdantsane Urban Hub Urban Development Programme. (Source: BCMM Final BEPP 2022-23)**

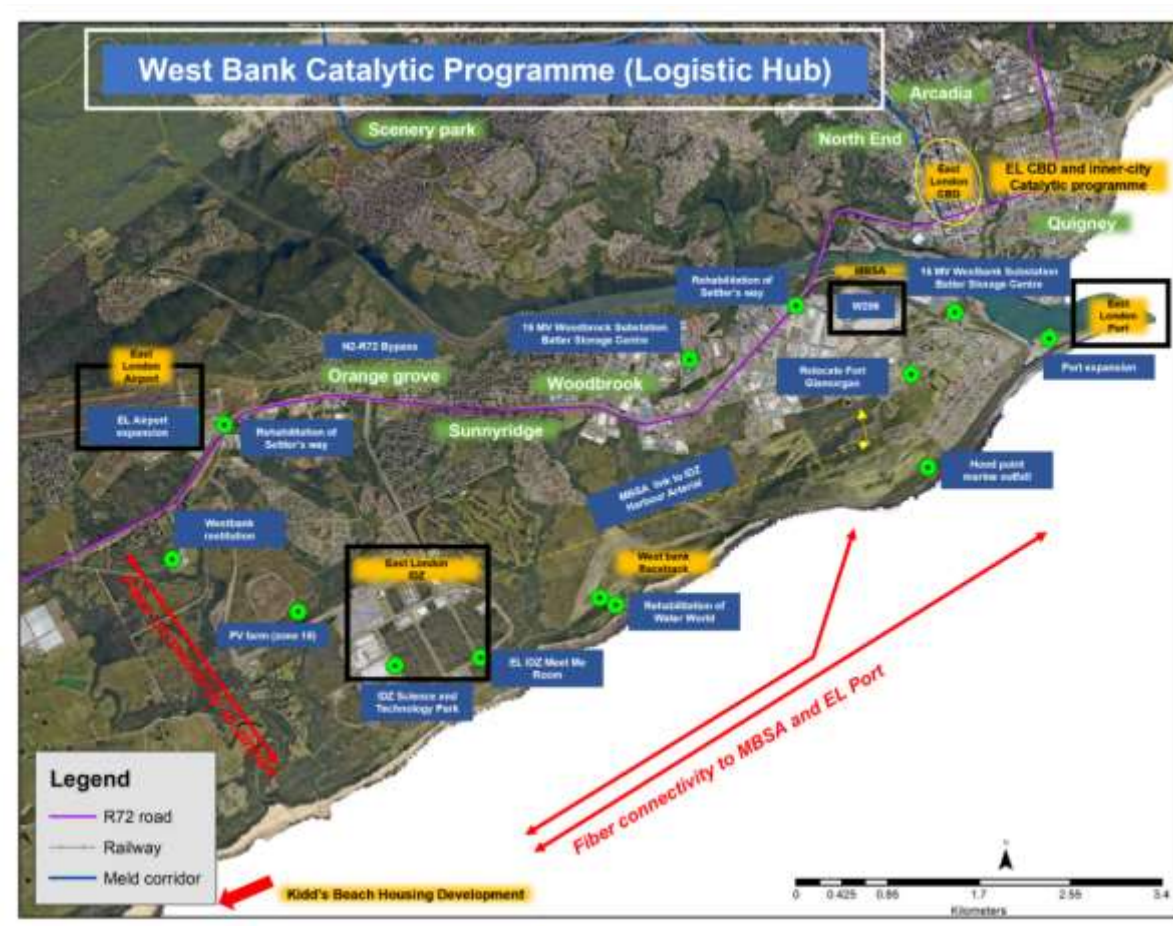
## INTERGOVERNMENTAL BUDGETARY ALLOCATIONS

| MDANTSANE URBAN HUB CATALYTIC PROGRAMME  |                     |                                |                              |                                |                                  |                             |
|--|---------------------|--------------------------------|------------------------------|--------------------------------|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects   | Total Value (R'000) | Own (2022/23)<br>(R'000)       | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000)  | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Upgrading of the Public Transport Corridor from East London to Mdantsane (Qumza) | R 213,000           | R 6,200                        |                              | R 12,000<br>(USDG)             |                                  |                             |
| Improved Regional Access (Mt Ruth Interchange)                                   | R 68,403            | IGR prioritisation<br>required |                              |                                |                                  |                             |
| Billie Road Upgrade & Toyana Road pedestrian link to station                     | R 91,000            |                                |                              | R22, 473, 723<br>(NDPG & USDG) |                                  |                             |
| Extension / Upgrade of Mdantsane Arts Centre                                     | R 4,000             | R 2,000                        |                              | R 4,000<br>(USDG)              |                                  |                             |
| Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool                      | TBD                 |                                |                              |                                |                                  |                             |
| Rehabilitation of Mdantsane Mall   | R43,000             |                                |                              |                                |                                  | ECDC                        |
| Mdantsane Stormwater Management Study  | R1,500              |                                |                              | R1, 322<br>(PPPSG)             |                                  |                             |

## BCMM BUDGETARY ALLOCATIONS OVER THE MTREF

| MDANTSANE URBAN HUB CATALYTIC PROGRAMME                               |  |   |                        |                        |                        |
|---|--|---|------------------------|------------------------|------------------------|
| Project Name  | Project Type (Description)   | Project Status  | Financial Year 2022/23 | Financial Year 2023/24 | Financial Year 2024/25 |
| <b>Toyana Road Pedestrian link to Station and Billie Road Upgrade</b> | Pedestrianization and landscaping of the Toyana Road to enhance NMT and pedestrian movement from Mount Ruth Train station to the Mdansane Urban Hub. Improved vehicular and pedestrian traffic flow and landscaping. Upgrade of the Billie Road to enhance the movement to the Mdantsane Urban Hub and CM Hospital | Construction Stage. The sidewalks are 90% complete now and are expected to be complete this financial year. Streetlighting is complete and construction of the zones will continue. Billie Road upgrade is in the design stage of the dual carriageway. | R22 473 723.00         | R19 581 000.00         | R30 000 000.00         |
| <b>Improved Regional Access</b>                                       | New direct link from the N2 to the Mdantsane Urban Hub   | Concept Designs in place, IGR Prioritisation required   | No funding Yet         | No funding yet         |                        |
| <b>Extension of Mdantsane Arts Centre</b>                             | Extension of Mdantsane Arts Centre to accommodate more art forms.  | Planning Stage  | R6 000 000.00          | R5 000 000.00          | R5 000 000.00          |
| <b>Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool</b>    | Earthworks and Refurbishment of the NU2 swimming pool, filtration system and buildings   | Construction Stage. To be completed this year in 21/22  |                        |                        |                        |
| <b>Mdantsane Stormwater Management Study</b>                          | Stormwater Management Study  | Planning  | R1 322 000.00          | R2 000 000.00          | R1 500 000.00          |

## West Bank Economic Corridor Programme (SMART LOGISTICS HUB)



**Figure F51: BCMM: Current and planned projects within the West Bank Economic Corridor Programme. (Source: BCMM Final BEPP 2022-23)**

The West Bank Catalytic Programme is a recently established Catalytic Programme which aims to support investment, improve logistics and thereby boost economic performance in the broader area. It includes a suite of planned and budgeted projects which will enhance the infrastructure capacity as well as assist in unlocking planning and land related issues within the corridor.

The key sub-programmes that form a part of this programme include:

- ❑ Port of East London: Extend Main Breakwater and Deepen Entrance
- ❑ Revitalisation of the West Bank industrial area/ Motor Industry cluster
- ❑ EL Airport Expansion
- ❑ IOX International Sea Cable (ELIDZ)
- ❑ Water World (Water Park)
- ❑ Bulk infrastructure for the West Bank area

## INTERGOVERNMENTAL BUDGETARY ALLOCATIONS

| WEST BANK ECONOMIC CORRIDOR AND LOGISTICS HUB                         |  |                          |                              |                                       |                                  |                             |
|---|--|--------------------------|------------------------------|---------------------------------------|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects                                    | Total Value (R'000)  | Own (2022/23)<br>(R'000) | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000)         | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Water World (Water Park): BCMDA                                       | R 103, 000   | R17, 000                 |                              |                                       |                                  |                             |
| Hood Point Marine Outfall   | R 270, 000   |                          |                              | Moved to outer year<br>(USDG)         |                                  |                             |
| Rehabilitation of Settlers Way  | R428, 000  | R184, 636                |                              |                                       |                                  |                             |
| West Bank Restitution – Housing 2000 Units                            | R192,185   |                          |                              | R18,728<br>(USDG)<br>R5,000<br>(HSDG) |                                  |                             |
| New Road Link from MBSA to IDZ / Harbour Arterial Project Preparation | R348, 548  |                          |                              | R 3, 146<br>(PPPSG)                   |                                  |                             |
| 15 MV Woodbrook Substation Battery Storage Centre                     | R777, 606. Funding to be allocated following feasibility study |                          |                              |                                       |                                  |                             |

**WEST BANK ECONOMIC CORRIDOR AND LOGISTICS HUB**

| <b>Catalytic Projects &amp; Mega Projects</b>                          | <b>Total Value (R'000)</b>                                      | <b>Own (2022/23)<br/>(R'000)</b> | <b>Loan<br/>(2022/23)<br/>(R'000)</b> | <b>Grant<br/>(2022/23)<br/>(R'000)</b> | <b>Province<br/>(2022/23)<br/>(R'000)</b> | <b>SOE<br/>(2022/23)<br/>(R'000)</b>         |
|--|---|----------------------------------|---------------------------------------|--|---|--|
| <b>15MV Westbank Substation Battery Storage Centre</b>                 | R757, 191 Funding to be allocated following feasibility study   |                                  |                                       |  |   |  |
| <b>Relocate Fort Glamorgam Prison</b>                                  | TBA   |                                  |                                       |  |   | ( EL IDZ)                                    |
| <b>PV Farm (ZONE 18)</b>   | TBA   |                                  |                                       |  |   | (EL IDZ)                                     |
| <b>Science and Technology Park</b>                                     | R325 000 000  |                                  |                                       |  |   | (EL IDZ)                                     |
| <b>International Sea Cable/ Meet me Room Data Centre</b>               | R175 000 000  |                                  |                                       |  |   | (EL IDZ)                                     |
| <b>EL AIRPORT: EL Lounge Expansion</b>                                 | R72,000   |                                  |                                       |  |   | ACSA Project deferred to complete masterplan |
| <b>N2-R72 Bypass</b>   | R450, 000<br>Project not initiated. IGR prioritisation required |                                  |                                       |  |   | SANRAL                                       |
| <b>Port of East London: Extend Main Breakwater and Deepen Entrance</b> | R 1 500,000   |                                  |                                       |  |   | TRANSNET                                     |



## BCMM BUDGETARY ALLOCATIONS OVER THE MTREF

| WEST BANK ECONOMIC CORRIDOR & LOGISTICS HUB       |   |   |                        |                        |                        |
|---|---|---|------------------------|------------------------|------------------------|
| Project Name                                      | Project Type (Description)                          | Project Status  | Financial Year 2022/23 | Financial Year 2023/24 | Financial Year 2024/25 |
| <b>Water World (Water Park): BCMDA</b>            | Upgrading of Recreational Facility                  | Construction  | R17 000 000.00         | R9 000 000.00          | -                      |
| <b>West Bank Restitution – Housing 2000 Units</b> | Infrastructure including top structure HSDG funding | Procurement to appoint contractor to start with Phase 1 of 1000 Units | R23 728 750.00         | R 58 550 000.00        | R 47 424 463.00        |
| <b>Hood Point Marine Sewer</b>                    | Extension of Marine Outfall Sewer                   | Procurement of Service Provider to develop Maintenance Master Plan    | -                      | R4 000 000.00          | R4 000 000.00          |
| <b>Rehabilitation of Settlers Way</b>             | Expansion of 4 lanes to 6                           | Construction Stage  | R184 636 181,00        | -                      | -                      |
| <b>Harbour Arterial Feasibility</b>               | Conduct feasibility study                           | Feasibility   | R3 146 000.00          | R1 579 098.00          | R1 634 000.00          |

### Qonce (previously King William's Town) – Bhisho – Zwelitsha Development Programme

The Qonce – Bhisho – Zwelitsha Programme is made up primarily of the historic CBD / hub of Qonce (previously known as King William's Town, KWT and the link southwards to the township of Ginsberg as well as the R63 – KWT – Bhisho link northwards from KWT to Bhisho. Bhisho, the administrative hub of the Metro forms a strategic employment node within the area.

Vacant BCMM and State land will be developed for high density housing and mixed land uses. A large part of the KWT- Bhisho corridor is made up of the Bhisho Revitalisation Project and will enhance Bhisho as the capital of the provincial administration. The development of land along the corridor is dependent on the completion of the Zwelitsha Regional Bulk Sewage Scheme which is currently being implemented.

The key BCMM projects that form a part of this programme include:

- ❑ KWT Public Transport Interchange, Market Square Bus Rank, Market Square Taxi Rank
- ❑ Mary Street Upgrade
- ❑ Zwelitsha Regional Bulk Sewage Scheme
- ❑ Bhisho-King Water infrastructure
- ❑ Kei Road Bulk Water Scheme
- ❑ Upgrade of the KWT Electrical Network

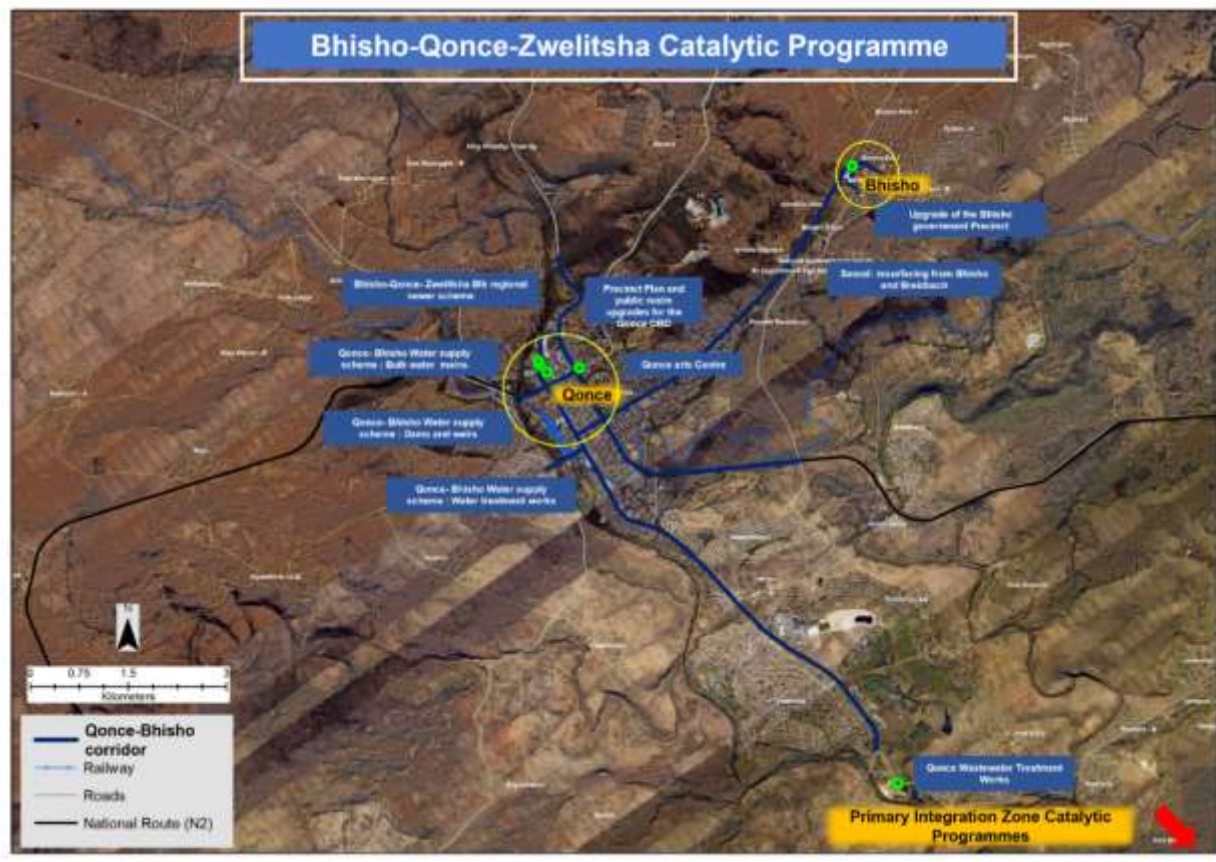


Figure F52: BCMM: Current and planned projects within the Qonce (previously known as KWT) / Bhisho Urban Development Programme. (Source: Final BEPP 2022-23)

## INTERGOVERNMENTAL BUDGETARY ALLOCATIONS

| BHISHO- QONCE (KWT)- ZWELITSHA CORRIDOR  |  |                          |                              |                               |                                  |                             |
|--|--|--------------------------|------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects   | Total Value (R'000)                    | Own (2022/23)<br>(R'000) | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000) | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Precinct Plan and Public Realm Upgrades for the Qonce (KWT) CBD.   | R3,000                                 |                          |                              | R2,008<br>(PPPSG)             |                                  |                             |
| Tourism Development as part of the East London-Duncal Village-Mdantsane-Ntabozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Toursim Route and Public Art Strategy Development | Preparatory work underway by the BCMDA |                          |                              |                               |                                  |                             |
| Qonce Business Improvement District Initiative: Upgrade of Taylor Street   | BCMDA processes underway               |                          |                              |                               |                                  |                             |
| Integrated Development of Victoria Grounds   | BCMDA processes underway               |                          |                              |                               |                                  |                             |
| Bhisho – Qonce (KWT) - Zwelitsha Bulk Regional Sewer Scheme  | R 700,000                              |                          | R120,000                     | R 4,000<br>(USDG)             |                                  |                             |
| (Kei Road) Qonce-Bhisho Water Supply Scheme: Bulk Water Mains  | R 700,000                              |                          |                              | R 5,000<br>(USDG)             |                                  |                             |
| Qonce Art Centre   | TBD                                    | R 1,000                  |                              |                               |                                  |                             |
| Construction of Waste Cell at Qonce Landfill site  | TBC                                    |                          |                              | R 6,000<br>(USDG)             |                                  |                             |
| Bhisho Government Precinct   | TBD                                    |                          |                              |                               | Prov-DPW                         |                             |
| SANRAL: Resurfacing from Bhisho & Breidbach  | R508,000                               |                          |                              |                               |                                  | (SANRAL-TBC)                |

## BCMM BUDGETARY ALLOCATIONS OVER THE MTREF

| BHISHO- QONCE (KWT)- ZWELITSHA CORRIDOR  |  |                          |                              |                               |                                  |                             |
|--|--|--------------------------|------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects   | Total Value (R'000)                    | Own (2022/23)<br>(R'000) | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000) | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Precinct Plan and Public Realm Upgrades for the Qonce (KWT) CBD.   | R3,000                                 |                          |                              | R2,008<br>(PPPSG)             |                                  |                             |
| Tourism Development as part of the East London-Duncal Village-Mdantsane-Ntabozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Toursim Route and Public Art Strategy Development | Preparatory work underway by the BCMDA |                          |                              |                               |                                  |                             |
| Qonce Business Improvement District Initiative: Upgrade of Taylor Street   | BCMDA processes underway               |                          |                              |                               |                                  |                             |
| Integrated Development of Victoria Grounds   | BCMDA processes underway               |                          |                              |                               |                                  |                             |
| Bhisho – Qonce (KWT) - Zwelitsha Bulk Regional Sewer Scheme  | R 700,000                              |                          | R120,000                     | R 4,000<br>(USDG)             |                                  |                             |
| (Kei Road) Qonce-Bhisho Water Supply Scheme: Bulk Water Mains  | R 700,000                              |                          |                              | R 5,000<br>(USDG)             |                                  |                             |
| Qonce Art Centre   | TBD                                    | R 1,000                  |                              |                               |                                  |                             |
| Construction of Waste Cell at Qonce Landfill site  | TBC                                    |                          |                              | R 6,000<br>(USDG)             |                                  |                             |
| Bhisho Government Precinct   | TBD                                    |                          |                              |                               | Prov-DPW                         |                             |
| SANRAL: Resurfacing from Bhisho & Breidbach  | R508,000                               |                          |                              |                               |                                  | (SANRAL-TBC)                |

## Ntabozuko (Berlin) Node

The Ntabozuko Industrial Area is one of the largest industrial areas in the city by size but remains largely vacant. The node has been identified in the BCMM SDF as a Green Energy Hub focussed on renewable energy projects which seek to broaden the energy mix as well as diversify the BCMM Economy. Proposals include manufacturing and agro-processing as part of the Green Energy Hub, Solar Farm proposals by the IDZ and the Bio-fuel waste to energy programme.

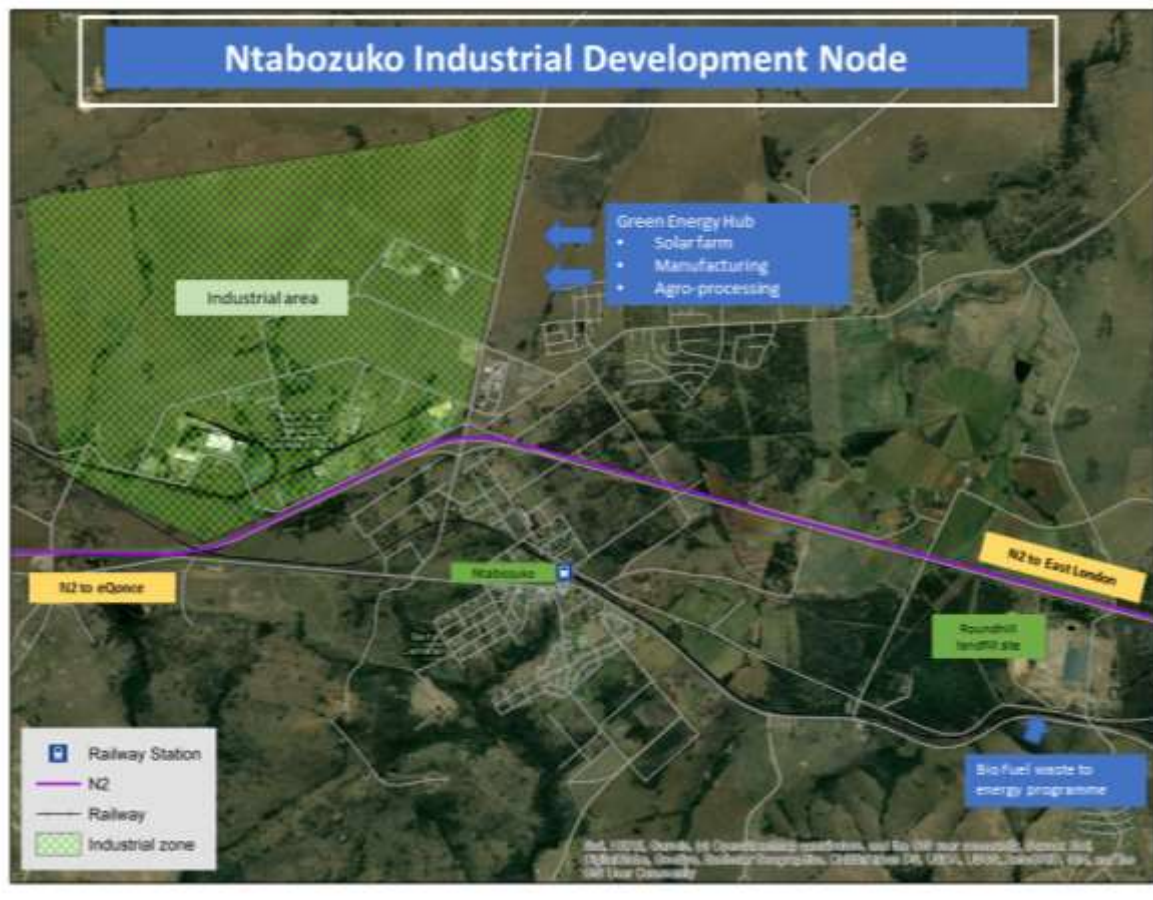


Figure F10: BCMM: Current and planned projects within the Natbozuko Industrial Development Node (Source: Final BEPP 2022-23)

## INTERGOVERNMENTAL BUDGETARY ALLOCATIONS

| NTABOZUKO (BERLIN) NODE RESOURCING   |  |                          |                              |                               |                                  |                             |
|--|--|--------------------------|------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects   | Total Value (R'000)                    | Own (2022/23)<br>(R'000) | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000) | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Berlin Solar Farm  | TBD                                    |                          |                              |                               |                                  | IDZ                         |
| Agro-processing  | TBD                                    |                          |                              |                               |                                  | ECRDA                       |
| Bio-fuel Waste to Energy programme (linked to the landfill site)   |  | Funding in 2024/24       |                              |                               |                                  |                             |
| Roundhill Landfill Site: Construction of Cell 5&6  |  | Funding in 2024/24       |                              |                               |                                  |                             |
| Tourism Development as part of the East London-Duncal Village-Mdantsane-Ntabozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Toursim Route and Public Art Strategy Development | Preparatory work underway by the BCMDA |                          |                              |                               |                                  |                             |
| New Fire Station   | TBC                                    | R4,000                   |                              |                               |                                  |                             |
| Berlin-Lingelitsha Phase 1: Water  | TBC                                    |                          |                              | R5,000<br>(ISUPG)             |                                  |                             |

## BCMM BUDGETARY ALLOCATIONS OVER THE MTREF

| NTABOZUKO (BERLIN) NODE  |   |                |                        |                        |                        |
|--|---|----------------|------------------------|------------------------|------------------------|
| Project Name   | Project Type (Description)              | Project Status | Financial Year 2022/23 | Financial Year 2023/24 | Financial Year 2024/25 |
| Bio-fuel Waste to Energy programme (linked to the Landfill site) | Development of Waste to Energy projects | Planning       | -                      | -                      | R2 000 000,00          |
| Roundhill Landfill Site:   | Construction of Cell 5 & 6              | Planning       | -                      | -                      | R2 000 000,00          |
| New Berlin Fire Station  | Construction of new facility            | Construction   | R4 000 000,00          | R 8 187 900,00         | R2 000 000,00          |
| Berlin-Lingelitsha Phase 1: Water                                | Infrastructure                          | Construction   | R5 000 000,00          | R5 000 000,00          | R5 000 000,00          |
| Berlins Sewers   | Infrastructure                          | Planning       | -                      | R3 000 000,00          | R 4 000 000,00         |

## Dimbaza Node

A fully fledged business case has been developed for the revitalisation of the Dimbaza Industrial Area, championed by the Eastern Cape Development Corporation (ECDC), supported by the Department of Trade and Industry (DTI) and the Department of Rural Development and Land Reform (DRDLR). The main intervention is the development of an Agri-Park focussing on agro-processing to support the rural economy and to assist with food security.

The key ECDC projects that form a part of this programme include;

- ❑ Development and accommodation of SMME start-ups within the Industrial area
- ❑ Development of incentive schemes for potential investors.

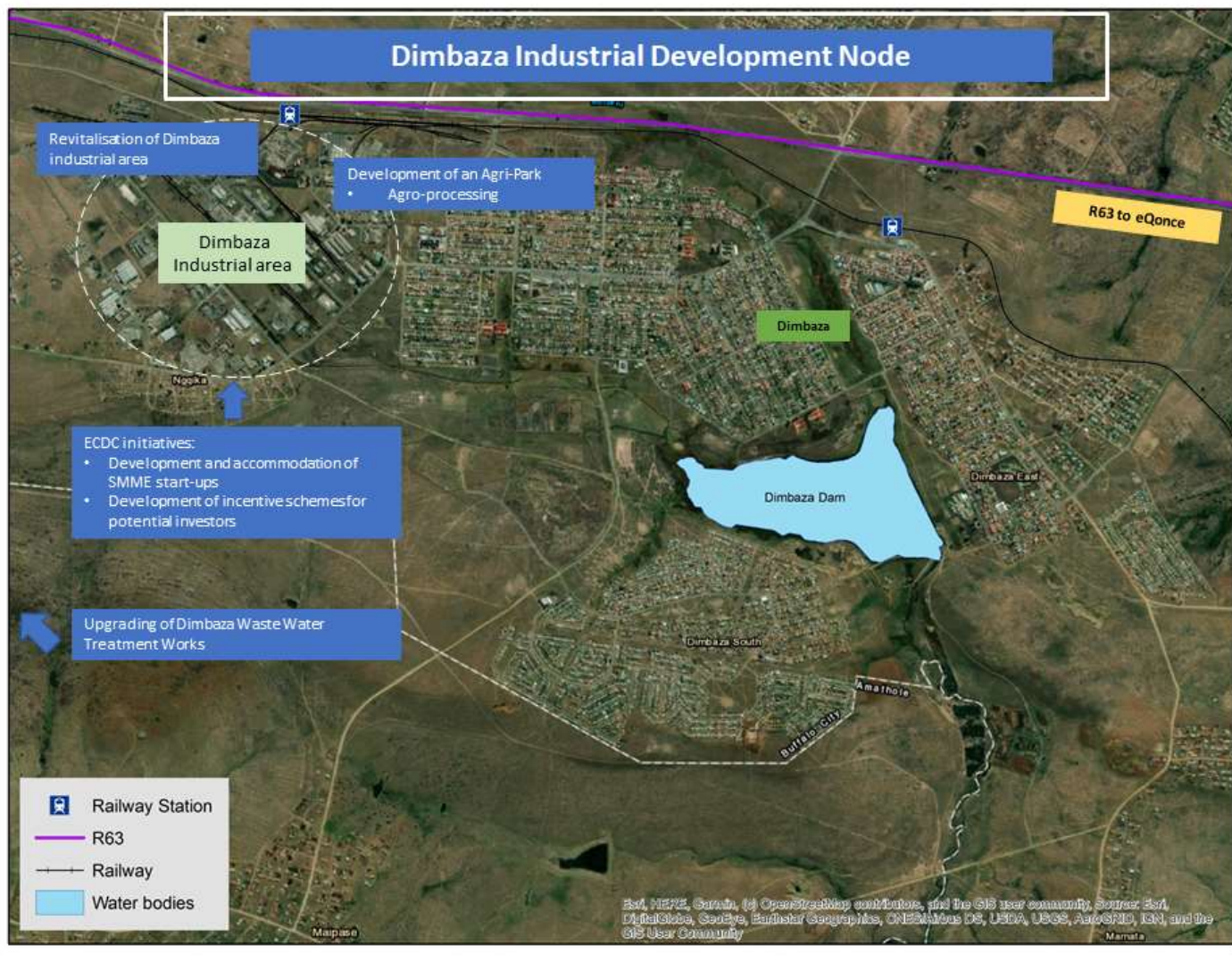


Figure F11: BCMM: Current and planned projects within the Dimbaza Industrial Development Node (Source: Final BEPP 2022-23)



## INTERGOVERNMENTAL BUDGETARY ALLOCATIONS

| DIMBAZA NODE RESOURCING  |  |                          |                              |                               |                                  |                             |
|--|--|--------------------------|------------------------------|-------------------------------|----------------------------------|-----------------------------|
| Catalytic Projects & Mega Projects   | Total Value (R'000)                    | Own (2022/23)<br>(R'000) | Loan<br>(2022/23)<br>(R'000) | Grant<br>(2022/23)<br>(R'000) | Province<br>(2022/23)<br>(R'000) | SOE<br>(2022/23)<br>(R'000) |
| Dimbaza Industrial Park Revitalisation Project<br>- Development of SMME Start-ups<br>- Development of incentive schemes for potential investors                    | TBD                                    |                          |                              |                               |                                  | (ECDC & DTI)                |
| Tourism Development as part of the East London-Duncal Village-Mdantsane-Ntabozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Toursim Route and Public Art Strategy Development | Preparatory work underway by the BCMDA |                          |                              |                               |                                  |                             |
| Upgrading of the Dimbaza Waste Water Treatment Works   |  |                          |                              | R3,000<br>(ISUPG)             |                                  |                             |
| Dimbaza Industrial Park Revitalisation   | TBC                                    |                          |                              | 3,500<br>(USDG)               |                                  |                             |

## BCMM BUDGETARY ALLOCATIONS OVER THE MTREF

| DIMBAZA NODE   |   |                |                        |                        |                        |
|--|---|----------------|------------------------|------------------------|------------------------|
| Project Name   | Project Type (Description)  | Project Status | Financial Year 2022/23 | Financial Year 2023/24 | Financial Year 2024/25 |
| Upgrading of the Dimbaza Waste Water Treatment Works | As per name   | Construction   | R3 000 000,00          | -                      | -                      |
| Dimbaza Industrial Park Revitalisation               | Dimbaza has been identified as one of the industrial areas for revitalisation | TBC            | R3 500 000,00          | R2 500 000,00          | -                      |

## BCMM IMPLEMENTED HUMAN SETTLEMENTS PROJECTS

### OPERATIONAL PROJECTS

| PROJECT   | 2022/2023<br>OPEX BUDGET | 2023/2024<br>OPEX BUDGET | 2024/2025<br>OPEX BUDGET | PROGRAM FUND | WARD NO.          | REGION  |
|---|--------------------------|--------------------------|--------------------------|--------------|-------------------|---------|
| C SECTION AND TRIANGULAR SITE   | 500 000                  | 1 500 000                | 1 500 000                | HSDG         | 2                 | COASTAL |
| CAMBRIDGE WEST - CNIP VICTIMS 275 UNITS   | 2 025 756                | 0                        | 0                        | HSDG         | 4                 | COASTAL |
| CLUSTER 1 P5  | 1 000 000                | 0                        | 0                        | HSDG         | 12,14,17          | MIDLAND |
| CLUSTER 2 (CHRIS HANI 3; WINNIE MANDELA; DELUXOLO VILLAGE; SISULU VILLAGE; FRANCIS MEI; MAHLANGU VILLAGE, MATHEMBA VUSO, GWENTSHE) P5 - 647 UNITS | 12 083 854               | 10 000 000               | 10 000 000               | HSDG         | 11,17,20,21,30,48 | MIDLAND |
| CLUSTER 3 P5  | 5 000 000                | 0                        | 0                        | HSDG         | 8,10              | MIDLAND |
| AMALINDA 179: MILITARY VETERANS   | 3 900 000                | 2 100 000                | 2 100 000                | HSDG         | 9,16              | COASTAL |
| D HOSTEL  | 1 500 000                | 3 000 000                | 3 000 000                | HSDG         | 2                 | COASTAL |
| DV PROPER   | 2 000 000                | 2 500 000                | 2 500 000                | HSDG         | 2,6               | COASTAL |
| DVRI PILOT PROJECT (COMPETITION SITE)   | 5 000 000                | 2 000 000                | 2 000 000                | HSDG         | 1                 | COASTAL |
| FORD MSIMANGO   | 500 000                  | 2 100 000                | 2 100 000                | HSDG         | 6                 | COASTAL |
| HANOVER - P5  | 2 500 000                | 5 000 000                | 5 000 000                | HSDG         | 45                | INLAND  |

| PROJECT   | 2022/2023<br>OPEX BUDGET | 2023/2024<br>OPEX BUDGET | 2024/2025<br>OPEX BUDGET | PROGRAM FUND | WARD NO.        | REGION            |
|---|--------------------------|--------------------------|--------------------------|--------------|-----------------|-------------------|
| ILITHA NORTH - 177<br>UNITS P5                    | 4 000 000                | 5 000 000                | 5 000 000                | HSDG         | 45              | INLAND            |
| MDANTSANE ZONE<br>18CC - P5                       | 9 000 000                | 3 000 000                | 3 000 000                | HSDG         | 23              | MIDLAND           |
| N2 ROAD RESERVE                                   | 500 000                  | 500 000                  | 500 000                  | HSDG         | 8               | COASTAL           |
| PEELTON CLUSTER<br>- P5                           | 10 000 000               | 5 000 000                | 5 000 000                | HSDG         | 43              | INLAND            |
| PEELTON PHASE 2<br>800 UNITS                      | 10 000 000               | 5 000 000                | 5 000 000                | HSDG         | 43              | INLAND            |
| POTSDAM IKHWEZI<br>BLOCK 1- P5                    | 500 000                  | 0                        | 0                        | HSDG         | 22              | MIDLAND           |
| POTSDAM IKHWEZI<br>BLOCK 2- P5                    | 600 000                  | 0                        | 0                        | HSDG         | 22              | MIDLAND           |
| POTSDAM NORTH<br>KANANA - P5                      | 5 000 000                | 5 000 000                | 5 000 000                | HSDG         | 24              | MIDLAND           |
| POTSDAM VILLAGE<br>PHASE 1 & 2 - P5               | 500 000                  | 500 000                  | 500 000                  | HSDG         | 24              | MIDLAND           |
| REESTON PHASE 3<br>STAGE 2 P5                     | 2 000 000                | 5 000 000                | 5 000 000                | HSDG         | 13              | COASTAL           |
| REESTON PHASE 3<br>STAGE 3 P5                     | 3 200 000                | 5 000 000                | 5 000 000                | HSDG         | 13              | COASTAL           |
| SKOBENI - P5                                      | 2 000 000                | 4 000 000                | 4 000 000                | HSDG         | 45              | INLAND            |
| TYUTYU PHASE 3                                    | 2 100 000                | 5 000 000                | 5 000 000                | HSDG         | 43              | INLAND            |
| HAVEN HILLS AND<br>MEKENI DEFECTIVE<br>UNITS      | 200 000                  | 100 000                  | 100 000                  | HSDG         | 10;1            | COASTAL           |
| PHASE 2 STORM<br>DAMAGED HOUSES<br>IN RURAL AREAS | 2 000 000                | 2 000 000                | 2 000 000                | HSDG         | ALL RURAL AREAS | WHOLE OF<br>METRO |
| DIMBAZA SHUTTER<br>HOUSES                         | 1 000 000                | 5 000 000                | 5 000 000                | HSDG         | 34, 36          | INLAND            |
| ERF 271<br>SUMMERPRIDE                            | 1 500 000                | 4 813 000                | 4 813 000                | HSDG         | 16              | COASTAL           |

| PROJECT  | 2022/2023<br>OPEX BUDGET | 2023/2024<br>OPEX BUDGET | 2024/2025<br>OPEX BUDGET | PROGRAM FUND | WARD NO.                               | REGION            |
|--|--------------------------|--------------------------|--------------------------|--------------|--|-------------------|
| WEST BANK<br>RESTITUTION                                   | 5 000 000                | 6 500 000                | 6 500 000                | HSDG         | 19,46                                  | COASTAL           |
| EAST BANK  | 500 000                  | 3 000 000                | 3 000 000                | HSDG         | 10                                     | COASTAL           |
| HAVENS HILLS   | 500 000                  | 1 500 000                | 1 500 000                | HSDG         | 10                                     | COASTAL           |
| NELSON MANDELA<br>R102                                     | 1 000 000                | 2 996 610                | 2 996 610                | HSDG         | 2                                      | COASTAL           |
| MAJARANTIYENI  | 3 003 390                | 3 003 390                | 3 003 390                | HSDG         | 45                                     | INLAND            |
| INFORMAL<br>SETTLEMENTS<br>STUDY REVIEW                    | 1 500 000                | 0                        | 0                        | ISUPG        | ALL INFORMAL SETTLEMENTS               | WHOLE OF<br>METRO |
| POSTDAM VILLAGE<br>PHASE 1&2 P5<br>WATERTANKS              | 3 000 000                | 0                        | 0                        | ISUPG        | 24                                     | MIDLAND           |
| SOCIAL<br>FACILITATION                                     | 7 836 680                | 7 836 680                | 8 233 550                | ISUPG        | ALL WARDS                              | WHOLE OF<br>METRO |
| BENEFICIARY<br>MANAGEMENT                                  | 2 000 000                | 0                        | 0                        | OWN FUNDS    | ALL WARDS                              | WHOLE OF<br>METRO |
| MDANTSANE<br>SHARING HOUSES                                | 500 000                  | 1 500 000                | 1 500 000                | OWN FUNDS    | 11;12;13;14;17;20;21;22;23;24;30;42;48 | MIDLAND           |
| <b>TOTAL OPERATING<br/>PROJECTS: HUMAN<br/>SETTLEMENTS</b> | <b>114 949 680</b>       | <b>109 449 680</b>       | <b>109 846 550</b>       |              |  |                   |

## CAPITAL PROJECTS

| ACCOUNT DESCRIPTION                       | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|---|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| AMALINDA 179 MILITARY VETERANS-STORMWATER | 0                              | 0                              | 4 000 000                      | USDG         | 9, 16    | COASTAL |
| AMALINDA 179 MILITARY VETERANS- ROADS     | 0                              | 0                              | 4 000 000                      | USDG         | 9, 16    | COASTAL |
| AMALINDA 179 MILITARY VETERANS-SANITATION | 0                              | 0                              | 4 000 000                      | USDG         | 9, 16    | COASTAL |
| AMALINDA 179 MILITARY VETERANS-WATER      | 0                              | 0                              | 4 000 000                      | USDG         | 9, 16    | COASTAL |
| CLUSTER 3-STORMWATER                      | 1 000 000                      | 0                              | 0                              | USDG         | 8,10     | MIDLAND |
| POTSDAM IKHWEZI BL 2 - STORMWATER         | 500 000                        | 500 000                        | 500 000                        | ISUPG        | 24       | MIDLAND |
| POTSDAM IKHWEZI BL 2- ROADS               | 1 000 000                      | 1 000 000                      | 1 000 000                      | ISUPG        | 24       | MIDLAND |
| POTSDAM IKHWEZI BL 2 - SANITATION         | 1 000 000                      | 500 000                        | 500 000                        | ISUPG        | 24       | MIDLAND |
| POTSDAM IKHWEZI BL 2 - WATER              | 500 000                        | 1 000 000                      | 1 000 000                      | ISUPG        | 24       | MIDLAND |
| POTSDAM NORTH KANANA - STORMWATER         | 500 000                        | 1 000 000                      | 1 000 000                      | ISUPG        | 24       | MIDLAND |

| ACCOUNT DESCRIPTION                 | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|-------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| POTSDAM NORTH KANANA - ROADS        | 0                              | 1 000 000                      | 1 000 000                      | ISUPG        | 24       | MIDLAND |
| POTSDAM NORTH KANANA - SANITATION   | 2 000 000                      | 5 000 000                      | 4 603 130                      | ISUPG        | 24       | MIDLAND |
| POTSDAM NORTH KANANA - WATER        | 500 000                        | 2 000 000                      | 2 000 000                      | ISUPG        | 24       | MIDLAND |
| DUNCAN VILLAGE PROPER - STORMWATER  | 100 000                        | 100 000                        | 100 000                        | ISUPG        | 1, 6     | COASTAL |
| DUNCAN VILLAGE PROPER - ROADS       | 200 000                        | 200 000                        | 200 000                        | ISUPG        | 1, 6     | COASTAL |
| DUNCAN VILLAGE PROPER - WATER       | 200 000                        | 200 000                        | 200 000                        | ISUPG        | 1, 6     | COASTAL |
| MDANTSANE Z 18 CC PH 2 - STORMWATER | 1 000 000                      | 0                              | 5 000 000                      | USDG         | 23       | MIDLAND |
| MDANTSANE Z 18 CC PH 2 - ROADS      | 1 850 000                      | 0                              | 9 000 000                      | USDG         | 23       | MIDLAND |
| MDANTSANE Z 18 CC PH 2 - SANITATION | 4 400 000                      | 0                              | 0                              | USDG         | 23       | MIDLAND |
| MDANTSANE Z 18 CC PH 2 - WATER      | 1 750 000                      | 0                              | 0                              | USDG         | 23       | MIDLAND |
| CLUSTER 1 - STORMWATER              | 1 000 000                      | 500 000                        | 500 000                        | ISUPG        | 12,14,17 | MIDLAND |
| CLUSTER 1 - ROADS                   | 2 000 000                      | 3 000 000                      | 3 000 000                      | ISUPG        | 12,14,17 | MIDLAND |
| CLUSTER 1 - SANITATION              | 5 000 000                      | 1 000 000                      | 1 000 000                      | ISUPG        | 12,14,17 | MIDLAND |
| CLUSTER 1 - WATER                   | 2 000 000                      | 500 000                        | 500 000                        | ISUPG        | 12,14,17 | MIDLAND |

| ACCOUNT DESCRIPTION                | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO.          | REGION  |
|------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------|-------------------|---------|
| CLUSTER 2 - STORMWATER             | 2 000 000                      | 2 500 000                      | 50 000                         | ISUPG        | 11,17,20,21,30,48 | MIDLAND |
| CLUSTER 2 - ROADS                  | 1 500 000                      | 3 000 000                      | 50 000                         | ISUPG        | 11,17,20,21,30,48 | MIDLAND |
| CLUSTER 2 - SANITATION             | 4 163 320                      | 2 000 000                      | 50 000                         | ISUPG        | 11,17,20,21,30,48 | MIDLAND |
| CLUSTER 2 - WATER                  | 1 500 000                      | 2 500 000                      | 50 000                         | ISUPG        | 11,17,20,21,30,48 | MIDLAND |
| DUNCAN VILL COMP/SITE - STORMWATER | 500 000                        | 75 000                         | 75 000                         | ISUPG        | 1, 6              | COASTAL |
| DUNCAN VILL COMP/SITE - ROADS      | 1 000 000                      | 500 000                        | 500 000                        | ISUPG        | 1, 6              | COASTAL |
| DUNCAN VILL COMP/SITE - SANITATION | 0                              | 350 000                        | 350 000                        | ISUPG        | 1, 6              | COASTAL |
| DUNCAN VILL COMP/SITE-WATER        | 1 000 000                      | 75 000                         | 75 000                         | ISUPG        | 1, 6              | COASTAL |
| BRAELYN EXT 10 - STORMWATER        | 500 000                        | 200 000                        | 500 000                        | ISUPG        | 9;10              | COASTAL |
| BRAELYN EXT 10 - ROADS             | 1 000 000                      | 700 000                        | 1 000 000                      | ISUPG        | 9;10              | COASTAL |
| BRAELYN EXT 10 - SANITATION        | 500 000                        | 600 000                        | 3 000 000                      | ISUPG        | 9;10              | COASTAL |
| BRAELYN EXT 10 - WATER             | 500 000                        | 500 000                        | 500 000                        | ISUPG        | 9;10              | COASTAL |
| TYUTYU PHASE 3 - STORMWATER        | 200 000                        | 685 000                        | 685 000                        | ISUPG        | 43                | INLAND  |
| TYUTYU PHASE 3 - ROADS             | 700 000                        | 2 100 000                      | 2 100 000                      | ISUPG        | 43                | INLAND  |

| ACCOUNT DESCRIPTION                        | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|--|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| TYUTYU PHASE 3 - SANITATION                | 600 000                        | 1 800 000                      | 1 800 000                      | ISUPG        | 43       | INLAND  |
| TYUTYU PHASE 3 - WATER                     | 500 000                        | 1 500 000                      | 1 500 000                      | ISUPG        | 43       | INLAND  |
| WESTBANK RESTITUTION - STORMWATER          | 400 000                        | 5 000 000                      | 5 000 000                      | USDG         | 19       | COASTAL |
| WESTBANK RESTITUTION - ROADS               | 6 000 000                      | 13 000 000                     | 12 000 000                     | USDG         | 19       | COASTAL |
| WESTBANK RESTITUTION - SANITATION          | 5 828 750                      | 29 050 000                     | 18 924 463                     | USDG         | 19       | COASTAL |
| WESTBANK RESTITUTION - WATER               | 6 000 000                      | 4 500 000                      | 4 500 000                      | USDG         | 19       | COASTAL |
| C SECTION & TRIANGULAR SITE - STORMWATER   | 100 000                        | 100 000                        | 100 000                        | ISUPG        | 7        | COASTAL |
| C SECTION & TRIANGULAR SITE - ROADS        | 400 000                        | 400 000                        | 400 000                        | ISUPG        | 7        | COASTAL |
| C SECTION AND TRIANGULAR SITE - SANITATION | 1 000 000                      | 1 000 000                      | 1 000 000                      | ISUPG        | 7        | COASTAL |
| C SECTION AND TRIANGULAR SITE - WATER      | 500 000                        | 500 000                        | 500 000                        | ISUPG        | 7        | COASTAL |
| D HOSTEL - STORMWATER                      | 1 000 000                      | 2 000 000                      | 2 000 000                      | ISUPG        | 2        | COASTAL |
| D HOSTEL - ROADS                           | 3 500 000                      | 6 163 320                      | 6 163 320                      | ISUPG        | 2        | COASTAL |



| ACCOUNT DESCRIPTION                  | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| D HOSTEL - SANITATION                | 3 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 2        | COASTAL |
| D HOSTEL - WATER                     | 3 000 000                      | 3 000 000                      | 3 000 000                      | ISUPG        | 2        | COASTAL |
| FORD MSIMANGO - STORMWATER           | 50 000                         | 50 000                         | 50 000                         | ISUPG        | 6        | COASTAL |
| FORD MSIMANGO - ROADS                | 300 000                        | 300 000                        | 300 000                        | ISUPG        | 6        | COASTAL |
| FORD MSIMANGO - SANITATION           | 200 000                        | 100 000                        | 100 000                        | ISUPG        | 6        | COASTAL |
| FORD MSIMANGO - WATER                | 50 000                         | 50 000                         | 50 000                         | ISUPG        | 6        | COASTAL |
| N2 ROAD RESERVE - STORMWATER         | 150 000                        | 1 500 000                      | 1 500 000                      | ISUPG        | 8        | COASTAL |
| N2 ROAD RESERVE - ROADS              | 250 000                        | 2 500 000                      | 2 500 000                      | ISUPG        | 8        | COASTAL |
| N2 ROAD RESERVE - SANITATION         | 500 000                        | 5 000 000                      | 5 000 000                      | ISUPG        | 8        | COASTAL |
| N2 ROAD RESERVE - WATER              | 100 000                        | 1 000 000                      | 1 000 000                      | ISUPG        | 8        | COASTAL |
| HANI PARK - WATER                    | 2 500 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 11       | MIDLAND |
| HLALANI - WATER                      | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 11       | MIDLAND |
| PHOLA PARK - WATER                   | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 34       | INLAND  |
| BERLIN LINGELITSHA - PHASE 1 - WATER | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 45       | INLAND  |
| ILITHA SPORTSFIELD - WATER           | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 45       | INLAND  |
| EMPILISWENI - WATER                  | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 20       | MIDLAND |

| ACCOUNT DESCRIPTION                      | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|--|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| MATSHENI PARK - WATER                    | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 29       | COASTAL |
| KHAYELITSHA - WATER                      | 4 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 24       | MIDLAND |
| XHWITINJA - WATER                        | 0                              | 0                              | 8 000 000                      | USDG         | 36       | INLAND  |
| KWATSHATUSHU - WATER                     | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 44       | INLAND  |
| GINSBERG - WATER                         | 5 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 39       | INLAND  |
| SLOVO PARK - WATER                       | 1 000 000                      | 5 000 000                      | 5 000 000                      | ISUPG        | 42       | MIDLAND |
| EKUPHUMLENI - WATER                      | 1 000 000                      | 10 000 000                     | 7 000 000                      | ISUPG        | 42       | MIDLAND |
| ETHEMBENI - WATER                        | 1 000 000                      | 10 000 000                     | 7 000 000                      | ISUPG        | 11       | MIDLAND |
| EAST BANK RESTITUTION - WATER            | 5 000 000                      | 15 000 000                     | 7 000 000                      | ISUPG        | 10       | COASTAL |
| REESTON PHASE 3 STAGE 2 - STORMWATER 10% | 1 500 000                      | 2 000 000                      | 0                              | USDG         | 13       | COASTAL |
| REESTON PHASE 3 STAGE 2 - ROADS          | 5 000 000                      | 8 000 000                      | 0                              | USDG         | 13       | COASTAL |
| REESTON PHASE 3 STAGE 2 - SANITATION     | 4 000 000                      | 5 000 000                      | 0                              | USDG         | 13       | COASTAL |
| REESTON PHASE 3 STAGE 2 - WATER          | 3 000 000                      | 3 000 000                      | 0                              | USDG         | 13       | COASTAL |
| NELSON MANDELA 102 PROJECT- WATER        | 9 500 000                      | 0                              | 0                              | USDG         | 2        | COASTAL |

| ACCOUNT DESCRIPTION                               | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|---|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| BREIDBACH SERVICES PROJECT-WATER                  | 6 000 000                      | 0                              | 0                              | USDG         | 44       | INLAND  |
| NONDULA-WATER                                     | 6 000 000                      | 0                              | 9 000 000                      | USDG         | 12       | MIDLAND |
| MAJARANTYENI-WATER                                | 4 000 000                      | 0                              | 0                              | USDG         | 45       | INLAND  |
| BOXWOOD PROJECT - STORMWATER                      | 0                              | 6 000 000                      | 5 000 000                      | USDG         | 31       | COASTAL |
| BOXWOOD PROJECT - ROADS                           | 2 875 000                      | 5 500 000                      | 3 000 000                      | USDG         | 31       | COASTAL |
| BOXWOOD PROJECT - SEWER                           | 0                              | 0                              | 5 000 000                      | USDG         | 31       | COASTAL |
| CNIP VICTIMS PROJECT: CAMBRIDGE WEST - STORMWATER | 1 000 000                      | 250 000                        | 250 000                        | ISUPG        | 4        | COASTAL |
| CNIP VICTIMS PROJECT: CAMBRIDGE WEST - ROADS      | 5 000 000                      | 1 000 000                      | 1 000 000                      | ISUPG        | 4        | COASTAL |
| CNIP VICTIMS PROJECT: CAMBRIDGE WEST - SANITATION | 2 000 000                      | 750 000                        | 1 218 119                      | ISUPG        | 4        | COASTAL |
| CNIP VICTIMS PROJECT: CAMBRIDGE WEST - WATER      | 1 000 000                      | 500 000                        | 500 000                        | ISUPG        | 4        | COASTAL |
| REESTON PHASE 3 STAGE 3 - STORMWATER 10%          | 550 000                        | 250 000                        | 0                              | USDG         | 13       | COASTAL |

| ACCOUNT DESCRIPTION   | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|---|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| REESTON PHASE 3 STAGE 3- ROADS  | 175 000                        | 1 000 000                      | 0                              | USDG         | 13       | COASTAL |
| REESTON PHASE 3 STAGE 3 - SANITATION  | 1 400 000                      | 250 000                        | 0                              | USDG         | 13       | COASTAL |
| REESTON PHASE 3 STAGE 3 - WATER   | 875 000                        | 500 000                        | 0                              | USDG         | 13       | COASTAL |
| PHAKAMISA SOUTH - STORMWATER  | 5 000 000                      | 1 000 000                      | 0                              | USDG         | 25       | INLAND  |
| PHAKAMISA SOUTH -ROADS  | 3 925 000                      | 1 000 000                      | 0                              | USDG         | 25       | INLAND  |
| ILITHA 177 - STORMWATER 10%   | 500 000                        | 1 000 000                      | 0                              | USDG         | 45       | INLAND  |
| ILITHA 177 - ROADS  | 2 500 000                      | 5 000 000                      | 0                              | USDG         | 45       | INLAND  |
| ILITHA 177 - SANITATION   | 1 250 000                      | 2 500 000                      | 0                              | USDG         | 45       | INLAND  |
| ILITHA 177 - WATER  | 750 000                        | 1 500 000                      | 0                              | USDG         | 45       | INLAND  |
| DIMBAZA SHUTER HOUSES: DETAILED INFRASTRUCTURE INVESTIGATION - STORMWATER 10% | 1 000 000                      | 1 000 000                      | 0                              | USDG         | 34       | INLAND  |
| DIMBAZA SHUTER HOUSES: DETAILED INFRASTRUCTURE INVESTIGATION-ROADS            | 5 000 000                      | 5 000 000                      | 0                              | USDG         | 34       | INLAND  |
| DIMBAZA SHUTER HOUSES:  | 2 500 000                      | 2 500 000                      | 0                              | USDG         | 34       | INLAND  |

| ACCOUNT DESCRIPTION  | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|--|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| DETAILED INFRASTRUCTURE INVESTIGATION-SANITATION                   |                                |                                |                                |              |          |         |
| DIMBAZA SHUTER HOUSES: DETAILED INFRASTRUCTURE INVESTIGATION-WATER | 1 500 000                      | 1 500 000                      | 0                              | USDG         | 34       | INLAND  |
| MZAMOMHLE: PEOPLES HOUSING PROCESS                                 | 4 000 000                      | 0                              | 1 000 000                      | USDG         | 27       | COASTAL |
| PARKHOMES FOR DESTITUTES & GBV VICTIMS                             | 0                              | 0                              | 1 000 000                      | USDG         | 27       | COASTAL |
| ZIPHUNZANA BYPASS RELOCATION SITE (TRAs)                           | 6 000 000                      | 19 000 000                     | 500 000                        | USDG         | 1        | COASTAL |
| MDANTSANE ERF 81,87 &88 RELOCATION SITE UNITS                      | 0                              | 5 000 000                      | 1 000 000                      | USDG         | 23       | MIDLAND |
| PARKHOMES FOR DESTITUTES & GBV VICTIMS                             | 2 000 000                      | 2 000 000                      | 0                              | ISUPG        | 27       | COASTAL |
| MDANTSANE ERF 81,87 &88 RELOCATION SITE UNITS                      | 5 000 000                      | 5 000 000                      | 0                              | ISUPG        | 23       | MIDLAND |

| ACCOUNT DESCRIPTION                                  | 2022/2023 DRAFT CAPITAL BUDGET | 2023/2024 DRAFT CAPITAL BUDGET | 2024/2025 DRAFT CAPITAL BUDGET | PROGRAM FUND | WARD NO. | REGION  |
|--|--------------------------------|--------------------------------|--------------------------------|--------------|----------|---------|
| LILLYVALE ROADS                                      | 3 000 000                      | 3 000 000                      | 0                              | ISUPG        | 32       | COASTAL |
| FYNBOSS RELOCATION SITE UNITS                        | 0                              | 0                              | 500 000                        | USDG         | 8        | COASTAL |
| HAVEN HILLS TRU                                      | 6 200 000                      | 10 000 000                     | 0                              | USDG         | 10       | COASTAL |
| HEMINGWAYS INFORMAL SETTLEMENTS                      | 1 000 000                      | 1 000 000                      | 1 000 000                      | ISUPG        | 1        | COASTAL |
| SILVERTOWN   | 1 000 000                      | 1 000 000                      | 1 000 000                      | ISUPG        | 1        | COASTAL |
| KWT GOLF CLUB/ SWEETWATERS (NEW)                     | 0                              | 0                              | 19 000 000                     | USDG         | 44       | INLAND  |
| <b>TOTAL DRAFT CAPITAL BUDGET: HUMAN SETTLEMENTS</b> | <b>235 492 070</b>             | <b>308 798 320</b>             | <b>264 444 032</b>             |              |          |         |

## Budget Facility for Infrastructure (BFI) Proposal

### **BULK SEWERAGE, ENERGY, AND ROAD INFRASTRUCTURE TO CATALYZE DEVELOPMENT OF THE WEST BANK LOGISTICS HUB AND MDANTSANE-EAST LONDON CORRIDOR**

The Budget Facility for Infrastructure (BFI) is a reform to the budget process that supports the execution of national priority projects by establishing specialised structures, procedures and criteria for committing fiscal resources to public infrastructure spending.

As directed by Cabinet, National Treasury is working jointly with the Presidential Infrastructure Coordinating Commission (PICC) secretariat, the Departments of Planning, Monitoring and Evaluation (DPME) and Economic Development (EDD) to develop the facility. The aim is to support quality public investments through robust project appraisal, effective project development and execution and sustainable financing arrangements.

The facility will only consider submissions from public institutions in respect of infrastructure proposals that are:

1. Clearly identified as a national priority by the Presidential Infrastructure Coordinating Commission with written support from the relevant national department(s).
2. Very large and strategic interventions. These are interventions that imply a significant commitment of fiscal resources and which will have substantial long-term impacts on economic growth and/or social equity. Submissions should have a total project/programme cost of R1 billion or more.
3. Projects and programmes to be submitted must be in the following key infrastructure clusters that include education, health, human settlements, water and sanitation, energy, communication and transport.

What follows is a short version primary submission from the Buffalo City Metropolitan Municipality to the National Treasury's Budget Facility for Infrastructure (BFI). The timing of this proposal is highly relevant. COVID-19 and the so-called Great Lock-down has triggered widespread recession, with GDP expected to contract by more than 6% this year. The kind of investment in bulk and network infrastructure contained in this proposal will trigger economic activity in its own right, but most importantly lay the basis for Buffalo City to become more economically competitive and more financially sustainable. This programme will also ensure the ultimate success of the two Buffalo City projects on President Ramaphosa's radar – MBSA's W206 investment and the Duncan Village Redevelopment Initiative.

The primary submission focuses on the bulk sewerage infrastructure, security of electricity supply, and road infrastructure that is required to unlock Buffalo City's two priority catalytic programmes - the **West Bank Logistics Hub** and the **Mdantsane-East London Corridor**.

The funding requirements for this infrastructure goes well beyond the city's grant allocations and own revenue sources, and if not funded, will compromise strategically significant national initiatives such as the MBSA expansion (on the West Bank) and the Duncan Village Redevelopment Initiative.

#### **A. The West Bank Logistics Hub**

The West Bank is BCMM's core economic and employment node. Over the past few years, the West Bank has seen massive private sector expansion, driven mostly around the recent MBSA W206 investment (of more than R10 billion) and which has seen more than 20 component suppliers located in the ELIDZ/West Bank. Stakeholders including the TNPA, ACSA, BCMM, the ELIDZ, DEDEAT, and MBSA have come together and jointly planned the development of a Smart Logistics Hub, which builds on the opportunities associated with having a top performing exporter (MBSA),

a river-port, back-of-port industrial land with an SEZ, an airport, a race-track (for testing), a science park, a training facility (MBLA), and planned ICT infrastructure (including an ICT centre, under-sea cable landing station, data centre and BPO Park).

The TNPA is in the planning stages of port widening and deepening (estimated in the region of R9,3 billion), and is currently expanding the car terminal (with a view to also accommodate the export needs of Ford). The global business services sector has also been identified as a high growth industry for the IDZ and West Bank, with more than 15 000 jobs expected to be created by 2027 (BPESA, GBS Masterplan). The SDF projects human settlement development upward of 30 000 households over the next 10 years in the West Bank (through both subsidized low income and private development). It is projected that the area can accommodate 118 000 units on a medium density scenario over the next 20 years. Already a 5 000-unit private development is in final planning stages at Hickman’s River.

This BFI proposal seeks to ensure that Buffalo City can provide the necessary road, electricity supply, and sewerage infrastructure to accommodate this growth.

## **B. Mdantsane-East London Corridor Development**

The other prioritized catalytic programme in the 2020/21 BEPP and the 2020 SDF is the Mdantsane-East London Corridor (MELD). The MELD Corridor connects the city’s major residential node (Mdantsane) with the CBD. The MELD Corridor is home to the city’s second largest industrial park (Wilsonia), and to BCMM’s largest housing projects including the Duncan Village Redevelopment Initiative and Reeston.

These housing developments as well as a number of private property developments and the development of a fully-fledged WSU campus have been bottlenecked by the lack of road, sewerage, and electricity infrastructure. The area also remains disconnected from the West Bank industrial node, which will require to be addressed through the N2/R72 Road Bypass and the Buffalo River Bridge. This will enable huge efficiencies, both in terms of connecting Wilsonia to the West Bank, port and airport, as well as reducing travel time for employees travelling from Mdantsane, Duncan Village and Reeston to the West Bank employment node.

### **Programme Requirements**

The BFI programme requirements are: -

| <b>Project</b>   | <b>Project Cost X1000</b> |
|--|---------------------------|
| Security of Electricity Supply Sub-programme           | R1 968 648                |
| Roads and Transport Corridor Sub-programme             | R3 735 000                |
| Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme | R1 933 000                |
| <b>Total</b>   | <b>R7 636 648</b>         |

### **Security of Electricity Supply Sub-Programme**

The electricity supply infrastructure is mostly over 50 years old and has reached the end of its reliable life expectancy and should be replaced:

- In order to avert catastrophic failure with consequential damage to surrounding structures and to the environment.
- The equipment poses a serious health and safety risk to staff who operate and maintain it. (Explosion, burns and contaminated transformer oil).
- The Municipality has an obligation to its customers who are entitled to a safe and reliable electricity supply.
- The Municipality has to ensure that it sets an example by conforming to environmental regulations.



- Secure electricity supply is required to support further industrial development on the West Bank and ELIDZ.
- Secure electricity supply is required to support human settlement development in the West Bank and Reeston/ Amalinda Junction.

This includes developing Battery Storage Baseload Plants on the West Bank to alleviate variations in the amount of energy purchased from Eskom during peak periods (which will bring cost savings for BCMM), as well as to increase the reliability of the electricity supply network to large customers (such as MBSA) during load shedding cycles. Currently, this is one of their most significant constraints to expansion. Battery Storage Baseload capacity is also critical to enable the transition towards renewable sources of energy generation in BCMM.

Also in the Security of Electricity Supply mix are a number of overhead lines, transformers and switch plants that have passed their useful life and require to be urgently replaced, as well as new link lines (such as the West Bank to Leaches Bay) that open up new land for human settlement development.

The sub-programme summary is as follows:

| Project   | Phase | Project Cost              |
|---|-------|---------------------------|
| <b>Security of Electricity Supply Sub-programme</b> |       |                           |
| 15MW Battery Storage System: West Bank Substation   |       | R757 191 300              |
| 15MW Battery Storage System: Woodbrook Substation   |       | R777 606 800              |
| 132kV Overhead Lines / substations etc.             |       | R433 850 000              |
|   |       | <b>R1 968 648 100</b> 26% |

The NERSA Audit of the BCMM networks highlighted many action areas that required attention. It should be noted that many of the action areas are work in progress (or ongoing) and are being addressed systematically and when funds are made available. This BFI submission will also alleviate some of the NERSA audit findings.

### **Roads and Transport Corridor Sub-Programme**

#### *Settlers Way*

The development of back-of-port industrial infrastructure on the West Bank (notably the ELIDZ) and the rapid and sizable expansion of MBSA over the past 20 years has happened without concomitant expansion of road infrastructure. With MBSA's new W206 model, going into production in 2021, this will create massive logistics bottlenecks along Settlers Way. Settler's Way needs to be rapidly upgraded with an additional lane in each direction to accommodate the more than 400 interlinks that will traverse the road between the ELIDZ and MBSA daily. The upgrade for Settlers Way (R72) and Military Road, between the Fleet Street Police Station and the Airport Intersection (approximately 7.7km+2.3km =10km) has been fully designed and is shovel-ready. The project involves the addition of a 3<sup>rd</sup> lane in each direction of Settlers Way and intersection capacity improvements. One additional lane will be added to Military Road. Military Road is a strategic 2.3km link road between the East London Port and Settlers Way and needs to be upgraded and widened as part of the Settlers Way upgrade. Due to demand pressures of the MBSA expansion, Phase 1 of this project has commenced with R190 million allocated from BCMM. This will form part of the BCMM own contribution to the BFI Programme.

#### *Harbour Arterial Road*

There is also no direct link between the ELIDZ and the EL Port, other than Settler's Way. This is essential to prepare for the shifting of container capacity to the west bank of the port (as part of the larger East London Port expansion to be undertaken by TNPA). It is also key to provide an alternative route between the ELIDZ (where most of the component suppliers are located) and the MBSA plant, in the event that Settler's Way is blocked/bottlenecked. To address this need, a Harbour Arterial Road has been conceptualized and planned.

### *N2-R72 Bypass*

The West Bank is disconnected from both the core marginalized residential nodes of Buffalo City (Mdantsane, Duncan Village and Reeston), as well as from the city's second largest industrial node – Wilsonia. Freight and people must move along the highly congested Fleet Street across the only bridge over the Buffalo River – the Biko Bridge.

The N2-R72 Bypass Road (otherwise known as the East London Bypass) will connect the West Bank industrial node and port with the Mdantsane-East London Corridor (MELD Corridor). The feasibility study conducted in 1998 proposed a phased construction approach. The initial phase would consist of the construction of a dual carriageway from Settlers Way (R72) to the Ziphunzana Bypass, the construction of the Buffalo River Bridge and the construction of Ziphunzana interchange.

The second construction phase would involve the link from Ziphunzana Bypass to the N2 as a dual carriageway along the entire length, including associated interchanges. The updated estimated construction cost of Phase 1 is R900 million, which includes the cost of the bridge across the Buffalo River, estimated to be around R700 million. Phase 2 is estimated to cost R450 million.

### *North West Express Way (NWX)*

As we look to connect the West Bank industrial node with the MELD Corridor, we need to open up the western belt of the MELD Corridor for human settlement and other development (including the new Walter Sisulu University). This includes areas like Reeston, Amalinda Junction, and the southern part of Mdantsane.

This is a vital component of the Duncan Village Redevelopment Initiative. The key road to open up this land located very strategically within BCMM's primary integration zone, and close to both the CBD and West Bank industrial node is the North West Express Way (NWX). The ARNDP (RP EL 14) views the road as essential to relieve high congestion levels and delays that are experienced along the majority of Amalinda Main Road in the vicinity of Frere Hospital during peak hours. The proposed road runs between Phoenix Street in the South and Amalinda Main Road in the North, including the Southward link with Settlers Way (7 km). The section of the NWX from Phoenix Street to Frederick Street will be widened from a single carriageway to a dual carriageway.

Also included is the upgrading of the east-bound on-ramp at the Amalinda Main Road/N2 interchange (ARNDP - RP EL 31) to accommodate additional traffic generated by NWX and the proposed Amalinda Junction development. The estimated construction cost of Phase 1 is R800 million which includes the cost of the bridge across the Buffalo River, estimated to be around R350 million. Phase 2 is estimated to cost R500 million. Phase 1 is "shovel ready" and construction can start immediately (funds permitting). The construction of NWX (Phase 2) is at Preliminary Design Stage and will be shovel ready by the end of 2020.

### *Mdantsane Access Road (MAR)*

A related project to develop the western belt of the Mdantsane-East London Corridor is the Mdantsane Access Road (MAR) which will function as an integrated public transport corridor connecting the Mdantsane CBD with East London CBD (and with the West Bank when the bypass bridge is completed).

The Mdantsane-East London Development Corridor, known as the MELD Corridor, is the single busiest transportation corridor, linking the largest residential area in the Metro, Mdantsane, and the Central Business District (CBD) and therefore will be the first route to attract IPTN implementation. An upgrade of MAR is required because the section between Woolwash and Douglas roads experiences significant traffic congestion due to lane capacity constraints, as confirmed in studies.

The planned road configuration will be a dual carriageway (two lanes in each direction), starting at the East London Traffic Department and ending at the Magistrates Court in Mdantsane, totalling 15.5 km in length. The road will cost R580m and is at final stages of design development. The sub-programme summary is as follows:

| <b>Roads and Transport Corridor Sub-programme</b> |         |                           |
|---|---------|---------------------------|
| Settlers Way Road upgrade                         |         | R400 000 000              |
| North West Express Way                            | Phase 1 | R800 000 000              |
|   | Phase 2 | R400 000 000              |
| Mdantsane Access Road                             |         | R580 000 000              |
| Harbour Arterial Road                             | Phase 1 | R80 750 000               |
|   | Phase 2 | R94 250 000               |
| Buffalo River Bypass between the R72 and the N2   | Phase 1 | R1 380 000 000            |
|   | Phase 2 |                           |
|   |         | <b>R3 735 000 000</b> 49% |

### **Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme**

This programme seeks to address the bulk sewerage constraints that are restricting development in both the West Bank industrial node, and the Mdantsane-East London Corridor (MELD Corridor). If these bulk infrastructure projects do not get funded and implemented, key projects such as the presidential Duncan Village Redevelopment Initiative will be bottlenecked, and new residential growth nodes in the West Bank and in Reeston and Amalinda Junction will not proceed. The planned WSU Campus in Amalinda will also not go ahead as planned.

At the heart of the programme is the diversion of Central WWTW to Reeston WWTW, through construction of a 5 km long x 4 m diameter Sewer Tunnel. The works includes construction of a 400 m Tunnel Approach Section, 4.5 km Sewer Tunnel, Central Tunnel Shaft, and Tunnel Exit. Detailed designs have been completed; project will be going out to tender in April 2020. The project is funded through Loan Funding (R700million already secured by BCMM).

Included for BFI funding are all the other components of bulk sewerage upgrade for the West Bank and MELD Corridor, and an extensive effluent diversion initiative (including the construction of a sophisticated Effluent Tertiary Treatment Facility) to allow the high standard treatment of effluent and its discharge into the Bridle Drift Dam to feed BCM's potable domestic water needs. The projects are at various stages of implementation readiness, with some shovel-ready and others at concept or project initiation phase. It is envisaged that the programme will be implemented over two MTEF periods (6 years). This will also allow time to fine-tune operating models and build requisite capacity and partnerships to manage such complex re-use projects.

A summary of projects is detailed below:

| <b>Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme</b>   |                           |
|---|---------------------------|
| Hood Point Marine Outfall Sewer   | R270 000 000              |
| Diversion of Central WWTW to Reeston Wastewater Treatment Works - R700m currently funded by BCMM through a loan | R0                        |
| Refurbishments to Mdantsane Wastewater Treatment Works.   | R313 000 000              |
| Construction of Effluent Tertiary Treatment Facility at Reeston WWTW.   | R300 000 000              |
| Diversion of Effluent from Potsdam and Mdantsane WWTW to Reeston WWTW.  | R200 000 000              |
| Construction of Bridle Drift Dam Effluent Recharge Pipeline.  | R400 000 000              |
| Upgrading of Reeston WWTW by Addition of 20 Ml/d Treatment Capacity.  | R450 000 000              |
|   | <b>R1 933 000 000</b> 25% |

The Effluent Re-Use Project aligns with the Department of Water Affairs' (DWA) reconciliation strategy study for the Amatole Bulk Water Supply System (ABWSS), which led to the Amatole Reconciliation Strategy (ARS) being adopted by all the key stakeholders. The strategy proposed the implementation of Water Conservation and Water Demand Management (WC/WDM) measures to minimize water wastage and to promote the efficient use of water. The city is currently putting reforms and measures in place to address these priorities. The ARS also identified the *re-use of water* as a key means to address BCMM's future water requirements for the next 30 years. In particular, it suggested

that the seven coastal wastewater treatment works (WWTWs) owned and operated by BCMM, which currently discharge their effluent to waste downstream of dams or directly into the sea, present significant opportunity to augment the yield of the ABWSS.

The coastal WWTWs whose return flows are currently being discharged to waste downstream of dams or directly into the sea, and which represent the primary opportunity for Water Re-use include the following Treatment Works (which will form part of the West Bank Logistics Hub and the Mdantsane-East London Corridor catalytic programme)

| <b>Treatment Works</b>  | <b>Current Annual Average Outflow (million m<sup>3</sup>/a)</b> | <b>Potential Annual Average Reclaimed Water (million m<sup>3</sup>/a)</b> |
|---|---|---|
| Reeston <sup>1</sup> (Flows from WWTWs with predominantly domestic influent.) | 0.35  | 0.28  |
| West Bank (Flows from WWTWs with predominantly industrial influent.)          | 6.51  | 5.21  |

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<sup>1</sup> Flows from the Central WWTW will in time be diverted to the Reeston WWTW, which is proposed to have separate domestic and industrial treatment trains.

## Budget Statement

The table below indicates all the payments that will be required to deliver the project/programme. The budget amounts cover all capital payments involved in the construction of the asset and financing charges associated with funding the proposal.

| Project   | Phase   | Project Cost ('000) | Rem 2020   | 2020/21  | 2021/22  | 2022/23  | 2023/24  | 2024/25  | 2025/26  |
|---|---------|---------------------|------------|----------|----------|----------|----------|----------|----------|
| Security of Electricity Supply Sub-programme      |         |                     |            |          |          |          |          |          |          |
| 15MW Battery Storage System: West Bank Substation |         | R757 191            |            | R80 000  | R450 000 | R210 000 |          | R17 191  |          |
| 15MW Battery Storage System: Woodbrook Substation |         | R777 607            |            | R80 000  | R450 000 | R210 000 |          | R37 607  |          |
| 132kV Overhead Lines / substations etc.           |         | R433 850            |            | R90 000  | R120 000 | R120 000 | R90 000  |          | R13 850  |
|   |         | <b>R1 968 648</b>   | <b>26%</b> |          |          |          |          |          |          |
| Roads and Transport Corridor Sub-programme        |         |                     |            |          |          |          |          |          |          |
| R 72 Settlers Way Road upgrade                    |         | R400 000            | R41 000    | R180 000 | R104 000 | R75 000  |          |          |          |
| Northwest Express Way                             | Phase 1 | R800 000            |            | R20 000  | R228 000 | R228 000 | R228 000 |          | R96 000  |
|   | Phase 2 | R400 000            |            |          | R20 000  | R133 000 | R133 000 | R80 000  | R34 000  |
| Mdantsane Access Road                             |         | R580 000            |            | R45 000  | R220 000 | R220 000 | R70 000  |          | R25 000  |
| Harbour Arterial Road                             | Phase 1 | R80 750             |            | R5 000   | R5 000   | R40 000  | R25 000  |          | R5 750   |
|   | Phase 2 | R94 250             |            |          | R1 000   | R5 000   | R18 000  | R60 000  | R10 250  |
| Buffalo River Bypass between the R72 and the N2   | Phase 1 | R1 380 000          |            | R20 000  | R30 000  | R240 000 | R360 000 | R420 000 | R280 000 |
|   |         | <b>R3 735 000</b>   | <b>49%</b> |          |          |          |          |          |          |

| Project  | Phase | Project Cost ('000) | Rem 2020       | 2020/21         | 2021/22           | 2022/23           | 2023/24           | 2024/25           | 2025/26         |
|--|-------|---------------------|----------------|-----------------|-------------------|-------------------|-------------------|-------------------|-----------------|
| Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme Hood Point Marine Outfall Sewer                         |       | R270 000            |                | R25 000         | R90 000           | R120 000          | R35 000           |                   |                 |
| Diversion of Central WWTW to Reeston Wastewater Treatment Works - R700m currently funded by BCM through a loan |       |                     |                |                 |                   |                   |                   |                   |                 |
| Refurbishments to Mdantsane Wastewater Treatment Works   |       | R313 000            |                | R8 000          | R96 000           | R117 000          | R54 000           | R38 000           |                 |
| Construction of Effluent Tertiary Treatment Facility at Reeston WWTW   |       | R300 000            |                |                 |                   | R10 000           | R100 000          | R150 000          | R40 000         |
| Diversion of Effluent from Potsdam and Mdantsane WWTW to Reeston WWTW  |       | R200 000            |                |                 |                   |                   | R20 000           | R100 000          | R80 000         |
| Construction of Bridle Drift Dam Effluent Recharge Pipeline  |       | R400 000            |                |                 |                   |                   | R50 000           | R200 000          | R150 000        |
| Upgrading of Reeston WWTW by Addition of 20 MI/d Treatment Capacity  |       | R450 000            |                |                 |                   |                   | R100 000          | R200 000          | R150 000        |
|  |       | <b>R1 933 000</b>   | <b>25%</b>     |                 |                   |                   |                   |                   |                 |
| BFI Programme Total  |       | <b>R7 636 648</b>   | <b>R41 000</b> | <b>R553 000</b> | <b>R1 814 000</b> | <b>R1 728 000</b> | <b>R1 337 798</b> | <b>R1 388 600</b> | <b>R744 250</b> |
| BCMM Contribution (15%)  |       | <b>(R1 104 547)</b> |                |                 |                   |                   |                   |                   |                 |
| BFI Request Total  |       | <b>R6 532 101</b>   |                |                 |                   |                   |                   |                   |                 |

## RESPONSE AND RECOMMENDATIONS FROM NATIONAL TREASURY AND THE PRESIDENTIAL INFRASTRUCTURE COORDINATING COMMISSION (PICC)

It was highlighted that the programme is sufficiently justified and if implemented, should result in the revitalisation of the BCMM economy. It was also acknowledged that the submission adequately justified how the proposed programme is needed to unlock economic nodes and enable the spatial transformation of the municipality. The programme objectives were clearly defined and are well aligned to the anticipated outcomes of the programme. Notwithstanding the justification, the submission was identified to have a number of gaps and issues which would need to be further addressed in order for the funding to be approved. These were structured in terms of the key Sub-Programmes.

The Key Sub-Programmes include:

1. **Grid Stabilisation and Security of Electricity Supply Sub-programme (West Bank CLDP)**
2. **Roads and Transport Corridor Sub-Programme (MELD CLDP)**
3. **Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme (MELD CLDP)**

**In terms of Sub-Programme 1 the appraisal identified the following shortcomings which need to be addressed:**

- Quantification of the anticipated increase in demand, details of the demand drivers that will justify the need for the expansion of energy infrastructure in this sub-programme.
- The options proposed should consider demand-side management interventions over and above supply-side interventions.
- Lastly, the options explored should resolve the underlying issue of inadequate and inconsistent power supply, which requires grid stabilisation interventions.

**In terms of Sub-Programme 2 the appraisal identified the following shortcomings which need to be addressed:**

- Quantification of the anticipated increase in demand, details of the demand drivers that justify the demand drivers to justify the expansion of the road network in this sub-programme.

- There are gaps in the options analysis methodology for this sub-programme. The submission needs to have developed and clearly defined the scope of each proposed solution including technical configurations as well outline the advantages and disadvantages of each proposed solution, high-level quantification of costs and benefits and affordability must be considered and reported. Lastly, the extent to which each proposed solution meets and resolves the identified challenges in the needs analysis must be demonstrated.
- The preferred solution option must be indicated and the rationale for why the option meets the objectives more effectively and how it provides the best value for money for the government, compared to alternatives must be demonstrated.

**In terms of Sub-Programme 3 the appraisal identified the following shortcomings which need to be addressed:**

- The project sponsor is recommended to explore demand-side management interventions and /or provide a rationale for why such an option was not considered.
- Improve the rigour of the options analyses in order to demonstrate why the preferred meets the objectives more effectively and how it provides the best value for money for government compared to alternatives must be demonstrated.

**WAY FORWARD IN TERMS OF THE IDENTIFIED SHORTCOMINGS**

The recommendations from the BFI Appraisal Report are hereby noted and the municipality will seek to undertake the necessary work on developing project briefs and preparation activities which can address the identified shortcomings. It is proposed that these studies be shortlisted for funding through the Programme and Project Preparation Support Grant.



# EASTERN CAPE PROVINCIAL GOVERNMENT, SOUTH AFRICAN NATIONAL GOVERNMENT AND STATE-OWNED ENTERPRISES

## CATALYTIC PROGRAMMES AND PROJECTS IN THE BUFFALO CITY METRO

| Total No of Projects | Department / Agency / SOE   | Project                  | Value              | Location                               | Start Date | Completion Date | Progress on site |
|----------------------|---|--------------------------|--------------------|--|------------|-----------------|------------------|
| 11                   | <b>Buffalo City Development Agency (BCMDA) - Current Projects</b> | Court Crescent project   | R87 Million        | East London Beachfront                 | 28-Feb-21  | Apr-22          | 70%              |
|                      |   | Water World Project      | R103 million       | West Bank                              | 18 months  |                 | 83%              |
|                      |   | Marine Glen A Project    | R1.5 billion       | Behind Garden Court Hotel Beach Front  |            |                 |                  |
|                      |   | Seaview Terrace          | R350 million       | EL Beach front (Opposite Grazia Hotel) |            |                 |                  |
|                      |   | Sleeper Site Project     | R 350 billion      | Sleeper site                           |            |                 |                  |
|                      |   | Marina Glen B Project    | R1 246 650         | Ebuhlanti                              | 07-Sep-21  | 31-Jan-22       | 60%              |
|                      |   | Rubusana Gravesite       | R2 025 100         |  |            |                 |                  |
|                      |   | Victoria Grounds Project |                    |  | 01-Feb-22  |                 |                  |
|                      |   | Shushu B Village Project |                    |  |            |                 |                  |
|                      |   | Waste Management Project |                    | Duncan Village                         | 22-Oct-21  |                 |                  |
|                      |   | KWT Business Improvement |                    | Taylor Street Kwt                      | 01-May-22  |                 |                  |
| <b>TOTAL R</b>       |   |                          | <b>891 000 000</b> |  |            |                 |                  |

| Total No of Projects | Department / Agency / SOE                            | Project   | Value     | Location            | Start Date | Completion Date | Progress on site   |
|----------------------|--|---|-----------|---------------------|------------|-----------------|--|
| 4                    | Airports Company South Africa                        | Multi-Storey Parkade (Phase 1)                    |           | East London Airport | 2023-2024  |                 |  |
|                      |  | Departure Lounge Expansion                        |           | East London Airport | 01-Oct-20  | 30-Oct-21       |  |
|                      |  | Precinct Plan                                     |           | East London Airport | Apr-19     | Jan-21          |  |
|                      |  | Code C Stand                                      |           | East Londn Airport  | 2019-2022  |                 |  |
| <b>TOTAL R</b>       |  |   |           |                     |            |                 |  |
|                      | Passenger Rail Agency of South Africa - EC Metrorail | STATION IMPROVEMENT PROGRAMME – EXISTING PROJECTS |           |                     |            |                 |  |
|                      |  | Panmure Station                                   | 5 000 000 | East London         |            | 31.03.2022      | Stage 1 (Corridor approach for Consultants -East London corridor 1 - and Panel of Contractors) Upgrade ticket offices, ablutions and guardroom, Provide new ablutions on roadside, platform resurfacing, station signage, solar panels, water harvesting |
|                      |  | Wilsonia Station                                  | 5 000 000 | East London         |            | 31.03.2022      | Stage 1 (Corridor approach for Consultants -East London corridor 1 - and Panel of Contractors) Station completely vandalised   |

| Total No of Projects | Department / Agency / SOE | Project           | Value     | Location    | Start Date | Completion Date | Progress on site   |
|----------------------|---------------------------|-------------------|-----------|-------------|------------|-----------------|--|
|                      |                           | Mtsotso Station   | 5 000 000 | East London |            | 31.03.2022      | Stage 1 (Corridor approach for Consultants -East London corridor 1 - and Panel of Contractors) Waiting shelters, platform resurfacing, station signage, solar panels, water harvesting, upgrade water, electricity and sewer.  |
|                      |                           | Mdantsane Station | 6 500 000 | Mdantsane   |            | 31.03.2022      | Stage 1 (Corridor approach for Consultants -East London corridor 1 - and Panel of Contractors) Provision of guard houses and cleaner's stores, commuter waiting rooms and shelters, Upgrading of ticket offices to conform to PRASA safety standards for ticket offices, e.g provision of bullet resistant glass on windows, anti-bandit doors...etc, Access Control (Boom Gate) to Station Parking, including Universal Access, Provide new and refurbish existing Shelters & Benches, Provide new and refurbish existing Ablutions, platform resurfacing, station signage, solar panels, water harvesting, upgrade water, electricity and sewer. |

| Total No of Projects | Department / Agency / SOE | Project            | Value     | Location    | Start Date | Completion Date | Progress on site   |
|----------------------|---------------------------|--------------------|-----------|-------------|------------|-----------------|--|
|                      |                           | Mount Ruth Station | 7 500 000 | East London |            | 31.03.2022      | Stage 1 (Corridor approach for Consultants -East London corridor 1 - and Panel of Contractors) Provision of guard houses and cleaner's stores, commuter waiting rooms and shelters, Upgrading of ticket offices to conform to PRASA safety standards for ticket offices, e.g provision of bullet resistant glass on windows, anti-bandit doors...etc, Access Control (Boom Gate) to Station Parking, including Universal Access, Provide new and refurbish existing Shelters & Benches, Provide new and refurbish existing Ablutions, platform resurfacing, station signage, solar panels, water harvesting, upgrade water, electricity and sewer. |
|                      |                           | Dawn Station       | 2 000 000 |             |            | 02.04.2022      | Stage 1 (Corridor approach for Consultants -East London corridor 2 - and Panel of Contractors) Only planning for 2021/2022 FY  |

| Total No of Projects | Department / Agency / SOE | Project                                      | Value        | Location | Start Date | Completion Date | Progress on site  |
|----------------------|---------------------------|--|--------------|----------|------------|-----------------|---|
|                      |                           | East London Station                          | 23 701 342   |          |            | 31.03.2024      | Stage 1 (Traditional Consultants and panel of Contractors) appointment pending, SCM to appoint, new office space, painting of existing station, upgrade of ablutions, upgrade of entrances, firefighting equipment, signage |
|                      |                           | Mtsotso Station Workplace                    | 2 792 364    |          |            | 01.12.2021      | Stage 4 (Traditional Consultants and panel of Contractors) Upgrading 2 existing ticket office, new guard room, ablutions facilities, Electrical work and Plumbing   |
|                      |                           | STATION IMPROVEMENT PROGRAMME – NEW PROJECTS |              |          |            |                 |   |
|                      |                           | East London Rolling stock project            | 8 500 000    |          | 01.02.2022 | 01.08.2022      | Stage 1 (Traditional Consultant and contractor) refurbish existing facilities   |
|                      |                           | Berlin Station                               | 2 200 000    |          | 01.02.2022 | 01.08.2022      | Stage 1 (Traditional Consultant and contractor) refurbish existing facilities   |
|                      | <b>TOTAL R</b>            |  |              |          |            |                 |   |
| 12                   | Economic Development,     | Revitalization Industrial Parks              | R 38 Million | Dimbaza  |            |                 |   |
|                      |                           | Economic Stimulus                            | R 23 Million | Dimbaza  |            |                 |   |

| Total No of Projects | Department / Agency / SOE                  | Project   | Value         | Location                         | Start Date | Completion Date | Progress on site |
|----------------------|--|---|---------------|----------------------------------|------------|-----------------|------------------|
|                      | Environmental Affairs and Tourism (DEDEAT) | Electrical upgrade Master planning for Zone 1 & 2   |               |                                  | 2021/      |                 |                  |
|                      |  |   |               | ELIDZ & Berlin                   | 2022       |                 |                  |
|                      |  | District Commodities Corridors Interventions  | R2.1 Million  | East London                      | Mar-21     |                 |                  |
|                      |  | Localization programme  | R36 Million   | ELIDZ                            | 31-Mar-21  |                 |                  |
|                      |  | Aquaculture: Development and incubation of small-scale fish farming enterprises           |               | ELIDZ                            | From 2021  |                 |                  |
|                      |  | Indigenous Plant Farm Incubation Project  | R58 million   |                                  | 2020-2021  |                 |                  |
|                      |  | Roll-out and support of industry clusters in the province                                 | R12.6 million |                                  | Ongoing    |                 |                  |
|                      |  | Implementation of Data Centre /Meet Me Room   | R63 million   | ELIDZ                            | 31-Mar-21  |                 |                  |
|                      |  | Financing of Specialized Waste Vehicles in support of municipal waste management services |               | BCMM and other 42 municipalities | 2021-2022  |                 |                  |
|                      |  | LRED Grant Funding  | R19 million   | Tsholomnqa, Nxarhuni, Dimbaza    | 2020-2021  |                 |                  |

| Total No of Projects | Department / Agency / SOE                              | Project   | Value              | Location | Start Date  | Completion Date | Progress on site |
|----------------------|--|---|--------------------|----------|-------------|-----------------|------------------|
|                      |  | Isiqalo Entrepreneur Youth Fund   | R 50 million       |          | Three years |                 |                  |
|                      | <b>TOTAL R</b>   |   | <b>301 700 000</b> |          |             |                 |                  |
|                      | <b>EAST LONDON INDUSTRIAL DEVELOPMENT ZONE - ELIDZ</b> | <p>ICT AND ELECTRONICS</p> <p>ICT SERVICES : As part of positioning its self Position the ELIDZ as the preferred ICT Services partner for public and private sector, the ELIDZ has seen an uptake in its ICT client base in the last 12 months from 34 to 46 clients.</p> <p>DATA CENTRE PROJECT : The ELIDZ is continuing with the Construction of the Data Centre to take advantage of the opportunities linked to the development of a landing station for an under-sea data cable. The ELIDZ is exploring various opportunities</p> |                    |          |             |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project  | Value | Location | Start Date | Completion Date | Progress on site |
|----------------------|---------------------------|--|-------|----------|------------|-----------------|------------------|
|                      |                           | <p>to take advantage of the cables that want to land in South Africa. While phase 1 of the project is funded through Stimulus Fund, ELIDZ is currently fundraising for Phase 2</p> <p>ELIDZ RESELLER PROGRAMME : ELIDZ Reseller programme will be utilised as a platform to capacitate SMMEs that want to tap into the opportunities linked to ELIDZ's services.</p> |       |          |            |                 |                  |
|                      |                           | <p>AUTOMOTIVE SECTOR</p> <p>MANUFACTURING INCUBATOR: The ELIDZ has packaged the project of a manufacturing incubator to develop Tier 2 and 3 Suppliers for the automotive</p>  |       |          |            |                 |                  |



| Total No of Projects | Department / Agency / SOE | Project   | Value | Location | Start Date | Completion Date | Progress on site |
|----------------------|---------------------------|---|-------|----------|------------|-----------------|------------------|
|                      |                           | <p>sector.</p> <p>The project is being implemented in partnership with AIDC and in collaboration with MBSA. ELIDZ has a funding shortfall on this project owing to partial funding by DTI but is currently revising the operating model to implement a phased approach in order to proceed despite the limited funding.</p> <p>MBSA ENTERPRISE SUPPLIER DEVELOPMENT PROGRAMME : A new opportunity identified in this sector is that MBSA is considering an employee Enterprise Supplier Development programme. There may be opportunities for the addition of</p> |       |          |            |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project   | Value | Location | Start Date | Completion Date | Progress on site |
|----------------------|---------------------------|---|-------|----------|------------|-----------------|------------------|
|                      |                           | small businesses to be established as MBSA outsources some of their in-house operations/ services and the ELIDZ is currently exploring the provision of a solution for these enterprises.   |       |          |            |                 |                  |
|                      |                           | <p>AGRO PROCESSING</p> <p>CANNABIS : ELIDZ is exploring new processing opportunities of products such as cannabis, African geranium and other natural products to be maximized</p> <p>PRIMARY PRODUCTION : ELIDZ is playing a facilitatory role in the setting up of primary production centres for commodities required form processing in the</p> |       |          |            |                 |                  |

| Total No of Projects | Department / Agency / SOE                      | Project  | Value            | Location                | Start Date | Completion Date | Progress on site |
|----------------------|--|--|------------------|-------------------------|------------|-----------------|------------------|
|                      |  | zone. This is a substantial growth opportunity which priorities an eco-systemic approach to industrialization. |                  |                         |            |                 |                  |
|                      | <b>TOTAL R</b>                                 |  |                  |                         |            |                 |                  |
| <b>8</b>             | <b>RURAL DEVELOPMENT &amp; AGRARIAN REFORM</b> | Household Food Production  | R824 000         | All BCMM Wards          | Annually   |                 |                  |
|                      |  | Vegetables project   | R250 000         | All BCMM Wards          | Annually   |                 |                  |
|                      |  | Poultry Project  | R107 000         | All BCMM Wards          | Annually   |                 |                  |
|                      |  | Cropping   | R960 000         | All BCMM Wards          | Annually   |                 |                  |
|                      |  | Borehole Project   | R560 000         | Cornsfield dam          | Annually   |                 |                  |
|                      |  | Dams   | 416 800          | Shelford Farm and Pirie | Annually   |                 |                  |
|                      |  | Landcare project   | R418 000         | Lateville and Jubisa    | Completed  |                 |                  |
|                      |  | Livestock improvement  |                  | All BCMM Wards          | Annually   |                 |                  |
|                      | <b>TOTAL R</b>                                 |  | <b>3 535 800</b> |                         |            |                 |                  |
| <b>2</b>             | <b>TRANSNET</b>                                | Port of East London 7 Year view  | 2.2. Billion     | East London Port        | 2022-2023  |                 |                  |
|                      |  |  |                  |                         | 2028-2029  |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project  | Value                | Location   | Start Date | Completion Date | Progress on site |
|----------------------|---------------------------|--|----------------------|--|------------|-----------------|------------------|
|                      |                           | Port of East London Capital Investment Programme 2020/2021                   | 17.45 million        | East London Port   | 2021-2022  |                 |                  |
|                      |                           | <b>Total</b>   | <b>2 194 500 000</b> |  |            |                 |                  |
| 3                    | AMATOLA WATER             | Extending the current Nahoon supply to extend supply throughout the EL areas |                      | From Nompumelelo, Gonubie, Cintsa and Kwelera area to rural areas of BCMM. |            |                 |                  |
|                      |                           | Sandile System upgrade   |                      | To support the Amahleke and Dimbaza areas                                  |            |                 |                  |
|                      |                           | The Laing System is planned  |                      | Needs Camp,  |            |                 |                  |
|                      |                           |  |                      | Berlin to Potsdam  |            |                 |                  |
|                      |                           |  |                      | Tyolomnqa  |            |                 |                  |
|                      |                           |  |                      | Bhisho node and western nodes of East London                               |            |                 |                  |
|                      |                           | <b>Total R</b>   |                      |  |            |                 |                  |
| 10                   | SOCIAL DEVELOPMENT        | Universal access to Early Childhood Development                              | R43 605 309          | All BCMM Wards   | Annually   |                 |                  |
|                      |                           | Youth and Women Development  | R780 000             | Wards 37, 10, 45, 14, 43   | Annually   |                 |                  |

| Total No of Projects | Department / Agency / SOE         | Project  | Value             | Location                                   | Start Date | Completion Date | Progress on site |
|----------------------|-----------------------------------|--|-------------------|--|------------|-----------------|------------------|
|                      |                                   | Poverty Alleviation & Sustainable Livelihoods        | R 2 568 178       | wards 24, 22, 31, 40, 2, 6, 34             | Annually   |                 |                  |
|                      |                                   | Victim Empowerment & Gender Based Violence           | R3 581 918        | Wards 37, 3, 21, 41, 36, 16, 19, 2         | Annually   |                 |                  |
|                      |                                   | Social Crime Prevention and Support                  | R1 065 454        | Ward 3                                     | Annually   |                 |                  |
|                      |                                   | Substance Abuse Prevention and Support               | R1 719 113        | Wards 8, 12, 3                             | Annually   |                 |                  |
|                      |                                   | HIV/AIDS Prevention                                  | R1 515 978        | Wards 10, 12, 11, 49, 43                   | Annually   |                 |                  |
|                      |                                   | Protection and development of Vulnerable Groups      | R15 044 289       | Wards 9, 18, 36, 19, 32, 1, 17, 40, 39, 36 | Annually   |                 |                  |
|                      |                                   | Care Protection and Development Services to Families | R6 450 951        | Wards 1, 36, 33, 12, 3, 37                 | Annually   |                 |                  |
|                      |                                   | Training Integration on IDP                          | R3 186 000        |  | 2021/2022  |                 |                  |
|                      |                                   | <b>Total R</b>                                       | <b>76 331 190</b> |  |            |                 |                  |
| <b>20</b>            | <b>ESKOM ELECTRIFICATION PLAN</b> | Dikidikana - household                               | R5 087 500.00     | Masingatha                                 | One year   |                 |                  |
|                      |                                   | Tshabo - household                                   | R4 400 000.00     | Hanover                                    | One year   |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project   | Value         | Location   | Start Date | Completion Date | Progress on site |
|----------------------|---------------------------|---|---------------|--|------------|-----------------|------------------|
|                      |                           | Buffalo City Ward 26 - Household                            | R6 900 000.00 | Msobomvu   | One year   |                 |                  |
|                      |                           | Buffalo City Infills Types 1                                | R600 001.00   | Various Villages around East London / King Williams Town | One Year   |                 |                  |
|                      |                           | Dikidikana Pre-engineering (2020/21 Plan)                   | R430 500.00   | Dikidikana   | One Year   |                 |                  |
|                      |                           | Orange Grove Electrification Pre-engineering (2021/22 Plan) | R568 875.00   | Orange Grove   | One Year   |                 |                  |
|                      |                           | Tshabo Pre-engineering (2020/21 Plan)                       | R225 500.00   | Tshabo   | One Year   |                 |                  |
|                      |                           | Tshatshu Electrification Pre-engineering (2020/21 Plan)     | R473 800.00   | Tshatshu   | One Year   |                 |                  |
|                      |                           | Buffalo City Ward 26 Pre-engineering (2021/22 Plan)         | R576 300.00   | Ward 26  | One Year   |                 |                  |
|                      |                           | Buffalo City Infills Types 2                                | R 450 000.00  |  | One Year   |                 |                  |
|                      |                           | Tshabo Pre-engineering (2022/23 Plan)                       | R 447 500.00  | Tshabo   | One Year   |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project   | Value          | Location               | Start Date | Completion Date | Progress on site |
|----------------------|---------------------------|---|----------------|------------------------|------------|-----------------|------------------|
|                      |                           | Tshabho – Households  | R 1 750 000.00 | Tshabho                | One Year   |                 |                  |
|                      |                           | Dikidikana - Households                                     | R 6 900 000.00 | Dikidikana, Masingatha | One Year   |                 |                  |
|                      |                           | Dikidikana Pre-engineering (2022/23 Plan)                   | R 547 500.00   | Dikidikana             | One year   |                 |                  |
|                      |                           | Tshatshu Electrification - households                       | R 5 750 000.00 | Msintsi                | One Year   |                 |                  |
|                      |                           | Tshatshu Electrification Pre-engineering (2022/23 Plan)     | R 479 250.00   | Tshatshu               | One Year   |                 |                  |
|                      |                           | Orange Grove Infrastructure Link Line 2021/23               | R 4 200 000.00 | Orange Grove           | One Year   |                 |                  |
|                      |                           | Orange Grove Electrification Pre-engineering (2022/23 Plan) | R 547 500.00   | Orange Grove           | One Year   |                 |                  |
|                      |                           | Buffalo City Ward 26 - Households                           | R 7 590 000.00 | Msobomvu and KwaDaniel | One Year   |                 |                  |
|                      |                           | Buffalo City Ward 26 (Pre-engineering 2022/23)              | R 425 000.00   | Ward 26                | One Year   |                 |                  |
|                      |                           | Buffalo City Infills Types 2                                | R 450 000.00   | BUF Buffalo City       |            |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project   | Value             | Location         | Start Date | Completion Date | Progress on site |
|----------------------|---------------------------|---|-------------------|------------------|------------|-----------------|------------------|
|                      |                           | Tshabo Pre-eng (2022/23 Plan)                       | R 447<br>500.00   | BUF Buffalo City |            |                 |                  |
|                      |                           | Tshabho   | R 1 750<br>000.00 | BUF Buffalo City |            |                 |                  |
|                      |                           | Tshabho Link Line                                   | R<br>-            | BUF Buffalo City |            |                 |                  |
|                      |                           | Dikidikana  | R 6 900<br>000.00 | BUF Buffalo City |            |                 |                  |
|                      |                           | Dikidikana Pre-eng (2022/23 Plan)                   | R 547<br>500.00   | BUF Buffalo City |            |                 |                  |
|                      |                           | Tshatshu Electrification                            | R 5 750<br>000.00 | BUF Buffalo City |            |                 |                  |
|                      |                           | Tshatshu Electrification Pre-eng (2022/23 Plan)     | R 479<br>250.00   | BUF Buffalo City |            |                 |                  |
|                      |                           | Orange Grove 2021/22                                | R<br>-            | BUF Buffalo City |            |                 |                  |
|                      |                           | Orange Grove Link Line 2021/23                      | R 4 200<br>000.00 | BUF Buffalo City |            |                 |                  |
|                      |                           | Orange Grove Electrification Pre-eng (2022/23 Plan) | R 547<br>500.00   | BUF Buffalo City |            |                 |                  |
|                      |                           | Buffalo City Ward 26                                | R 7 590<br>000.00 | BUF Buffalo City |            |                 |                  |
|                      |                           | Buffalo City Ward 26 Link Line                      | R<br>-            | BUF Buffalo City |            |                 |                  |
|                      |                           | Buffalo City Ward 26 (Pre-eng 2022/23)              | R 425<br>000.00   | BUF Buffalo City |            |                 |                  |
|                      |                           | Bulembu Substation Replacement                      | 45.30             | BUF Buffalo City | 2019       | 2027            | Not indicated    |



| Total No of Projects | Department / Agency / SOE | Project  | Value       | Location              | Start Date  | Completion Date | Progress on site |
|----------------------|---------------------------|--|-------------|-----------------------|-------------|-----------------|------------------|
|                      |                           | Needscamp Prospect Spur Line Rebuild   | 40.40       | BUF Buffalo City      | 2019        | 2028            | Not indicated    |
|                      |                           | Prospect Needscamp Spur Line Rebuild   | 43.60       | BUF Buffalo City      | 2019        | 2029            | Not indicated    |
|                      |                           | Dimbaza 66-11kV Substation Refurbishment   | 33.70       | BUF Buffalo City      | 2020        | 2021            | Not indicated    |
|                      |                           | Good Hope Textiles 66-11kV S/S Refurbishment   | 24.60       | BUF Buffalo City      | 2020        | 2021            | Not indicated    |
|                      | <b>TOTAL R</b>            |  |             |                       |             |                 |                  |
| 6                    | HEALTH                    | Upgrade of Newlands Clinic   | 30 240 000  | Newlands              | Three years |                 |                  |
|                      |                           | Construction of a new CHC in NU14  | 124 618 000 | Mdantsane NU 14       | Three Years |                 |                  |
|                      |                           | Construction of a New Clinic in Unit P Mdantsane                                     | 124 618 000 | Unit P Mdantsane      | Three Years |                 |                  |
|                      |                           | Lorraine & Northdene Frere Hospital (Repairs and renovations to staff accommodation) | 15 259 488  | Frere Hospital        | Three Years |                 |                  |
|                      |                           | Refurbishment of Hospitals in BCM  | 15 000 000  | All Hospitals in BCMM | Three Year  |                 |                  |
|                      |                           | Refurbishment of Clinics in BCM  | 15 000 000  | All Clinics in BCMM   | Three Years |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project   | Value                | Location    | Start Date             | Completion Date | Progress on site |
|----------------------|---------------------------|---|----------------------|-------------|------------------------|-----------------|------------------|
|                      | <b>TOTAL R</b>            |   | <b>294 525 728</b>   |             |                        |                 |                  |
| <b>6</b>             | <b>SANRAL</b>             | N2 – Green River to Zwelitsha I/S and Breidbach I/C – Upgrade/Construction        | 500,000,000          |             | 21-Jan                 |                 |                  |
|                      |                           | R63: Bhisho to N6 (Kei Road)/ Upgrade/Design                                      | 700,000,000          |             | 21-Nov                 |                 |                  |
|                      |                           | N2 Breidbach & Belstone Interchange and Road to Bhisho/ Upgrade Tender Evaluation | 400,000,000          |             | 21-Jun                 |                 |                  |
|                      |                           | R72/N2 Link Road /Route Location/ Tender Evaluation                               | 15,000,000           |             | 21-Jul                 |                 |                  |
|                      |                           | King William's Town Pedestrian Facilities/ Community Development/ Design          | 7,000,000            |             | Nov-2021               |                 |                  |
|                      |                           | Routine Road Maintenance / Construction   | 60,000,000           |             | 2020                   |                 |                  |
|                      | <b>TOTAL R</b>            |   | <b>1 682,000,000</b> |             |                        |                 |                  |
| <b>17</b>            | <b>EDUCATION</b>          | <b>Laerskool Grens</b>  | R127 843<br>163,88   | East London | 29 months<br>- On hold |                 |                  |
|                      |                           | (Building of a New School)  |                      |             |                        |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project   | Value           | Location                | Start Date                             | Completion Date | Progress on site |
|----------------------|---------------------------|---|-----------------|-------------------------|--|-----------------|------------------|
|                      |                           | <b>Nkwezana Public School</b>                               | R57 286 901,08  | Chintsa East            | 28 months - On hold                    |                 |                  |
|                      |                           | <b>(Building of a New School)</b>                           |                 |                         |  |                 |                  |
|                      |                           | <b>Sophathisana Secondary School</b>                        | R71 185 321,57  | Reeston                 | 30 months - On hold                    |                 |                  |
|                      |                           | <b>(Building of a New School)</b>                           |                 |                         |  |                 |                  |
|                      |                           | <b>Khayaletu Special School</b>                             | R175 374 847,09 | East London – North End | (Not started yet) - Project Initiation |                 |                  |
|                      |                           | <b>(Building of a new school)</b>                           |                 |                         |  |                 |                  |
|                      |                           | <b>Zameka Junior Secondary</b>                              |                 | Bhisho                  | 8 months - Ongoing                     |                 |                  |
|                      |                           | <b>(Building of 2 classrooms and Admin block)</b>           | R6 992 535,75   |                         |  |                 |                  |
|                      |                           | <b>Floradale High School</b>                                | R6 287 694,16   | Nompumelelo Location    | 5 months - Ongoing                     |                 |                  |
|                      |                           | <b>(Erection of 8 prefabricated classrooms and fencing)</b> |                 |                         |  |                 |                  |
|                      |                           | <b>Fort Warwick Farm School</b>                             | R3 752 163,50   | Mooiplaas               | 4 months - Ongoing                     |                 |                  |

| Total No of Projects | Department / Agency / SOE | Project   | Value          | Location           | Start Date             | Completion Date | Progress on site |
|----------------------|---------------------------|---|----------------|--------------------|------------------------|-----------------|------------------|
|                      |                           | (Erection of 3 prefabricated classrooms, ablution block and fencing)  |                |                    |                        |                 |                  |
|                      |                           | Byletts Combined School (Construction of new Borehole)                | R8 992 551,37  | Mooiplaas          | No timeframe           |                 |                  |
|                      |                           | Grens Voorbereidingskool  | R9 025 533,19  | Baysville          | 2 months to completion |                 |                  |
|                      |                           | (Major Renovations)   |                |                    |                        |                 |                  |
|                      |                           | Inyibiba Primary School   | R11 533 302,92 | Dimbaza            | 3 months - Completed   |                 |                  |
|                      |                           | (Erection of Security fence)  |                |                    |                        |                 |                  |
|                      |                           | Mzamowethu Public School  | R5 422 898,27  | Mzamomhle Location | 6 months - Ongoing     |                 |                  |
|                      |                           | (Erection of 3 prefabricated classrooms)                              |                |                    |                        |                 |                  |
|                      |                           | Noncedo Combined  | R9 551 719,07  | Ducats             | 6 months - Ongoing     |                 |                  |
|                      |                           | (Erection of 12 prefabricated classrooms, ablution block and fencing) |                |                    |                        |                 |                  |

| Total No of Projects | Department / Agency / SOE   | Project   | Value              | Location  | Start Date           | Completion Date | Progress on site |
|----------------------|-----------------------------|---|--------------------|---|----------------------|-----------------|------------------|
|                      |                             | <b>St Thomas Special School</b>                                   | R2 219 063,49      | King Willaims Town  | Completed            |                 |                  |
|                      |                             | <b>(Water Supply)</b>   |                    |   |                      |                 |                  |
|                      |                             | <b>Tyutyu Primary School</b>                                      | R3 762 143,33      | Tyutyu Village  | 6 months – On hold   |                 |                  |
|                      |                             | <b>(Major Renovations)</b>  |                    |   |                      |                 |                  |
|                      |                             | <b>Manezi Higher Primary</b>                                      | R1 144 047,26      | Zwelitsha Location  | 7 months - Completed |                 |                  |
|                      |                             | <b>(Building of Flush toilets and 2 prefabricated classrooms)</b> |                    |   |                      |                 |                  |
|                      |                             | <b>Sakhikamva High School</b>                                     | R8 065 989,53      | Nompumelelo Location  | 6 months - Ongoing   |                 |                  |
|                      |                             | <b>(Erection of 9 prefabricated classrooms and fencing)</b>       |                    |   |                      |                 |                  |
|                      | <b>TOTAL R</b>              |   | <b>959 036 550</b> |   |                      |                 |                  |
| <b>4</b>             | <b>SAFETY &amp; LIAISON</b> | <b>Social crime prevention programmes</b>                         | R90 000            | Gonubie, Tamara, Scenery Park, Ndevana, Vulindlela, King William's Town, Macleantown and Kidd's Beach |                      |                 |                  |

| Total No of Projects | Department / Agency / SOE                  | Project  | Value          | Location  | Start Date | Completion Date | Progress on site |
|----------------------|--|--|----------------|---|------------|-----------------|------------------|
|                      |  | <b>Conduct Policing Accountability Engagements (Imbizo</b>   | R65 000        | Beacon Bay, Chalumna, Mdantsane, Dimbaza, Inyibiba, Zwelitsha |            |                 |                  |
|                      |  | <b>Capacitate CPFs</b>   | R30 000        | All CPFs in the district                                      |            |                 |                  |
|                      |  | <b>Support BCM with establishment and functioning of Community Safety Forum - CSF (meetings and programmes</b> | R10 000        | As per BCMM requirements                                      |            |                 |                  |
|                      | <b>TOTAL R</b>                             |  | 195 000        |   |            |                 |                  |
| 5                    | <b>DEPARTMENT FORESTRIES AND FISHERIES</b> | BCM Waste Management System  | R15 000 000.00 |   | Oct-14     | Mar-21          |                  |
|                      |  | Buffalo City Thuma Mina Green Deeds  | R4 524 887.00  |   | Mar-19     | Sep-21          |                  |
|                      |  | EC - Fibre MTP004 - Fibre NQF 2  | R2 115 290.00  |   | Mar-19     | Jan-20          |                  |
|                      |  | EC - SP: Construction MPT098 - Construction Masonry NQF 3  | R2 461 540.00  |   | Sep-19     | May-20          |                  |

| Total No of Projects | Department / Agency / SOE                       | Project  | Value                 | Location | Start Date | Completion Date | Progress on site |
|----------------------|---|--|-----------------------|----------|------------|-----------------|------------------|
|                      |   | EC - SP: Health and Welfare MPT004 - Occupation Health, Safety and Environment 2 | R2 475 040.00         |          | Sep-19     | May-20          |                  |
|                      |   | <b>Oceans and Coasts</b>   | Not Indicated         |          |            |                 |                  |
|                      |   | Oceans & Coasts (Operation Phakisa   | Not indicated         |          |            |                 |                  |
|                      | <b>TOTAL R</b>                                  |  | <b>R26 576 757.00</b> |          |            |                 |                  |
| <b>2</b>             | <b>DEPARTMENT OF TRANSPORT</b>                  | <b>Civil Aviation</b>  | 41 000 000            | BCMM     | 2019       | 2021            |                  |
|                      |   | <b>Maritime</b>  | 41 379 833            | BCMM     | 2017       | 2021            |                  |
|                      | <b>TOTAL R</b>                                  |  | <b>82 379 833</b>     |          |            |                 |                  |
|                      |   |  |                       |          |            |                 |                  |
| <b>1</b>             | <b>DEPARTMENT OF SPORTS, ARTS AND CULTURE</b>   | <b>Buyelekhaya Pan African Festival</b>  | 2 500 000             | BCMM     | 2019       | 2021            |                  |
|                      | <b>TOTAL</b>                                    |  | <b>2 500 000</b>      |          |            |                 |                  |
| <b>1</b>             | <b>DEPARTMENT OF SCIENCE AND TECHNOLOGY</b>     | <b>East London Regional Innovation Networking Platform (EL RINP)</b>             | 1 450 000             | BCMM     | 2019       | 2021            |                  |
|                      | <b>TOTAL</b>                                    |  | <b>1 450 000</b>      |          |            |                 |                  |
| <b>9</b>             | <b>DEPARTMENT OF SMALL BUSINESS DEVELOPMENT</b> | <b>SheTradesZA</b>   | Not indicated         | BCMM     | 2019       | 2024            |                  |
|                      |   | <b>Young entrepreneurs</b>   | Not indicated         | BCMM     | 2019       | 2024            |                  |

| Total No of Projects | Department / Agency / SOE                           | Project   | Value         | Location    | Start Date | Completion Date | Progress on site |
|----------------------|---|---|---------------|-------------|------------|-----------------|------------------|
|                      |   | SMME expansion/ scale up                                      | Not indicated | BCMM        | 2019       | 2024            |                  |
|                      |   | Township and rural entrepreneurship                           | Not indicated | BCMM        | 2019       | 2024            |                  |
|                      |   | Cooperatives Informal businesses                              | Not indicated | BCMM        | 2019       | 2024            |                  |
|                      |   | SMME products Start-up nation                                 | Not indicated | BCMM        | 2019       | 2024            |                  |
|                      |   | Incubation and digital hubs                                   | Not indicated | BCMM        | 2019       | 2024            |                  |
| 1                    | DEPARTMENT OF SCIENCE AND TECHNOLOGY                | East London Regional Innovation Networking Platform (EL RINP) | 1 187 500     | East London | 2018       | 2021            |                  |
|                      | TOTAL R   |   | 1 187 500     |             |            |                 |                  |
| 3                    | DEPARTMENT OF TELECOMMUNICATION AND POSTAL SERVICES | BBI   | Not Indicated | BCMM        | 2020       | 2023            |                  |
|                      |   | USAASA  |               |             |            |                 |                  |
|                      |   | DCDT  |               |             |            |                 |                  |
|                      | TOTAL R   |   |               |             |            |                 |                  |
| 5                    | DEPARTMENT OF HIGHER EDUCATION AND TRAINING         | King Hintsa TVET College                                      | 27 025 000    | East London |            |                 |                  |
|                      | TOTAL R   |   | 27 025 000    |             |            |                 |                  |



# SECTION E: DEVELOPMENT OBJECTIVES, STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS 2021 – 2026 (revised for 2022/2023)

## 1. INTRODUCTION

An Integrated Development Plan, adopted by the council of a Municipality, is the key strategic planning tool for the municipality. Section 35 (1) of the Municipal Systems Act describes it as:

- (a) the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality
- (b) binds the municipality in the exercise of its executive authority
- (c) binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law.

As the principal planning instrument that guides and informs the municipal budget, the planning process has to provide a platform for identifying, unpacking and resolving the real issues that face the residents of the city. This opportunity resides in the process of compiling Section D, as prescribed by Section 26(c) the Municipal Systems Act and the Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c), contains IDP Objectives, Key Performance Indicators and Targets for 2020-2021.

As part of the fourth generation IDP Review, the drafting of the 2020/2021 Service Delivery and Budget Implementation Plan has been initiated. The Service Delivery and Budget Implementation Plan (SDBIP) is an implementation plan of the approved Integrated Development Plan (IDP) and Medium-Term Revenue and Expenditure Framework. Therefore, only projects that are budgeted for are implemented. The SDBIP serves to address the development objectives as derived from the approved IDP.

The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by council as quantifiable outcomes that can be implemented by the administration over the next twelve months. The SDBIP provides the vital link between the mayor, council (executive) and the administration and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, *senior managers* and community.

Quarterly projections of service delivery targets and performance indicators for each vote, is one of the five components of the top-layer SDBIP that must be made public as detailed in MFMA Circular 13. The top level of the SDBIP includes measurable performance objectives in the form of service delivery targets and performance indicators that are provided to the community, that is, what impacts it seeks to achieve. These are drawn from the IDP programmes, services and activities that are relevant to each specific directorate as well as the statutory plans that the Directorate are responsible for. The SDBIPs therefore are the key mechanisms for monitoring the different responsibilities and targets that each Directorate must fulfil in meeting service delivery needs provided to the community.

## 2. FRAMEWORK FOR PERFORMANCE MANAGEMENT SYSTEM

Performance Management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195(1) are also linked with the concept of Performance management, with reference to the principles of inter alia:

- ❑ The promotion of efficient, economic and effective use of resources,
- ❑ Accountable public administration
- ❑ To be transparent by providing information,
- ❑ To be responsive to the needs of the community,
- ❑ And to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be monitored for the performance of the budget against the IDP via the Service Delivery and the Implementation Plan (SDBIP).

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning , monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players."

Section 57 makes the employment of the Municipal Manager and Managers directly accountable to him subject to a separate performance agreement concluded annually before end of July each year. Section 67 regards the monitoring, measuring and evaluating of performance of staff as a platform to develop human resources and to hold municipal staff accountable to serve the public efficiently and effectively. Performance Management, therefore, is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities.

This framework therefore describes how the municipality's performance process, for the organisation as a whole will be conducted, organised and managed. It also has the following objectives:

- ❑ Clarify processes of implementation.
- ❑ Ensure compliance with legislation.

- ❑ Demonstrate how the system will be conducted.
- ❑ Define roles and responsibilities.
- ❑ Promote accountability and transparency.
- ❑ Reflect the linkage between the IDP, Budget, SDBIP, and individual and service provider performance.

## 2.1 Objectives of Performance Management System

Beyond the fulfilling of legislative requirements, BCMM performance management system constitutes the primary mechanism to plan, monitor, review and improve the implementation of the objectives set in the municipality's Integrated Development Plan (IDP). PMS process includes the following objectives that the system should in addition fulfil.

### 2.1.1. Facilitate increased accountability

The Performance Management System (PMS) provides a mechanism for ensuring increased accountability between:

-

- ❑ The communities and the municipal council,
- ❑ The political and administrative components of the municipality,
- ❑ Each Head of Department and the Accounting Officer.

### 2.1.2. Facilitate learning and improvement

The Performance Management System (PMS) provides a mechanism for learning and improvement by assisting the municipality to determine which strategies and plans are having the desired impact, to ensure that services are delivered in the most efficient and effective manner.

It forms the basis for monitoring, evaluating and improving the implementation of the Integrated Development Plan (IDP).

### 2.1.3. Provide early warning signals

The Performance Management System (PMS) provides managers, the Accounting Officer, Portfolio Committees, the Mayoral Committee and Council with timeous diagnostic signals where implementation of the IDP is at risk so that intervention strategies can be implemented.

### 2.1.4. Facilitate decision-making

The Performance Management System (PMS) provides appropriate management information to facilitate efficient, effective and informed decision-making.

## 2.2 Benefits of Performance Management

- ❑ Implementing the IDP by making it accessible to all employees, clarify objectives and strategies and promote the accountability of groups and individuals to these.
- ❑ Implement focused management linked to an early warning system.
- ❑ Continuously reassess structural functionality and enable effective organisational alignment with objectives and strategies.
- ❑ Evaluate the job analysis information and rectify faulty aspects thereof.

- ❑ Understand the role, duties and responsibilities of employees.
- ❑ Delegate unambiguous and realistic responsibilities to employees.
- ❑ Assess the adequacy or inadequacy of resources available to employees.
- ❑ Identify and address training and development needs in a focused and structured manner so as to make use of the opportunities provided by the Skills Development Act.
- ❑ Develop the human resources of the Municipality; and
- ❑ Provide services in an efficient, effective and economic manner.

Performance management will benefit the community through:

- ❑ The establishment of a system which translates the IDP into measurable objectives and targets.
- ❑ The institutionalisation of sound management principles effective and efficient governance of service delivery.
- ❑ Adequate provision for community consultation and the opportunity to have a clearer insight in the performance of the municipality; and
- ❑ The promotion of an accountable municipality

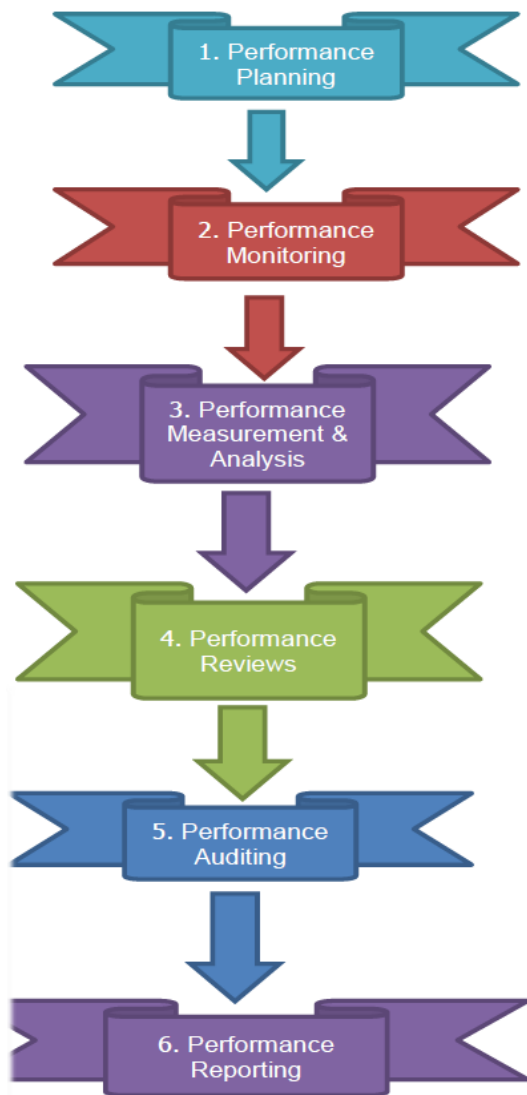
### 2.3 Performance Cycles

The overall planning, budgeting and reporting cycle can be summarised as follows.



Figure 53: Performance Cycles

The Performance cycle can be summarised in the following diagram and each cycle will be addressed in the remainder of this framework:



**Figure 54: Performance Management Cycle**

Each of the above cycles can be explained as follows:

- ❑ **Performance Planning** ensures that the strategic direction of the Municipality more explicitly informs and aligns the IDP with all planning activities and resource decisions. This is the stage where Key Performance Areas and Key Performance Indicators are designed to address the IDP objectives, national policy and targets are set.
- ❑ **Performance Measuring and Monitoring** is an ongoing process to determine whether performance targets have been met, exceeded or not met. Projections can also be made during a process- for example, on a quarterly and annual basis.
- ❑ **Performance evaluation** analyses why there is under- performance or what the factors were, that allowed good performance in particular area. Where targets have been met, the reasons for this must be examined and corrective action recommended. Evidence to support the status is also reviewed at this stage. An additional component is the review of the indicators to determine if they are feasible and are measuring the key areas appropriately.
- ❑ **Performance Reporting** entails regular reporting to management, the performance audit committee, council and the public.
- ❑ **Performance review/auditing** is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance.

According to section 45, of the Systems Act, results of the performing measurement must be audited as part of the municipality's internal auditing process annually by the Auditor- General. The Municipality have therefore established frameworks and structures to evaluate the effectiveness of the municipality's internal performance measurement control systems. Areas of weak performance identified at year- end must be address during the following years- end must be addressed during the following years planning phase.

## 2.4 Key Steps in Performance Management

The key steps in implementing the performance cycle are as follows:

1. IDP consultation and strategic processes to determine.
  - a) Strategic Objectives aligned with the National Agenda and Local needs
  - b) Establish the Municipal Strategic Outcome
  - c) Design Strategic Focus Areas
2. Priorities capital projects for budgeting purposes aligned with municipal strategy and approved methodology.
3. Start with budget processes.
4. Determine organisational KPI's in terms of strategy, budget and other key strategic plans.
5. Obtain baseline figures and past year performance.
6. Set multi-year performance target dates.
7. Determine steps/ plans to achieve budget and KPI's.
8. Assign strategic focused KPI's to Senior Management (Top Layer SDBIP)
9. Assign organisational KPI's to directorates and members of management. (Departmental SDBIP)
10. Prepare individual performance agreements aligned with budget and SDBIP (s57 and management)
11. Prepare performance plans for staff and align workplace skills plan with development plans
12. Provide monthly/ quarterly status reports on progress with KPI implementation.
13. Evaluate performance on individual (1/ 2 yearly) and organisational levels (monthly and quarterly)
14. Compilation of various performance reports
15. Auditing of performance reported and portfolio of evidence (POE's)
16. Appoint oversight committee to analyse and prepare report on improvement of performance.
17. Submit year- end report to various stakeholders.

The above steps will be explained in more detail below.

## 2.5 Roles and Responsibilities

The roles and responsibilities during the IDP process, which is different from normal PMS practices, can be summarised as follows:

| Role Player | Roles and Responsibilities   |
|-------------|--|
| Council     | <ul style="list-style-type: none"><li>• Evaluate, amend and adopt a Process Plan to develop/ review the IDP.</li><li>• Undertake the overall management and coordination of the planning process which includes ensuring that:<ul style="list-style-type: none"><li>- All relevant stakeholders are appropriately involved.</li><li>- Appropriate mechanisms and procedures for public consultation and participation are applied.</li></ul></li></ul> |

| Role Player             | Roles and Responsibilities   |
|-------------------------|--|
|                         | <ul style="list-style-type: none"> <li>• The planning process is related to the real burning issues in the municipality, is a strategic and implementation orientation process.</li> <li>• Adopt and approve the IDP/Review.</li> <li>• Final decision making.</li> <li>• Approval of the reviewed IDP documentation.</li> <li>• Adjust the IDP in accordance with the MEC for Local Governments proposals</li> <li>• Ensure that the annual business plans and Municipal budgets are linked to and based on the IDP.</li> </ul>   |
| Mayor                   | <ul style="list-style-type: none"> <li>• Decide on the process plan.</li> <li>• Overall management, coordination and monitoring of the process and drafting of the IDP/review documentation, or delegate this function.</li> <li>• Consider, adopt and approve the process plan.</li> <li>• Provide strategic input for IDP/ Review.</li> </ul>  |
| Councillors             | <ul style="list-style-type: none"> <li>• Link the planning process to their constituencies and/ or wards.</li> <li>• Be responsible for organising public consultation and participation.</li> <li>• Monitor the implementation of the IDP with respect to the particular wards.</li> <li>• Ensure the annual business plans and municipal budget are linked to and based on the IDP.</li> </ul>   |
| Speaker                 | <ul style="list-style-type: none"> <li>• Overall monitoring of the public participation process</li> </ul>   |
| IDP Manager             | <ul style="list-style-type: none"> <li>• Preparations and finalisation of the Process Plan.</li> <li>• Be responsible for overall management, coordinating and monitoring of the process and drafting the IDP/Review.</li> <li>• Responsible for the day-to-day management of the planning process, ensuring that all relevant actors are appropriately involved.</li> <li>• Ensure that the process is participatory, strategic and implementation orientated and is aligned with sector planning requirements.</li> <li>• Ensure that amendments and proper documentation of the draft IDP/ Review are to the satisfaction of the IDP proposal.</li> </ul> |
| Directors and Officials | <ul style="list-style-type: none"> <li>• Prepare selected Sector Plans.</li> <li>• Provide relevant technical, sector and financial information for analysis and determining priority issues.</li> <li>• Contribute technical expertise in the consideration and finalization of strategies and identification of projects.</li> <li>• Provide departmental, operation and capital budgetary information.</li> <li>• Responsible for the preparation of project proposals, the integration of projects and sector programmes after strategic in areas of expertise.</li> </ul>   |

| Role Player   | Roles and Responsibilities  |
|---|---|
| Local Communities, Residents and Stakeholders         | <ul style="list-style-type: none"> <li>• Represent interests and contribute knowledge and ideas in the IDP process by participating in and through the ward committees to: <ul style="list-style-type: none"> <li>- Analyse issues, determine priorities and provide input.</li> <li>- Keep their constituencies informed on IDP activities and their outcomes.</li> <li>- Discuss and comment on the draft IDP.</li> <li>- Check that annual business plans and budget are based on and linked to the IDP.</li> <li>- Monitor performance on the implementation of the IDP.</li> </ul> </li> </ul>   |
| District Municipality                                 | <ul style="list-style-type: none"> <li>• Some roles and responsibilities relate to the preparation of a district IDP. The District Municipality must also prepare a District Framework (Sec 27 of the MSA).</li> <li>• Fulfil a coordination and facilitation role by: <ul style="list-style-type: none"> <li>- Ensuring alignment of the IDP's of the municipalities in the district council area..</li> <li>- Ensuring alignment between the district and local planning.</li> <li>- Facilitation of alignment of IDP's with other spheres of government and sector departments</li> <li>- Preparation of joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists.</li> <li>-</li> </ul> </li> </ul>  |
| Provincial Government: Department of Local Government | <ul style="list-style-type: none"> <li>• Ensure horizontal alignment of the IDP of the District Municipalities within the province.</li> <li>• Ensure vertical/ sector alignment between provincial sector departments/ provincial strategic plans and the IDP process at local/district level by: <ul style="list-style-type: none"> <li>- Guiding the provincial sector departments participation in and their required contribution to the municipal IDP process and;</li> <li>- Guiding them in assessing draft IDP's and aligning their sector programs and budgets with the IDP's</li> </ul> </li> <li>• Efficient financial management of Provincial IDP grants.</li> <li>• Monitor the progress of the IDP processes.</li> <li>• Facilitate resolution of disputes related to IDP.</li> <li>• Assist municipalities in the IDP drafting process where required.</li> <li>• Coordinate and manage the MEC's assessment of IDP's</li> </ul> |
| Sector Departments                                    | <ul style="list-style-type: none"> <li>• Contribute relevant information on the provincial sector departments plans, programs, budgets, objectives, strategies and projects in a concise and accessible manner.</li> <li>• Contribute sector expertise and technical knowledge to the formulation of municipal strategies and projects.</li> <li>• Engage in a process of alignment with District Municipalities</li> </ul>   |



## Role Player

## Roles and Responsibilities

- Participate in the provincial management system of coordination.

The relationship between IDP and Performance Management is therefore legislated and regulated. Performance Management System serves to measure the performance of the municipality on meeting its Integrated Development Plan.

### **2.6 Alignment of Integrated Development Planning (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) to BCMM Metro Growth and Development Strategy (MGDS)**

The Performance Management System serves to measure the performance of the municipality on meeting its long, medium- and short-term plans, which are the Metro Growth and Development Strategy, Integrated Development Plan and Service Delivery and Budget Implementation Plan (SDBIP). MGDS is “**BCMM’s vision 2030**”, whereas IDP is BCMM’s five-year plan and SDBIP is an annual plan.

Council resolved that the planning and performance management model for the city will be the alignment of IDP and SDBIP to the MGDS and measure the implementation of 5 strategic outcomes. The performance management model will ensure that the MGDS and IDP are translated into operational and workable performance related plans that will be monitored and reviewed for example SDBIP and Performance Plans of Managers.

This embodies five Strategic Outcomes (SOs) which are outlined below:

#### **2.6.1. Strategic Outcome 1: Innovative and Productive City:**

- a) To enhance the Quality of Life of BCMM Community
  - Promote arts and culture and preserve heritage
  - Promote participation in sports and recreation
  - Promote well maintained, vibrant and liveable city
  - Promote equal opportunities, inclusion and redress
  - Improve community safety
  
- b) To maintain an inclusive and sustainable economic growth
  - Increase the government led job creation initiatives
  - Promote a more diversified export trade
  - Support SMME development
  - Promote industry focussed skills development
  - Promote innovation and knowledge economy
  - Promote business competitiveness
  - BCMM LED institutional mechanisms

#### **2.6.2. Strategic Outcome 2: A Green City**

To promote an environmentally sustainable city

- Reduce waste generation

- Implement climate change mitigation strategies
- Enhance management of biodiversity
- Reduce air pollution
- Enhance land productivity
- Enhance disaster management preparedness
- Promote an enhanced governance system in relation to environment compliance issues

### **2.6.3. Strategic Outcome 3: A Connected City**

To maintain world class logistics

- Develop maintain roads infrastructure and reduce congestion
- Develop the port of East London
- Refurbishment of Slipway and the surrounding areas
- Develop East London airport
- Develop the rail infrastructure
- Promote an integrated transport connectivity
- Develop the ICT

### **2.6.4. Strategic Outcome 4: A Spatially Transformed City**

To maintain world class infrastructure and utilities:

- Provide efficient energy resources
- Maintain water conservation and quality
- Promote an integrated spatial form
- Provide sustainable human settlements
- Promote resource efficient land use
- Promote sustainable rural development
- Revitalise township economy

### **2.6.5. Strategic Outcome 5: A Well Governed City**

To promote sound financial and administrative management:

- Build institutional and administrative capabilities
- Enhance accountability of political office bearers and administration
- Community participation
- Enhance corporate governance
- Enhance BCMM sustainability
- Promote alignment of corporate planning and implementation
- Implement through effective partnerships

## 2.7 Levels of BCMM Performance Management

The BCMM implements the PMS at the following levels:

### 2.7.1 Top Layer Service Delivery and Budget Implementation Plan (SDBIP).

- 1 Directorates Service Delivery and Budget Implementation Plan (SDBIP) which is also the performance of the Heads of Directorates (Section 56 Managers).
- 2 Performance against targets set in the BCMM Built Environment Performance Plan
- 3 Performance of individual staff [other than those appointed in terms of Section 56 of the Local Government: Municipal Systems Act] through the Employee Performance Plan.
- 4 Performance of Service Providers rendering Municipal Services in terms of a Service Provider Performance Plan.
- 5 Performance of Municipal Entity (BCMDA)

### 2.7.2 Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council must ensure that it establishes an audit committee. It will be established as follows:

- majority of members of the Audit Committee are not councillors or employees of the municipality;
- chairperson of the Audit Committee is neither a councillor nor an employee of the municipality;
- members of the Audit Committee have credibility within all BCMM's communities and organs of civil society; and the
- composition of the Audit Committee sufficiently caters for the following competencies:
  - an understanding of performance management
  - an understanding of municipal finances
  - an understanding of development, including rural development
  - an insight into the municipality's IDP objectives

The operation of this audit committee when dealing with performance management is governed by section 14 (2-3) of the Regulations which require that the audit committee must:

- Review the quarterly reports submitted to it by the internal audit unit
- Review the municipality's PMS and make recommendations in this regard to the Council of the Municipality
- At least twice during a financial year submit an audit report to the municipal Council

In order to fulfil their function, an audit committee may, according to the MFMA and the Regulations,

- Communicate directly with the council, city manager or the internal; and external auditors of the municipality concerned;
- Access any municipal records containing information that is needed to perform its duties or exercise its powers;
- Request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

BCMM has appointed an Audit Committee as stipulated by the legislation. It reviews quarterly reports and BCMM Performance Management system and make recommendations to the Council.

### 2.7.3 Performance reporting

Performance reporting provides a platform where the municipality accounts to the Council, community and external stakeholders. It is done at three levels at BCMM and is as follows:

#### [1] Quarterly performance reporting (section 52, MFMA)

Section 52 (d) of the MFMA requires that the municipality must within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the municipality. Therefore, BCMM Accounting Officer as delegated by the Executive Mayor must ensure that the municipality complies with the above legislative requirement. After the end of each quarter, BCMM Accounting officer develops and submits a quarterly institutional performance report to the Council.

#### [2] Mid-year performance assessment reporting (section 72, MFMA)

The performance report in January will coincide with the mid-year performance assessment report as per section 72 of the MFMA. The said section stipulates that the accounting officer must by 25 January of each year assess the performance of the municipality and report to the Council amongst other things, its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in its SDBIP. BCMM Accounting officer conducts mid-year performance assessment and submits a report to the Council.

#### [3] Annual performance reporting (section 46, MSA)

On an annual basis a comprehensive report on the performance of BCMM is compiled as required by section 46 of the Municipal Systems Act. This report also forms part of the Annual Report as set out in chapter 12 of the MFMA.

## 2.8 General Issues Relating to Performance Management

The following are some general issues related to performance management that need to be taken into consideration in implementing the PMS of the Municipality:

### 2.8.1. Excellent or Good Organisational Performance

Directorates with excellent or good performance will be encouraged and motivated in order to maintain such standards. As and when necessary, they will be requested to share the best practices with other directorates.

### 2.8.2. Managing Poor Organisational Performance

Poorly performing directorates will be requested to provide an explanation and analysis of poor performance. If this is insufficient, an investigation will be conducted to deepen the understanding of the underlying problems, whether they are policy-related, systemic, structural, capacity, shared responsibility or attributed to the poor performance of individuals.

### 2.8.3. Review of Performance Management System (PMS) Framework

In order to ensure that the PMS is useful and effective, it is important to review the PMS framework as and when necessary. This is also required by the Municipal Systems Act. The management must initiate the review of PMS framework, taking into account all inputs provided by directorates. The reviewed framework must then be tabled to the Council via BCMM Council structures for adoption.

## 2.9 Conclusion

Performance management is a process which stretches right through the organisation, from its vision and mission statement to its objectives and eventually its staff. It applies to the performance of an organisation as well as to all persons related to it. The *White Paper on Local Government* (1998) states that key mechanisms to ensuring service excellence in municipalities include integrated development planning, performance management and community participation.

Appropriate Key Performance Indicators must be established to serve as a yardstick for measuring individual and organisational performance. These key performance indicators should include outcomes and the impact of a performance area with regards to a municipality's development priorities and objectives as set out in its IDP.

The performance management framework is aimed at guiding BCMM in the development of a performance management system which will contribute to improving the municipal performance and enhance service delivery. The framework is developed to provide details which describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.

The process of implementing a performance management system must be seen as a learning process, where we are continuously improving the way the system works to fulfil the objectives of the system and address the emerging challenges from a constantly changing environment.

### 3. BCMM MUNICIPAL SCORECARD (2021/2026) AS REVIEWED FOR 2022/2023

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |  |   |        |                                       |   |                            |                 |                 |                 |                 |                 |
|--|--|---|--------|---------------------------------------|---|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| BCMM Council Key Focus Areas   | Strategic Objective  | Outcome Indicator   | KFA    | National Treasury Reference/BCMM Code | Key Performance Indicator   | 2020/21 Baseline UNAUDITED | 2021/22 Target  | 2022/23 Target  | 2023/24 Target  | 2024/25 Target  | 2025/26 Target  |
| <b>STRATEGIC OUTCOME 1: INNOVATIVE AND PRODUCTIVE CITY</b>   |  |   |        |                                       |   |                            |                 |                 |                 |                 |                 |
| <b>NATIONAL PRESCRIBED INDICATORS</b>  |  |   |        |                                       |   |                            |                 |                 |                 |                 |                 |
| Safety   | To ensure safety of BCMM communities                             | Number of fire related deaths per 1000 population                                 | KFA 11 | FD 1.11                               | Percentage compliance with the required attendance time for structural firefighting incidents (formal and informal) | 44%                        | 75%             | 75%             | 75%             | 75%             | 75%             |
| Economic Development   | Maintain Inclusive and sustainable economic Growth               | Average cost to a business to apply for a construction permit with a municipality | KFA 2  | LED3.11                               | Average time taken to finalised business license applications   | New indicator              | 15 working days | 15 working days | 15 working days | 15 working days | 15 working days |
| <b>BCMM INDICATORS</b>   |  |   |        |                                       |   |                            |                 |                 |                 |                 |                 |
| Safety   | To develop and maintain world class infrastructure and utilities | Number of fire related deaths per 1000 population                                 | KFA 11 | FE 1.1/IPC 2                          | Number of fire stations refurbished   | 1                          | 3               | 1               | 1               | 1               | 1               |
| Economic Development   | Maintain Inclusive and sustainable economic Growth               | N/A   | KFA 1  | IPC 3                                 | Number of infrastructure projects for informal traders implemented  | 2                          | 2               | 3               | 3               | 4               | 4               |
| Economic Development   | Maintain Inclusive and sustainable economic Growth               | N/A   | KFA 1  | IPC 4                                 | Number of interventions implemented to support SMME's and Cooperatives  | 3                          | 5               | 5               | 5               | 5               | 5               |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| <b>BCMM Council Key Focus Areas</b> | <b>Strategic Objective</b>                         | <b>Outcome Indicator</b> | <b>KFA</b> | <b>National Treasury Reference/BC MM Code</b> | <b>Key Performance Indicator</b>  | <b>2020/21 Baseline UNAUDITED</b> | <b>2021/22 Target</b> | <b>2022/23 Target</b> | <b>2023/24 Target</b> | <b>2024/25 Target</b> | <b>2025/26 Target</b> |
|-------------------------------------|--|--------------------------|------------|---|---|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Economic Development                | Maintain Inclusive and sustainable economic Growth | N/A                      | KFA 5      | IPC 5   | Number of direct and indirect job opportunities created through Economic Development Projects, initiatives and partnerships | 1166                              | 800                   | 1000                  | 1200                  | 1300                  | 1400                  |
| Economic Development                | Maintain Inclusive and sustainable economic Growth | N/A                      | KFA 5      | IPC 11 (b)                                    | Number of jobs created through Expanded Public Works Programme (EPWP)   | 6164                              | 5630                  | 5630                  | 5630                  | 5630                  | 5630                  |
| Economic Development                | Maintain Inclusive and sustainable economic Growth | N/A                      | KFA 7      | IPC 6   | Number of Arts, Culture and Heritage projects implemented   | 2                                 | 9                     | 14                    | 14                    | 14                    | 14                    |
| Economic Development                | Maintain Inclusive and sustainable economic Growth | N/A                      | KFA 4      | IPC 7   | Number of initiatives (programmes) implemented to market and promote Buffalo City as a tourist destination of choice        | 6                                 | 13                    | 15                    | 15                    | 15                    | 15                    |
| Economic Development                | Maintain Inclusive and sustainable economic growth | N/A                      | KFA 2      | IPC 8   | Number of interventions supported to retain existing investors and promote attraction of new investment into Buffalo City   | 3                                 | 3                     | 2                     | 2                     | 2                     | 2                     |
| Economic Development                | Maintain Inclusive and sustainable economic growth | N/A                      | KFA 2      | IPC 9   | Number of interventions implemented on  | 12                                | 12                    | 12                    | 12                    | 12                    | 12                    |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| <b>BCMM Council Key Focus Areas</b>                   | <b>Strategic Objective</b>                  | <b>Outcome Indicator</b>  | <b>KFA</b> | <b>National Treasury Reference/BC MM Code</b> | <b>Key Performance Indicator</b>   | <b>2020/21 Baseline UNAUDITED</b> | <b>2021/22 Target</b> | <b>2022/23 Target</b> | <b>2023/24 Target</b> | <b>2024/25 Target</b> | <b>2025/26 Target</b> |
|---|---|---|------------|---|--|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|   |   |   |            |   | export development and promotion for emerging exporters on a quarterly basis |                                   |                       |                       |                       |                       |                       |
| Economic Development                                  |   |   | KFA 6      | IPC 11 (a)                                    | Number of Agricultural farmer support programmes implemented                 | 7                                 | 6                     | 9                     | 8                     | 10                    | 10                    |
| Operations & Maintenance of Revenue Generating Assets | To Promote an environmentally friendly city | Percentage utilization rate of sports fields  | KFA 9      | HS 3.4/IPC 12                                 | Number of sports facilities upgraded   | 4                                 | 3                     | 3                     | 3                     | 3                     | 3                     |
| Operations & Maintenance of Revenue Generating Assets | To Promote an environmentally friendly city | N/A   | KFA 4      | IPC 13  | Number of Aquarium facilities upgraded                                       | 0                                 | 1                     | 1                     | 1                     | 1                     | 1                     |
| Operations & Maintenance of Revenue Generating Assets | To Promote an environmentally friendly city | Square meters of municipal owned or maintained public outdoor recreation space per capita | KFA 9      | HS 3.1/IPC 14                                 | Number of Zoo facilities upgraded  | 1                                 | 1                     | 1                     | 1                     | 1                     | 1                     |
| Operations & Maintenance of Revenue Generating Assets | To Promote an environmentally friendly city | Recreational water quality  | KFA 9      | HS 3.1/IPC 15                                 | Number of beach facilities upgraded  | 3                                 | 2                     | 2                     | 2                     | 2                     | 2                     |
| Operations & Maintenance of Revenue                   |   | Square meters of municipal owned or maintained  | KFA 9      | HS 3.1/IPC 16                                 | Number of Swimming Pools upgraded  | 0                                 | 3                     | 2                     | 2                     | 2                     | 2                     |



| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |  |        |                                       |  |                            |                |                |                |                |                |
|--|---|--|--------|---------------------------------------|--|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                     | Outcome Indicator                                | KFA    | National Treasury Reference/BCMM Code | Key Performance Indicator                            | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
| Generating Assets  | To Promote an environmentally friendly city             | public outdoor recreation space per capita       |        |                                       |  |                            |                |                |                |                |                |
| Infrastructure   | To promote an integrated spatial form                   | Number of community halls per 100 000 population | KFA 10 | HS 3.2/IPC 17                         | Number of community halls constructed                | 0                          | 1              | 0              | 0              | 1              | 1              |
| Infrastructure   | To promote an integrated spatial form                   | Percentage utilisation of community halls        | KFA 10 | HS 3.2/IPC 18                         | Number of community halls upgraded                   | 0                          | 4              | 10             | 10             | 10             | 10             |
| Institutional Service Delivery & Operating Model   | To ensure safety of BCMM communities                    | N/A  | KFA 11 | IPC 19                                | Number of Areas covered by surveillance cameras      | 11                         | 1              | 2              | 2              | 2              | 2              |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | Road traffic fatalities per 100 000 population   | KFA 12 | IPC 20                                | % reduction in road traffic fatalities on BCMM roads | 2,64%                      | 5%             | 5%             | 5%             | 5%             | 5%             |
|  |   | Average number of fatalities per fatal crash     |        |                                       |  |                            |                |                |                |                |                |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A  | KFA 8  | IPC 21                                | Number of sport development programmes supported     | 3                          | 3              | 5              | 5              | 5              | 5              |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A  | KFA 5  | IPC 22                                | Number of Bursaries Awarded                          | 50                         | 50             | 50             | 50             | 50             | 50             |
| <b>STRATEGIC OUTCOME 2: A GREEN CITY</b>   |   |  |        |                                       |  |                            |                |                |                |                |                |
| <b>NATIONAL PRESCRIBED INDICATORS</b>  |   |  |        |                                       |  |                            |                |                |                |                |                |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| <b>BCMM Council Key Focus Areas</b> | <b>Strategic Objective</b>                  | <b>Outcome Indicator</b>  | <b>KFA</b> | <b>National Treasury Reference/BC MM Code</b> | <b>Key Performance Indicator</b>   | <b>2020/21 Baseline UNAUDITED</b> | <b>2021/22 Target</b> | <b>2022/23 Target</b> | <b>2023/24 Target</b> | <b>2024/25 Target</b> | <b>2025/26 Target</b> |
|-------------------------------------|---|---|------------|---|--|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Environment                         | To Promote an environmentally friendly city | Metropolitan Air Quality Index (MAQI)                                 | KFA 13     | ENV1.11                                       | Percentage of atmospheric emission licenses (AELs) processed within guideline timeframes         | 100%                              | 100%                  | 100%                  | 100%                  | 100%                  | 100%                  |
|                                     |   | GHG emissions per capita  |            |   |  |                                   |                       |                       |                       |                       |                       |
| Environment                         | To Promote an environmentally friendly city | Number of days where PM2.5 levels exceeded guideline levels           | KFA 14     | ENV1.12                                       | Proportion of Air Quality (AQ) monitoring stations providing adequate data over a reporting year | 81,3%                             | 75%                   | 75%                   | 75%                   | 75%                   | 75%                   |
|                                     |   | Percentage of households experiencing a problem with noise pollution  |            |   |  |                                   |                       |                       |                       |                       |                       |
| Waste Economy                       | To Promote an environmentally friendly city | Percentage of households with basic refuse removal services or better | KFA 18     | ENV 3.11                                      | Percentage of known informal settlements receiving integrated waste handling services            | 100%                              | 100%                  | 100%                  | 100%                  | 100%                  | 100%                  |
|                                     |   | Tonnes of municipal solid waste sent to landfill per capita           |            |   |  |                                   |                       |                       |                       |                       |                       |
| Environment                         | To Promote an environmentally friendly city | Ecosystem/Vegetation type protection level                            | KFA 16     | ENV 4.21                                      | Proportion of biodiversity priority areas protected  | 48.85%                            | 48.85%                | 48.85%                | 48.85%                | 48.85%                | 48.85%                |
| Environment                         | To Promote an environmentally friendly city | Ecosystem/Vegetation type protection level                            | KFA 16     | ENV4.11                                       | Percentage of biodiversity priority area within the metro  | 2.6 %                             | 2.6 %                 | 2.6 %                 | 2.6 %                 | 2.6 %                 | 2.6 %                 |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |   |        |  |  |                            |                                     |                |                |                |                |
|--|---|---|--------|--|--|----------------------------|-------------------------------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                         | Outcome Indicator   | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED | 2021/22 Target                      | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
| Environment  | To Promote an environmentally friendly city | Ecosystem/Vegetation type protection level                  | KFA 18 | ENV 5.11                               | Percentage of coastline with protection measures in place                  | 72%                        | 72%                                 | 72%            | 72%            | 72%            | 72%            |
| Environment  | To Promote an environmentally friendly city | Ecosystem/Vegetation type protection level                  | KFA 18 | ENV 5.12                               | Number of coastal water samples taken for monitoring purposes              | New Indicator              | 400                                 | 400            | 400            | 400            | 400            |
| Environment  | To Promote an environmentally friendly city | Ecosystem/Vegetation type protection level                  | KFA 18 | ENV 5.21                               | Number of inland water samples tested for monitoring purposes              | New Indicator              | 400                                 | 400            | 400            | 400            | 400            |
| <b>BCMM INDICATORS</b>   |   |   |        |  |  |                            |                                     |                |                |                |                |
| Waste Economy  | To Promote an environmentally friendly city | Tonnes of municipal waste diverted from landfill per capita | KFA 18 | GC 102                                 | Number of Waste Diversion Buy-Back Centres Established                     | 3                          | 4                                   | 3              | 3              | 3              | 3              |
| Waste Economy  | To Promote an environmentally friendly city | Tonnes of municipal waste diverted from landfill per capita | KFA 18 | GC 11                                  | Upgrading of Beacon Bay Transfer station                                   | 0                          | Signage, Fencing and Access control | N/A            | N/A            | N/A            | N/A            |
| Waste Economy  | To Promote an environmentally friendly city | Tonnes of municipal waste diverted from landfill per capita | KFA 18 | GC 101                                 | Number of Tons of recycleables diverted from Landfills to Buy-Back Centres | New Indicator              | 20                                  | 20             | 20             | 20             | 20             |
| Operations & Maintenance of Revenue Generating Assets  | To Promote an environmentally friendly city | N/A   | KFA 15 | GC 10                                  | Number of Community Parks Upgraded   | 0                          | 2                                   | 6              | 6              | 6              | 6              |
| <b>STRATEGIC OUTCOME 3: A CONNECTED CITY</b>   |   |   |        |  |  |                            |                                     |                |                |                |                |
| <b>NATIONAL PRESCRIBED INDICATORS</b>  |   |   |        |  |  |                            |                                     |                |                |                |                |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |  |        |  |   |                            |                |                |                |                |                |
|--|---|--|--------|--|---|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                       | Outcome Indicator  | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator   | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Non-Motorised Transport paths and lanes as a percentage of the total municipal road network length                                 | KFA 21 | TR1.21                                 | Length of Non-Motorised Transport paths built (km)  | 3,726 km                   | 2,35 km        | 3 km           | 0              | 0              | 0              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Average public transport commuting time  | KFA 21 | TR3.11                                 | Number of weekdays scheduled municipal bus passenger trips  | 1080                       | 1030           | 1030           | 1030           | 1030           | 1030           |
|  |   | Average private transport commuting time   |        |  |   |                            |                |                |                |                |                |
|  |   | Road transport fuel usage per capita   |        |  |   |                            |                |                |                |                |                |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of households with access to electricity  | KFA 22 | EE1.11                                 | Number of dwellings provided with connections to the mains electricity supply by the municipality | 1560                       | 780            | 1000           | 1000           | 1000           | 1000           |
|  |   | Renewable energy capacity available within the municipal jurisdiction as a percentage of Eskom supply capacity to the municipality |        |  |   |                            |                |                |                |                |                |
| Infrastructure   | Develop and maintain world                                | System Average Interruption Duration Index   | KFA 22 | EE3.11                                 | Percentage of unplanned outages that are  | 100%                       | 100%           | 100%           | 100%           | 100%           | 100%           |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |  |        |  |  |                            |                |                |                |                |                |
|--|---|--|--------|--|--|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                       | Outcome Indicator  | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
|  | class logistics infrastructure                            | Customer Average Interruption Duration Index   |        |  | restored to supply within industry standard timeframes                             |                            |                |                |                |                |                |
| Infrastructure   | Develop and maintain world class logistics infrastructure | System Average Interruption Frequency Index<br>Customer Average Interruption Frequency Index                                       | KFA 22 | EE3.21                                 | Percentage of Planned Maintenance Performed  | 83.3%                      | 70%            | 70%            | 70%            | 70%            | 70%            |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of fatal crashes attributed to road and environmental factors   | KFA 19 | TR6.11                                 | Percentage of unsurfaced road graded   | 6,701% (89,8km)            | 4,4% (60km)    | 4.48%          | 4.48%          | 4.48%          | 4.48%          |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of fatal crashes attributed to road and environmental factors   | KFA 19 | TR6.12                                 | Percentage of surfaced municipal road lanes which has been resurfaced and resealed | 1.921% (30,735 km)         | 0,9375 (15km)  | 0.9375%        | 0.9375%        | 0.9375%        | 0.9375%        |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Renewable energy capacity available within the municipal jurisdiction as a percentage of Eskom supply capacity to the municipality | KFA 22 | EE4.12                                 | Installed capacity of embedded generators on the municipal distribution network    | 29,5kw                     | 29kW           | 29kW           | 29kW           | 29kW           | 29kW           |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |  |        |  |  |                            |                |                |                |                |                |
|--|---|--|--------|--|--|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                       | Outcome Indicator  | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of households with access to electricity                      | KFA 22 | EE1.13                                 | Percentage of valid customer application for new electricity connections processed in terms of municipal service standards | New Indicator              | 100%           | 100%           | 100%           | 100%           | 100%           |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of fatal crashes attributed to road and environmental factors | KFA 22 | TR6.13                                 | KMs of new municipal road lanes built  | New Indicator              | 1 km           | 1 km           | 1 km           | 1 km           | 1 km           |
| <b>BCMM INDICATORS</b>   |   |  |        |  |  |                            |                |                |                |                |                |
| Infrastructure   | Develop and maintain world class logistics infrastructure | N/A  | KFA 20 | CC 1                                   | Number of Backup Power for High Sites installed  | 1                          | 3              | 3              | 3              | 3              | 3              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | N/A  | KFA 20 | CC 6                                   | Number of Business processes automated   | 7                          | 1              | 1              | 1              | 1              | 1              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | N/A  | KFA 20 | CC 7                                   | Number of BCMM halls with Fibre Network installed  | 2                          | 1              | 1              | 1              | 1              | 1              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | N/A  | KFA 20 | CC 4                                   | Number of halls with Wifi hotspots installed   | 2                          | 4              | 4              | 4              | 4              | 4              |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |  |        |  |   |                            |                |                |                |                |                |
|--|---|--|--------|--|---|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                       | Outcome Indicator  | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator                           | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of fatal crashes attributed to road and environmental factors       | KFA 19 | TR 6.1/CC 6                            | Km of gravel Roads upgraded to Surfaced Standard    | 13,24km                    | 6km            | 12km           | 12km           | 12km           | 12km           |
| Infrastructure   | Develop and maintain world class logistics infrastructure | NMT paths and lanes as a percentage of total municipal road network length     | KFA 21 | TR 1.2/CC 7                            | Number of pedestrian bridges constructed            | 0                          | 3              | 3              | 3              | 3              | 3              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of Dwelling units within 500m of scheduled public transport service | KFA 21 | TR 1.1/CC 14                           | Number of Taxi Embayments constructed               | 3                          | 3              | 0              | 0              | 0              | 0              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | Percentage of Dwelling units within 500m of scheduled public transport service | KFA 21 | TR1.1/CC15                             | Number of public transport facilities rehabilitated | 0                          | 1              | 1              | 0              | 0              | 0              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | N/A  | KFA 19 | CC16                                   | Length of surfaced roads upgraded (km)              | 1,27km                     | N/A            | 0,6 km         | 0              | 0              | 0              |
| Infrastructure   | Develop and maintain world class logistics infrastructure | N/A  | KFA 19 | CC19                                   | Number of bridges rehabilitated                     | 1                          | 2              | 3              | 2              | 2              | 2              |
| Infrastructure   | Develop and maintain world                                | Road traffic fatalities per  | KFA 21 | TR 7.1/CC 11                           | Number of speed humps constructed                   | 46                         | 40             | 50             | 0              | 0              | 0              |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| BCMM Council Key Focus Areas                     | Strategic Objective                                     | Outcome Indicator                                   | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator   | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
|--|---|---|--------|--|---|----------------------------|----------------|----------------|----------------|----------------|----------------|
|  | class logistics infrastructure                          | 100 000 population                                  |        |  |   |                            |                |                |                |                |                |
| Infrastructure                                   | To promote an integrated spatial form                   | Percentage of households with access to electricity | KFA 22 | EE 1.1/CC 20                           | Number of new high mast lights installed                                      | 12                         | 9              | 9              | 9              | 9              | 9              |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | System Automation and Integration                   | KFA 20 | CC5                                    | Number of Telephone Systems migrated to Integrated intelligent voice platform | New Indicator              | 16             | N/A            | N/A            | N/A            | N/A            |

**STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY**

**NATIONAL PRESCRIBED INDICATORS**

|                |   |   |        |            |   |             |         |         |         |         |         |
|----------------|---|---|--------|------------|---|-------------|---------|---------|---------|---------|---------|
| Infrastructure | Develop and maintain world class logistics infrastructure | Percentage of households with access to basic sanitation                                | KFA 23 | WS1.11     | Number of new sewer connections meeting minimum standards.  | 334         | 300     | 300     | 300     | 300     | 300     |
| Infrastructure | Develop and maintain world class logistics infrastructure | Percentage of households with access to basic water supply                              | KFA 23 | WS2.11     | Number of new water connections meeting minimum standards.  | 308         | 500     | 300     | 300     | 300     | 300     |
| Infrastructure | Develop and maintain world class logistics infrastructure | Percentage of households with access to basic water supply                              | KFA 23 | WS5.31     | Percentage of water connections metered   | 89%         | 92%     | 98%     | 98%     | 98%     | 98%     |
| Infrastructure | To promote an integrated spatial form                     | Rateable residential properties as a percentage of total households in the municipality | KFA 28 | HS2.22 (b) | Average Number of days taken to process Building Plan applications of more than 500 square meters | 173.33 Days | 58 Days | 58 Days | 58 Days | 58 Days | 58 Days |



| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |                                       |  |        |  |   |                            |                |                |                |                |                |
|--|---------------------------------------|--|--------|--|---|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                   | Outcome Indicator  | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator   | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
| Infrastructure   | To promote an integrated spatial form |  | KFA 28 | HS2.22 (a)                             | Average Number of days taken to process Building Plan applications of less than 500 square meters                         | 140.65 Days                | 28 Days        | 28 Days        | 28 Days        | 28 Days        | 28 Days        |
| Housing  | To promote an integrated spatial form | N/A  | KFA 25 | HS1.11                                 | Number of subsidised housing units constructed using various Human Settlements Programmes                                 | 137                        | 420            | 440            | 460            | 480            | 500            |
| Housing  | To promote an integrated spatial form | N/A  | KFA 25 | HS1.12                                 | Number of serviced sites  | 671                        | 800            | 850            | 900            | 950            | 1000           |
| BCMM INDICATORS  |                                       |  |        |  |   |                            |                |                |                |                |                |
| Land   | To promote an integrated spatial form | N/A  | KFA 28 | STC 1                                  | Number of land parcels acquired by Council for Mixed Use Integration Zone and Densification (public and privately owned). | 1                          | 4              | 4              | 4              | 4              | 4              |
| Infrastructure   | To promote an integrated spatial form | Percentage of households with access to basic sanitation | KFA 23 | WS 1.1/STC 2                           | Number of ablution facilities constructed (seats)   | 107                        | 99             | 60             | 60             | 60             | 60             |
| Infrastructure   | To promote an integrated spatial form | N/A  | KFA 29 | STC 3                                  | Number of cemeteries upgraded   | 5                          | 6              | 5              | 5              | 5              | 5              |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| <b>BCMM Council Key Focus Areas</b>                   | <b>Strategic Objective</b>                              | <b>Outcome Indicator</b> | <b>KFA</b> | <b>National Treasury Reference/BC MM Code</b> | <b>Key Performance Indicator</b>               | <b>2020/21 Baseline UNAUDITED</b> | <b>2021/22 Target</b> | <b>2022/23 Target</b> | <b>2023/24 Target</b> | <b>2024/25 Target</b> | <b>2025/26 Target</b> |
|---|---|--------------------------|------------|---|--|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Operations & Maintenance of Revenue Generating Assets | To promote an integrated spatial form                   | N/A                      | KFA 28     | STC 9   | Number of BCMM owned buildings upgraded        | 12                                | 12                    | 12                    | 12                    | 12                    | 12                    |
| Institutional Service Delivery & Operating Model      | Promote sound financial and administrative capabilities | N/A                      | KFA 25     | STC 15  | Number of beneficiaries registered on the NHNR | 2 285                             | 2010                  | 2010                  | 2010                  | 2010                  | 2010                  |
| Operations & Maintenance of Revenue Generating Assets | To promote an integrated spatial form                   | N/A                      | KFA2 8     | STC13   | Number of Parks Depots upgraded                | 3                                 | 2                     | 2                     | 2                     | 2                     | 2                     |

**STRATEGIC OUTCOME 5: A WELL GOVERNED CITY**

**NATIONAL PRESCRIBED INDICATORS**

|  |   |   |        |           |  |      |     |     |      |      |     |
|--|---|---|--------|-----------|--|------|-----|-----|------|------|-----|
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Top Management Stability (% of days in a year that all S56 positions are filled by fulltime, appointed staff not in an acting capacity) | KFA 46 | GG 1.21   | Staff vacancy rate   | 6.2% | 8%  | 6%  | 5.3% | 5.1% | 5%  |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Number of municipal officials completed training this quarter   | KFA 41 | C9/WGC 27 | % of the municipality's budget actually spent on implementing its workplace skills plan. | 82%  | 82% | 85% | 87%  | 90%  | 92% |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| BCMM Council Key Focus Areas                     | Strategic Objective                                     | Outcome Indicator  | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator                                   | 2020/21 Baseline UNAUDITED  | 2021/22 Target   | 2022/23 Target   | 2023/24 Target   | 2024/25 Target   | 2025/26 Target   |
|--|---|--|--------|--|---|---|--|--|--|--|--|
|  |   | Percentage of municipal skills development levy recovered  |        |  |   |   |  |  |  |  |  |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Average percentage of councillors attending council meetings   | KFA 46 | GG 4.11                                | Number of agenda items deferred to the next council meeting | 0   | 3 (Must not exceed 3 agenda items deferred to the next Council meeting per quarter)                            | 3 (Must not exceed 3 agenda items deferred to the next Council meeting per quarter)                            | 3 (Must not exceed 3 agenda items deferred to the next Council meeting per quarter)                            | 3 (Must not exceed 3 agenda items deferred to the next Council meeting per quarter)                            | 3 (Must not exceed 3 agenda items deferred to the next Council meeting per quarter)                            |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Number of dismissals for fraud and corruption per 100 000 population                                     | KFA 46 | GG 5.12                                | Quarterly salary bill of suspended officials                | <b>Q1</b> - R 1 074 731.49<br><b>Q2</b> - R 4,095,060.94<br><b>Q3</b> - R 6,070,559.41<br><b>Q4</b> - R4, 317, 535.46 | R10,000,00 0.00<br>(Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter) | R10,000,00 0.00<br>(Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter) | R10,000,00 0.00<br>(Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter) | R10,000,00 0.00<br>(Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter) | R10,000,00 0.00<br>(Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter) |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Number of alleged fraud and corruption cases reported per 100 000 population<br>Number of dismissals for | KFA 46 | GG 5.11                                | Number of active suspensions longer than three months       | 36  | 20 (suspensions longer than 3 months not to exceed 20 per quarter)   | 20 (number of suspensions longer than 3 months not to exceed   | 20 (number of suspensions longer than 3 months not to exceed   | 20 (number of suspensions longer than 3 months not to exceed   | 20 (number of suspensions longer than 3 months not to exceed   |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |  |        |  |  |                            |                |                 |                 |                 |                 |
|--|---|--|--------|--|--|----------------------------|----------------|-----------------|-----------------|-----------------|-----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                     | Outcome Indicator  | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target  | 2023/24 Target  | 2024/25 Target  | 2025/26 Target  |
|  |   | fraud and corruption cases reported per 100 000 population   |        |  |  |                            |                | 20 per quarter) | 20 per quarter) | 20 per quarter) | 20 per quarter) |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | Percentage of all qualifying households in the municipal area classified as indigent                       | KFA 39 | GG 6.11                                | Percentage of the municipality's operating budget spent on free basic services to indigent households                  | 6.69%                      | 5%             | 5%              | 5%              | 5%              | 5%              |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | Rateable residential properties as a percentage of total households in the municipality                    | KFA 37 | HS2.21                                 | Number of rateable residential properties in the subsidy housing market entering the municipal valuation roll          | 382                        | 360            | 450             | 500             | 550             | 600             |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | Households receiving Free Basic Electricity as a percentage of all households with electricity connections | KFA 37 | EE2.11                                 | Free Basic Electricity provision levels as per percentage of total residential electricity provision (in terms of MWh) | 11.20%                     | 10%            | 10%             | 10%             | 10%             | 10%             |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | Frequency of sewer blockages   | KFA 32 | WS3.11                                 | Percentage of Complaints/Callouts responded to within 24 hours (sanitation/waste water)                                | 100%                       | 100%           | 100%            | 100%            | 100%            | 100%            |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| <b>BCMM Council Key Focus Areas</b>              | <b>Strategic Objective</b>                              | <b>Outcome Indicator</b>   | <b>KFA</b> | <b>National Treasury Reference/BC MM Code</b> | <b>Key Performance Indicator</b>   | <b>2020/21 Baseline UNAUDITED</b>                                       | <b>2021/22 Target</b> | <b>2022/23 Target</b> | <b>2023/24 Target</b> | <b>2024/25 Target</b> | <b>2025/26 Target</b> |
|--|---|--|------------|---|--|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Frequency of mains failures  | KFA 32     | WS3.21  | Percentage of Complaints/Callouts responded to within 24 hours (water)                           | 100%  | 100%                  | 100%                  | 100%                  | 100%                  | 100%                  |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Wastewater quality compliance according to the water use license   | KFA 23     | WS 4.21                                       | Percentage of industries with trade effluent inspected for compliance                            | 26.30%  | 40%                   | 60%                   | 80%                   | 100%                  | 100%                  |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan) | KFA 30     | GG2.11  | Percentage of ward committees with 6 or more ward committee members (excluding ward councillors) | 100%  | 100%                  | 100%                  | 100%                  | 100%                  | 100%                  |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan) | KFA 30     | GG2.12  | Percentage of wards where at least one councillor-convended community meeting was held           | 4 Public Meetings Convened per Ward = 200 public meetings for 50 Wards. | 100%                  | 100%                  | 100%                  | 100%                  | 100%                  |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Audit Opinion  | KFA 30     | GG3.12  | Percentage of councillors who have declared their financial interests                            | 100%  | 100%                  | 100%                  | 100%                  | 100%                  | 100%                  |

**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| <b>BCMM Council Key Focus Areas</b>              | <b>Strategic Objective</b>                              | <b>Outcome Indicator</b>  | <b>KFA</b> | <b>National Treasury Reference/BC MM Code</b> | <b>Key Performance Indicator</b>  | <b>2020/21 Baseline UNAUDITED</b> | <b>2021/22 Target</b> | <b>2022/23 Target</b> | <b>2023/24 Target</b> | <b>2024/25 Target</b> | <b>2025/26 Target</b> |
|--|---|---|------------|---|---|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Percentage of households in informal settlements targeted for upgrading | KFA 25     | HS1.31  | Number of informal settlements assessed (enumerated and classified)                                     | 20                                | 44                    | 46                    | 46                    | 48                    | 48                    |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | Percentage of households in informal settlements targeted for upgrading | KFA 25     | HS1.32  | Percentage of informal settlements using a participatory approach to planning or implementing upgrading | 19%                               | 30%                   | 31%                   | 31%                   | 33%                   | 33%                   |
|  |   |   | KFA3 7     | WS.5.1  | A percentage of Non - revenue Water   | 40%                               | 35%                   | 35%                   | 35%                   | 35%                   | 35%                   |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A   | KFA2 5     | TR6.21  | Percentage of reported pothole complaints resolved within standard municipal response time              | New indicator                     | 80%                   | 80%                   | 80%                   | 80%                   | 80%                   |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A   | KFA2 5     | WS4.11  | Percentage of water treatment capacity unused   | New indicator                     | 10%                   | 10%                   | 10%                   | 10%                   | 10%                   |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A   | KFA2 5     | W4.31   | Percentage of waste water treatment capacity unused   | New indicator                     | 40%                   | 40%                   | 40%                   | 40%                   | 40%                   |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A   | KFA2 5     | WS5.21  | Infrastructure leakage index  | New indicator                     | <7.3                  | <7.3                  | <7.3                  | <7.3                  | <7.3                  |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |                   |       |  |  |                            |                           |                           |                           |                           |                           |
|--|---|-------------------|-------|--|--|----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                     | Outcome Indicator | KFA   | National Treasury Reference/BC MM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED | 2021/22 Target            | 2022/23 Target            | 2023/24 Target            | 2024/25 Target            | 2025/26 Target            |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA37 | WGC25                                  | Percentage total electricity losses  | 19,13%                     | Equal to or less than 21% | Equal to or less than 19% | Equal to or less than 19% | Equal to or less than 19% | Equal to or less than 19% |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA41 | LED 1.31                               | Number of individuals connected to apprenticeships and learnerships through municipal interventions                            | 18                         | 40 Learners               | 40 Learners               | 40 Learners               | 40 Learners               | 40 Learners               |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA46 | GG 1.22                                | Percentage of vacant posts filled within 3 months  | New indicator              | 50%                       | 100%                      | 50%                       | 50%                       | 50%                       |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA30 | GG2.31                                 | Percentage of official complaints responded to through the municipal complaint management system                               | New indicator              | 100%                      | 100%                      | 100%                      | 100%                      | 100%                      |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA37 | LED 1.11                               | Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area | 80%                        | 80%                       | 80%                       | 80%                       | 80%                       | 80%                       |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA37 | LED 3.31                               | Average number of days from the point of advertising to the letter of award per  | 270 days                   | 180 days                  | 180 days                  | 180 days                  | 180 days                  | 180 days                  |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |                   |        |                                       |  |                            |                |                |                |                |                |
|--|---|-------------------|--------|---------------------------------------|--|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                     | Outcome Indicator | KFA    | National Treasury Reference/BCMM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
|  |   |                   |        |                                       | 80/20 procurement process  |                            |                |                |                |                |                |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA3 7 | LED 3.21                              | Percentage of revenue clearance certificates issued within 10 working days from the time of completed application received   | 93%                        | 95%            | 95%            | 95%            | 95%            | 95%            |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA3 7 | LED 2.11                              | Percentage of budgeted rates revenue collected   | 85%                        | 83,5%          | 83,5%          | 83,5%          | 83,5%          | 83,5%          |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA3 7 | LED 3.32                              | Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission | 90%                        | 100%           | 100%           | 100%           | 100%           | 100%           |
| BCMM INDICATORS  |   |                   |        |                                       |  |                            |                |                |                |                |                |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA 46 | WGC 1                                 | Number of people from employment equity target groups (females) employed in the 3 highest levels of management               | 5                          | 3              | 3              | 3              | 3              | 3              |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA 38 | WGC 6                                 | % of a municipality's capital budget spent on capital projects identified in the IDP   | 77%                        | 100%           | 100%           | 100%           | 100%           | 100%           |



**Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c)**

| <b>BCMM Council Key Focus Areas</b>              | <b>Strategic Objective</b>                              | <b>Outcome Indicator</b> | <b>KFA</b> | <b>National Treasury Reference/BC MM Code</b> | <b>Key Performance Indicator</b>   | <b>2020/21 Baseline UNAUDITED</b> | <b>2021/22 Target</b> | <b>2022/23 Target</b> | <b>2023/24 Target</b> | <b>2024/25 Target</b> | <b>2025/26 Target</b> |
|--|---|--------------------------|------------|---|--|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A                      | KFA 37     | WGC 7   | % revenue Collection Rate as measured in accordance with the MSA performance regulations   | 81.63%                            | 83,5%                 | 86%                   | 86.5%                 | 87%                   | 87.5%                 |
| ICT  | Promote sound financial and administrative capabilities | N/A                      | KFA 37     | WGC 9 (a)                                     | Number of Electricity Smart Meters Installed (Business Debtors)  | 3 464                             | 1060                  | 2 000                 | 2 000                 | 2 000                 | 2 000                 |
| ICT  | Promote sound financial and administrative capabilities | N/A                      | KFA 37     | WGC 9 (b)                                     | Number of Electricity and Water Smart Meters installed (Residential)   | 86 938                            | 12400                 | 10 000                | 10 000                | 10 000                | 10 000                |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A                      | KFA 39     | WGC14   | Credit Rating Maintained at A  | A                                 | A                     | A                     | A                     | A                     | A                     |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A                      | KFA 39     | WGC15   | Current ratio (municipality's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables) | 1,71: 1                           | 1.6: 1                | 1.55: 1               | 1.5: 1                | 1.5: 1                | 1.5: 1                |
| Institutional Service Delivery & Operating Model | Promote sound financial and administrative capabilities | N/A                      | KFA 39     | WGC16   | Debt to revenue percentage (the extent of Total Borrowings in relation to Total Operating Revenue)   | 3%                                | Less than 45%         | Less than 45%         | Less than 45%         | Less than 45%         | Less than 45%         |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |                   |        |  |  |                                   |   |                                  |                                  |                                  |                                  |
|--|---|-------------------|--------|--|--|-----------------------------------|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                     | Outcome Indicator | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED        | 2021/22 Target  | 2022/23 Target                   | 2023/24 Target                   | 2024/25 Target                   | 2025/26 Target                   |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA 39 | WGC17                                  | Cost coverage (ability to meet at least the municipality's monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue during that month). | 1-85x fixed operating expenditure | 1-2x fixed operating expenditure  | 1-2x fixed operating expenditure | 1-2x fixed operating expenditure | 1-2x fixed operating expenditure | 1-2x fixed operating expenditure |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA 38 | WGC18                                  | Creditors payment period   | 62 days                           | 30 days   | 30 days                          | 30 days                          | 30 days                          | 30 days                          |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA37  | WGC 30                                 | life-cycle asset management system implementation stage  | New Indicator (Mayoral Lekgotla)  | Project management at 100% of Phase 2: Further development of the procured ERP system | N/A                              | N/A                              | N/A                              | N/A                              |
| Institutional Service Delivery & Operating Model   | Promote sound financial and administrative capabilities | N/A               | KFA37  | WGC 31                                 | Percentage of registered billing queries   | New Indicator (Mayoral Lekgotla)  | Less than 3 percent of the total billing  | N/A                              | N/A                              | N/A                              | N/A                              |
| Institutional Service Delivery   | Promote sound financial and                             | N/A               | KFA 37 | WGC22                                  | Total increase in the amount of revenue  | R 12 504 168.92                   | 5 500 000   | 5 500 000                        | 5 500 000                        | 5 500 000                        | 5 500 000                        |

| Development Priorities and Objectives in terms of Section 26 (c) of the Municipal Systems Act and Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001) Reg 2(1)(c) |   |                                       |        |  |  |                            |                |                |                |                |                |
|--|---|---------------------------------------|--------|--|--|----------------------------|----------------|----------------|----------------|----------------|----------------|
| BCMM Council Key Focus Areas   | Strategic Objective                                     | Outcome Indicator                     | KFA    | National Treasury Reference/BC MM Code | Key Performance Indicator  | 2020/21 Baseline UNAUDITED | 2021/22 Target | 2022/23 Target | 2023/24 Target | 2024/25 Target | 2025/26 Target |
| & Operating Model  | administrative capabilities                             |                                       |        |  | collected for traffic fines  |                            |                |                |                |                |                |
| Operations & maintenance   | Promote sound financial and administrative capabilities | Total water losses                    | KFA 37 | WGC24                                  | Number of kilolitres reduced (physical water losses in terms of system losses) | 4 881 016kl                | 850 000 KI     | 850 000 KI     | 850 000 KI     | 850 000 KI     | 850 000 KI     |
|  |   | Percentage of non-revenue water       |        |  |  |                            |                |                |                |                |                |
|  |   | Total per capita consumption of water |        |  |  |                            |                |                |                |                |                |

#### KEY PERFORMANCE INDICATORS (KPI) FROM NATIONAL TREASURY [CIRCULAR 88]

| No.  | KFA No. | Additional indicators from National Treasury, Circular 88 for reporting only   | Total number/ % |
|------|---------|--|-----------------|
| C1.  | KFA 46  | Number of signed performance agreements by the MM and section 56 managers:   |                 |
| C2.  | KFA 30  | Number of Exco or Mayoral Executive meetings held in this quarter:   |                 |
| C3.  | KFA 30  | Number of Council portfolio committee meetings held in this quarter:   |                 |
| C4.  | KFA 30  | Number of MPAC meetings held in this quarter:  |                 |
| C5.  | KFA 30  | Number of traditional councils within your municipal boundary:   |                 |
| C6.  | KFA 30  | Number of formal (minuted) meetings between the Mayor, Speaker, Chief Whip and MM were held in the quarter to deal with municipal matters: |                 |
| C7.  | KFA 30  | Number of formal (minuted) meetings - to which all senior managers were invited- held in the quarter:                                      |                 |
| C8.  | KFA 41  | Number of councillors completed training in this quarter:  |                 |
| C9.  | KFA 41  | Number of municipal officials completed training in this quarter:  |                 |
| C10. | KFA 46  | Number of work stoppages occurring in the quarter:   |                 |
| C11. |         | Number of litigation cases instituted by the municipality in the quarter:  |                 |
| C12. |         | Number of litigation cases instituted against the municipality in the quarter:   |                 |
| C13. | KFA 31  | Number of forensic investigations instituted in the quarter:   |                 |
| C14. | KFA 31  | Number of forensic investigations conducted in the quarter:  |                 |

| No.     | KFA No. | Additional indicators from National Treasury, Circular 88 for reporting only   | Total number/<br>% |
|---------|---------|--|--------------------|
| C15.    | KFA 46  | Number of days of sick leave taken by employees in the quarter:  |                    |
| C16.    | KFA 46  | Number of permanent employees employed at the end of the quarter:  |                    |
| C17.    | KFA 46  | Number of temporary employees employed at the end of the quarter:  |                    |
| GG3.13. | KFA 39  | Percentage of administrative staff who have declared their financial interests   |                    |
| GG2.2.  | KFA 30  | Attendance rate of municipal council meetings by all identified Traditional leaders (%)  |                    |
| No.     | KFA No. | Key Performance Indicators (KPI's) from National Treasury, Circular 88 for reporting only and are incorporated into the SDBIP 2019/2020 financial year | Total number/<br>% |
|         |         | <b>STRATEGIC OUTCOME 2: A GREEN CITY</b>   |                    |
| ENV4.11 | KFA 16  | Percentage of biodiversity priority area within the metro  |                    |
|         |         | <b>STRATEGIC OUTCOME 3: A CONNECTED CITY</b>   |                    |
| TR4.21  | KFA 21  | Percentage of scheduled municipal bus services 'on time'   |                    |
| TR5.21  | KFA 21  | Percentage of scheduled municipal buses that are low-entry   |                    |
| EE4.12  | KFA 22  | Installed capacity of embedded generators on the municipal distribution network  |                    |
|         |         | <b>STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY</b>   |                    |
| TR1.12  | KFA 21  | Number of operational public transport access points added   |                    |
|         |         | <b>STRATEGIC OUTCOME 5: A WELL GOVERNED CITY</b>   |                    |
| FE1.12  | KFA 46  | Number of full-time firefighters per 1000 population   |                    |
| GG4.11  | KFA 46  | Number of agenda items deferred to the next council meeting  |                    |
| GG5.12  | KFA 46  | Quarterly salary bill of suspended officials (Rand value)  |                    |
| GG3.11  | KFA 47  | Number of repeat audit findings  |                    |
| HS1.21  | KFA 25  | Average number of days taken to register the title deed (subsidised stands and units)  |                    |
| HS1.31  | KFA 25  | Number of informal settlements enumerated and classified (in terms of NUSP or equivalent classification)   |                    |
| HS1.32  | KFA25   | Percentage of informal settlements using a participatory approach to planning or implementing upgrading  |                    |

# SECTION F – FINANCIAL PLAN

## 1. INTRODUCTION

The financial plan has been reviewed in line with historic performance trends and noting the local government regulatory framework as a guide and used to confirm budget indicatives. The funding model still relies heavily on revenue generated from trading services through tariffs supported by grants and loans for its funding requirements.

In ensuring that Buffalo City Metropolitan Municipality (BCMM) achieves a funded, credible and sustainable budget, consideration of budget trade-offs has to be undertaken guided by the following financial strategies:

- a) Long term financial planning that responds to strategic objectives and financial sustainability
- b) Revenue optimisation
- c) Operational expenditure optimisation
- d) Capital budget and funding mix
- e) Financial sustainability and asset management

### 1.1 Long term financial planning that responds to strategic objectives and financial sustainability:

The 2022/23 Consolidated MTREF budget of BCMM is informed by the City's strategic objectives, which are:

- a) Integrated Development Plan (IDP),
- b) Metro Growth Development Strategy 2030 (MGDS),
- c) the Spatial Development Framework (SDF) and
- d) Built Environment Performance Plan (BEPP).

The City continues to strive towards ensuring surplus budgets beyond the MTREF period so as to finance existing infrastructure replacement as well as new infrastructure expansion. This capital financing is informed by consistent monitoring of the municipal asset management plans which are prepared with the guidance of GTAC. In so doing, the City strives to draw a balance between social and economic infrastructure investment, thereby promoting economic growth and employment in the City.

The institution has historically undertaken capital projects with the view of expansion of the City using own funding. It is however recognised that capital expansion using own funds cannot occur indefinitely without corresponding economic growth, hence a revision of the City's long term financial planning in an aid to sustain the cost of replacement of infrastructure to reduce the cost of the depreciation in the operational budget, hence reduce the tariffs for services in the City, thereby increasing the affordability of consumers, employment creation, increase in economic growth, increase in business confidence thereby promoting investment in the City etc. The City has taken a posture to diversify its capital financing mix, allowing for rapid infrastructure replacement and development. This ensures a more rigorous approach to maintenance of trading services infrastructure and balanced approach to economic growth and social transformation in the long run. More information is provided on the financial strategy under section 3 below.

## **1.2 Revenue Optimisation:**

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

- i. Efficient revenue management, which aims to ensure not less than 80.5% annual collection rate over the medium term for property rates and other key service charges.
- ii. Achievement of full cost recovery of specific user charges especially in relation to trading services.
- iii. The City is striving to ensure that all its trading services are financially self-sustainable.
- iv. Implementation of an automated billing system as opposed to a manual meter reading process.
- v. Creating a conducive environment to attract potential investors.
- vi. Review of the Spatial Development Framework to allow for human capital resources to be closer to economic and job opportunities.

## **1.3 Operational Expenditure Optimisation:**

The City's expenditure strategy is built around the following key components:

- i. Re-prioritisation of expenditure to ensure any inefficiencies are eliminated in an effort to contain costs.
- ii. Review of organogram, governance structure and service delivery model in line with the City's objective and funding affordability.
- iii. The exercise of scrutinising cost drivers within our value chain to identify areas for efficiency improvement is still on-going.
- iv. Funding of own funded operating projects is depressed, encouraging in-house implementation of projects through normal operating budget.

## **1.4 Capital Budget and Funding Mix:**

The City's expenditure strategy is built around the following key components:

- i. The funding mix of the capital budget must be optimised.
- ii. Invest in grant funding on eradication of backlogs and social infrastructure.
- iii. Invest internally generated funds mainly on renewal of existing assets.
- iv. Invest borrowed funds mainly on economic infrastructure that will have returns on investments.

## **1.5 Financial Sustainability and Asset Management**

- i. It is therefore imperative that there are proper Asset Management Plans that inform capital investment, asset renewal programme and asset maintenance programme.
- ii. Alignment of funding method with asset types.
- iii. Use of asset values to determine the future capital requirements to maintain the service level standards whilst taking cognisance of growth needs.
- iv. Use of infrastructure assets to stimulate growth.

## 2. 2022/23 MTREF Capital & Operating Budget Estimates

The total consolidated budget (capital and operating) for the 2022/23 MTREF period is growing from R10.13 billion in the 2021/22 to R10.96 billion in the 2022/23 financial year, it further grows to R11.12 billion and R11.18 billion in the 2023/24 and 204/2025 financial years respectively.

The financial plan includes an Operating Budget (table 2 & table 3 below) and the Capital Investment Programme per source of funding and per service (Table 5 & table 6 below), for the four financial years ending June 2025.

### 2.1 Budget Assumptions

The following assumptions apply to the 2022/23 Medium Term Budget Framework (MTREF) and additional details on programme allocations and budget assumptions are provided in the budget document:

**Table 1: 2021/2022 to 2024/2025 Budget Assumptions**

| DESCRIPTION                                    | 2021/2022    | 2022/2023      | 2023/2024      | 2024/2025      |
|--|--------------|----------------|----------------|----------------|
| National Treasury Headline Inflation Forecasts | 4.50%        | 4.80%          | 4.40%          | 4.50%          |
| Salaries                                       | 3.50%        | 4.80%          | 4.40%          | 4.50%          |
| Electricity Purchases                          | 14.59%       | 7.47%          | 8.47%          | 9.00%          |
| Water Purchases                                | 7.09%        | 5.78%          | 6.78%          | 9.00%          |
| Free Basic Electricity                         | 50 kwh p.m.  | 50 kwh p.m.    | 50 kwh p.m.    | 50 kwh p.m.    |
| Free Basic Water                               | 6 kl p.m.    | 6 kl p.m.      | 6 kl p.m.      | 6 kl p.m.      |
| Basic Welfare Package                          | R782.26      | R824.30        | R868.35        | R917.70        |
| Equitable Share Allocation                     | R936,811,000 | R1,045,448,000 | R1,118,513,000 | R1,196,538,000 |
| Bad Debt Provision                             | 15.00%       | 19.50%         | 19.50%         | 19.50%         |
| Property Rates                                 | 8.00%        | 4.80%          | 4.40%          | 4.50%          |
| Refuse Tariff                                  | 8.50%        | 4.80%          | 4.40%          | 4.50%          |
| Sewerage Tariff                                | 8.50%        | 4.80%          | 4.40%          | 4.50%          |
| Electricity Tariff                             | 14.59%       | 7.47%          | 8.47%          | 9.00%          |
| Water Tariff                                   | 9.10%        | 6.78%          | 7.78%          | 9.00%          |
| Fire Levy                                      | 8.00%        | 4.80%          | 4.40%          | 4.50%          |
| Sundry Income                                  | 8.00%        | 4.80%          | 4.40%          | 4.50%          |

## 2.2 Operating Budget Estimates

### 2.2.1 Operating Revenue Framework

In 2022/23 financial year, the City's own revenue generated by property rates and service charges is 70% of the total revenue, totalling to R6.2 billion and it increases slightly over the MTERF to R6.6 billion in the 2023/24 and to R7.1 billion in the 2024/25 financial years. Electricity service remains the largest contributor to the total revenue mix (inclusive of conditional and unconditional grants) which is 29% in the 2022/23 financial year. Electricity revenue is increasing from R2.37 billion to R2.55 billion in 2022/23, it further increases to R2.77 billion and R3 billion respectively in the two outer years of the 2022/23 MTREF period. Property rates are the second largest own revenue source with 22% contribution in the 2022/23 financial year.

**Table 2: Operating Revenue by Revenue Source**

| Description  | 2018/19          | 2019/20          | 2020/21          | Current Year 2021/22 |                  |                    |                   | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|------------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|------------------------|------------------------|
|  | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Revenue By Source</b>   |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Property rates   | 1,295,503        | 1,467,400        | 1,589,415        | 1,834,764            | 1,834,764        | 1,834,764          | 1,834,764         | 1,958,216   | 2,044,378              | 2,136,375              |
| Service charges - electricity revenue                                | 1,739,494        | 1,838,105        | 1,948,603        | 2,367,669            | 2,372,338        | 2,372,338          | 2,372,338         | 2,549,552   | 2,765,499              | 3,014,394              |
| Service charges - water revenue                                      | 503,580          | 709,744          | 1,214,597        | 795,708              | 795,708          | 795,708            | 795,708           | 849,617   | 915,675                | 998,086                |
| Service charges - sanitation revenue                                 | 328,923          | 377,249          | 420,119          | 447,060              | 447,060          | 447,060            | 447,060           | 468,519   | 489,134                | 511,145                |
| Service charges - refuse revenue                                     | 251,916          | 335,843          | 354,026          | 367,954              | 367,954          | 367,954            | 367,954           | 385,616   | 402,583                | 420,699                |
| Rental of facilities and equipment                                   | 20,704           | 22,652           | 24,222           | 20,959               | 20,959           | 20,959             | 20,959            | 21,965  | 22,932                 | 23,964                 |
| Interest earned - external investments                               | 98,251           | 70,650           | 40,801           | 36,490               | 30,654           | 30,654             | 30,654            | 30,876  | 31,206                 | 31,505                 |
| Interest earned - outstanding debtors                                | 67,093           | 122,587          | 119,421          | 109,696              | 115,696          | 115,696            | 115,696           | 121,249   | 126,584                | 132,280                |
| Dividends received   |                  |                  |                  |                      |                  |                    |                   |   |                        |                        |
| Fines, penalties and forfeits  | 24,938           | 10,864           | 16,659           | 21,407               | 21,407           | 21,407             | 21,407            | 22,435  | 23,422                 | 24,476                 |
| Licences and permits   | 14,300           | 12,587           | 12,411           | 18,835               | 18,835           | 18,835             | 18,835            | 19,739  | 20,607                 | 21,535                 |
| Agency services  | 26,198           | 23,428           | 25,112           | 43,070               | 44,746           | 44,746             | 44,746            | 44,713  | 44,187                 | 44,670                 |
| Transfers and subsidies  | 918,696          | 987,005          | 1,202,782        | 1,301,395            | 1,370,113        | 1,370,113          | 1,370,113         | 1,446,763   | 1,437,067              | 1,478,210              |
| Other revenue  | 746,286          | 586,635          | 747,756          | 869,105              | 862,493          | 862,493            | 862,493           | 952,379   | 985,478                | 1,052,157              |
| Gains  | -                | 4,254            | 34,411           | -                    | -                | -                  | -                 | -   | -                      | -                      |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>6,035,884</b> | <b>6,569,003</b> | <b>7,750,334</b> | <b>8,234,112</b>     | <b>8,302,728</b> | <b>8,302,728</b>   | <b>8,302,728</b>  | <b>8,871,639</b>                                    | <b>9,308,750</b>       | <b>9,889,494</b>       |

### 2.2.2 Operating Expenditure Framework

- The employee related costs** equates to 30% of the total operating costs; this percentage is within the norm of 25% to 40% as per MFMA Circular 71 guideline. The existing Salary and Wage Collective Agreement has been followed in projecting employee costs increases of 4.8% in 2022/23.
- Remuneration of councillors** is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the City's budget..
- The provision of debt impairment** has been determined based on an annual collection rate of 80.5% 2022/2023. The annual collection rate is expected to remain the same at 80.5% in



2023/2024 & in 2024/2025. For the 2022/23 financial year this amounts to R1.21 billion, it increases to R1.29 billion in 2023/24, it further increases to R1.38 million in the 2024/25 financial year. While this expenditure is considered to be a non-cash flow item, it informs the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

- d) **Provision for depreciation** and asset impairment is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R614 million for the 2022/23 financial year and equates to 7% of the total operating expenditure budget. Infrastructure assets are by far the most significant value of the Statement of Financial Position of the institution and is where the most significant amount of the institutions resources is expended. As such the institution has made a strategic decision to actively manage its infrastructure assets by ensuring all new infrastructure commitments are made in line with the Metro Growth and Development Strategy. It needs to be recognised that the institution has adopted the revaluation accounting approach for all infrastructure assets. The main reason for the decision is to ensure the future viability of the institution by allowing for the future replacement of these significant long-term assets.
- e) **Finance charges** consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 1% (R49.36 million) of operating expenditure in 2022/2023.
- f) **Bulk purchases** in 2022/2023 equates to 24% of total operating expenditure). This item is directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions.
- g) **Other expenditure** comprises of various line items relating to the daily operations of the municipality. In the 2022/23 financial year the City has applied a % increase as follows:
- **Transfers & grants** – In the 2022/2023 financial year this item is increasing by 15% from the previous year. This increase is mainly due to an increase in the budgeted European Union grant that is being factored into the budget. National Treasury transfers this grant to BCMM and BCMM transfers this grant to BCMDA. BCMM has applied a percentage increase of 0.5% to transfers and grants for the 2022/2023 financial year.
  - **Other expenditure** – This item is reducing by 2% from the 2021/2022 budgeted amount. This reduction is due to budget reallocations performed to improve operational efficiency. This increase is based on the consolidated budgeted amount for Other expenditure. BCMM has applied a percentage increase of 0.5% of this item for the 2022/2023 financial year.
  - **Inventory consumed** This item is reducing by 20% from the 2021/2022 budgeted amount. This reduction is due to budget reallocations performed to improve operational efficiency. BCMM has applied a percentage increase of 0.5% to this item for the 2022/2023 financial year.
  - **Contracted services** – This item is decreasing by 5%. This decrease is based on the consolidated budgeted amount for Contracted services.

The institution undertook a line-by-line analysis of expenditure in an attempt to improve efficiencies.

- h) Repairs and Maintenance budget is 5.4% of the total Operating budget in 2022/23. The City is striving towards a 10% repairs and maintenance of its total operating budget owing to the aging of the City's infrastructure and historic deferred maintenance. The City has embarked on a programme to replace existing infrastructure assets which have almost reached and/or exceeded their useful lives and will be funded from own funds. The institution has identified a historical funding shortfall associated with the replacement of existing infrastructure assets and in an attempt to alleviate the shortfall, some of the Urban Settlement Development Grant (USDG) funding will be utilized to replace existing infrastructure.

**Table 3: Operating Expenditure by Type**

| R thousand                      | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget  | Adjusted Budget  | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|--------------------|-------------------|---------------------|------------------------|------------------------|
| <b>Expenditure By Type</b>      |                  |                  |                  |                  |                  |                    |                   |                     |                        |                        |
| Employee related costs          | 2,031,924        | 2,206,010        | 2,472,782        | 2,536,210        | 2,560,136        | 2,560,136          | 2,560,136         | 2,686,871           | 2,806,687              | 2,932,268              |
| Remuneration of councillors     | 62,316           | 64,687           | 63,813           | 76,550           | 67,045           | 67,045             | 67,045            | 70,263              | 73,354                 | 76,655                 |
| Debt impairment                 | 373,183          | 601,842          | 926,950          | 871,973          | 966,894          | 966,894            | 966,894           | 1,211,246           | 1,290,367              | 1,380,736              |
| Depreciation & asset impairment | 1,295,635        | 1,710,062        | 1,400,787        | 649,173          | 649,319          | 649,319            | 649,319           | 614,397             | 643,945                | 734,977                |
| Finance charges                 | 38,467           | 32,564           | 25,757           | 59,936           | 23,235           | 23,235             | 23,235            | 49,361              | 153,640                | 161,565                |
| Bulk purchases - electricity    | 1,395,329        | 1,528,586        | 1,631,905        | 2,010,261        | 2,010,261        | 2,010,261          | 2,010,261         | 2,160,427           | 2,343,415              | 2,554,323              |
| Inventory consumed              | 320,137          | 339,555          | 284,440          | 436,115          | 397,212          | 397,212            | 397,212           | 314,839             | 327,905                | 351,307                |
| Contracted services             | -                | 682,052          | 626,011          | 901,377          | 934,012          | 934,012            | 934,012           | 977,494             | 892,836                | 897,057                |
| Transfers and subsidies         | 77,040           | 131,019          | 104,708          | 161,059          | 147,983          | 147,983            | 147,983           | 170,553             | 146,754                | 138,446                |
| Other expenditure               | 1,125,127        | 466,217          | 583,103          | 529,092          | 544,264          | 544,264            | 544,264           | 532,823             | 539,729                | 564,813                |
| Losses                          | 46,325           | 13,683           | 22,200           | -                | -                | -                  | -                 | 82,136              | 87,701                 | 95,594                 |
| <b>Total Expenditure</b>        | <b>6,765,484</b> | <b>7,776,276</b> | <b>8,142,456</b> | <b>8,231,745</b> | <b>8,300,361</b> | <b>8,300,361</b>   | <b>8,300,361</b>  | <b>8,870,409</b>    | <b>9,306,333</b>       | <b>9,887,741</b>       |

### 2.3 Cash Flow Projections

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget. The cash and cash equivalents reduce from R1.26 billion in the 2021/22 period to R885 million in the 2022/23, it is expected to reduce to R696 million by 2024/25 financial year.

**Table 4: Budgeted Cash Flow Statement**

| Description                                      | 2018/19            | 2019/20            | 2020/21            | Current Year 2021/22 |                    |                    |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|---|------------------------|------------------------|
|  | Audited Outcome    | Audited Outcome    | Audited Outcome    | Original Budget      | Adjusted Budget    | Full Year Forecast | Pre-audit outcome  | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| <b>Receipts</b>                                  |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| Property rates                                   | 1,295,503          | 1,468,355          | 1,589,415          | 1,577,897            | 1,577,897          | 1,577,897          | 1,577,897          | 1,576,364   | 1,645,724              | 1,719,782              |
| Service charges                                  | 2,823,913          | 3,180,242          | 3,937,345          | 3,421,416            | 3,426,085          | 3,426,085          | 3,426,085          | 3,423,909   | 3,681,177              | 3,980,180              |
| Other revenue                                    | 444,790            | 78,677             | (619,352)          | 967,444              | 962,509            | 962,509            | 962,509            | 866,859   | 895,418                | 952,185                |
| Transfers and Subsidies - Operational            | 921,187            | 979,243            | 1,202,782          | 1,301,395            | 1,370,113          | 1,370,113          | 1,370,113          | 1,446,763   | 1,437,067              | 1,478,210              |
| Transfers and Subsidies - Capital                | 998,245            | 1,010,413          | 1,069,736          | 733,699              | 737,748            | 737,748            | 737,748            | 736,015   | 753,204                | 798,158                |
| Interest   | 165,784            | 192,171            | 160,222            | 130,828              | 130,993            | 130,993            | 130,993            | 30,876  | 31,206                 | 31,505                 |
| Dividends  |                    |                    |                    | -                    | -                  | -                  | -                  | -   | -                      | -                      |
| <b>Payments</b>                                  |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| Suppliers and employees                          | (5,407,264)        | (4,841,629)        | (5,753,843)        | (6,489,604)          | (6,512,929)        | (6,512,929)        | (6,512,929)        | (6,824,853)   | (7,071,627)            | (7,472,017)            |
| Finance charges                                  | (38,467)           | (32,564)           | (25,757)           | (59,936)             | (23,235)           | (23,235)           | (23,235)           | (49,361)  | (153,640)              | (161,565)              |
| Transfers and Grants                             | (47,193)           | (130,821)          | (104,708)          | (161,059)            | (147,983)          | (147,983)          | (147,983)          | (170,553)   | (146,754)              | (138,446)              |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> | <b>1,156,497</b>   | <b>1,904,087</b>   | <b>1,455,838</b>   | <b>1,422,081</b>     | <b>1,521,198</b>   | <b>1,521,198</b>   | <b>1,521,198</b>   | <b>1,036,020</b>                                    | <b>1,071,774</b>       | <b>1,187,991</b>       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>      |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| <b>Receipts</b>                                  |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| Proceeds on disposal of PPE                      | 2,226              | 10,373             | 36,769             | -                    | -                  | -                  | -                  | -   | -                      | -                      |
| Decrease (increase) in non-current receivables   |                    |                    |                    |                      |                    |                    |                    | -   | -                      | -                      |
| Decrease (increase) in non-current investments   |                    |                    |                    |                      |                    |                    |                    | -   | -                      | -                      |
| <b>Payments</b>                                  |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| Capital assets                                   | (1,760,015)        | (1,654,409)        | (1,666,515)        | (1,803,592)          | (1,827,550)        | (1,827,550)        | (1,827,550)        | (2,086,362)   | (1,811,183)            | (1,288,703)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> | <b>(1,757,789)</b> | <b>(1,644,036)</b> | <b>(1,629,746)</b> | <b>(1,803,592)</b>   | <b>(1,827,550)</b> | <b>(1,827,550)</b> | <b>(1,827,550)</b> | <b>(2,086,362)</b>                                  | <b>(1,811,183)</b>     | <b>(1,288,703)</b>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>      |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| <b>Receipts</b>                                  |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| Short term loans                                 |                    |                    |                    |                      |                    |                    |                    | -   | -                      | -                      |
| Borrowing long term/refinancing                  | -                  | -                  | -                  | 369,714              | 235,311            | 235,311            | 235,311            | 732,614   | 622,495                | 140,000                |
| Increase (decrease) in consumer deposits         | -                  | -                  | -                  | -                    | -                  | -                  | -                  | 8,182   | 3,423                  | 3,655                  |
| <b>Payments</b>                                  |                    |                    |                    |                      |                    |                    |                    |   |                        |                        |
| Repayment of borrowing                           | (52,572)           | (57,974)           | (54,396)           | (50,892)             | (45,512)           | (45,512)           | (45,512)           | (62,833)  | (56,859)               | (61,220)               |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> | <b>(52,572)</b>    | <b>(57,974)</b>    | <b>(54,396)</b>    | <b>318,822</b>       | <b>189,799</b>     | <b>189,799</b>     | <b>189,799</b>     | <b>677,964</b>                                      | <b>569,059</b>         | <b>82,435</b>          |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>     | <b>(653,864)</b>   | <b>202,078</b>     | <b>(228,303)</b>   | <b>(62,689)</b>      | <b>(116,554)</b>   | <b>(116,554)</b>   | <b>(116,554)</b>   | <b>(372,378)</b>                                    | <b>(170,350)</b>       | <b>(18,278)</b>        |
| Cash/cash equivalents at the year begin:         | 1,825,497          | 1,171,633          | 1,373,711          | 1,373,606            | 1,373,606          | 1,373,606          | 1,373,606          | 1,257,052   | 884,674                | 714,324                |
| Cash/cash equivalents at the year end:           | 1,171,633          | 1,373,711          | 1,145,407          | 1,310,917            | 1,257,052          | 1,257,052          | 1,257,052          | 884,674   | 714,324                | 696,046                |

## 2.4 Capital Budget Estimates

The below tables reflect that the consolidated capital budget for capital programme is R2.09 billion in the 2022/23 financial year, R1.81 billion and R1.29 billion in the 2023/2024 and 2024/2025 financial years respectively.

The City's capital budget has increased by 14% when compared to the 2021/22 adjusted budget. It then reduces by 38% from the 2022/2023 to 2024/2025 financial year. Further breakdown per service of the capital budget is detailed in table 6 below. It depicts that for the 2022/223 financial year an amount of R567million has been appropriated for the Waste Water infrastructure, R395 million for Roads and Storm Water, R160.9 million for Water, R75.8 million for Transport Planning, R23.97million for waste management, R235.49 million for Human Settlements and R145 million for Electricity. These services represent 77% of the total capital budget for the 2022/23 financial year.

Although these services are not all revenue generating the budget expenditure is in terms of the City's socio-economic development mandate. They are also crucial in unlocking the economic growth of the City. There is however a drive to channel more funding towards economic infrastructure in order to stimulate economic growth in the Metro. The table below shows how the capital budget will be funded.

**Table 5: Capital Investment Programme Per Directorate**

| <b>CAPITAL BUDGET PER DIRECTORATE</b>      | <b>2022/2023<br/>CAPITAL<br/>BUDGET</b> | <b>2023/2024<br/>CAPITAL<br/>BUDGET</b> | <b>2024/2025<br/>CAPITAL<br/>BUDGET</b> |
|--|---|---|---|
| EXECUTIVE SUPPORT SERVICES                 | 500,000                                 | 500,000                                 | 500,000                                 |
| CITY MANAGER'S OFFICE                      | 600,000                                 | 600,000                                 | 500,000                                 |
| CORPORATE SERVICES                         | 4,979,959                               | 4,650,000                               | 11,650,000                              |
| SPATIAL PLANNING & DEVELOPMENT             | 105,340,632                             | 131,616,510                             | 83,457,810                              |
| ECONOMIC DEVELOPMENT & AGENCIES            | 56,460,848                              | 61,100,000                              | 43,138,554                              |
| FINANCE SERVICES                           | 250,714,280                             | 235,028,490                             | 13,500,000                              |
| HEALTH/PUBLIC SAFETY & EMERGENCY SERVICES  | 22,900,000                              | 27,187,900                              | 15,500,000                              |
| HUMAN SETTLEMENTS                          | 235,992,070                             | 309,298,320                             | 262,944,032                             |
| INFRASTRUCTURE SERVICES                    | 1,274,245,390                           | 937,320,878                             | 741,613,375                             |
| SPORTS, RECREATION & COMMUNITY DEVELOPMENT | 47,870,000                              | 42,650,000                              | 37,000,000                              |
| SOLID WASTE & ENVIRONMENTAL MANAGEMENT     | 38,518,987                              | 42,000,000                              | 77,570,000                              |
| <b>TOTAL CAPITAL BUDGET:BCMM</b>           | <b>2,038,122,166</b>                    | <b>1,791,952,098</b>                    | <b>1,287,373,771</b>                    |
| BCMDA                                      | 48,240,074                              | 19,231,200                              | 1,329,696                               |
| <b>TOTAL CAPITAL:CONSOLIDATED</b>          | <b>2,086,362,240</b>                    | <b>1,811,183,298</b>                    | <b>1,288,703,467</b>                    |

**Table 6: Capital Investment Programme Per Funding Source**

| <b>CAPITAL BUDGET PER FUNDING</b>                | <b>2022/2023<br/>CAPITAL<br/>BUDGET</b> | <b>2023/2024<br/>CAPITAL<br/>BUDGET</b> | <b>2024/2025<br/>CAPITAL<br/>BUDGET</b> |
|--|---|---|---|
| OWN FUNDING                                      | 618,872,520                             | 436,715,618                             | 351,875,438                             |
| LOAN   | 732,614,380                             | 622,495,380                             | 140,000,000                             |
| <b>TOTAL OWN FUNDING</b>                         | <b>1,351,486,900</b>                    | <b>1,059,210,998</b>                    | <b>491,875,438</b>                      |
| URBAN SETTLEMENT DEVELOPMENT GRANT               | 451,381,020                             | 452,592,980                             | 475,060,828                             |
| INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT | 263,763,320                             | 279,648,320                             | 291,617,201                             |
| NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT      | 19,581,000                              | 19,581,000                              | 30,000,000                              |
| INFRASTRUCTURE SKILLS DEVELOPMENT GRANT          | 150,000                                 | 150,000                                 | 150,000                                 |
| <b>TOTAL GRANTS</b>                              | <b>734,875,340</b>                      | <b>751,972,300</b>                      | <b>796,828,029</b>                      |
| <b>TOTAL CAPITAL BUDGET</b>                      | <b>2,086,362,240</b>                    | <b>1,811,183,298</b>                    | <b>1,288,703,467</b>                    |

**Table 7: Capital Investment Programme Per Service**

| <b>2022/2023 MTREF CAPITAL BUDGET PER SERVICE</b> |                                 |                                 |                                 |
|---|---------------------------------|---------------------------------|---------------------------------|
| <b>CAPITAL BUDGET PER SERVICE</b>                 | <b>2022/2023 CAPITAL BUDGET</b> | <b>2023/2024 CAPITAL BUDGET</b> | <b>2024/2025 CAPITAL BUDGET</b> |
| AMENITIES   | 54,420,000                      | 49,150,000                      | 45,270,000                      |
| ELECTRICITY                                       | 145,012,787                     | 148,373,938                     | 168,575,742                     |
| HUMAN SETTLEMENTS                                 | 235,492,070                     | 308,798,320                     | 262,444,032                     |
| LOCAL ECONOMIC DEVELOPMENT                        | 103,060,922                     | 78,600,000                      | 42,638,554                      |
| OTHER: FLEET                                      | 5,000,000                       | 0                               | 10,000,000                      |
| PUBLIC SAFETY                                     | 29,400,000                      | 30,187,900                      | 23,500,000                      |
| ROADS   | 395,228,118                     | 167,836,625                     | 166,231,681                     |
| SPATIAL PLANNING                                  | 29,000,000                      | 30,000,000                      | 17,500,000                      |
| SUPPORT SERVICES                                  | 261,434,239                     | 245,509,690                     | 30,979,696                      |
| TRANSPORT PLANNING                                | 75,840,632                      | 101,116,510                     | 65,457,810                      |
| WASTE MANAGEMENT                                  | 23,968,987                      | 31,000,000                      | 59,800,000                      |
| WASTE WATER                                       | 567,524,000                     | 344,405,000                     | 83,278,348                      |
| WATER   | 160,980,485                     | 276,205,315                     | 313,027,604                     |
| <b>TOTAL - PER SERVICE</b>                        | <b>2,086,362,240</b>            | <b>1,811,183,298</b>            | <b>1,288,703,467</b>            |

### **3. FINANCIAL STRATEGY**

BCMM is currently implementing the Revenue Enhancement Strategy and in order for the municipality to perform its major objective of service delivery to its citizens the Metro must ensure that there is effective and efficient financial sustainability which encompasses national norms and standards.

Buffalo City can be categorized as a developing – growing municipality and as a result the metro requires significant additional resources and funding to conduct the growth that is expected of them. The challenge being experienced by most municipalities is to maintain the existing infrastructure. The financial plan and related strategies will need to address a number of key areas in order to achieve this goal. The areas, which have been identified, are detailed below.

#### **3.1 The Financial Framework**

The table below gives details of commonly used financial ratios/benchmarks. The information in table 8 below is in terms of 2022/23 MTREF.

**Table 8: Performance indicators and benchmarks**

| Description of financial indicator   | Basis of calculation   | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    |                   | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b><u>Borrowing Management</u></b>   |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Credit Rating  |  | A1-/A           | A1-/A           | A1-/A           | A1-/A                | A1-/A           | A1-/A              | A1-/A             |   |                        |                        |
| Capital Charges to Operating Expenditure                                       | Interest & Principal Paid /Operating Expenditure                           | 1.3%            | 1.2%            | 1.0%            | 1.3%                 | 0.8%            | 0.8%               | 0.8%              | 1.3%  | 2.3%                   | 2.3%                   |
| Capital Charges to Own Revenue   | Finance charges & Repayment of borrowing /Own Revenue                      | 1.8%            | 1.6%            | 1.2%            | 1.6%                 | 1.0%            | 1.0%               | 1.0%              | 1.5%  | 2.7%                   | 2.6%                   |
| Borrowed funding of 'own' capital expenditure                                  | Borrowing/Capital expenditure excl. transfers and grants and contributions | 0.0%            | 0.0%            | 0.0%            | 34.5%                | 21.6%           | 21.6%              | 21.6%             | 54.2%   | 58.8%                  | 28.5%                  |
| <b><u>Safety of Capital</u></b>  |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Gearing  | Long Term Borrowing/ Funds & Reserves                                      | 2.9%            | 2.1%            | 1.6%            | 4.6%                 | 3.8%            | 3.8%               | 3.8%              | 14.1%   | 14.8%                  | 14.1%                  |
| <b><u>Liquidity</u></b>  |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Current Ratio  | Current assets/current liabilities   | 1.7             | 1.4             | 1.7             | 2.0                  | 2.0             | 2.0                | 2.0               | 1.9   | 1.8                    | 1.8                    |
| Current Ratio adjusted for aged debtors  | Current assets less debtors > 90 days/current liabilities                  | 1.7             | 0.6             | 0.1             | 0.6                  | 0.6             | 0.6                | 0.6               | (0.0)   | (0.1)                  | (0.1)                  |
| Liquidity Ratio  | Monetary Assets/Current Liabilities  | 0.7             | 0.6             | 0.6             | 0.8                  | 0.7             | 0.7                | 0.7               | 0.5   | 0.4                    | 0.3                    |
| <b><u>Revenue Management</u></b>   |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Annual Debtors Collection Rate (Payment Level %)                               | Last 12 Mths Receipts/Last 12 Mths Billing                                 |                 | 100.0%          | 98.3%           | 100.0%               | 86.0%           | 86.0%              | 86.0%             | 86.0%   | 80.5%                  | 80.5%                  |
| Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue) |  | 100.0%          | 98.3%           | 100.0%          | 86.0%                | 86.0%           | 86.0%              | 86.0%             | 80.5%   | 80.5%                  | 80.5%                  |
| Outstanding Debtors to Revenue   | Total Outstanding Debtors to Annual Revenue                                | 25.8%           | 28.4%           | 30.5%           | 25.6%                | 25.4%           | 25.4%              | 25.4%             | 29.2%   | 29.8%                  | 30.0%                  |
| Longstanding Debtors Recovered   | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old                  | 18.9%           | 23.7%           | 24.0%           | 23.0%                | 23.0%           | 23.0%              | 23.0%             | 23.0%   | 22.0%                  | 21.0%                  |
| <b><u>Creditors Management</u></b>   |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Creditors System Efficiency  | % of Creditors Paid Within Terms (within MFMA's 65(e))                     | 100.0%          | 100.0%          | 100.0%          | 100.0%               | 100.0%          | 100.0%             | 100.0%            | 100.0%  | 100.0%                 | 100.0%                 |
| Creditors to Cash and Investments  |  | 47.7%           | 89.7%           | 110.9%          | 66.0%                | 68.9%           | 68.9%              | 68.9%             | 57.9%   | 75.0%                  | 80.4%                  |

| Description of financial indicator                   | Basis of calculation   | 2018/19         | 2019/20         | 2020/21         | Current Year 2021/22 |                 |                    |                   | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
|  |  | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| <b>Other Indicators</b>                              |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| Electricity Distribution Losses (2)                  | Total Volume Losses (kW)   | 331036051       | 290576586       | 322127768       | 331036051            | 331036051       | 331036051          | 322127768         | 322127768   | 322127768              | 322127768              |
|  | Total Cost of Losses (Rand '000)   | 309,839         | 271,758         | 322,128         | 309,840              | 309,840         | 309,840            | 376,380           | 376,380   | 376,380                | 376,380                |
|  | % Volume (units purchased and generated less units sold)/units purchased and generated       | 22.2%           | 19.1%           | 22.8%           | 22.2%                | 22.2%           | 22.2%              | 22.8%             | 22.8%   | 22.8%                  | 22.8%                  |
| Water Distribution Losses (2)                        | Total Volume Losses (kℓ)   | 29,566          | 21,513          | 21,818          | 17,775               | 17,775          | 17,775             | 17,775            | 18,032  | 18,032                 | 18,032                 |
|  | Total Cost of Losses (Rand '000)   | 158216992       | 126144567       | 125495509       | 104222996            | 104222996       | 104222996          | 104222996         | 103715297   | 103715297              | 103715297              |
|  | % Volume (units purchased and generated less units sold)/units purchased and generated       | 46.1%           | 36.3%           | 36.3%           | 30.0%                | 30.0%           | 30.0%              | 30.0%             | 30.0%   | 30.0%                  | 30.0%                  |
| Employee costs                                       | Employee costs/(Total Revenue - capital revenue)   | 33.7%           | 33.6%           | 31.9%           | 30.8%                | 30.8%           | 30.8%              | 30.8%             | 30.3%   | 30.2%                  | 29.7%                  |
| Remuneration   | Total remuneration/(Total Revenue - capital revenue)   | 34.7%           | 34.6%           | 33.1%           | 31.7%                | 31.6%           | 31.6%              | 31.6%             | 31.1%   | 30.9%                  | 30.4%                  |
| Repairs & Maintenance                                | R&M/(Total Revenue excluding capital revenue)  | 6.5%            | 5.8%            | 5.0%            | 5.0%                 | 5.0%            | 5.0%               | 5.0%              | 5.0%  | 4.8%                   | 4.8%                   |
| Finance charges & Depreciation                       | FC&D/(Total Revenue - capital revenue)   | 22.1%           | 26.5%           | 18.4%           | 8.6%                 | 8.1%            | 8.1%               | 8.1%              | 7.5%  | 8.6%                   | 9.1%                   |
| <b>IDP regulation financial viability indicators</b> |  |                 |                 |                 |                      |                 |                    |                   |   |                        |                        |
| i. Debt coverage                                     | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year | 20.5            | 26.0            | 36.0            | 39.3                 | 39.3            | 39.3               | 74.0              | 84.3  | 84.9                   | 90.7                   |
| ii. O/S Service Debtors to Revenue                   | Total outstanding service debtors/annual revenue received for services                       | 37.6%           | 39.2%           | 42.6%           | 36.2%                | 36.2%           | 36.2%              | 36.2%             | 41.6%   | 41.8%                  | 41.8%                  |
| iii. Cost coverage                                   | (Available cash + Investments)/monthly fixed operational expenditure                         | 3.0             | 3.2             | 2.6             | 2.4                  | 2.3             | 2.3                | 2.3               | 1.5   | 1.2                    | 1.1                    |

### 3.1.1 Borrowing management

The City has a credit rating of A1<sub>(za)</sub> (Short Term) and A<sub>(za)</sub> (Long Term) together with a low gearing ratio thus enabling the City to borrow capital to fund its revenue generating infrastructure. However, the City adopts a conservative approach in its ability to borrow due to repayment constraints associated with operational surpluses.

The following financial performance indicators have formed part of the compilation of the 2022/23 MTREF budget:

**Capital charges to operating expenditure** is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is slightly increasing from 1.3% in 2022/23 to 2.3% in 2023/24 and in 2024/2025.

### 3.1.2 Safety of capital

**The debt-to-equity ratio** over the MTREF period increases from 14.1% in the 2022/23 period to 14.8% in 2023/2024. It is projected that the debt-to-equity ratio will thereafter reduce to 14.1% in 2024/2025 period. The ratio indicates the taking up of new loan funding.

### 3.1.3 Liquidity

**Current ratio** for the 2022/23 financial year is 1.9% and it is projected to remain stable throughout the MTREF. Included in the current assets is the City's debt book which has a projected collection ratio of 80.5% for 2022/23 and the recoverability of this is considered to be obtainable.

**The liquid ratio** for the 2022/23 financial year is 0.5:1. The City aims to maintain a consistent stock level over the MTREF period to adequately respond to emergency situations relating to service delivery considerations.

### 3.1.4 Revenue Management

The City has adopted an aggressive Revenue Enhancement Strategy, which includes revenue generation, accuracy of meter reading, regular supplementary valuations, and ensuring all residents receive a correct bill that the City has rendered thereby contributing to the confidence of the consumers. The current collection rate of 69.02% as at 30 April 2022 is expected to improve to 80.5% in the 2022/2023 financial year.

### 3.1.5 Creditors Management

The City has managed to ensure that creditors are settled within the legislated 30 days of statement, except for those that are under dispute. SMME's are paid bi-monthly. By applying daily cash flow management, the municipality has managed to ensure a 100% compliance.



### 3.1.6 Other Indicators

- i. Employee costs as a percentage of operating revenue is 30.3% in the 2022/23 financial year and slightly reduces to 29.2% over the MTREF. Though this rate is still within the norm, the increasing trend is a concern that requires close monitoring.
- ii. The Electricity distribution losses is anticipated to be 22.8% in 2022/23. This continues to be an area of focus to reduce electricity losses. There is a program that is undertaken by the City to electrify informal dwellings which would also assist in reducing illegal connects.
- iii. The City has established a Revenue Protection Unit, the main aim of this unit is to reduce the losses; however, there is a limit to what can be done with limited resources in the short term and the extent to which losses can be limited.
- iv. The overall average of non-revenue water is anticipated at 30% in 2022/2023.
- v. BCMM has developed a Water Conservation and Water Demand Management (WC/WDM) Strategy, which focuses primarily on reducing the level of non-revenue water to enhance both the financial viability of and water supply sustainability to BCMM.
- vi. The goals set in terms of this strategy, are the following:
  - a. Reduction of non-revenue water
  - b. Installation of movable ablution blocks including of water meters so that the non-revenue water supplied can be accounted for a be part of equitable share allocation.
  - c. Water balance monitoring: Installation of bulk water meters and replacement of commercial meters in Coastal, Midlands & Inland.
  - d. Reduction of raw water treatment losses
  - e. Community awareness campaign and education on abuse of communal facilities without due care and the consequences of such in a drought environment.
  - f. Refurbishment and installation of Pressure Reducing Valve's (PRVs) in areas where isolation can be achieved with ease to limit abuse and mitigate bursts
- vii. Repairs and maintenance as a percentage of total operating revenue is at 5% in the 2022/23 financial year.

## 3.2 Strategies and Programmes

With the above framework as a background, strategies and programmes have been identified and form part of the financial plan to achieve the desired objective – the financial viability and sustainability of the City. Time frames have been set for each of the projects that have been identified.

### 3.2.1 Revenue Raising Strategies and Programmes

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

- i. Efficient revenue management, which aims to ensure not less than 86% annual collection rate over the medium term for property rates and other key service charges.
- ii. Achievement of full cost recovery of specific user charges especially in relation to trading services.
- iii. The City is striving to ensure that all its trading services are financially self-sustainable.
- iv. Move from a flat-rate billing system to all consumers billed according to consumption.
- v. Implementation of an automated billing system as opposed to a manual meter reading process.
- vi. The successful implementation of a General Valuation on 1 July 2018 and then every four years thereafter in terms of the Municipal Property Rates Act.
- vii. Creating a conducive environment to attract potential investors.
- viii. Review of the Spatial Development Plan to allow for human capital resources to be closer to economic and job opportunities.

#### **3.2.1.2 Initiatives in progress to ensure the "completeness of revenue" (all properties are billed for all services at the correct tariffs):**

- i. The Business Billing Audit was completed, and the results are being implemented.
- ii. The purpose of the above project was to ensure that all existing business customers within the billing system were charged all the applicable services and at the correct tariff.
- iii. The parallel installation of smart prepayment meters is not complete yet.
- iv. The verification process of the Indigent Register is ongoing.
- v. Reduction in number of metered interim charges by obtaining actual readings.
- vi. Large power users accounts have been reviewed for completeness of billing (KVA). Results are being implemented.
- vii. BCMM bills the consumers on a monthly basis as per the norms and standards of revenue management.

**Additional information on revenue is detailed under section 3.4 below.**

### 3.2.2 Asset Management Strategies and Programmes

The City has Asset Management Plans per asset classification as well as the identification of the risk profiles of each asset portfolio. The Asset Management Plan inform the asset renewal programme that is funded through capital budget. Asset Management Plans of the City inform how infrastructure backlogs will be addressed. The City's infrastructure repairs and maintenance programme is complemented by the renewal and upgrading of existing infrastructure programme that is funded through the City's own revenue.

The City has assessed its infrastructure asset categories and has noted with concern a continuing trend suggesting an infrastructure asset base showing a declining remaining useful life. The institution therefore needs to focus the resources into replacing existing infrastructure in order to increase the average remaining useful life of asset categories and, in so doing, improve efficiencies in the system. It is by taking this strategy into consideration that additional resources will be focused on replacing infrastructure in some areas by applying a focused approach. This approach

focuses funding into areas that have an economic benefit for the City or in areas that have the oldest infrastructure assets in most need of replacement. This approach is expected to yield benefits through reduced water losses, electricity losses and improved economic connectivity to the City.

The municipality safeguards and maintains its assets, maintains a system of internal control over the assets and keeps a GRAP compliant Asset Register for all the assets. All assets owned and controlled by the municipality are included in an Asset Register.

### 3.2.3 Financial Reforms on Municipal Financial Reporting

#### a) Municipal Standard Chart of Accounts (mSCOA):

An mSCOA Implementation Team was appointed to assist with the implementation of mSCOA. This team meets on a monthly basis to discuss issues and take decisions regarding the implementation of mSCOA. It is required that the mSCOA Implementation Team submit progress reports to the mSCOA Project Steering Committee quarterly.

The Municipal Standard Chart of Accounts (mSCOA) remains a major priority for the City and the national government. All expenditure, both operational and capital, has been unpacked into projects by populating the Project Segment. This has enabled BCMM to link the IDP Strategic Objectives to Projects and to be able to report performance and expenditure against the projects. The Asset Classification on the asset register has also been reviewed and aligned with mSCOA. The review of all the mSCOA business process and accompanying workflows are currently under development to ensure full integration of all the business process to the ledger. All project leads report to the team and steering committee on continues progress in relation to their specific development, with specific deadlines for implementation. See mSCOA project plan for further details (Refer to Annexure E of the 2022/23 MTREF report).

#### b) Municipal Financial Management Act Prescripts:

##### ▪ Monthly Reports:

MFMA Section 71 – monthly budget statements are submitted to the Executive Mayor of BCMM by no later than 10 working days of the new month. Copies of the reports are also sent to the transferring officer, National Treasury and Provincial Treasury.

##### ▪ Quarterly Reports

MFMA Section 52d – quarterly report on financial affairs and budget implementation of the municipality is submitted to BCMM Council by the Executive Mayor by no later than 30 days after the end of each quarter. Copies of the reports are also sent to the transferring officer, National Treasury and Provincial Treasury.

##### ▪ Half yearly Reports

MFMA Section 72 – mid-year budget and performance assessment report on financial affairs and budget implementation of the municipality is submitted to Executive Mayor of the municipality by the City Manager by 25 January of each year.

##### ▪ Yearly Reports

The Annual Report of BCMM highlights the municipality's performance achievements and shortfalls, operational considerations, business processes and administration overviews, financial performance, as well as governance and

service delivery performance. The Annual Report is presented as a political imperative that is inherent in our local government democratic political systems. It is also made a legal requirement through the Local Government Systems Act, No 32 of 2000 (Section 46) and Section 88 of the Local Government Municipal Finance Management Act, No 56 of 2003.

The purpose of the Annual Report is to provide feedback to our local communities – a practice underpinned by the principles of transparency and accountability. It is, therefore, an effective tool that helps the municipality to report back to its residents on the effectiveness of programmes, projects and activities, as well as the efficiencies of operations, business processes, and administration in the use of human, material and financial resources.

### **3.3 Budget Related Policies**

BCMM's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. It is required by legislation that amendments to all budget related policies must form part of the tabled budget.

Amendments have been made on the following budget related policies:

- i. Supply Chain Management Policy
- ii. Immovable Asset Policy
- iii. Long-Term Borrowing Policy
- iv. Movable Asset Policy
- v. Investment Cash Management Policy
- vi. Indigent Support Policy
- vii. Budget Virements Policy
- viii. Credit Control Policy

No amendments were made to the following existing BCMM budget-related policies on this financial year's annual review.

- i. Capital Infrastructure Investment Policy
- ii. Budget Policy (Budget Management & Oversight)
- iii. Funding and Reserves Policy
- iv. Policy on Cost Containment measures
- v. Tariff Policy

### **3.4 Revenue Enhancement Strategy**

The City has adopted an aggressive Revenue Enhancement Strategy which includes revenue generation, accuracy of meter reading, regular supplementary valuations and ensuring all residents receive a correct bill that the City has rendered thereby contributing to the confidence of the consumers.

The current collection rate of 69.02% as at 30 April 2022 is expected to improve to 80.5% in the 2022/2023 financial year.

3.4.1 Debt Collection:

- i. BCMM implements in-house debt collection up to 90-day debt.
- ii. The in-house debt collection includes the following actions:
  - a. SMS reminders
  - b. Pre-Termination notices
  - c. Telephonic debt collection
  - d. Blocking and Disconnection of electricity supply.
  - e. BCMM has appointed external debt collectors under National Treasury RT-27 Transversal contract to proceed with the collection of debt 90 days and older. The Panel of Debt Collectors commenced pre-legal collection from November 2021. A total of R1,645,060,861 was handed over.

3.4.2 Indigent Management:

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the City's Indigent Policy.

It should however be noted that although this is a goal from a social perspective, it is an indicator of the overall strategic direction of the institution not being achieved. The institution is attempting to steer in the direction of economic growth and job creation. This target is contrary to that focus area. The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

The Indigent Management unit consists of dedicated employees who manage and administer the indigent register in order to ensure provision of free basic services to the qualifying consumers.

The Indigent Steering Committee will be established with the assistance of the COGTA, MMC and the Public Participation Unit within BCMM, as the key stakeholders of this item. The committee will be made up of ward committee members, Public Participation Facilitators, elderly persons and a Finance official.

The following table provides a breakdown of the current and proposed total poor relief package per indigent household:

**Table 9: Basic social services package per indigent household**

| SOCIAL WELFARE PACKAGE       |                                  |                      |                                  |                      |                                  |                      |                                  |
|------------------------------|----------------------------------|----------------------|----------------------------------|----------------------|----------------------------------|----------------------|----------------------------------|
|                              | Total Per Household<br>2021/2022 | Tariff %<br>Increase | Total Per Household<br>2022/2023 | Tariff %<br>Increase | Total Per Household<br>2023/2024 | Tariff %<br>Increase | Total Per Household<br>2023/2024 |
| Rates                        | 135.89                           | 4.80%                | 142.41                           | 4.40%                | 148.68                           | 4.50%                | 155.37                           |
| Refuse                       | 286.96                           | 4.80%                | 300.73                           | 4.40%                | 313.97                           | 4.50%                | 328.09                           |
| Sewerage                     | 102.03                           | 4.80%                | 106.93                           | 4.40%                | 111.63                           | 4.50%                | 116.66                           |
| Fire Levy                    | 60.00                            | 4.80%                | 62.88                            | 4.40%                | 65.65                            | 4.50%                | 68.60                            |
| <b>Total Monthly Subsidy</b> | <b>584.88</b>                    |                      | <b>612.95</b>                    |                      | <b>639.92</b>                    |                      | <b>668.72</b>                    |

| SOCIAL WELFARE PACKAGE   |                                  |                      |                                  |                      |                                  |                      |                                  |
|--------------------------|----------------------------------|----------------------|----------------------------------|----------------------|----------------------------------|----------------------|----------------------------------|
|                          | Total Per Household<br>2021/2022 | Tariff %<br>Increase | Total Per Household<br>2022/2023 | Tariff %<br>Increase | Total Per Household<br>2023/2024 | Tariff %<br>Increase | Total Per Household<br>2023/2024 |
| Electricity - 50kwh p.m  | 86.14                            | 7.47%                | 92.57                            | 8.47%                | 100.42                           | 9.00%                | 109.45                           |
| Water - 6kl p.m.         | 111.24                           | 6.78%                | 118.77                           | 7.78%                | 128.01                           | 9.00%                | 139.53                           |
| <b>Total Poor Relief</b> | <b>782.26</b>                    | <b>5.37%</b>         | <b>824.30</b>                    | <b>5.34%</b>         | <b>868.35</b>                    | <b>5.68%</b>         | <b>917.70</b>                    |

### 3.4.3 Property Rates:

The rates tariffs are projected to increase by 4.8% in the 2022/23 financial year and tariffs increases of 4.4% and 4.5% in 2023/24 and 2024/25 respectively have been planned

In terms of section 32(1) b of the Local Government: Municipal Property Rates Act (MPRA), No. 6 of 2004 as amended, a valuation roll remains valid for a maximum period of four financial years. BCMM's current valuation roll was implemented on 1 July 2018 and its validity period expires on 30 June 2022. BCMM applied for an extension of the validity of the valuation roll to five (5) financial years in terms of section 32 (2)(b)(i) of the Municipal Property Rates Act (MPRA). The application for extension was approved and therefore the current roll is valid up until 30 June 2023. The valuation roll is being updated for properties affected by land sub-divisions, alterations to buildings, demolitions and improvements through Supplementary Valuations (SV). Accordingly, the rates levied per individual property will depend on that property's value compared with the valuation of all the rate-able properties in the municipal area. Rebates and concessions are granted to certain categories of property usage and/or property owner. . The property valuation roll is currently published on the BCMM website at [www.buffalocity.gov.za](http://www.buffalocity.gov.za)

## 4. BCMM'S AUDIT OPINION IN 2020/2021 FINANCIAL YEAR

The Auditor General has issued a qualified audit opinion on the Annual Financial Statements for the year ended 30 June 2021.

The basis of the qualification is as a result of irregular expenditure that was not fully recorded. Irregular expenditure refers to money that was not spent in the manner prescribed by law and does not equate to money that has been misappropriated. The qualification arose as a result of expenditure incurred in contravention of the SCM requirements not being detected and disclosed in the annual financial statements. This finding emanates from a disagreement between BCMM and AG(SA) on the use of annual contracts.

### Action plans to achieve an unqualified audit:

In the development of the 2020/2021 Audit Improvement Plan (AIP), management focussed more on improving controls in the operations of the relevant processes and functions rather than just focusing on clearing audit findings. Short, medium to long term interventions are required to completely address the findings and control weaknesses. Based on the reviews conducted by Internal Audit (IA) to date, management does have a system of internal controls, however, internal audit observations reveal that such system is not yet fully effective.

The 2020/21 Audit Report and Management Report was analysed to develop the AIP. The AIP contains actions to be undertaken which are grouped by Directorates with the responsible person against each action as well as the timeline for implementation. The action to be undertaken and progress updates are reported on a monthly basis to update the AIP by the relevant departments affected. The AIP was also submitted to Internal Audit for quality assurance on its completeness, accuracy and validity. The KPI's addressing audit findings have been incorporated across all HOD's performance plans for 2021/2022 financial year. Management's Audit Improvement Plan (AIP) is currently reviewed by Internal Audit twice a year with reporting to Top Management and the Audit Committee on the outcomes of such review thereafter. The Audit Committee reports to Council on a quarterly basis on their oversight and advisory role which include comments on Management's Audit Improvement Plan as reviewed and reported by Internal Audit.

### **TIMETABLE FOR THE COMPLETION OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

| <b>NO.</b> | <b>TASK DESCRIPTION</b>  | <b>COMMENCE DATE</b> | <b>ESTIMATED COMPLETION DATE</b> |
|------------|--|----------------------|----------------------------------|
| 1.         | Capture all orders on the Solar system and match orders with GRN's. Process invoices for payment and finalize price adjustments and cancelled orders                                   | 01/07/2021           | 24/06/2022                       |
| 2.         | Analyse and clear HS010 – Orders and GRN's not invoiced per order)   | 01/07/2021           | 24/06/2022                       |
| 3.         | Clear suspense votes and balance control accounts / votes  | 01/07/2021           | 15/07/2022                       |
| 4.         | Perform stock count and process adjustments  | 03/05/2022           | 15/07/2022                       |
| 5.         | Run June 2022 month end and year end on votes ledger   | 30/06/2022           | 06/07/2022                       |
| 6.         | Submit all year-end payment invoices to the Finance Payments and Creditors Sections in respect of all goods and services received on or before 30 June 2022                            | 01/07/2022           | 08/07/2022                       |
| 7.         | Process Creditors i.r.o. 2021/2022 Financial Year  | 01/07/2022           | 15/07/2022                       |
| 8.         | Clear all outstanding job commitments by running report JB060 (reset jobbing commitments)  | 01/07/2022           | 15/07/2022                       |
| 9.         | Process journals for COID, Insurance, Leave Accrual and Debt Impairment Allowance  | 01/07/2022           | 15/07/2022                       |
| 10.        | Process journals for external loans and balance loans register to GL   | 01/07/2022           | 15/07/2022                       |
| 11.        | Finalize and process all other year end journals   | 01/07/2022           | 15/07/2022                       |
| 12.        | Investigate income and expenditure for misallocations  | 01/07/2022           | 15/07/2022                       |
| 13.        | Balance Conditional Grants and Receipts to GL/BS   | 01/07/2022           | 15/07/2022                       |
| 14.        | Balance investment register to GL/BS   | 01/07/2022           | 15/07/2022                       |
| 15.        | Finalize and submit all control votes reconciliations  | 01/07/2022           | 15/07/2022                       |
| 16.        | Prepare summary of debtors and creditors control accounts  | 01/07/2022           | 15/07/2022                       |
| 17.        | Submit all information to Financial Management as per memo's circulated i.r.o. the preparation of the Annual Financial Statements  | 01/07/2022           | 29/07/2022                       |
| 18.        | Obtain and verify all information as required by the AG – Refer to the attached National Treasury Guide on Audit File. All information applicable must be readily accessible by the AG | 01/07/2022           | 29/07/2022                       |
| 19.        | Obtain financial statements from IDZ   | 01/07/2022           | 29/07/2022                       |
| 20.        | Prepare capital work in progress schedule  | 01/07/2022           | 07/08/2022                       |
| 21.        | Process all PPE and capitalization journals  | 01/07/2022           | 07/08/2022                       |
| 22.        | Process all grant journals i.r.o. PPE funded ex grants   | 01/07/2022           | 07/08/2022                       |
| 23.        | Produce the Fixed Asset Register including all schedules, tables and appendices in respect of the AFS  | 01/07/2022           | 07/08/2022                       |
| 24.        | Run final general ledger trial balance   | 08/08/2022           | 08/08/2022                       |
| 25.        | Compile Annual Financial Statements  | 09/08/2022           | 15/08/2022                       |
| 26.        | Present AFS to City Manager and Top Management   | 16/08/2022           | 16/08/2022                       |
| 27.        | Submit AFS to Internal Audit and Audit Committee for review  | 18/08/2022           | 18/08/2022                       |
| 28.        | Present AFS to Audit Committee   | 24/08/2022           | 24/08/2022                       |
| 29.        | Update Annual Financial Statements   | 25/08/2022           | 28/08/2022                       |

| NO. | TASK DESCRIPTION   | COMMENCE DATE | ESTIMATED COMPLETION DATE |
|-----|--|---------------|---------------------------|
| 30. | Submit and present final AFS to Audit Committee for approval                                 | 29/08/2022    | 29/08/2022                |
| 31. | Submit Annual Financial Statements and Audit File to Auditor General                         | 30/08/2022    | 30/08/2022                |
| 32. | Submit AFS and BUF BSA 2022 and BUF CAAA(PPE) 2022 forms to National and Provincial Treasury | 31/08/2022    | 31/08/2022                |
| 33. | Obtain AFS from BCMDA & prepare Consolidated AFS for BCMM                                    | 01/09/2022    | 23/09/2022                |
| 34. | Present Consolidated AFS to City Manager for signature                                       | 26/09/2022    | 26/09/2022                |
| 35. | Submit Consolidated AFS to Auditor-General   | 30/09/2022    | 30/09/2022                |

## 5. INTERNAL CONTROLS

Buffalo City Metropolitan Municipality (BCMM) has an internal control system in place. BCMM's management has designed, developed and implemented controls to provide an increased likelihood that the municipality's strategic and operational objectives will be achieved.

The Risk Management Department identifies risks at strategic and operational level to access any emerging risks there may be and available opportunities to take the City closer to realisation of its strategic objectives. Each year a strategic risk assessment workshop is held to review the strategic risk register considering internal and external factors that may have an impact on the risk profile of the City. Further risks are assessed at business/ operational level to improve amongst other things the internal control environment and reports are tabled on a quarterly basis to both the risk management committee and audit committee who are charged with an oversight responsibility. The risk management committee seats quarterly and is chaired by an external chairperson with internal members.

BCMM's Internal Audit Unit conducts an assessment on the effectiveness of the municipality's internal controls and report administratively and functionally to the City Manager and Audit Committee respectively. The Audit Committee is fully operational and responsible for conducting oversight on internal controls through work performed by the Internal Audit Unit. The internal audit plans are based on the continuous risk assessments done by the City. The plans are not static and are updated as and when there's a change in the risk environment.

Budgetary controls are being enforced to curb unauthorised expenditure. The City is in the process of relooking the revaluation model that is currently used to value its assets. The process of disposing the redundant assets is being reviewed to improve its turnaround time. More internal controls are being introduced for the year-end accrual process as most unauthorized expenditure is incurred during that period.

### **An effective system of internal controls has the five essential elements:**

- i. Segregation of duties
- ii. Varying levels of authority/approval
- iii. Documentation of decisions
- iv. A system of verification
- v. A trail for audit purposes



## **6. SUPPLY CHAIN MANAGEMENT**

**Buffalo City Metropolitan Municipality's current Supply Chain Management Unit comprises:**

- i. Demand Management and Supplier Development
- ii. Acquisition Management
- iii. SCM Risk and Compliance
- iv. Contracts and Performance Management; and
- v. Logistics, Disposal and Warehousing

**The above is to ensure the following:**

- a) A Supply Chain System that assists in job creation in the region.
- b) Beneficiation of vulnerable groups (women, youth, disabled and historically disadvantaged groups).
- c) Promotion of skills and capacitating small businesses.
- d) Circulation of the rand spent within the municipal area to boost and encourage economic growth within the region.
- e) Contracts management and monitoring to ensure correct use of the contracts and reduce irregular expenditure.

**The Supply Chain management open bid tender processes operate as per the MFMA, with three committees clustered into:**

- i. Two committees within the Bid Specification Committee System
- ii. Three committees within the Bid Evaluation Committee System
- iii. One Bid Adjudication Committee

**There's ongoing training of bid committee members in an effort to:**

- i. improve the turnaround in processing of bids at committees.
- ii. improve quality of bid specifications which in turn makes evaluation swifter and reduce the rate of withdrawn tenders due to incorrect specification.
- iii. reduces the rate of litigations that are a result of incorrect evaluation and award due to poor specifications.
- iv. reduction of irregular expenditure

## **7. BUDGET, PROGRAMMES AND PROJECTS**

### **7.1 The Consolidated Capital Budget**

The reviewed objectives and strategies formed the basis for the identification and selection of projects within each of the IDP Strategic Objectives. The consolidated budget for capital programme is R2.1 billion in the 2022/23 financial year, R1.8 billion and R1.3 billion in the 2023/24 and 2024/25 financial years respectively. The capital budget is guided by community priorities, the City is also striving to have a good balance between social and economic infrastructure investment. The Capital Programmes for 2022/2023 MTREF are indicated below:

**2022/2023 MTREF BUDGET - CAPITAL PROJECTS**

**PER PROGRAMME/PROJECT**

| ACCOUNT DESCRIPTION   | 2022/2023<br>CAPITAL<br>BUDGET | 2023/2024<br>CAPITAL<br>BUDGET | 2024/2025<br>CAPITAL<br>BUDGET | PROGRAM FUND | WARD NO.                    | REGION         |
|---|--------------------------------|--------------------------------|--------------------------------|--------------|-----------------------------|----------------|
| <b>EXECUTIVE SUPPORT SERVICES</b>                               |                                |                                |                                |              |                             |                |
| OFFICE FURN AND EQUIPMENT (DIRECTORATE)                         | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| <b>TOTAL CAPITAL BUDGET: EXECUTIVE SUPPORT SERVICES</b>         | <b>500,000</b>                 | <b>500,000</b>                 | <b>500,000</b>                 |              |                             |                |
| <b>CITY MANAGER'S OFFICE</b>                                    |                                |                                |                                |              |                             |                |
| OFFICE FURN AND EQUIPMENT (DIRECTORATE)                         | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| OFFICE FURNITURE AND EQUIPMENT-EPMO                             | 100,000                        | 100,000                        | 0                              | USDG         | ALL WARDS                   | WHOLE OF METRO |
| <b>TOTAL CAPITAL BUDGET: CITY MANAGER'S OFFICE</b>              | <b>600,000</b>                 | <b>600,000</b>                 | <b>500,000</b>                 |              |                             |                |
| <b>CORPORATE SERVICES</b>                                       |                                |                                |                                |              |                             |                |
| OFFICE FURN AND EQUIPMENT (DIRECTORATE)                         | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM                          | 0                              | 4,000,000                      | 4,000,000                      | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| SCANNERS  | 500,000                        | 0                              | 0                              | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| FURNITURE FOR INTERNS   | 150,000                        | 150,000                        | 150,000                        | ISDG         | ALL WARDS                   | WHOLE OF METRO |
| FIBRE NETWORK   | 1,100,000                      | 0                              | 3,000,000                      | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| LTE INFRASTRUCTURE  | 1,329,959                      | 0                              | 1,500,000                      | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| DISASTER RECOVERY ENHANCEMENT                                   | 1,400,000                      | 0                              | 1,500,000                      | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| PROCUREMENT OF ICT EQUIPMENT                                    | 0                              | 0                              | 1,000,000                      | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| <b>TOTAL CAPITAL BUDGET: CORPORATE SERVICES</b>                 | <b>4,979,959</b>               | <b>4,650,000</b>               | <b>11,650,000</b>              |              |                             |                |
| <b>SPATIAL PLANNING &amp; DEVELOPMENT</b>                       |                                |                                |                                |              |                             |                |
| AERIAL PHOTOGRAPHY AND MAPPING                                  | 2,000,000                      | 2,000,000                      | 500,000                        | OWN FUNDS    | 47                          | COASTAL        |
| PLOTTERS  | 0                              | 600,000                        | 600,000                        | OWN FUNDS    | 47                          | COASTAL        |
| SURVEY SOFTWARE   | 0                              | 400,000                        | 400,000                        | OWN FUNDS    | 47                          | COASTAL        |
| BUXTON, ELECTRICITY HOUSE AND RESERVE BANK REFURBISHMENT        | 2,000,000                      | 1,000,000                      | 0                              | OWN FUNDS    | 47                          | COASTAL        |
| ORIENT THEATRE REFURBISHMENT                                    | 1,500,000                      | 1,500,000                      | 500,000                        | OWN FUNDS    | 47                          | COASTAL        |
| SLEEPER SITE REFURBISHMENT                                      | 0                              | 500,000                        | 500,000                        | OWN FUNDS    | 47                          | COASTAL        |
| EAST LONDON MECHANICAL WORKSHOPS REFURBISHMENT                  | 1,000,000                      | 1,000,000                      | 0                              | OWN FUNDS    | 47                          | COASTAL        |
| UPGRADING OF ELECTRICAL - OLD MUTUAL                            | 500,000                        | 1,000,000                      | 0                              | OWN FUNDS    | 47                          | COASTAL        |
| UPGRADING OF KWT PAYMENTS HALL                                  | 3,000,000                      | 0                              | 0                              | OWN FUNDS    | 37                          | INLAND         |
| LAND ACQUISITION & BUILDINGS                                    | 2,000,000                      | 5,000,000                      | 0                              | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| LAND ACQUISITION  | 15,000,000                     | 15,000,000                     | 15,000,000                     | ISUPG        | ALL WARDS                   | WHOLE OF METRO |
| OFFICE FURN & EQUIPMENT (DIRECTORATE)                           | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| CITY TO SEA BOULEVARD   | 2,640,632                      | 0                              | 0                              | OWN FUNDS    | 47                          | COASTAL        |
| BRIDGE DESIGNS & IMPLEMENTATION                                 | 2,000,000                      | 0                              | 3,000,000                      | USDG         | 5,6,814,19,38,48,49         | WHOLE OF METRO |
| GUARDRAILS  | 500,000                        | 0                              | 300,000                        | USDG         | 23,6,34,46,9,20,33,41,37    | WHOLE OF METRO |
| SLEEPER SITE ROAD   | 25,000,000                     | 15,000,000                     | 15,000,000                     | USDG         | 47                          | COASTAL        |
| SLEEPER SITE ROAD   | 0                              | 9,000,000                      | 0                              | OWN FUNDS    | 47                          | COASTAL        |
| GUIDANCE SIGNAGE  | 300,000                        | 0                              | 200,000                        | USDG         | 24, 43                      | COASTAL/INLAND |
| SIDEWALKS   | 3,000,000                      | 0                              | 1,000,000                      | USDG         | 11,34, 22,41,44,45,46       | WHOLE OF METRO |
| TRAFFIC CALMING   | 3,000,000                      | 0                              | 1,000,000                      | USDG         | 22,23,37,7,30,15,6,46,9,20, | WHOLE OF METRO |
| TRAFFIC SIGNALS   | 3,000,000                      | 0                              | 4,000,000                      | USDG         | 5, 9                        | COASTAL        |
| MDANTSANE ACCESS ROAD   | 0                              | 11,034,470                     | 0                              | OWN FUNDS    | 5,9,10,12,13,16             | MIDLAND        |
| QUMZA HIGHWAY PHASE 7 - PHASE 1 & 2                             | 6,200,000                      | 5,000,000                      | 0                              | OWN FUNDS    | 21                          | MIDLAND        |
| QUMZA HIGHWAY PHASE 7 - PHASE 1 & 2                             | 12,000,000                     | 61,082,040                     | 20,000,000                     | USDG         | 21, 20,48                   | MIDLAND        |
| TAXI RANK INFRAST (ROADS & ABLUTION FAC)                        | 7,000,000                      | 0                              | 0                              | OWN FUNDS    | 5,27,37,39,47               | WHOLE OF METRO |
| TAXI RANK INFRAST (ROADS & ABLUTION FAC)                        | 10,000,000                     | 0                              | 10,000,000                     | USDG         | 5,27,37,39,47               | WHOLE OF METRO |
| TAXI/BUS EMBAYMENTS   | 1,200,000                      | 0                              | 2,000,000                      | USDG         | ALL WARDS                   | WHOLE OF METRO |
| NORTH WEST CORRIDOR   | 0                              | 0                              | 8,957,810                      | OWN FUNDS    | 16                          | COASTAL        |
| TOWNSHIP REGENERATION ENABLING INFRASTRUCTURE                   | 2,000,000                      | 2,000,000                      | 0                              | OWN FUNDS    | ALL WARDS                   | WHOLE OF METRO |
| <b>TOTAL CAPITAL BUDGET: SPATIAL PLANNING &amp; DEVELOPMENT</b> | <b>105,340,632</b>             | <b>131,616,510</b>             | <b>83,457,810</b>              |              |                             |                |

**2022/2023 MTREF BUDGET - CAPITAL PROJECTS**

**PER PROGRAMME/PROJECT**

| <b>ACCOUNT DESCRIPTION</b>   | <b>2022/2023<br/>CAPITAL<br/>BUDGET</b> | <b>2023/2024<br/>CAPITAL<br/>BUDGET</b> | <b>2024/2025<br/>CAPITAL<br/>BUDGET</b> | <b>PROGRAM FUND</b> | <b>WARD NO.</b>                                       | <b>REGION</b>  |
|--|---|---|---|---------------------|---|----------------|
| <b>ECONOMIC DEVELOPMENT &amp; AGENCIES</b>                           |   |   |   |                     |   |                |
| BUILDING OF MEMORIAL STONES  | 1,500,000                               | 1,000,000                               | 0                                       | OWN FUNDS           | ALL WARDS   | COASTAL        |
| KIWANE RESORT MAINTENANCE & UPGRADE                                  | 500,000                                 | 500,000                                 | 0                                       | OWN FUNDS           | 32  | COASTAL        |
| CONSTRUCTION OF CABIN ACCOMMODATION                                  | 1,500,000                               | 1,000,000                               | 0                                       | OWN FUNDS           | 32  | COASTAL        |
| EXTENSION OF MDANTSANE ART CENTRE                                    | 2,000,000                               | 1,000,000                               | 0                                       | OWN FUNDS           | 42  | MIDLAND        |
| HYDROPONICS AND PACKHOUSE PROJECT                                    | 3,260,848                               | 4,300,000                               | 5,319,270                               | USDG                | ALL WARDS   | WHOLE OF METRO |
| IMPROVE ACCESS ROAD AND ROAD SIGNAGE                                 | 3,000,000                               | 1,500,000                               | 0                                       | OWN FUNDS           | 32  | COASTAL        |
| INFORMAL TRADE INFRASTRUCTURE (Hawker Stalls)                        | 5,000,000                               | 8,000,000                               | 9,000,000                               | ISUPG               | ALL WARDS   | WHOLE OF METRO |
| INSTALLATION OF ADVENTURE ACTIVITIES                                 | 500,000                                 | 500,000                                 | 0                                       | OWN FUNDS           | 32  | COASTAL        |
| FILM STUDIO DEVELOPMENT  | 1,000,000                               | 1,300,000                               | 0                                       | OWN FUNDS           | ALL WARDS   | COASTAL        |
| INSTALLATION OF RECREATIONAL FACILITIES                              | 1,000,000                               | 1,000,000                               | 0                                       | OWN FUNDS           | 32  | INLAND         |
| ART CENTRE   | 1,000,000                               | 1,800,000                               | 0                                       | OWN FUNDS           | 37  | INLAND         |
| MDANTSANE ART CENTRE   | 4,000,000                               | 5,000,000                               | 5,000,000                               | USDG                | 42  | MIDLAND        |
| SMME INCUBATOR   | 500,000                                 | 500,000                                 | 0                                       | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| OFFICE FURN & EQUIPMENT (DIRECTORATE)                                | 500,000                                 | 500,000                                 | 500,000                                 | OWN FUNDS           | 47  | COASTAL        |
| RESTORATION OF HERITAGE SITES  | 1,000,000                               | 1,000,000                               | 0                                       | OWN FUNDS           | ALL WARDS   | INLAND         |
| REVITALISATION OF INDUSTRIAL AREAS                                   | 3,500,000                               | 2,500,000                               | 0                                       | USDG                | 36,24,5   | COASTAL        |
| TOURISM HUB  | 2,000,000                               | 1,700,000                               | 0                                       | OWN FUNDS           | 41  | INLAND         |
| UPGRADING OF BUILDINGS   | 1,000,000                               | 1,000,000                               | 0                                       | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| UPGRADING OF MARKET HALL   | 8,000,000                               | 8,000,000                               | 5,500,000                               | USDG                | 4   | COASTAL        |
| WATER LEISURE ACTIVITIES   | 700,000                                 | 1,000,000                               | 0                                       | OWN FUNDS           | 32,38,31,20,34  | COASTAL        |
| FORT JACKSON JUNCTION HUB  | 10,000,000                              | 5,000,000                               | 5,000,000                               | ISUPG               | 24  | WHOLE OF METRO |
| AGRI-VILLAGE   | 5,000,000                               | 10,000,000                              | 7,819,284                               | ISUPG               | ALL WARDS   | WHOLE OF METRO |
| SMME INCUBATOR: SEKUNJALO TRAINING CENTRE                            | 0                                       | 3,000,000                               | 5,000,000                               | USDG                | 33  | WHOLE OF METRO |
| <b>TOTAL CAPITAL BUDGET: ECONOMIC DEVELOPMENT &amp; AGENCIES</b>     | <b>56,460,848</b>                       | <b>61,100,000</b>                       | <b>43,138,554</b>                       |                     |   |                |
| <b>FINANCE SERVICES</b>  |   |   |   |                     |   |                |
| OFFICE FURN & EQUIPMENT (DIRECTORATE)                                | 500,000                                 | 500,000                                 | 500,000                                 | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| SMART METERING SOLUTIONS (ELECTRICITY)                               | 9,467,785                               | 0                                       | 0                                       | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| SMART METERING SOLUTIONS (ELECTRICITY)                               | 86,521,140                              | 86,521,140                              | 0                                       | LOAN                | ALL WARDS   | WHOLE OF METRO |
| SMART METERING WATER SOLUTIONS                                       | 56,156,115                              | 56,438,110                              | 0                                       | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| SMART METERING WATER SOLUTIONS                                       | 76,569,240                              | 76,569,240                              | 0                                       | LOAN                | ALL WARDS   | WHOLE OF METRO |
| ASSET REPLACEMENTS - INSURANCE                                       | 6,000,000                               | 10,000,000                              | 10,000,000                              | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| ACQUIRE ERP SYSTEM (ASSET MANAGEMENT SYSTEM,PROCUREMENT SYSTEM, etc) | 6,000,000                               | 3,000,000                               | 3,000,000                               | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| CONSTRUCTION OF OFFICE ACCOMODATION -CUSTOMER CARE OFFICE-MIDLAND    | 4,500,000                               | 2,000,000                               | 0                                       | OWN FUNDS           | 11, 12, 13, 14, 20, 42, 48,<br>50, 17, 23, 47, 46, 33 | MIDLAND        |
| COST REFFECTIVE TARIFF STRUCTURE                                     | 2,500,000                               | 0                                       | 0                                       | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| FENCING SCM  | 2,500,000                               | 0                                       | 0                                       | OWN FUNDS           | ALL WARDS   | WHOLE OF METRO |
| <b>TOTAL CAPITAL BUDGET: FINANCE SERVICES</b>                        | <b>250,714,280</b>                      | <b>235,028,490</b>                      | <b>13,500,000</b>                       |                     |   |                |

**2022/2023 MTREF BUDGET - CAPITAL PROJECTS**

**PER PROGRAMME/PROJECT**

| ACCOUNT DESCRIPTION  | 2022/2023<br>CAPITAL<br>BUDGET | 2023/2024<br>CAPITAL<br>BUDGET | 2024/2025<br>CAPITAL<br>BUDGET | PROGRAM_FUND | WARD NO.                 | REGION         |
|--|--------------------------------|--------------------------------|--------------------------------|--------------|--------------------------|----------------|
| <b>HEALTH AND EMERGENCY SERVICES</b>                                       |                                |                                |                                |              |                          |                |
| OFFICE FURN & EQUIPMENT (DIRECTORATE)                                      | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| TACTICAL RADIO NETWORK   | 1,500,000                      | 1,500,000                      | 1,500,000                      | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| CONSTRUCTION OF NEW DISASTER MANAGEMENT CENTRE                             | 500,000                        | 0                              | 0                              | OWN FUNDS    | 47                       | COASTAL        |
| REFURBISHMENT OF FIRE ENGINES  | 1,000,000                      | 1,000,000                      | 1,000,000                      | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| FIRE ENGINES PROCURED  | 7,000,000                      | 7,000,000                      | 3,000,000                      | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| FURNITURE & EQUIPMENT BERLIN FIRE STATION                                  | 0                              | 1,000,000                      | 2,000,000                      | OWN FUNDS    | 45                       | INLAND         |
| FIRE EQUIPMENT   | 900,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| NEW FIRE STATION - BERLIN WARD 45  | 4,000,000                      | 8,187,900                      | 2,000,000                      | OWN FUNDS    | 45                       | INLAND         |
| REFURBISHMENT OF FIRE STATIONS   | 1,000,000                      | 1,000,000                      | 1,000,000                      | OWN FUNDS    | 47                       | COASTAL        |
| LAW ENFORCEMENT VEHICLES   | 2,000,000                      | 1,500,000                      | 1,500,000                      | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| FURNITURE & EQUIPMENT LAW ENFORCEMENT OFFICES                              | 0                              | 500,000                        | 0                              | OWN FUNDS    | 47                       | COASTAL        |
| TRAFFIC AND LAW ENFORCEMENT EQUIPMENT                                      | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| CLOSED CIRCUIT TELEVISION NETWORK - CCTV                                   | 2,000,000                      | 2,000,000                      | 2,000,000                      | OWN FUNDS    | 43,37,25,41,44,34,36, 39 | WHOLE OF METRO |
| BACK-UP GENERATORS   | 2,000,000                      | 0                              | 0                              | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| REFURBISHMENT OF TRAFFIC SERVICES / LAW ENFORCEMENT BUILDINGS              | 0                              | 2,000,000                      | 0                              | OWN FUNDS    | 47                       | COASTAL        |
| <b>TOTAL CAPITAL BUDGET: HEALTH,PUBLIC SAFETY &amp; EMERGENCY SERVICES</b> | <b>22,900,000</b>              | <b>27,187,900</b>              | <b>15,500,000</b>              |              |                          |                |
| <b>HUMAN SETTLEMENTS</b>   |                                |                                |                                |              |                          |                |
| OFFICE FURN & EQUIPMENT (DIRECTORATE)                                      | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS                | WHOLE OF METRO |
| AMALINDA 179 MILITARY VETERANS   | 0                              | 0                              | 16,000,000                     | USDG         | 9, 16                    | COASTAL        |
| CLUSTER 3  | 1,000,000                      | 0                              | 0                              | USDG         | 8,10                     | MIDLAND        |
| POTSDAM IKHWEZI BLOCK 2  | 3,000,000                      | 3,000,000                      | 3,000,000                      | ISUPG        | 24                       | MIDLAND        |
| POTSDAM NORTH KANANA   | 3,000,000                      | 9,000,000                      | 8,603,130                      | ISUPG        | 24                       | MIDLAND        |
| DUNCAN VILLAGE PROPER  | 500,000                        | 500,000                        | 500,000                        | ISUPG        | 1, 6                     | COASTAL        |
| MDANTSANE Z 18 CC PHASE 2  | 9,000,000                      | 0                              | 14,000,000                     | USDG         | 23                       | MIDLAND        |
| CLUSTER 1  | 10,000,000                     | 5,000,000                      | 5,000,000                      | ISUPG        | 12,14,17                 | MIDLAND        |
| CLUSTER 2  | 9,163,320                      | 10,000,000                     | 200,000                        | ISUPG        | 11,17,20,21,30,48        | MIDLAND        |
| DUNCAN VILL COMP/SITE  | 2,500,000                      | 1,000,000                      | 1,000,000                      | ISUPG        | 1, 6                     | COASTAL        |
| BRAELYN EXT 10   | 2,500,000                      | 2,000,000                      | 5,000,000                      | ISUPG        | 9;10                     | COASTAL        |
| TYUTYU PHASE 3   | 2,000,000                      | 6,085,000                      | 6,085,000                      | ISUPG        | 43                       | INLAND         |
| WESTBANK RESTITUTION   | 18,228,750                     | 51,550,000                     | 40,424,463                     | USDG         | 19                       | COASTAL        |
| C SECTION AND TRIANGULAR SITE  | 2,000,000                      | 2,000,000                      | 2,000,000                      | ISUPG        | 7                        | COASTAL        |
| D HOSTEL   | 10,500,000                     | 16,163,320                     | 16,163,320                     | ISUPG        | 2                        | COASTAL        |
| FORD MSIMANGO  | 600,000                        | 500,000                        | 500,000                        | ISUPG        | 6                        | COASTAL        |
| N2 ROAD RESERVE  | 1,000,000                      | 10,000,000                     | 10,000,000                     | ISUPG        | 8                        | COASTAL        |
| HANI PARK - WATER  | 2,500,000                      | 5,000,000                      | 5,000,000                      | ISUPG        | 11                       | MIDLAND        |
| HLALANI - WATER  | 5,000,000                      | 5,000,000                      | 5,000,000                      | ISUPG        | 11                       | MIDLAND        |
| PHOLA PARK - WATER   | 5,000,000                      | 5,000,000                      | 5,000,000                      | ISUPG        | 34                       | INLAND         |
| BERLIN LINGELITSHA - PHASE 1 - WATER                                       | 5,000,000                      | 5,000,000                      | 5,000,000                      | ISUPG        | 45                       | INLAND         |
| ILITHA SPORTSFIELD - WATER   | 5,000,000                      | 5,000,000                      | 5,000,000                      | ISUPG        | 45                       | INLAND         |

**2022/2023 MTREF BUDGET - CAPITAL PROJECTS**

**PER PROGRAMME/PROJECT**

| <b>ACCOUNT DESCRIPTION</b>                                   | <b>2022/2023<br/>CAPITAL<br/>BUDGET</b> | <b>2023/2024<br/>CAPITAL<br/>BUDGET</b> | <b>2024/2025<br/>CAPITAL<br/>BUDGET</b> | <b>PROGRAM_FUND</b> | <b>WARD NO.</b> | <b>REGION</b> |
|--|---|---|---|---------------------|-----------------|---------------|
| EMPILISWENI - WATER  | 5,000,000                               | 5,000,000                               | 5,000,000                               | ISUPG               | 20              | MIDLAND       |
| MATSHENI PARK - WATER  | 5,000,000                               | 5,000,000                               | 5,000,000                               | ISUPG               | 29              | COASTAL       |
| KHAYELITSHA - WATER  | 4,000,000                               | 5,000,000                               | 5,000,000                               | ISUPG               | 24              | MIDLAND       |
| XHWITINJA - WATER  | 0                                       | 0                                       | 8,000,000                               | USDG                | 36              | INLAND        |
| KWATSHATUSHU - WATER   | 5,000,000                               | 5,000,000                               | 5,000,000                               | ISUPG               | 44              | INLAND        |
| GINSBERG - WATER   | 5,000,000                               | 5,000,000                               | 5,000,000                               | ISUPG               | 39              | INLAND        |
| SLOVO PARK - WATER   | 1,000,000                               | 5,000,000                               | 5,000,000                               | ISUPG               | 42              | MIDLAND       |
| EKUPHUMLENI - WATER  | 1,000,000                               | 10,000,000                              | 7,000,000                               | ISUPG               | 42              | MIDLAND       |
| ETHEMBENI - WATER  | 1,000,000                               | 10,000,000                              | 7,000,000                               | ISUPG               | 11              | MIDLAND       |
| EAST BANK RESTITUTION - WATER                                | 5,000,000                               | 15,000,000                              | 7,000,000                               | ISUPG               | 10              | COASTAL       |
| REESTON PHASE 3 STAGE 2                                      | 13,500,000                              | 18,000,000                              | 0                                       | USDG                | 13              | COASTAL       |
| NELSON MANDELA 102 PROJECT-WATER                             | 9,500,000                               | 0                                       | 0                                       | USDG                | 2               | COASTAL       |
| BREIDBACH SERVICES PROJECT-WATER                             | 6,000,000                               | 0                                       | 0                                       | USDG                | 44              | INLAND        |
| NONDULA-WATER  | 6,000,000                               | 0                                       | 9,000,000                               | USDG                | 12              | MIDLAND       |
| MAJARANTIYENI-WATER  | 4,000,000                               | 0                                       | 0                                       | USDG                | 45              | INLAND        |
| BOXWOOD PROJECT  | 2,875,000                               | 11,500,000                              | 13,000,000                              | USDG                | 31              | COASTAL       |
| CNIP VICTIMS PROJECT: CAMBRIDGE WEST                         | 9,000,000                               | 2,500,000                               | 2,968,119                               | ISUPG               | 4               | COASTAL       |
| REESTON PHASE 3 STAGE 3                                      | 3,000,000                               | 2,000,000                               | 0                                       | USDG                | 13              | COASTAL       |
| PHAKAMISA SOUTH  | 8,925,000                               | 2,000,000                               | 0                                       | USDG                | 25              | INLAND        |
| ILITHA 177   | 5,000,000                               | 10,000,000                              | 0                                       | USDG                | 45              | INLAND        |
| DIMBAZA SHUTER HOUSES: DETAILED INFRASTRUCTURE INVESTIGATION | 10,000,000                              | 10,000,000                              | 0                                       | USDG                | 34              | INLAND        |
| MZAMOMHLE: PEOPLES HOUSING PROCESS                           | 4,000,000                               | 0                                       | 1,000,000                               | USDG                | 27              | COASTAL       |
| PARKHOMES FOR DESTITUTES & GBV VICTIMS                       | 0                                       | 0                                       | 1,000,000                               | USDG                | 27              | COASTAL       |
| ZIPHUNZANA BYPASS RELOCATION SITE (TRAs)                     | 6,000,000                               | 19,000,000                              | 500,000                                 | USDG                | 1               | COASTAL       |
| MDANTSANE ERF 81,87 &88 RELOCATION SITE UNITS                | 0                                       | 5,000,000                               | 1,000,000                               | USDG                | 23              | MIDLAND       |
| PARKHOMES FOR DESTITUTES & GBV VICTIMS                       | 2,000,000                               | 2,000,000                               | 0                                       | ISUPG               | 27              | COASTAL       |
| MDANTSANE ERF 81,87 &88 RELOCATION SITE UNITS                | 5,000,000                               | 5,000,000                               | 0                                       | ISUPG               | 23              | MIDLAND       |
| LILLYVALE ROADS  | 3,000,000                               | 3,000,000                               | 0                                       | ISUPG               | 32              | COASTAL       |
| FYNBOSS RELOCATION SITE UNITS                                | 0                                       | 0                                       | 500,000                                 | USDG                | 8               | COASTAL       |
| HAVEN HILLS TRU  | 6,200,000                               | 10,000,000                              | 0                                       | USDG                | 10              | COASTAL       |
| HEMINGWAYS INFORMAL SETTLEMENTS                              | 1,000,000                               | 1,000,000                               | 1,000,000                               | ISUPG               | 1               | COASTAL       |
| SILVERTOWN   | 1,000,000                               | 1,000,000                               | 1,000,000                               | ISUPG               | 1               | COASTAL       |
| KWT GOLF CLUB/ SWEETWATERS (NEW)                             | 0                                       | 0                                       | 19,000,000                              | USDG                | 44              | INLAND        |
| <b>TOTAL CAPITAL BUDGET: HUMAN SETTLEMENTS</b>               | <b>235,992,070</b>                      | <b>309,298,320</b>                      | <b>262,944,032</b>                      |                     |                 |               |

**2022/2023 MTREF BUDGET - CAPITAL PROJECTS**

**PER PROGRAMME/PROJECT**

| <b>ACCOUNT DESCRIPTION</b>                                       | <b>2022/2023<br/>CAPITAL<br/>BUDGET</b> | <b>2023/2024<br/>CAPITAL<br/>BUDGET</b> | <b>2024/2025<br/>CAPITAL<br/>BUDGET</b> | <b>PROGRAM_FUND</b> | <b>WARD NO.</b>                            | <b>REGION</b>  |
|--|---|---|---|---------------------|--|----------------|
| <b>INFRASTRUCTURE SERVICES</b>                                   |   |   |   |                     |  |                |
| <b>OFFICE OF THE DIRECTOR</b>                                    |   |   |   |                     |  |                |
| OFFICE FURN & EQUIPMENT (DIRECTORATE)                            | 500,000                                 | 500,000                                 | 500,000                                 | OWN FUNDS           | ALL WARDS                                  | WHOLE OF METRO |
|  | <b>500,000</b>                          | <b>500,000</b>                          | <b>500,000</b>                          |                     |  |                |
| <b>ELECTRICITY</b>   |   |   |   |                     |  |                |
| BULK ELEC INFRAS UPGR(RING-FENCED 4%)                            | 102,112,787                             | 110,619,947                             | 120,575,742                             | OWN FUNDS           | 7,9,8,10,13,1415,17,22,27,3                | WHOLE OF METRO |
| ELECTRIFICATION PROGRAMME  | 10,000,000                              | 0                                       | 12,000,000                              | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| ELECTRIFICATION - INFORMAL DWELLING AREAS - BCMM                 | 25,000,000                              | 30,000,000                              | 36,000,000                              | ISUPG               | ALL WARDS                                  | WHOLE OF METRO |
| STREET LIGHT & HIGHASTS - BCMM AREAS OF SUPPLY                   | 5,000,000                               | 5,000,000                               | 0                                       | ISUPG               | ALL WARDS                                  | WHOLE OF METRO |
| TOOLS AND EQUIPMENT (SPECIALISED VEHICLES)                       | 1,500,000                               | 1,353,991                               | 0                                       | OWN FUNDS           | ALL WARDS                                  | WHOLE OF METRO |
| BUILDING ALTERATIONS -BEACON BAY CIVIC CENTRE & OPERATIONS DEPOT | 1,400,000                               | 1,400,000                               | 0                                       | OWN FUNDS           | ALL WARDS                                  | WHOLE OF METRO |
|  | <b>145,012,787</b>                      | <b>148,373,938</b>                      | <b>168,575,742</b>                      |                     |  |                |
| <b>ROADS</b>   |   |   |   |                     |  |                |
| BOWLS ROAD REHABILITATIONN - WARD 3                              | 1,000,000                               | 8,000,000                               | 0                                       | OWN FUNDS           | 3  | COASTAL        |
| CONSTRUCTION OF ROAD INFRASTRUCTURE                              | 10,000,000                              | 0                                       | 0                                       | ISUPG               | 14   | MIDLAND        |
| CONSTRUCTION OF ROAD INFRASTRUCTURE - TOYANA ROAD                | 19,581,000                              | 19,581,000                              | 30,000,000                              | NDPG                | 14   | MIDLAND        |
| CONSTRUCTION OF ROAD INFRASTRUCTURE - TOYANA ROAD                | 2,892,723                               | 0                                       | 0                                       | USDG                | 14   | MIDLAND        |
| REHABILIT OF BCMM BRIDGES AND STORMWATER                         | 4,000,000                               | 5,000,000                               | 2,500,000                               | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| REHABILITATION OF BEACONHURST DRIVE                              | 1,000,000                               | 5,000,000                               | 4,000,000                               | OWN FUNDS           | 28   | COASTAL        |
| REHABILITATION OF DOUGLAS SMITH HIGHWAY                          | 4,000,000                               | 0                                       | 0                                       | OWN FUNDS           | 6  | COASTAL        |
| REHABILITATION OF SETTLERS WAY                                   | 184,636,181                             | 0                                       | 0                                       | OWN FUNDS           | 46   | COASTAL        |
| REHABILITATION OF ZIPHUNZANA BYPASS                              | 1,000,000                               | 0                                       | 0                                       | OWN FUNDS           | 6  | COASTAL        |
| ROADS PROVISION  | 30,000,000                              | 59,500,000                              | 34,000,000                              | OWN FUNDS           | ALL WARDS                                  | WHOLE OF METRO |
| ROADS PROVISION  | 8,500,000                               | 16,255,625                              | 15,000,000                              | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| RURAL ROADS  | 29,029,917                              | 21,500,000                              | 40,000,000                              | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| RURAL ROADS  | 0                                       | 1,000,000                               | 1,000,000                               | OWN FUNDS           | 33   | MIDLAND        |
| UPGRADING OF MDANTSANE ROADS - CLUSTER 1: WARD 11,12,14,17,42    | 17,700,000                              | 6,000,000                               | 12,500,000                              | USDG                | 11, 12, 14, 17, 42                         | MIDLAND        |
| UPGRADING OF MDANTSANE ROADS - CLUSTER 2: WARD 11, 17, 20, 30 48 | 33,607,277                              | 5,500,000                               | 12,231,681                              | USDG                | 11, 17, 20, 30, 48                         | MIDLAND        |
| UPGRADING OF MDANTSANE ROADS - CLUSTER 3: WARD 20, 21, 23, 24    | 40,281,020                              | 5,500,000                               | 10,000,000                              | USDG                | 20, 21, 23, 24                             | MIDLAND        |
| UPGRADE OF NORTH EAST EXPRESSWAY                                 | 1,000,000                               | 8,000,000                               | 0                                       | OWN FUNDS           | 18   | COASTAL        |
| URBAN ROADS - WARD 35  | 0                                       | 1,500,000                               | 0                                       | OWN FUNDS           | 35   | INLAND         |
| URBAN ROADS  | 7,000,000                               | 5,500,000                               | 5,000,000                               | USDG                | 35   | INLAND         |
|  | <b>395,228,118</b>                      | <b>167,836,625</b>                      | <b>166,231,681</b>                      |                     |  |                |
| <b>WASTEWATER</b>  |   |   |   |                     |  |                |
| SANITATION FACILITIES IN INFORMAL SETTLEMENTS                    | 10,000,000                              | 0                                       | 10,000,000                              | ISUPG               | ALL WARDS                                  | WHOLE OF METRO |
| BERLIN SEWERS  | 0                                       | 3,000,000                               | 4,000,000                               | USDG                | 45   | MIDLAND        |
| BISHO KWT & ZWELITSHA BULK REG SEWER SCHEME                      | 4,000,000                               | 20,000,000                              | 20,000,000                              | USDG                | 25, 35, 37, 41, 44                         | INLAND         |
| UPGRADING OF ZWELITSHA WASTEWATER TREATMENT WORKS                | 120,000,000                             | 120,000,000                             | 0                                       | LOAN                | 25, 35, 37, 41, 44                         | INLAND         |
| E/L SEWER DIVERSION : CENTRAL TO REESTON                         | 399,524,000                             | 194,405,000                             | 0                                       | LOAN                | 5, 10, 16                                  | COASTAL        |
| EAST BEACH GRAVITY SEWER UPGRADE                                 | 4,000,000                               | 0                                       | 0                                       | OWN FUNDS           | 1, 2, 3, 4, 6, 7, 8, 9, 16, 18, 19, 28, 47 | COASTAL        |
| NAHOON RIVER OUTFALL SEWER                                       | 1,500,000                               | 0                                       | 0                                       | USDG                | 15, 16, 18, 28                             | COASTAL        |

**2022/2023 MTREF BUDGET - CAPITAL PROJECTS**

**PER PROGRAMME/PROJECT**

| <b>ACCOUNT DESCRIPTION</b>  | <b>2022/2023<br/>CAPITAL<br/>BUDGET</b> | <b>2023/2024<br/>CAPITAL<br/>BUDGET</b> | <b>2024/2025<br/>CAPITAL<br/>BUDGET</b> | <b>PROGRAM_FUND</b> | <b>WARD NO.</b>                            | <b>REGION</b>  |
|---|---|---|---|---------------------|--|----------------|
| UPGRADING OF SECURITY FOR SANITATION INFRASTRUCTURE                             | 1,000,000                               | 0                                       | 0                                       | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| INSTALLATION OF GROUNDWATER MONITORING BOREHOLES FOR WASTEWATER TREATMENT WORKS | 1,000,000                               | 0                                       | 0                                       | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| CONSTRUCTION OF NETWORK FLOW MONITORING INFRASTRUCTURE                          | 1,500,000                               | 0                                       | 0                                       | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| UPGRADING OF KIDDS BEACH WASTEWATER TREATMENT WORKS                             | 1,500,000                               | 0                                       | 0                                       | USDG                | 31   | COASTAL        |
| RENEWAL OF INFRASTRUCTURE   | 3,500,000                               | 0                                       | 0                                       | USDG                | ALL WARDS                                  | WHOLE OF METRO |
| HOOD POINT MARINE OUTF SEWER & AUXILLIARY WORKS                                 | 0                                       | 4,000,000                               | 4,000,000                               | USDG                | 19, 31, 46                                 | COASTAL        |
| MDANTSANE SANITATION  | 0                                       | 3,000,000                               | 0                                       | USDG                | 11, 12, 14, 20, 21, 22, 23, 24, 30         | MIDLAND        |
| MDANTSANE WASTEWATER TREATMENT WORKS  | 15,000,000                              | 0                                       | 11,278,348                              | ISUPG               | 11, 12, 14, 20, 21, 22, 23, 24, 30         | MIDLAND        |
| UPGRADING OF POTSDAM WASTEWATER TREATMENT WORKS                                 | 2,000,000                               | 0                                       | 4,000,000                               | USDG                | 23   | MIDLAND        |
| UPGRADING OF DIMBAZA WASTEWATER TREATMENT WORKS                                 | 0                                       | 0                                       | 5,000,000                               | USDG                | 34, 36                                     | INLAND         |
| UPGRADING OF DIMBAZA WASTEWATER TREATMENT WORKS                                 | 3,000,000                               | 0                                       | 0                                       | ISUPG               | 34, 36                                     | INLAND         |
| DUCATS SANITATION   | 0                                       | 0                                       | 5,000,000                               | USDG                | 15   | COASTAL        |
| UPGRADING OF FIRST CREEK OUTFALL SEWER  | 0                                       | 0                                       | 10,000,000                              | ISUPG               | 11, 12, 14, 20, 21, 22, 23, 24, 30         | COASTAL        |
| UPGRADING OF SECOND CREEK OUTFALL SEWER   | 0                                       | 0                                       | 10,000,000                              | ISUPG               | 11, 12, 14, 20, 21, 22, 23, 24, 30         | COASTAL        |
|   | <b>567,524,000</b>                      | <b>344,405,000</b>                      | <b>83,278,348</b>                       |                     |  |                |
| <b>WATER DEPT</b>   |   |   |   |                     |  |                |
| KWT & BHISHO INFRASTRUCTURE   | 0                                       | 5,000,000                               | 21,000,000                              | USDG                | 34,37,38,39,40,41,43,44,49, 35             | INLAND         |
| KWT & BHISHO INFRASTRUCTURE   | 0                                       | 0                                       | 100,000,000                             | LOAN                | 34,37,38,39,40,41,43,44,49, 35             | INLAND         |
| UPGRADE WATER NETWORKS  | 7,204,295                               | 7,155,315                               | 10,000,000                              | USDG                | 26,31,32,33,36,37,38                       | WHOLE OF METRO |
| WATER BACKLOGS  | 14,500,000                              | 14,000,000                              | 15,000,000                              | USDG                | 26,31,32,33,36,37,38,40,50                 | WHOLE OF METRO |
| PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA                         | 6,000,000                               | 5,000,000                               | 22,700,000                              | OWN FUNDS           | 34,35,36,37,38,39,40,41,43, 44,49          | INLAND         |
| PIPE AND WATER METER REPLACEMENT IN EL  | 4,500,000                               | 5,000,000                               | 17,000,000                              | OWN FUNDS           | 1- 10,15,16,18,27,28,29,31,32, 33,46,47,50 | COASTAL        |
| PIPE AND WATER METER REPLACEMENT IN MDANTSANE                                   | 5,000,000                               | 5,500,000                               | 14,200,000                              | OWN FUNDS           | 11,12,13,14,42,48,50,17,20, 23             | MIDLAND        |
| AMAHLEKE WATER SUPPLY   | 16,200,000                              | 30,150,000                              | 25,000,000                              | ISUPG               | 36   | INLAND         |

**2022/2023 MTREF BUDGET - CAPITAL PROJECTS**

**PER PROGRAMME/PROJECT**

| ACCOUNT DESCRIPTION  | 2022/2023<br>CAPITAL<br>BUDGET | 2023/2024<br>CAPITAL<br>BUDGET | 2024/2025<br>CAPITAL<br>BUDGET | PROGRAM_FUND | WARD NO.   | REGION          |
|--|--------------------------------|--------------------------------|--------------------------------|--------------|--|-----------------|
| UMZONYANA DAM AND EAST COAST WATER SUPPLY UPGRADE  | 35,000,000                     | 30,000,000                     | 18,127,604                     | USDG         | 1-<br>10,15,16,18,27,28,29,31,32,<br>33,46,47,50 | COASTAL         |
| UMZONYANA DAM AND EAST COAST WATER SUPPLY UPGRADE  | 50,000,000                     | 145,000,000                    | 40,000,000                     | LOAN         | 1-<br>10,15,16,18,27,28,29,31,32,<br>33,46,47,50 | COASTAL         |
| W/DEMAND MANGM - WATER CONSERV - PRV STA   | 6,576,190                      | 7,000,000                      | 6,000,000                      | USDG         | ALL WARDS  | WHOLE OF METRO  |
| INFORMAL SETTLEMENTS   | 16,000,000                     | 22,400,000                     | 24,000,000                     | ISUPG        | 31,46  | COASTAL         |
|  | <b>160,980,485</b>             | <b>276,205,315</b>             | <b>313,027,604</b>             |              |  |                 |
| <b>FLEET</b>   |                                |                                |                                |              |  |                 |
| BCM FLEET PLANT SPEC EQUIP & S/WASTE VEH   | 5,000,000                      | 0                              | 10,000,000                     | OWN FUNDS    | ALL WARDS  | WHOLE OF METRO  |
| <b>TOTAL CAPITAL BUDGET: INFRASTRUCTURE SERVICES</b>   | <b>1,274,245,390</b>           | <b>937,320,878</b>             | <b>741,613,375</b>             |              |  |                 |
| <b>DIRECTORATE OF SPORTS , RECREATION &amp; COMMUNITY DEVELOPMENT</b>                        |                                |                                |                                |              |  |                 |
| OFFICE FURNITURE & EQUIPMENT (DIRECTORATE)   | 500,000                        | 500,000                        | 500,000                        | OWN FUNDS    | ALL WARDS  | WHOLE OF METRO  |
| DEVELOPMENT, UPGRADE & REFURBISHMENT OF COMMUNITY HALLS & EQUIPMENT                          | 5,000,000                      | 6,500,000                      | 2,500,000                      | USDG         | ALL WARDS  | WHOLE OF METRO  |
| DEVELOPMENT, UPGRADE & REFURBISHMENT OF COMMUNITY HALLS & EQUIPMENT                          | 8,000,000                      | 5,500,000                      | 4,000,000                      | OWN FUNDS    | ALL WARDS  | WHOLE OF METRO  |
| DEVELOPMENT OF LIBRARIES   | 5,000,000                      | 5,500,000                      | 2,500,000                      | USDG         | ALL WARDS  | WHOLE OF METRO  |
| DEVELOPMENT OF LIBRARIES   | 0                              | 0                              | 1,000,000                      | OWN FUNDS    | ALL WARDS  | WHOLE OF METRO  |
| UPGRADING OF RESORTS   | 6,000,000                      | 0                              | 4,000,000                      | OWN FUNDS    | 28,29,18,19                                      | COASTAL         |
| DEVELOPMENT, UPGRADE & REFURBISHMENT OF SPORTSFIELDS   | 3,000,000                      | 5,000,000                      | 1,500,000                      | OWN FUNDS    | ALL WARDS  | WHOLE OF METRO  |
| DEVELOPMENT, UPGRADE & REFURBISHMENT OF SPORTSFIELDS   | 2,500,000                      | 2,500,000                      | 2,500,000                      | ISUPG        | ALL WARDS  | WHOLE OF METRO  |
| UPGRADING OF ZOO   | 500,000                        | 1,000,000                      | 1,100,000                      | OWN FUNDS    | 47   | COASTAL         |
| REFURBISHMENT OF AQUARIUM  | 600,000                        | 700,000                        | 800,000                        | OWN FUNDS    | 47   | COASTAL         |
| SWIMMING POOLS   | 1,600,000                      | 1,000,000                      | 2,000,000                      | OWN FUNDS    | 47   | COASTAL         |
| UPGRADING OF DEPOTS  | 570,000                        | 0                              | 600,000                        | OWN FUNDS    | 20, 45   | MIDLAND         |
| GRASS CUTTING EQUIPMENT  | 200,000                        | 500,000                        | 50,000                         | OWN FUNDS    | ALL WARDS  | WHOLE OF METRO  |
| DEVELOPMENT OF CEMETRIES   | 6,400,000                      | 5,950,000                      | 5,950,000                      | OWN FUNDS    | ALL WARDS  | WHOLE OF METRO  |
| FENCING OF CEMETERIES  | 3,000,000                      | 3,000,000                      | 3,000,000                      | ISUPG        | ALL WARDS  | WHOLE OF METRO  |
| UPGRADING OF COMMUNITY PARKS   | 3,000,000                      | 3,000,000                      | 3,000,000                      | OWN FUNDS    | 15,18,27   | COASTAL/MIDLAND |
| UPGRADING OF COMMUNITY PARKS   | 2,000,000                      | 2,000,000                      | 2,000,000                      | ISUPG        | 15,18,27   | COASTAL/MIDLAND |
| <b>TOTAL CAPITAL BUDGET : DIRECTORATE OF SPORTS , RECREATION &amp; COMMUNITY DEVELOPMENT</b> | <b>47,870,000</b>              | <b>42,650,000</b>              | <b>37,000,000</b>              |              |  |                 |



**DRAFT 2022/2023 MTREF BUDGET - CAPITAL PROJECTSA1:Y5**

**PER PROGRAMME/PROJECT**

| <b>ACCOUNT DESCRIPTION</b>   | <b>2022/2023<br/>CAPITAL<br/>BUDGET</b> | <b>2023/2024<br/>CAPITAL<br/>BUDGET</b> | <b>2024/2025<br/>CAPITAL<br/>BUDGET</b> | <b>PROGRAM_FUND</b> | <b>WARD NO.</b> | <b>REGION</b>  |
|--|---|---|---|---------------------|-----------------|----------------|
| <b><u>DIRECTORATE OF SOLID WASTE &amp; ENVIRONMENTAL MANAGEMENT</u></b>          |   |   |   |                     |                 |                |
| OFFICE FURNITURE & EQUIPMENT (DIRECTORATE)                                       | 500,000                                 | 500,000                                 | 500,000                                 | OWN FUNDS           | ALL WARDS       | WHOLE OF METRO |
| BEACHES  | 900,000                                 | 1,000,000                               | 2,700,000                               | OWN FUNDS           | 47              | COASTAL        |
| REVITALISATION OF BEACH INFRASTRUCTURE   | 5,500,000                               | 5,500,000                               | 5,500,000                               | USDG                | 47              | COASTAL        |
| BCM FLEET - SOLID WASTE FLEET AND PLANT  | 8,000,000                               | 7,500,000                               | 10,000,000                              | OWN FUNDS           | ALL WARDS       | WHOLE OF METRO |
| PURCHASE OF BULK CONTAINERS WITH REMOVAL VEHICLES                                | 3,000,000                               | 2,000,000                               | 2,000,000                               | OWN FUNDS           | ALL WARDS       | WHOLE OF METRO |
| ACQUISITION OF REFUSE COMPACTOR TRUCKS   | 0                                       | 0                                       | 5,000,000                               | OWN FUNDS           | ALL WARDS       | WHOLE OF METRO |
| ACQUISITION OF LDV'S AND 4 TON TRUCK   | 0                                       | 0                                       | 5,000,000                               | OWN FUNDS           | ALL WARDS       | WHOLE OF METRO |
| FENCING OF TRANSFER STATION (PALISADE FENCE)                                     | 0                                       | 0                                       | 1,000,000                               | OWN FUNDS           | 27 & 28         | COASTAL        |
| GUARD HOUSE ABLUTION FACILIT & OFFICES   | 668,987                                 | 0                                       | 300,000                                 | OWN FUNDS           | 27 & 28         | COASTAL        |
| CONSTRUCTION OF WASTE CELLS AT KWT LANDFILL SITE                                 | 6,300,000                               | 6,300,000                               | 6,300,000                               | USDG                |                 | INLAND         |
| DEVELOPMENT OF BEACH INFRASTRUCTURE  | 0                                       | 500,000                                 | 500,000                                 | USDG                |                 | COASTAL        |
| CONSTRUCTION OF CELL 3, CELL 4 AND ANCILLARY WORKS IN THE LANDFILL SITES         | 2,000,000                               | 1,000,000                               | 0                                       | OWN FUNDS           | 45              | INLAND         |
| INSTALLAT OF LINERS ON CELL 5 AND CELL 6   | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| CONSTRUCT CELL 5 & 6 AT ROUNDHILL LANDFILL SITE                                  | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| UPGRADING OF GARDEN TRANSFER STATIONS  | 4,000,000                               | 8,700,000                               | 8,700,000                               | USDG                |                 | WHOLE OF METRO |
| CONSTRUCTION OF TRANSFER STATIONS/ESTABLISHMENT OF BUY BACK CENTRES              | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| PURCHASE OF CAMBRIDGE DEPOT  | 0                                       | 5,000,000                               | 5,000,000                               | OWN FUNDS           | 4               | COASTAL        |
| GALVANISED STREET LITTER BINS  | 2,000,000                               | 2,500,000                               | 2,000,000                               | OWN FUNDS           | ALL WARDS       | WHOLE OF METRO |
| DEVELOP WASTE TO ENERGY PROJECTS   | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| CONSTRUCT A HAZARDROUS WASTE CELL WITHIN THE EXISTING GENERAL LANDFILL SITE      | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| CONSTRUCT CELLS AND UPGRADING OF KWT LANDFILL SITE                               | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| ACQUISITION OF CHIPPING MACHINES FOR GARDEN TRANSFER STATION                     | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| ACQUISITION OF PLANT & MACHINERY FOR LANDFILL SITES AND GARDEN TRANSFER STATIONS | 0                                       | 0                                       | 2,000,000                               | OWN FUNDS           | 45              | INLAND         |
| ACQUISITION OF PARKHOMES FOR NU6 DEPOT (CHANGE ROOMS)                            | 0                                       | 0                                       | 1,500,000                               | OWN FUNDS           | ALL WARDS       | WHOLE OF METRO |

2022/2023 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME/PROJECT

| ACCOUNT DESCRIPTION   | 2022/2023<br>CAPITAL<br>BUDGET | 2023/2024<br>CAPITAL<br>BUDGET | 2024/2025<br>CAPITAL<br>BUDGET | PROGRAM_FUND | WARD NO.  | REGION         |
|---|--------------------------------|--------------------------------|--------------------------------|--------------|-----------|----------------|
| AIR MONITORING STATION  | 1,000,000                      | 1,000,000                      | 0                              | OWN FUNDS    | ALL WARDS | WHOLE OF METRO |
| REFURBISHMENT OF NU 6 MDANTSANE OFFICES FOR MUNICIPAL HEALTH SERVICES<br>MIDLAND  | 1,000,000                      | 0                              | 0                              | OWN FUNDS    | ALL WARDS | WHOLE OF METRO |
| ACQUISITION OF FLEET (CHERRY PICKER TRUCKS, CREW CAGE TRUCK, TIPPER<br>TRUCK, TRACTORS, BUSH CUTTERS, TRAILERS FOR RITE ON ETC) | 3,000,000                      | 0                              | 5,000,000                      | OWN FUNDS    | ALL WARDS | WHOLE OF METRO |
| REFURBISHMENT OF NATURE RESERVES  | 450,000                        | 0                              | 520,000                        | OWN FUNDS    | 47        | COASTAL        |
| GRASS CUTTING EQUIPMENT   | 200,000                        | 500,000                        | 50,000                         | OWN FUNDS    | ALL WARDS | WHOLE OF METRO |
| <b>TOTAL CAPITAL BUDGET: DIRECTORATE OF SOLID WASTE &amp; ENVIRONMENTAL<br/>MANAGEMENT</b>                                      | <b>38,518,987</b>              | <b>42,000,000</b>              | <b>77,570,000</b>              |              |           |                |
|   |                                |                                |                                |              |           |                |
| EAST LONDON BEACHFRONT AND WATERWORLD (BCMDA)   | 47,100,074                     | 18,000,000                     | 0                              | OWN FUNDS    | 46        | COASTAL        |
| OFFICE FURN & EQUIPMENT (BCMDA)   | 1,140,000                      | 1,231,200                      | 1,329,696                      | OWN FUNDS    | ALL WARDS | WHOLE OF METRO |
| <b>TOTAL CAPITAL PROJECTS</b>   | <b>2,086,362,240</b>           | <b>1,811,183,298</b>           | <b>1,288,703,467</b>           |              |           |                |

The Capital Expenditure is indicated below into the five (5) IDP Strategic Objectives:

| Strategic Objective                      | Goal   | 2018/19          | 2019/20          | 2020/21          | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|------------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|  |  | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| A WELL GOVERNED CITY                     | Promote Sound financial and administrative capabilities                                | 93,345           | 73,108           | 116,753          | 230,456              | 220,961          | 220,961            | 267,951   | 246,872                | 38,243                 |
| A SPATIALLY INTEGRATED /TRANSFORMED CITY | To develop and maintain world class infrastructure and utilities                       | 885,033          | 553,650          | 637,925          | 749,492              | 693,113          | 693,113            | 1,017,012   | 987,902                | 666,877                |
| A CONNECTED CITY                         | To maintain a world class logistics network  | 531,982          | 712,301          | 610,400          | 641,681              | 679,957          | 679,957            | 612,449   | 409,422                | 434,825                |
| A GREEN CITY                             | To promote an environmental sustainable city with optimal benefits from our natural    | 41,489           | 108,816          | 56,712           | 75,212               | 80,544           | 80,544             | 80,369  | 56,500                 | 74,100                 |
| AN INNOVATIVE AND PRODUCTIVE CITY        | To Enhance the Quality of life of the BCMM community with rapid and inclusive economic | 208,165          | 99,792           | 168,325          | 106,750              | 152,974          | 152,974            | 108,581   | 110,488                | 74,659                 |
| <b>Total Capital Expenditure</b>         |  | <b>1,760,015</b> | <b>1,547,666</b> | <b>1,590,115</b> | <b>1,803,592</b>     | <b>1,827,550</b> | <b>1,827,550</b>   | <b>2,086,362</b>                                    | <b>1,811,183</b>       | <b>1,288,703</b>       |

## 7.2 The Operating Budget

The Operating Budget is prepared on the analysis of past year trends and the operations within the various service categories. National Treasury Circular 112 and 115 were used as guidelines in preparation of the 2022/23 MTREF budget.

### Emphasis was placed on the following expenditure categories:

- ❑ **Repairs and Maintenance** 2022/23 budget is 5.4% of the total Operating Expenditure Budget. The City is striving towards a 10% repairs and maintenance of its total operating budget owing to the aging of the City's infrastructure and historic deferred maintenance. The City's infrastructure repairs and maintenance programme is complemented by the renewal and upgrading of existing infrastructure programme. The City has embarked on a programme to replace existing infrastructure assets which have almost reached and/or exceeded their useful lives and will be funded from own funds.
- ❑ **Bulk Purchases-Electricity** equates to 24.4% of the total Operating Expenditure. The amount has increased over the 2022/23 to 2024/25 period escalating from R2.16 billion to R2.55 billion. The increases from 2022/23 to 2024/25 can be attributed to the increase in the cost of bulk electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions.
- ❑ **The Employee Related Costs** depicts an increase from R2.56 billion in the 2021/22 financial year to R2.69 billion in the 2022/23 financial year. The existing Salary and Wage Collective Agreement has been followed in projecting employee costs increases of 4.8% in 2022/2023.
- ❑ Employee Related Costs and Bulk Purchases are the main cost drivers within the municipality. Ongoing operational gains and efficiencies are continuously identified to lessen the impact of wage and bulk tariff increases in future years.
- ❑ **Other Materials** - The budget for Other Materials has increased by 0.5% from the 2021/2022 budget. The increase on these items have been based on the consolidated budgeted amounts. The high increase in Other materials is mainly due to the increase on Water purchases. Amatola Water has proposed an increase of 5.775% on water purchases and this is the percentage that has been taken into account in the preparation of the budget..
- ❑ **Debt impairment-** The provision of debt impairment has been determined based on an annual collection rate of 80.5% over the MTREF. For the 2022/23 financial year this amounts to R1.21 billion, it increases to R1.29 billion in 2023/24 and further increases to R1.38 billion in the 2024/25 financial year

**Operating Revenue is indicated below into the five (5) IDP Strategic Objectives:**

| Strategic Objective  | Goal   | 2018/19          | 2019/20          | 2020/21          | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|------------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|  |  | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| A WELL GOVERNED CITY   | Promote Sound financial and administrative capabilities  | 2,389,558        | 2,654,031        | 2,958,948        | 3,086,753            | 3,091,703        | 3,091,703          | 3,377,348   | 3,514,009              | 3,707,267              |
| A SPATIALLY INTEGRATED /TRANSFORMED CITY                             | To develop and maintain world class infrastructure and utilities   | 1,198,519        | 1,390,510        | 2,051,817        | 1,700,024            | 1,781,928        | 1,781,928          | 1,834,553   | 1,974,682              | 2,110,101              |
| A CONNECTED CITY   | To maintain a world class logistics network  | 1,812,998        | 1,746,256        | 1,873,666        | 2,442,289            | 2,442,289        | 2,442,289          | 2,591,571   | 2,801,258              | 3,051,466              |
| A GREEN CITY   | To promote an environmental sustainable city with optimal benefits from our natural assets                             | 393,375          | 528,520          | 513,765          | 549,112              | 560,033          | 560,033            | 588,970   | 614,948                | 630,626                |
| AN INNOVATIVE AND PRODUCTIVE CITY                                    | To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment | 241,435          | 249,685          | 352,139          | 455,934              | 426,774          | 426,774            | 479,198   | 403,853                | 390,035                |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |  | <b>6,035,884</b> | <b>6,569,003</b> | <b>7,750,334</b> | <b>8,234,112</b>     | <b>8,302,728</b> | <b>8,302,728</b>   | <b>8,871,639</b>                                    | <b>9,308,750</b>       | <b>9,889,494</b>       |

The Operating Expenditure is indicated below into the five (5) IDP Strategic Objectives:

| Strategic Objective                      | Goal   | 2018/19          | 2019/20          | 2020/21          | Current Year 2021/22 |                  |                    | 2022/23 Medium Term Revenue & Expenditure Framework |                        |                        |
|--|--|------------------|------------------|------------------|----------------------|------------------|--------------------|---|------------------------|------------------------|
|  |  | Audited Outcome  | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Budget Year 2022/23                                 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| A WELL GOVERNED CITY                     | Promote Sound financial and administrative capabilities                                | 1,002,852        | 1,113,447        | 1,204,720        | 1,391,408            | 1,437,157        | 1,437,157          | 1,587,982   | 1,598,991              | 1,651,170              |
| A SPATIALLY INTEGRATED /TRANSFORMED CITY | To develop and maintain world class infrastructure and utilities                       | 1,167,109        | 1,326,903        | 1,901,392        | 1,424,185            | 1,490,168        | 1,490,168          | 1,555,835   | 1,684,886              | 1,796,265              |
| A CONNECTED CITY                         | To maintain a world class logistics network  | 3,110,117        | 3,659,239        | 3,369,664        | 3,574,596            | 3,581,551        | 3,581,551          | 3,807,842   | 4,110,708              | 4,468,214              |
| A GREEN CITY                             | To promote an environmental sustainable city with optimal benefits from our natural    | 644,156          | 827,935          | 789,500          | 785,207              | 796,001          | 796,001            | 838,392   | 863,562                | 902,889                |
| AN INNOVATIVE AND PRODUCTIVE CITY        | To Enhance the Quality of life of the BCMM community with rapid and inclusive economic | 841,249          | 848,751          | 877,180          | 1,056,349            | 995,484          | 995,484            | 1,080,358   | 1,048,187              | 1,069,204              |
| <b>Total Expenditure</b>                 |  | <b>6,765,484</b> | <b>7,776,276</b> | <b>8,142,456</b> | <b>8,231,745</b>     | <b>8,300,361</b> | <b>8,300,361</b>   | <b>8,870,409</b>                                    | <b>9,306,333</b>       | <b>9,887,741</b>       |

### 7.3 The Operating Projects

The operating projects are R384.57 million in the 2022/23 financial year, R368.01 million and R347.39 million in the 2023/24 and 2024/25 financial years respectively.

| <b>2022/2023 MTREF BUDGET - OPERATING PROJECTS</b>                                       |                                      |                                      |                                      |                         |                 |                |
|--|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------|-----------------|----------------|
| <b>PER PROGRAMME / PROJECT</b>   |                                      |                                      |                                      |                         |                 |                |
| <b>ACCOUNT DESCRIPTION</b>   | <b>2022/2023<br/>OPEX<br/>BUDGET</b> | <b>2023/2024<br/>OPEX<br/>BUDGET</b> | <b>2024/2025<br/>OPEX<br/>BUDGET</b> | <b>PROGRAM<br/>FUND</b> | <b>WARD NO.</b> | <b>REGION</b>  |
| <b><u>EXECUTIVE SUPPORT SERVICES</u></b>   |                                      |                                      |                                      |                         |                 |                |
| YOUTH  | 107,480                              | 107,480                              | 112,317                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| DISABILITY   | 107,480                              | 107,480                              | 112,317                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| HIV  | 107,480                              | 107,480                              | 112,317                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| ELDERLY  | 107,480                              | 107,480                              | 112,317                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| COMMEMORATION OF YOUTH MONTH   | 135,000                              | 270,000                              | 282,150                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| YOUTH CENTRES  | 240,000                              | 480,000                              | 501,600                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| GENDER   | 107,480                              | 107,480                              | 112,317                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| YAC  | 1,289,760                            | 1,289,760                            | 1,347,799                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| WARD INITIATIVES   | 50,000,000                           | 50,000,000                           | 50,000,000                           | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| EXPANDED PUBLIC WORKS PROGRAMME  | 522,045                              | 0                                    | 0                                    | EPWP                    | ALL WARDS       | WHOLE OF METRO |
| <b>TOTAL : EXECUTIVE SUPPORT SERVICES</b>  | <b>52,724,205</b>                    | <b>52,577,160</b>                    | <b>52,693,134</b>                    |                         |                 |                |
| <b><u>CITY MANAGER</u></b>   |                                      |                                      |                                      |                         |                 |                |
| PROJECT MANAGEMENT FUND - EMPO   | 14,784,980                           | 15,441,020                           | 16,238,173                           | USDG                    | ALL WARDS       | WHOLE OF METRO |
| PROJECT MANAGEMENT FUND - EMPO   | 14,615,020                           | 13,958,980                           | 14,000,000                           | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| PRECINCT PLAN, INTERGRATED DESIGN FRAMEWORK & IMPLEMENTATION PLAN FOR PUBLIC REALM & NMT |                                      |                                      |                                      |                         |                 |                |
| UPGRADES IN THE KING WILLIAM'S TOWN CBD  | 2,008,000                            | 1,000,000                            | 1,500,000                            | PPPSG                   | ALL WARDS       | WHOLE OF METRO |
| EXPANDED PUBLIC WORKS PROGRAMME  | 3,000,000                            | 0                                    | 0                                    | EPWP                    | ALL WARDS       | WHOLE OF METRO |
| THE INVESTMENT CENTRE:CATALYTIC NODES ECONOMIC ANALYSIS AND ACTION PLAN                  | 2,400,000                            | 3,145,902                            | 2,000,000                            | PPPSG                   | ALL WARDS       | WHOLE OF METRO |
| DIGITAL HUB PROJECT AT IDZ   | 1,400,000                            | 0                                    | 0                                    | PPPSG                   | ALL WARDS       | WHOLE OF METRO |
| DIGITAL HUB PROJECT AT IDZ (PPPSG COUNTERFUNDING)  | 2,755,200                            | 2,876,600                            | 3,046,800                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| SMART CITY PROJECT   | 4,200,000                            | 4,384,800                            | 4,582,116                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| <b>TOTAL : CITY MANAGER</b>  | <b>45,163,200</b>                    | <b>40,807,302</b>                    | <b>41,367,089</b>                    |                         |                 |                |

**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| ACCOUNT DESCRIPTION                               | 2022/2023<br>OPEX<br>BUDGET | 2023/2024<br>OPEX<br>BUDGET | 2024/2025<br>OPEX<br>BUDGET | PROGRAM<br>FUND | WARD NO.      | REGION         |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------|---------------|----------------|
| <b>CORPORATE SERVICES</b>                         |                             |                             |                             |                 |               |                |
| INFRASTRUCTURE SKILLS DEVELOPMENT GRANT           | 11,600,000                  | 11,850,000                  | 13,350,000                  | ISDG            | ALL WARDS     | WHOLE OF METRO |
| CHANGE & CULTURE MANAGEMENT                       | 1,000,000                   | 1,500,000                   | 1,000,000                   | OWN FUNDS       | ALL WARDS     | WHOLE OF METRO |
| MASTER DATA MANAGEMENT                            | 0                           | 5,000,000                   | 0                           | OWN FUNDS       | ALL WARDS     | WHOLE OF METRO |
| <b>TOTAL : CORPORATE SERVICES</b>                 | <b>12,600,000</b>           | <b>18,350,000</b>           | <b>14,350,000</b>           |                 |               |                |
| <b>SPATIAL PLANNING &amp; DEVELOPMENT</b>         |                             |                             |                             |                 |               |                |
| CADASTRAL SURVEY                                  | 600,000                     | 0                           | 0                           | OWN FUNDS       | All Wards     | WHOLE OF METRO |
| CADASTRAL SURVEY                                  | 1,500,000                   | 2,000,000                   | 2,000,000                   | ISUPG           | All Wards     | WHOLE OF METRO |
| SURVEY & PLANNING                                 | 1,650,000                   | 0                           | 1,000,000                   | OWN FUNDS       | All Wards     | WHOLE OF METRO |
| OPENING OF TOWNSHIP REGISTER: OTHER TOWNSHIPS     | 1,500,000                   | 1,500,000                   | 1,000,000                   | ISUPG           | ALL WARDS     | WHOLE OF METRO |
| OPENING OF TOWNSHIP REGISTER: SONWABISO           | 200,000                     | 0                           | 0                           | OWN FUNDS       | 17            | MIDLAND        |
| INDIGENT TRANSFERS                                | 1,000,000                   | 0                           | 0                           | OWN FUNDS       | All TOWNSHIPS | WHOLE OF METRO |
| SECURITY OF MUNICIPAL BUILDINGS                   | 500,000                     | 0                           | 1,500,000                   | OWN FUNDS       | ALL WARDS     | WHOLE OF METRO |
| FEASIBILITIES STUDIES/TOWNSHIP ESTABLISHMENT      | 600,000                     | 0                           | 0                           | OWN FUNDS       | ALL WARDS     | WHOLE OF METRO |
| FEASIBILITIES STUDIES/TOWNSHIP ESTABLISHMENT      | 1,522,000                   | 1,571,000                   | 934,249                     | ISUPG           | ALL WARDS     | WHOLE OF METRO |
| FACILITIES ASSESMENT OF BCMM BUILDINGS            | 1,000,000                   | 0                           | 0                           | OWN FUNDS       | ALL WARDS     | WHOLE OF METRO |
| STREET NAMING                                     | 500,000                     | 500,000                     | 2,000,000                   | ISUPG           | ALL WARDS     | WHOLE OF METRO |
| TRAFFIC IMPACT ASSESSMENT STUDIES                 | 1,000,000                   | 1,500,000                   | 2,000,000                   | ISUPG           | ALL WARDS     | WHOLE OF METRO |
| MDANTSANE TAXI RANK & SHOPPING CENTRE             | 0                           | 1,500,000                   | 1,500,000                   | PPPSG           | ALL WARDS     | MIDLAND        |
| <b>TOTAL : SPATIAL PLANNING &amp; DEVELOPMENT</b> | <b>11,572,000</b>           | <b>8,571,000</b>            | <b>11,934,249</b>           |                 |               |                |



**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| ACCOUNT DESCRIPTION   | 2022/2023<br>OPEX<br>BUDGET | 2023/2024<br>OPEX<br>BUDGET | 2024/2025<br>OPEX<br>BUDGET | PROGRAM<br>FUND | WARD NO.                   | REGION         |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------|----------------------------|----------------|
| <b>ECONOMIC DEVELOPMENT &amp; AGENCIES</b>                            |                             |                             |                             |                 |                            |                |
| AGRICULTURE & RURAL DEVELOPMENT SUPPORT PROGRAMME                     | 800,000                     | 0                           | 0                           | OWN FUNDS       | 22,26,31,32,33,36,39,40,50 | WHOLE OF METRO |
| AQUAPONICS  | 0                           | 0                           | 500,000                     | OWN FUNDS       | 7                          | COASTAL        |
| ART CENTRES OPERATIONS  | 0                           | 350,000                     | 450,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| CREATIVE INDUSTRY RECOVERY SUPPORT PROGRAMMES                         | 500,000                     | 1,000,000                   | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| COMMEMORATION OF NATIONAL DAYS  | 0                           | 1,500,000                   | 1,000,000                   | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| DIPPING TANKS   | 300,000                     | 500,000                     | 500,000                     | OWN FUNDS       | 50                         | COASTAL        |
| FENCING ARABLE LANDS  | 500,000                     | 500,000                     | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| FOOD SECURITY PROGRAMME   | 200,000                     | 200,000                     | 500,000                     | OWN FUNDS       | 22,26,31,32,33,36,39,40,50 | WHOLE OF METRO |
| INVESTMENT PROMOTION  | 250,000                     | 500,000                     | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| LEISURE TOURISM DEVELOPMENT - INLAND                                  | 500,000                     | 1,000,000                   | 1,000,000                   | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| TOURISM ROUTES DEVELOPMENT  | 0                           | 500,000                     | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| EQUIPMENT FOR LIVESTOCK   | 150,000                     | 300,000                     | 500,000                     | OWN FUNDS       | 40,38                      | INLAND         |
| PIGGERY & POULTRY   | 300,000                     | 300,000                     | 500,000                     | OWN FUNDS       | 37                         | INLAND         |
| PROCURE OF SMME AND CO-OP EQUIP & MACH                                | 500,000                     | 500,000                     | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| PRODUCTION INPUTS   | 300,000                     | 500,000                     | 600,000                     | OWN FUNDS       | 31,33,35,38,50             | WHOLE OF METRO |
| URBAN AGRICULTURE   | 100,000                     | 500,000                     | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| TRACTOR & IMPLEMENTS MAINTENANCE                                      | 300,000                     | 0                           | 0                           | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| YOUTH WORK READINESS & SKILLS DEVELOPMENT SUPPORT -TRAINING FOR YOUTH | 0                           | 2,000,000                   | 0                           | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| TOURISM RECOVERY SUPPORT PROGRAMME                                    | 600,000                     | 2,500,000                   | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| TOURISM INFORMATION CENTRES OPERATIONS                                | 300,000                     | 1,000,000                   | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| FRESH PRODUCE MARKET INTERGRATED WASTE MANAGEMENT STRATEGY            | 0                           | 1,000,000                   | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| SMME & CO-OPERATIVES  | 0                           | 2,000,000                   | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| TOURISM DESTINATION MARKETING   | 0                           | 2,000,000                   | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| TRADE & INVESTMENT PROGRAMMES -EXPORT                                 | 500,000                     | 1,000,000                   | 500,000                     | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |
| CROPPING MACHINE  | 0                           | 0                           | 1,000,000                   | OWN FUNDS       | ALL WARDS                  | WHOLE OF METRO |

**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| <b>ACCOUNT DESCRIPTION</b>                             | <b>2022/2023<br/>OPEX<br/>BUDGET</b> | <b>2023/2024<br/>OPEX<br/>BUDGET</b> | <b>2024/2025<br/>OPEX<br/>BUDGET</b> | <b>PROGRAM<br/>FUND</b> | <b>WARD NO.</b> | <b>REGION</b>  |
|--|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------|-----------------|----------------|
| ECONOMIC DEVELOPMENT STRATEGIES AND STRATEGIC PLANS    | 0                                    | 0                                    | 600,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| INVEST BUFFALO CITY                                    | 500,000                              | 500,000                              | 500,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| SPAZA SHOP TOWNSHIP DEVELOPMENT                        | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| TEEN ENTREPRENEUR                                      | 200,000                              | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| CIRCULAR ECONOMY (WASTE ECONOMY)                       | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| SCOOPING DAMS  | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| IRRIGATION SCHEMES                                     | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| BUSINESS CENTRE OPERATIONS (3 CENTRES)                 | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | 42, 2, 35       | WHOLE OF METRO |
| TRADE & INVESTMENT PROGRAMMES -INVEST BUFFALO          | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| FUTURE SKILLS HUB                                      | 3,500,000                            | 3,500,000                            | 0                                    | NDPG                    | 33              | COASTAL        |
| URBAN FOOD SYSTEMS                                     | 5,500,000                            | 5,500,000                            | 0                                    | NDPG                    | ALL WARDS       | WHOLE OF METRO |
| EXPANDED PUBLIC WORKS PROGRAMME                        | 574,522                              | 0                                    | 0                                    | EPWP                    | ALL WARDS       | WHOLE OF METRO |
| <b>TOTAL : ECONOMIC DEVELOPMENT &amp; AGENCIES</b>     | <b>16,374,522</b>                    | <b>29,150,000</b>                    | <b>17,150,000</b>                    |                         |                 |                |
| <b><u>DIRECTORATE OF FINANCE</u></b>                   |                                      |                                      |                                      |                         |                 |                |
| FMG PROGRAMME  | 1,000,000                            | 1,000,000                            | 1,000,000                            | FMG                     | ALL WARDS       | WHOLE OF METRO |
| IMPLEMENT COST REFFECTIVE TARIFF STRUCTURE             | 1,500,000                            | 1,500,000                            | 1,000,000                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| FINANCIAL SYSTEMS REVENUE                              | 4,500,000                            | 4,200,000                            | 1,000,000                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| INTERGRATED VOICE RESPONSE SYSTEM                      | 3,500,000                            | 2,000,000                            | 5,000,000                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| E-PROCUREMENT ONSITE SUPPORT                           | 6,292,800                            | 4,224,336                            | 4,464,700                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| <b><u>OPERATIONS AND MAINTENANCE OF ENTERPRISE</u></b> |                                      |                                      |                                      |                         |                 |                |
| <b><u>RESOURCE PLANNING SYSTEM</u></b>                 |                                      |                                      |                                      |                         |                 |                |
| ASSET MANAGEMENT                                       | 5,000,000                            | 4,000,000                            | 4,000,000                            | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| GENERAL VALUATIONS                                     | 30,000,000                           | 5,000,000                            | 0                                    | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
| BACKSCANNING   | 1,000,000                            | 4,500,000                            | 0                                    | OWN FUNDS               | ALL WARDS       | WHOLE OF METRO |
|  | <b>52,792,800</b>                    | <b>26,424,336</b>                    | <b>16,464,700</b>                    |                         |                 |                |

**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| <b>ACCOUNT DESCRIPTION</b>   | <b>2022/2023<br/>OPEX<br/>BUDGET</b> | <b>2023/2024<br/>OPEX<br/>BUDGET</b> | <b>2024/2025<br/>OPEX<br/>BUDGET</b> | <b>PROGRAM<br/>FUND</b> | <b>WARD NO.</b>   | <b>REGION</b>  |
|--|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------|-------------------|----------------|
| <b>HEALTH/PUBLIC SAFETY &amp; EMERGENCY SERVICES</b>   |                                      |                                      |                                      |                         |                   |                |
| COMMUNITY SAFETY FORUMS  | 300,000                              | 0                                    | 0                                    | OWN FUNDS               | ALL WARDS         | WHOLE OF METRO |
| METRO POLICE   | 4,500,000                            | 0                                    | 0                                    | OWN FUNDS               | ALL WARDS         | WHOLE OF METRO |
| FEASIBILITY STUDY OF TRAFFIC SERVICES & LAW ENFORCEMENT  | 500,000                              | 0                                    | 0                                    | OWN FUNDS               | ALL WARDS         | WHOLE OF METRO |
| EXPANDED PUBLIC WORKS PROGRAMME  | 471,256                              | 0                                    | 0                                    | EPWP                    | ALL WARDS         | WHOLE OF METRO |
| <b>SERVICES</b>  | <b>5,771,256</b>                     | <b>0</b>                             | <b>0</b>                             |                         |                   |                |
| <b>HUMAN SETTLEMENTS</b>   |                                      |                                      |                                      |                         |                   |                |
| C SECTION AND TRIANGULAR SITE  | 500,000                              | 1,500,000                            | 1,500,000                            | HSDG                    | 2                 | COASTAL        |
| CAMBRIDGE WEST - CNIP VICTIMS 275 UNITS  | 2,025,756                            | 0                                    | 0                                    | HSDG                    | 4                 | COASTAL        |
| CLUSTER 1 P5   | 1,000,000                            | 0                                    | 0                                    | HSDG                    | 12,14,17          | MIDLAND        |
| CLUSTER 2 (CHRIS HANI 3; WINNIE MANDELA; DELUXOLO VILLAGE ; SISULU VILLAGE; FRANCIS MEI; MAHLANGU VILLAGE, MATHEMBA VUSO, GWENTSHE) P5 - 647 UNITS | 12,083,854                           | 10,000,000                           | 10,000,000                           | HSDG                    | 11,17,20,21,30,48 | MIDLAND        |
| CLUSTER 3 P5   | 5,000,000                            | 0                                    | 0                                    | HSDG                    | 8,10              | MIDLAND        |
| AMALINDA 179: MILITARY VETERANS  | 3,900,000                            | 2,100,000                            | 2,100,000                            | HSDG                    | 9.16              | COASTAL        |
| D HOSTEL   | 1,500,000                            | 3,000,000                            | 3,000,000                            | HSDG                    | 2                 | COASTAL        |
| DV PROPER  | 2,000,000                            | 2,500,000                            | 2,500,000                            | HSDG                    | 2.6               | COASTAL        |
| DVRI PILOT PROJECT (COMPETITION SITE)  | 5,000,000                            | 2,000,000                            | 2,000,000                            | HSDG                    | 1                 | COASTAL        |
| FORD MSIMANGO  | 500,000                              | 2,100,000                            | 2,100,000                            | HSDG                    | 6                 | COASTAL        |
| HANOVER - P5   | 2,500,000                            | 5,000,000                            | 5,000,000                            | HSDG                    | 45                | INLAND         |
| ILITHA NORTH - 177 UNITS P5  | 4,000,000                            | 5,000,000                            | 5,000,000                            | HSDG                    | 45                | INLAND         |
| MDANTSANE ZONE 18CC - P5   | 9,000,000                            | 3,000,000                            | 3,000,000                            | HSDG                    | 23                | MIDLAND        |
| N2 ROAD RESERVE  | 500,000                              | 500,000                              | 500,000                              | HSDG                    | 8                 | COASTAL        |
| PEELTON CLUSTER - P5   | 10,000,000                           | 5,000,000                            | 5,000,000                            | HSDG                    | 43                | INLAND         |
| PEELTON PHASE 2 800 UNITS  | 10,000,000                           | 5,000,000                            | 5,000,000                            | HSDG                    | 43                | INLAND         |
| POTSDAM IKHWEZI BLOCK 1- P5  | 500,000                              | 0                                    | 0                                    | HSDG                    | 22                | MIDLAND        |
| POTSDAM IKHWEZI BLOCK 2- P5  | 600,000                              | 0                                    | 0                                    | HSDG                    | 22                | MIDLAND        |
| POTSDAM NORTH KANANA - P5  | 5,000,000                            | 5,000,000                            | 5,000,000                            | HSDG                    | 24                | MIDLAND        |
| POTSDAM VILLAGE PHASE 1 & 2 - P5   | 500,000                              | 500,000                              | 500,000                              | HSDG                    | 24                | MIDLAND        |
| REESTON PHASE 3 STAGE 2 P5   | 2,000,000                            | 5,000,000                            | 5,000,000                            | HSDG                    | 13                | COASTAL        |
| REESTON PHASE 3 STAGE 3 P5   | 3,200,000                            | 5,000,000                            | 5,000,000                            | HSDG                    | 13                | COASTAL        |
| SKOBENI - P5   | 2,000,000                            | 4,000,000                            | 4,000,000                            | HSDG                    | 45                | INLAND         |
| TYUTYU PHASE 3   | 2,100,000                            | 5,000,000                            | 5,000,000                            | HSDG                    | 43                | INLAND         |
| HAVEN HILLS AND MEKENI DEFECTIVE UNITS   | 200,000                              | 100,000                              | 100,000                              | HSDG                    | 10;1              | COASTAL        |

**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| <b>ACCOUNT DESCRIPTION</b>                  | <b>2022/2023<br/>OPEX<br/>BUDGET</b> | <b>2023/2024<br/>OPEX<br/>BUDGET</b> | <b>2024/2025<br/>OPEX<br/>BUDGET</b> | <b>PROGRAM<br/>FUND</b> | <b>WARD NO.</b>                            | <b>REGION</b>  |
|---|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------|--|----------------|
| PHASE 2 STORM DAMAGED HOUSES IN RURAL AREAS | 2,000,000                            | 2,000,000                            | 2,000,000                            | HSDG                    | ALL RURAL<br>AREAS                         | WHOLE OF METRO |
| DIMBAZA SHUTTER HOUSES                      | 1,000,000                            | 5,000,000                            | 5,000,000                            | HSDG                    | 34, 36                                     | INLAND         |
| ERF 271 SUMMERPRIDE                         | 1,500,000                            | 4,813,000                            | 4,813,000                            | HSDG                    | 16   | COASTAL        |
| WEST BANK RESTITUTION                       | 5,000,000                            | 6,500,000                            | 6,500,000                            | HSDG                    | 19.46                                      | COASTAL        |
| EAST BANK                                   | 500,000                              | 3,000,000                            | 3,000,000                            | HSDG                    | 10   | COASTAL        |
| HAVENS HILLS                                | 500,000                              | 1,500,000                            | 1,500,000                            | HSDG                    | 10   | COASTAL        |
| NELSON MANDELA R102                         | 1,000,000                            | 2,996,610                            | 2,996,610                            | HSDG                    | 2  | COASTAL        |
| MAJARANTIYENI                               | 3,003,390                            | 3,003,390                            | 3,003,390                            | HSDG                    | 45   | INLAND         |
| INFORMAL SETTLEMENTS STUDY REVIEW           | 1,500,000                            | 0                                    | 0                                    | ISUPG                   | ALL INFORMAL<br>SETTLEMENTS                | WHOLE OF METRO |
| POSTDAM VILLAGE PHASE 1&2 P5 WATERTANKS     | 3,000,000                            | 0                                    | 0                                    | ISUPG                   | 24   | MIDLAND        |
| SOCIAL FACILITATION                         | 7,836,680                            | 7,836,680                            | 8,233,550                            | ISUPG                   | ALL WARDS                                  | WHOLE OF METRO |
| BENEFICIARY MANAGEMENT                      | 2,000,000                            | 0                                    | 0                                    | OWN FUNDS               | ALL WARDS                                  | WHOLE OF METRO |
| MDANTSANE SHARING HOUSES                    | 500,000                              | 1,500,000                            | 1,500,000                            | OWN FUNDS               | 11;12;13;14;17;20;2<br>1;22;23;24;30;42;48 | MIDLAND        |
| <b>TOTAL : HUMAN SETTLEMENTS</b>            | <b>114,949,680</b>                   | <b>109,449,680</b>                   | <b>109,846,550</b>                   |                         |  |                |
| <b>INFRASTRUCTURE SERVICES</b>              |                                      |                                      |                                      |                         |  |                |
| RURAL SANITATION BACKLOG                    | 30,000,000                           | 50,000,000                           | 50,000,000                           | USDG                    | 31,32,33,35,36,37,3<br>8,39,40,43,49,50    | WHOLE OF METRO |
| DEVELOPMENT OF WATER STUDIES                | 2,000,000                            | 2,000,000                            | 2,000,000                            | OWN FUNDS               | ALL WARDS                                  | WHOLE OF METRO |
| WATER & SANITATION (RAINWATER HARVESTING)   | 2,000,000                            | 3,000,000                            | 3,000,000                            | PPPSG                   | ALL WARDS                                  | WHOLE OF METRO |
| HARBOUR ARTERIAL                            | 3,146,000                            | 1,579,098                            | 1,634,000                            | PPPSG                   | ALL WARDS                                  | WHOLE OF METRO |
| MDANTSANE URBAN HUB STORMWATER MANAGEMENT   | 1,322,000                            | 2,000,000                            | 1,500,000                            | PPPSG                   | ALL WARDS                                  | MIDLAND        |
| EXPANDED PUBLIC WORKS PROGRAMME             | 1,500,000                            | 0                                    | 0                                    | EPWP                    | ALL WARDS                                  | WHOLE OF METRO |
| BCMM FLEET MANAGEMENT SYSTEM - LEASE        | 3,000,000                            | 3,000,000                            | 3,000,000                            | OWN FUNDS               | ALL WARDS                                  | WHOLE OF METRO |
| <b>TOTAL : INFRASTRUCTURE SERVICES</b>      | <b>42,968,000</b>                    | <b>61,579,098</b>                    | <b>61,134,000</b>                    |                         |  |                |

**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| ACCOUNT DESCRIPTION  | 2022/2023<br>OPEX<br>BUDGET | 2023/2024<br>OPEX<br>BUDGET | 2024/2025<br>OPEX<br>BUDGET | PROGRAM<br>FUND | WARD NO.                            | REGION         |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------|-------------------------------------|----------------|
| <b>DIRECTORATE OF SOLID WASTE &amp; ENVIRONMENTAL MANAGEMENT</b>   |                             |                             |                             |                 |                                     |                |
| OPERATIONS & MAINTENANCE OF WASTE CELLS  | 1,500,000                   | 0                           | 1,000,000                   | OWN FUNDS       | 11,12,14,17,20,21,22,23,25,30,42,48 | WHOLE OF METRO |
| ASSESSMENT PRIOR REHABILITATION OF UNLICENSED DISPOSAL SITES/INTERGRATED WASTE MANAGEMENT PLAN (IWMP)              | 1,000,000                   | 0                           | 0                           | OWN FUNDS       | 37,43,47,42,18                      | WHOLE OF METRO |
| WASTE MINIMISATION, RECYCLING, AWARENESS, SEPARATION & WASTE PROGRAMMES  | 1,000,000                   | 0                           | 0                           | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| WASTE CO-OPERATIVES PROGRAMME  | 5,200,000                   | 6,000,000                   | 2,000,000                   | OWN FUNDS       | ALL WARDS                           | COASTAL        |
| ROUNDHILL LANDFILL SITE-OPERATIONS   | 2,000,000                   | 0                           | 0                           | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| SOLID WASTE COLLECTION AND DISPOSAL  | 0                           | 858,000                     | 1,000,000                   | PPPSG           | ALL WARDS                           | WHOLE OF METRO |
| OPERATION AND MANAGEMENT OF ROUNDHILL LANDFILL   | 0                           | 0                           | 1,000,000                   | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| ENVIRONMENTAL AND MONITORING OF ALL WASTE  | 0                           | 0                           | 800,000                     | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| WASTE MINIMISATION   | 0                           | 0                           | 500,000                     | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| MANAGEMENT AND OPERATIONS OF THE WEIGHBRIDGE SYSTEM FOR ALL WASTE FACILITIES                                       | 0                           | 0                           | 500,000                     | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| SOLID WASTE CO-OPERATIVES / COMMUNITY BASED  | 0                           | 0                           | 800,000                     | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| ILLEGAL DUMP MANAGEMENT PROGRAMME  | 0                           | 0                           | 1,000,000                   | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| IMPLEMENT SEPARATION OF WASTE AT SOURCE  | 0                           | 0                           | 500,000                     | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| IMPLEMENTATION OF A 2 SHIFT SYSTEM FOR REFUSE REMOVAL AND STREET SWEEPING (SUPERVISORS, DRIVERS & GENERAL WORKERS) | 0                           | 0                           | 1,000,000                   | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |
| CONDUCT BATHING WATER QUALITY SAMPLING AND TESTING PROGRAMME   | 0                           | 0                           | 800,000                     | OWN FUNDS       | ALL WARDS                           | WHOLE OF METRO |

**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| <b>ACCOUNT DESCRIPTION</b>  | <b>2022/2023<br/>OPEX<br/>BUDGET</b> | <b>2023/2024<br/>OPEX<br/>BUDGET</b> | <b>2024/2025<br/>OPEX<br/>BUDGET</b> | <b>PROGRAM<br/>FUND</b> | <b>WARD NO.</b>     | <b>REGION</b>  |
|---|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------|---------------------|----------------|
| IMPLEMENT RECYCLING PROJECTS INCLUDING THE ESTABLISHMENT OF BUY-BACK CENTRES, DROP OFF POINTS, TRANSFER STATIONS AND FORMALISATION OF WASTE PICKERS | 0                                    | 0                                    | 1,000,000                            | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| REVIEW EXISTING CLIMATE CHANGE STRATEGY   | 200,000                              | 200,000                              | 100,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| IMPLEMENT CLIMATE PROTECTION PROGRAMME.   | 0                                    | 0                                    | 1,000,000                            | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| REVIEW COASTAL MANAGEMENT PLAN  | 200,000                              | 200,000                              | 100,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| IMPLEMENT ESTUARY MANAGEMENT PLANS  | 0                                    | 200,000                              | 100,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| CO-ORDINATE ECO SYSTEM BASED PROGRAMME (WETLANDS RESTORATION & STREAM/RIVER   | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| STRENGTHEN ENVIRONMENTAL EDUCATION AND AWARENESS PROGRAMMES   | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| REVIEW THE EXISTING INTEGRATED ENVIRONMENTAL MANAGEMENT PLAN (IEMP)   | 200,000                              | 200,000                              | 100,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| DEVELOPMENT OF A SAND DUNE AND BEACH MANAGEMENT PLAN  | 0                                    | 200,000                              | 400,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| ENVIRONMENTAL MANAGEMENT PROGRAMME  | 200,000                              | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| SAND DUNE MANAGEMENT AND REHABILITATION PROJECT   | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| WETLAND RESTORATIONS and STREAM/RIVER MANAGEMENT PROGRAMMEE   | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| IMPLEMENT COASTAL PROTECTION AND WASTE MANAGEMENT PROJECTS  | 0                                    | 0                                    | 500,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| LICENCING AND MONITORING OF EXISTING AND NEW BOAT LAUNCH SITES  | 0                                    | 0                                    | 1,000,000                            | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| CLEARING OF INVASIVE PLANTS   | 0                                    | 0                                    | 600,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| ENVIRONMENTAL IMPACT ASSESSMENT STUDIES   | 0                                    | 0                                    | 1,000,000                            | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| REVIEW OF AIR QUALITY MANAGEMENT PLAN   | 0                                    | 0                                    | 600,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| DEVELOPMENT OF AIR QUALITY BY-LAWS  | 0                                    | 0                                    | 150,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| REVIEW OF MUNICIPAL HEALTH SERVICE PLAN   | 0                                    | 0                                    | 600,000                              | OWN FUNDS               | ALL WARDS           | WHOLE OF METRO |
| EXPANDED PUBLIC WORKS PROGRAMME   | 3,250,000                            | 0                                    | 0                                    | EPWP                    | ALL WARDS           | WHOLE OF METRO |
| CALL TO ACTION (PHASE 2)  | 8,000,000                            | 8,000,000                            | 0                                    | NDPG                    | 3,11,19,27,37,46,47 | WHOLE OF METRO |
| INTERGRATED WASTE MANAGEMENT PROGRAMME  | 4,000,000                            | 4,000,000                            | 0                                    | NDPG                    | ALL WARDS           | WHOLE OF METRO |
| <b>TOTAL: DIRECTORATE OF SOLID WASTE &amp; ENVIRONMENTAL MANAGEMENT</b>   | <b>26,750,000</b>                    | <b>19,858,000</b>                    | <b>20,650,000</b>                    |                         |                     |                |

**2022/2023 MTREF BUDGET - OPERATING PROJECTS**

**PER PROGRAMME / PROJECT**

| <b>ACCOUNT DESCRIPTION</b>   | <b>2022/2023<br/>OPEX<br/>BUDGET</b> | <b>2023/2024<br/>OPEX<br/>BUDGET</b> | <b>2024/2025<br/>OPEX<br/>BUDGET</b> | <b>PROGRAM<br/>FUND</b> | <b>WARD NO.</b> | <b>REGION</b>  |
|--|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------|-----------------|----------------|
| <b><u>DIRECTORATE OF SPORT, RECREATION &amp; COMMUNITY DEVELOPMENT</u></b>                 |                                      |                                      |                                      |                         |                 |                |
| PARKS  | 1,500,000                            | 1,300,000                            | 1,800,000                            | PPPSG                   | ALL WARDS       | WHOLE OF METRO |
| EXPANDED PUBLIC WORKS PROGRAMME  | 1,410,177                            | 0                                    | 0                                    | EPWP                    | ALL WARDS       | WHOLE OF METRO |
| <b>TOTAL DRAFT OPERATING PROJECTS : SPORT ,<br/>RECREATION &amp; COMMUNITY DEVELOPMENT</b> | <b>2,910,177</b>                     | <b>1,300,000</b>                     | <b>1,800,000</b>                     |                         |                 |                |
| <b>TOTAL : OPERATING PROJECTS</b>  | <b>384,575,840</b>                   | <b>368,066,576</b>                   | <b>347,389,722</b>                   |                         |                 |                |

# SECTION G: BCMM OPERATIONAL PLAN

## 1. BUFFALO CITY METRO: POLITICAL STRUCTURE

The section 12 notice published by the Member of the Executive Council for Local Government & Traditional Affairs determined that Buffalo City Metropolitan Council, in terms of section 9(d) of the Municipal Structures Act 1998, would have an Executive Mayoral System combined with a Ward Participatory System.

BCMM has a hundred Councillors. Fifty Councillors were elected in terms of the system of proportional representation and fifty Councillors represent wards. A total of 51 Councillors is required to constitute a Quorum for meetings. The first Council Meeting elected the Executive Mayor, Deputy Mayor, Council Speaker and Chief Whip. The Executive Mayor has a nine-member Mayoral Committee.

Buffalo City Metropolitan Municipality has a well-defined political and administrative governance system supported by the implementation of King III on Corporate Governance principles. The Metro's governance structure has two distinct functions which are the Legislative function and the Executive function. These are supported by an administration, which focuses on administrative governance and service delivery.

This governance structure deepens democracy, boosts citizen empowerment and stakeholder participation and involvement; improves governance, socio-economic development and service delivery, strengthens decision-making powers and accountability and ensures expeditious and efficient decision-making.

### 1.1 Ward Committees

Local Government elections were held on 1 November 2021, which established new ward boundaries and ushered in new ward Councillors. Ward Committees are established, in terms of sections 72-78, of the Municipal Structures Act, for the 50 wards.

Ward committees are chaired by the ward Councillors and consist of ten elected members. Ward committees are consultative community structures, whose purposes is to broaden participation in the democratic process of Council and to assist the Ward Councillor with organising consultation, disseminating information and encouraging participation from residents in the ward.

### 1.2 Committees of Council

In pursuit of promoting public accountability and broadening public participation, the City demonstrated a strong commitment to community-centred participatory approaches in the management of the municipality. Extensive involvement of communities in municipal planning, through established institutional arrangements, demonstrated the City's commitment to the promotion of public accountability. In this regard, significant strides were made in engaging communities through the utilisation of various governance structures at both the Executive and Legislative components of Council.

This ensures active participation of communities in the development of their areas and ensured that the municipality is accountable to the public. Amongst others, the following included the initiatives undertaken to express and demonstrate the municipality's commitment to providing the community with information concerning issues of municipal governance, management and development.



## THE COUNCIL

BCMM Council seats in the East London City Hall on a monthly basis and on special meetings as per the approved Institutional Calendar. The council has a Total number of 100 seats. A total of 51 Councillors is required to constitute a Quorum for meetings. The Council is constituted as follows: -

- i. The Executive Mayor, Councillor X.A. Pakati
- ii. The Deputy Executive Mayor, Councillor P. Faku
- iii. The Speaker, Councillor H.M Maxegwana
- iv. The Chief Whip of Council, Councillor S. Ntsasela

## MAYORAL COMMITTEE

- i. The Executive Mayor, Councillor X.A. Pakati (Chairperson)
- ii. The Deputy Executive Mayor, Councillor P. Faku (IDP and Organizational Performance Management)
- iii. Councillor M. Mfazwe (Infrastructure & Engineering Services)
- iv. Councillor N. Marata (Economic Development and Agencies)
- v. Councillor N.M. Mhlola (Human Settlement)
- vi. Councillor Cllr S. Matwele (Health, Public Safety and Emergency Services)
- vii. Councillor N.Maxongo (Spatial Planning and Development)
- viii. Councillor G Lottering (Sport, Recreation and Community Development)
- ix. Councillor S. Caga (Finance)
- x. Councillor H. Neal May (Corporate Services)
- xi. Councillor A. Mnyute (Solid Waste and Environmental Management)

## PORTFOLIO COMMITTEES

- ii. Corporate Services Portfolio Committee
- iii. Economic Development & Agencies Portfolio Committee
- iv. Finance Portfolio Committee
- v. Municipal Services Portfolio Committee
- vi. Health and Public Safety & Emergency Services Portfolio Committee
- vii. Human Settlement Portfolio Committee
- viii. IDP & Organizational Performance Management Portfolio Committee
- ix. Infrastructure Services Portfolio Committee
- x. Institutional Operations & Civic Relations Portfolio Committee
- xi. Spatial Planning & Development Portfolio Committee

## OTHER COUNCIL COMMITTEES

- i. Ethics Committee
- ii. Petitions Committee
- iii. Rules Committee
- iv. Social Facilitation Committee
- v. Women's Caucus Committee
- vi. Municipal Public Accounts Committee (MPAC)
- vii. Multi-Party Committee
- viii. Audit Committee
- ix. Risk Management Committee

The City has several oversight committees in place which are entrusted to ensure that there is good governance.

The Audit Committee is composed of external members who are skilled and experts of different fields such as accounting, law, Information Technology and Performance Management. This committee is entrusted with the responsibility of having an independent insight into the governance, operations, financial management, risk management and the internal control environment of the City.

The Risk Management Committee is responsible for ensuring that the City has developed an enterprise-wide risk management strategy & policy, fraud-prevention strategy & plan and to monitor implementation thereof.

The alignment of the political and administrative structure is as follows:

## **2. BUFFALO CITY METRO: ADMINISTRATIVE STRUCTURE**

The Buffalo City Metropolitan Municipality implements its Integrated Development Plan with the approved metro administrative structure headed by the City Manager.

Top Management of the Municipality comprises of the City Manager and 11 Heads of Directorates stationed at the Corner of North and Oxford Streets, East London CBD in the Trust Centre Building. The City Manager is the Administrative Head and Accounting Officer of the Municipality. As such, he reports directly to the Executive Mayor. The role of the City Manager is set out in legislation, inclusive of the Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000 and Municipal Finance Management Act 56 of 2003.

Council has recently approved the disestablishment of the Directorate of Municipal Services and the consequent establishment of two new Directorates of Solid Waste & Environmental Management and Sport, Recreation & Community Development and the administrative structure has the following Directorates:

- City Manager's Office-(Filled)
- Directorate: Executive Support Services- (Filled)
- Directorate: Corporate Services - (Filled)
- Directorate: Economic Development and Agencies - (Filled)
- Directorate: Infrastructure Services - (Filled)
- Directorate: Solid Waste and Environmental Management – (Filled)
- Directorate: Sport, Recreation and Community Development – (Vacant)
- Directorate: Health, Public Safety and Emergency Services - (Filled)
- Directorate: Finance - (Filled)
- Directorate: Spatial Planning and Development – (Filled)
- Directorate: Human Settlements - (Filled)

Following the strategic engagements at the Mayoral Lekgotla and the Council Lekgotla held during 2017, and the Diagnostic Assessment conducted by GTAC, the City Manager has appointed a Project Team that is responsible for strategically managing the Institutional Review of the BCMM functions and alignment of the organisational structure. This initiative will assist BCMM to institutionalise and implement its 2030 Metro Growth and Development Strategy (MGDS). The strategy outlines the city's economic growth and development path up to 2030, to become "a well-governed, green, connected, innovative and productive city."

The table below represents the overall BCMM staff complement per directorate and include vacant funded positions.

## VACANCY RATE

| Vacancy Rate: Year 2020/2021  |                       |  |   |
|---|-----------------------|--|---|
| Designations  | *Total Approved Posts | *Vacancies<br>(Total time that<br>vacancies exist using<br>fulltime equivalents) | *Vacancies<br>(as a proportion of<br>total posts in each<br>category) |
|   | No.                   | No.  | %   |
| Municipal Manager   | 1                     | 0  | 0%  |
| CFO   | 1                     | 0  | 0%  |
| Other S57 Managers (excl Finance Posts T16)                           | 96                    | 10   | 10.41%  |
| Other S57 Managers (Finance posts T16 3005 -3071)                     | 15                    | 2  | 13.33 %   |
| Police officers   | 182                   | 10   | 5.49%   |
| Fire fighters   | 136                   | 5  | 3.68%   |
| Senior management: Levels 13-15 (excluding Finance Posts)ex 3005-3071 | 146                   | 18   | 12.33%  |
| Senior management: Levels 13-15 (Finance posts)                       | 23                    | 2  | 8.69%   |
| Highly skilled supervision: levels 9-12 (excluding Finance posts)     | 699                   | 74   | 10.59%  |
| Highly skilled supervision: levels 9-12 (Finance posts)               | 74                    | 3  | 4.05%   |
| <b>Total</b>  | <b>1373</b>           | <b>124</b>   | <b>9.03%</b>  |
|   |                       |  | T 4.1.2   |

Figure 55: Vacancy Rate (BCMM 2020/2021 Annual Report)

| Turn-over Rate  |   |   |                 |
|---|---|---|-----------------|
| Details   | Total Appointments as of beginning of Financial Year<br>No. | Terminations during the Financial Year<br>No. | Turn-over Rate* |
| 2016/2017   | 5,159   | 237   | 5%              |
| 2017/2018   | 5,048   | 223   | 4%              |
| 2018/2019   |   |   |                 |
| 2019/2020   | 5,663   | 201   | 3.34%           |
| 2020/2021   | 5,552   | 275   | 4.95%           |
| * Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year |   |   | T 4.1.3         |

**Figure 56: Turn-over Rate (BCMM 2020/2021 Annual Report)**

Comment on Vacancies and Turnover

The appointment of the Head of Directorate – Solid Waste and Environmental Management and Head of Directorate: Sport, Recreation and Community Development was approved by Council and the incumbent to the post of Head of Directorate – Solid Waste and Environmental Management was permanently appointed with effect from 1 March 2021.

Council approved the re-advertising of the Head of Directorate: Sport, Recreation and Community Development.

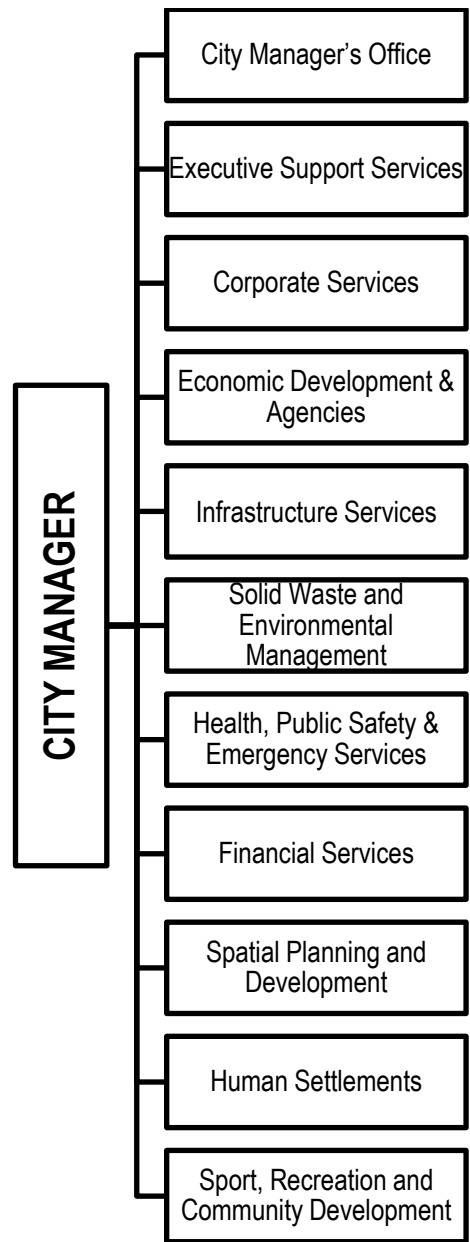
Other reasons for staff turnover are mentioned in the table below:

| REASON          | JULY – SEPT 20 | OCT – DEC 20 | JAN – MAR 21 | APR – JUN 21 | TOTAL |
|-----------------|----------------|--------------|--------------|--------------|-------|
| Resignation     | 6              | 10           | 13           | 12           | 41    |
| Retirement      | 31             | 21           | 28           | 15           | 95    |
| Deceased        | 22             | 28           | 16           | 9            | 75    |
| Medical Board   | 0              | 1            | 1            | 1            | 3     |
| Dismissed       | 2              | 20           | 4            | 16           | 42    |
| Contract Expiry | 0              | 0            | 17           | 2            | 20    |
| Total           | 61             | 80           | 79           | 55           | 275   |

T4.1.4.

**Figure 57: Reasons for staff turnover (BCMM 2020/2021 Annual Report)**

**Figure 58: BCMM Administrative Structure**



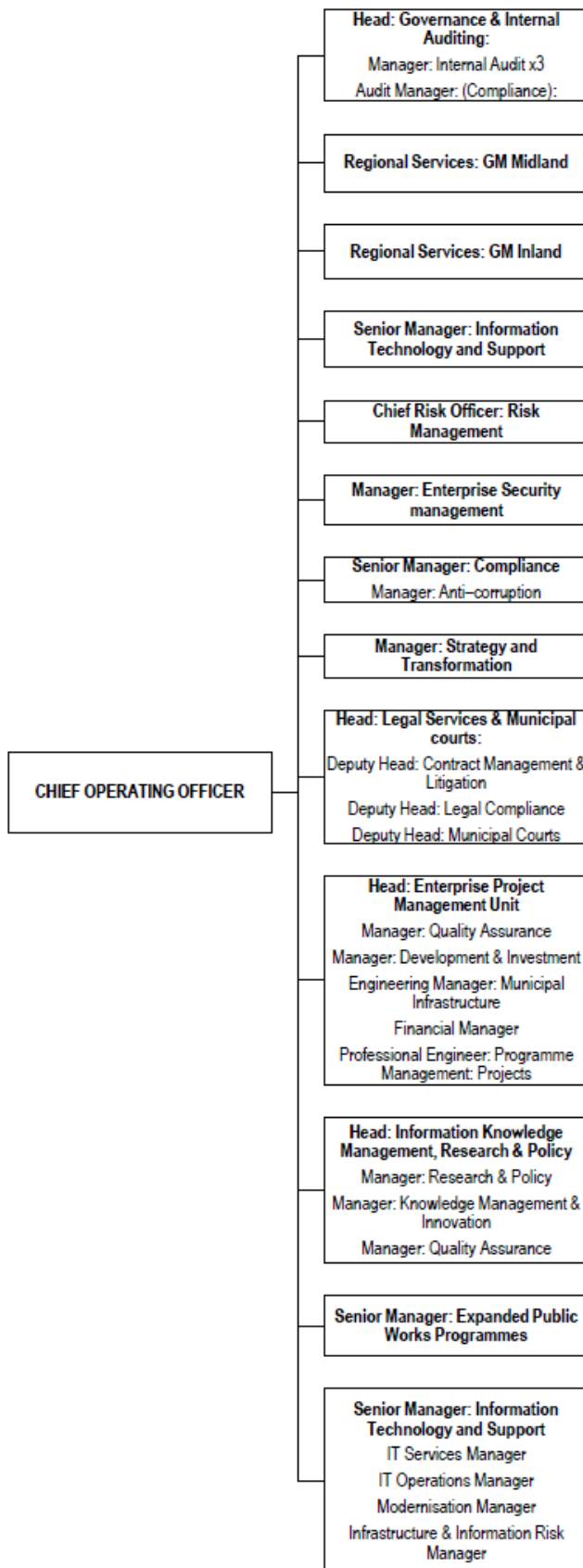
## 2.1 City Manager's Office:

This office consists of following departments/ divisions which all reside under the Office of the City Manager:

- Governance and Internal Auditing
- Chief Operating Office
- Risk Management
- Information, Technology & Support
- Legal Services and Municipal Court
- Enterprise Project Management Unit
- Enterprise Security Management
- Regional Services
- Compliance
- Strategy & Transformation
- Information, Knowledge Management, Research and Policy
- Expanded Public Works Programme.

The figure below details the organogram of the Office of the City Manager up to Management level.

**Figure 59: Organogram - City Manager's Office**



## 2.2 Directorate: Executive Support Services

The Directorate of Executive Support Services consists of the following Departments, namely:

- Special Programmes
- IDP, Budget Integration, GIS, Performance Management and IEMP & Sustainable Development
- Communication & Marketing, International and Intergovernmental Relations
- Political Office Administration: Office of Executive Mayor & Deputy Executive Mayor
- Political Office Administration: Office of Speaker & Chief Whip
- Monitoring and Evaluation

The figure below details the organogram of the Directorate of Executive Support Services up to Management level.



**Figure 60: Organogram - Executive Support Services**



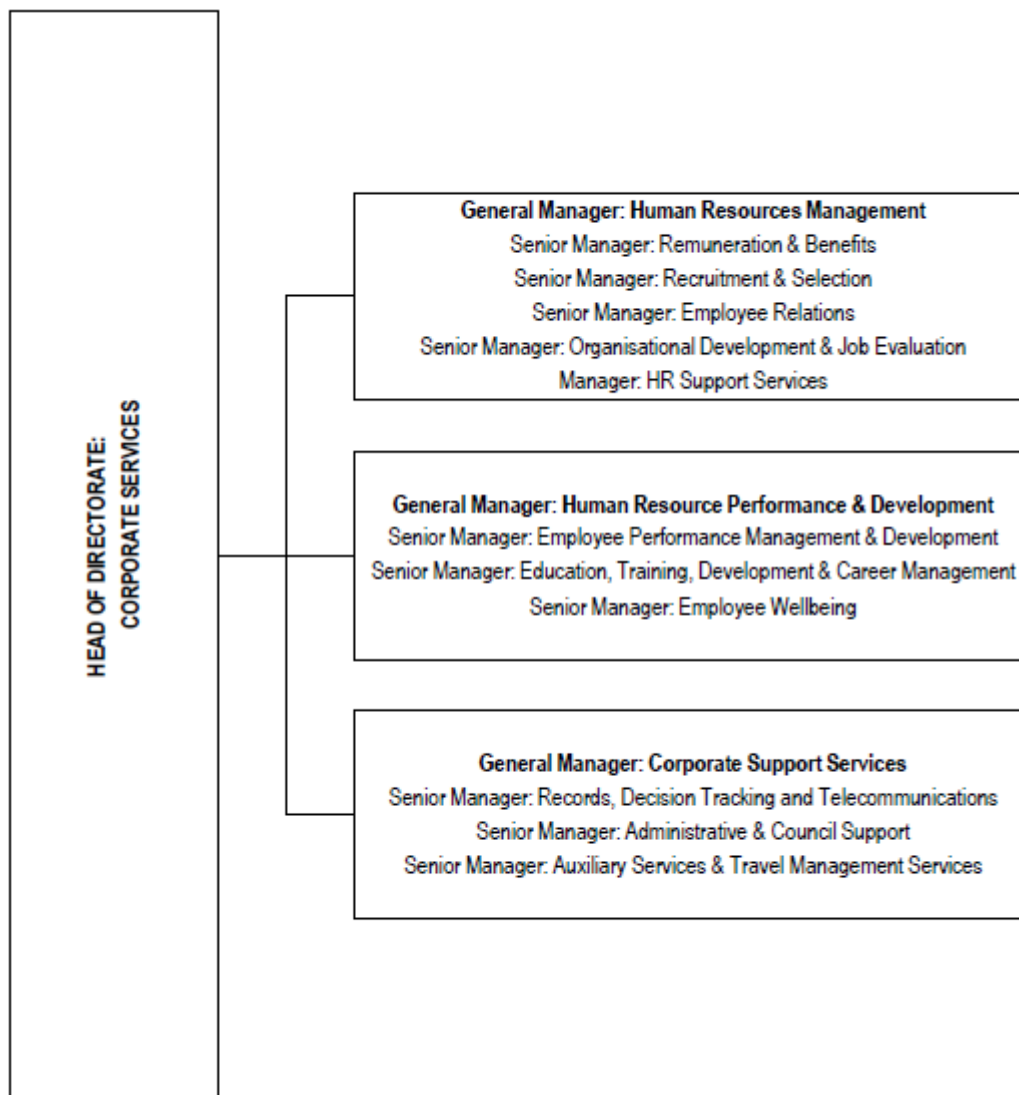
### 2.3 Directorate: Corporate Services

The Directorate of Corporate Services consists of the following Departments, namely:

- Human Resources Management
- Human Resource Performance and Development and
- Corporate Support Services

The figure below details the organogram of the Directorate of Corporate Services up to management level.

**Figure 61: Organogram - Corporate Services**



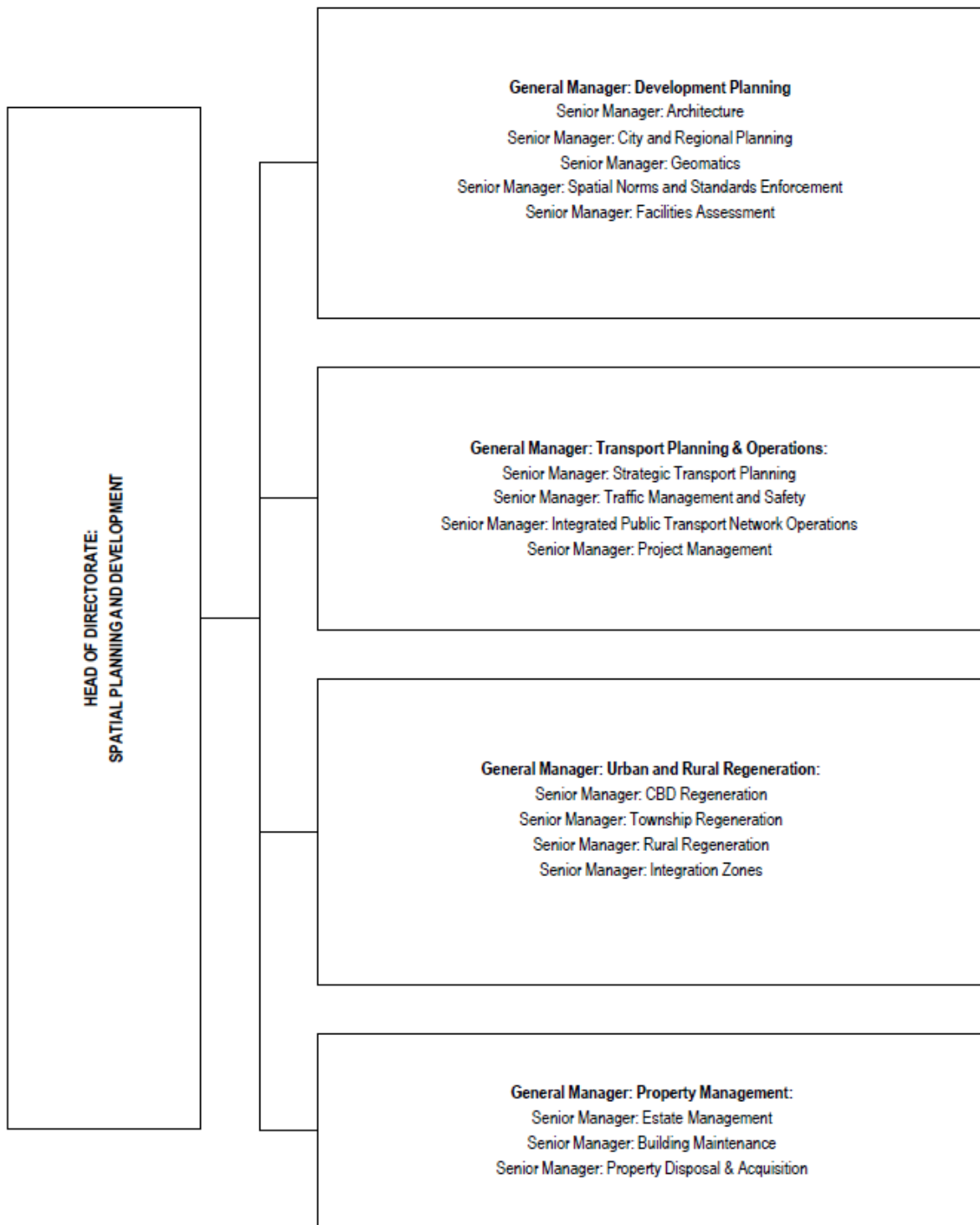
## 2.4 Directorate: Spatial Planning and Development

The Directorate of Spatial Planning and Development consists of the following Departments, namely:

- Development Planning
- Property Management
- Urban and Rural Regeneration
- Transport Planning & Operations

The figure below details the organogram of the Directorate of Spatial Planning and Development up to management level.

**Figure 62: Organogram - Spatial Planning & Development**



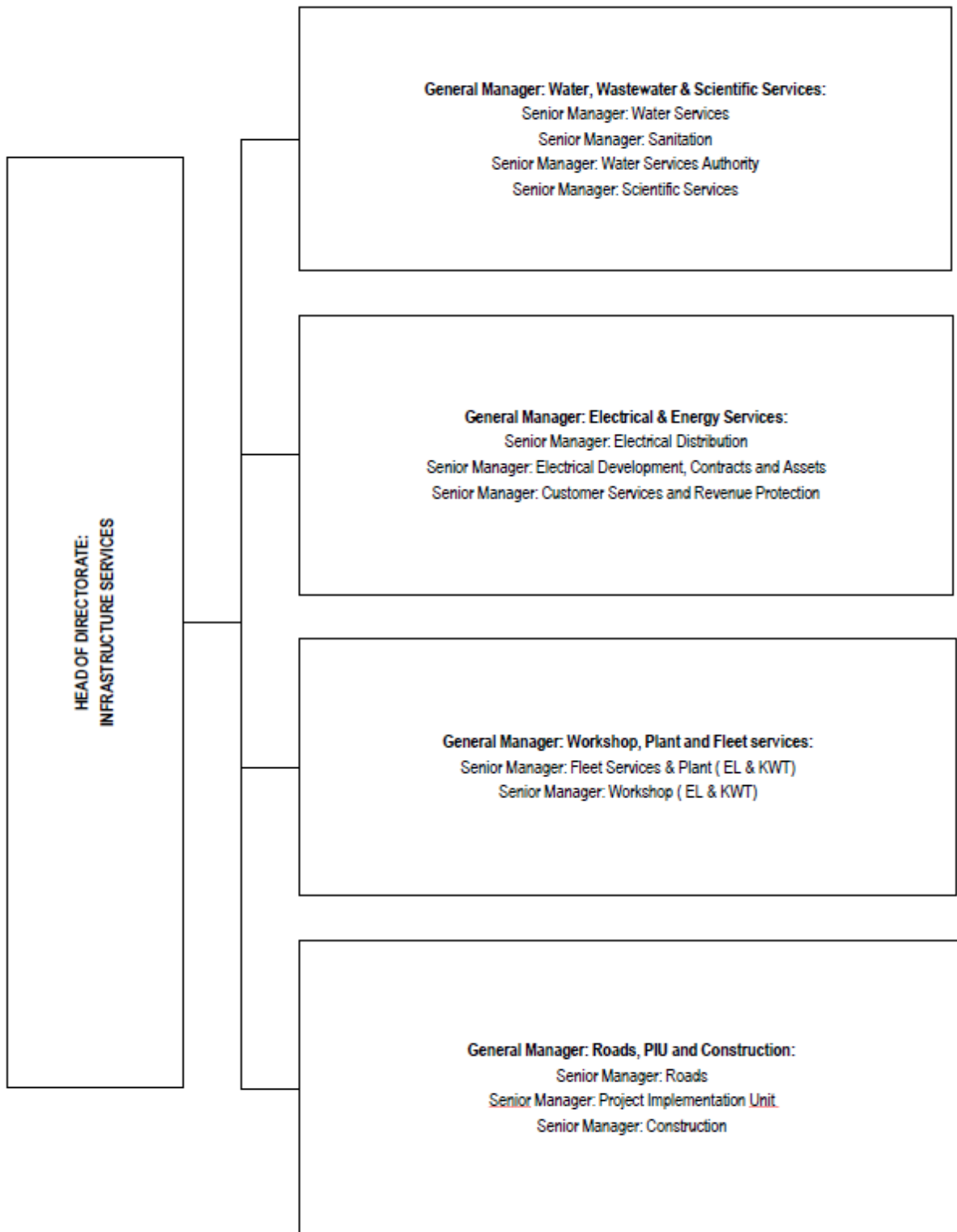
## 2.5 Directorate: Infrastructure Services

The Directorate Infrastructure Services consists of the following Departments, namely:

- Water, Wastewater & Scientific Services
- Electrical & Energy Services
- Workshop, Plant and Fleet Services
- Roads, PIU and Construction

The figure below details the organogram of the Directorate of Infrastructure Services up to management level.

**Figure 63: Organogram - Infrastructure Services**



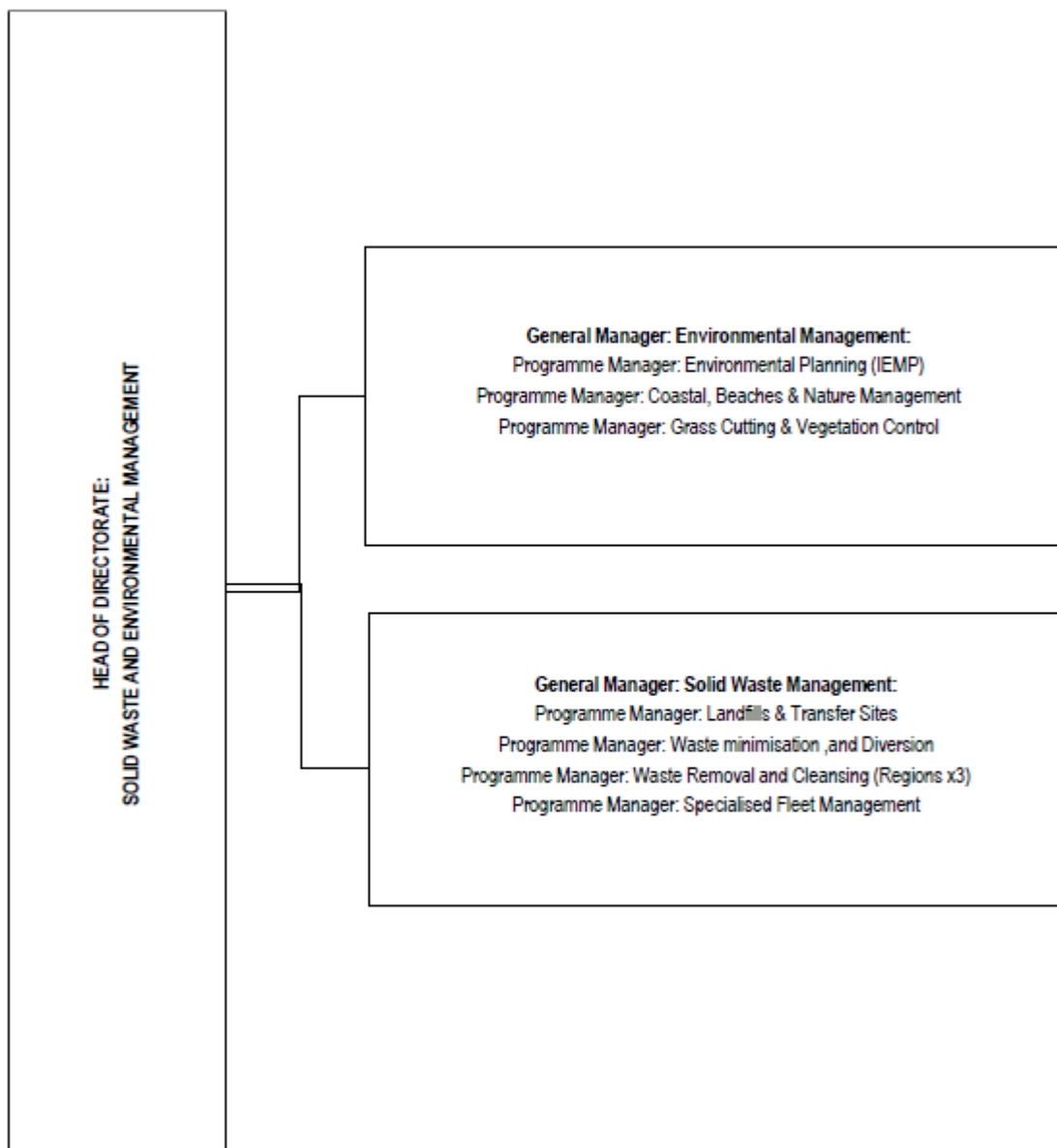
## 2.6 Directorate: Solid Waste and Environmental Management

The Directorate Solid Waste and Environmental Management has the following Departments, namely:

- Solid Waste Management
- Environmental Management

The figure below details the organogram of the Directorate of Solid Waste and Environmental Management up to management level.

**Figure 64: Organogram - Solid Waste & Environmental Management**



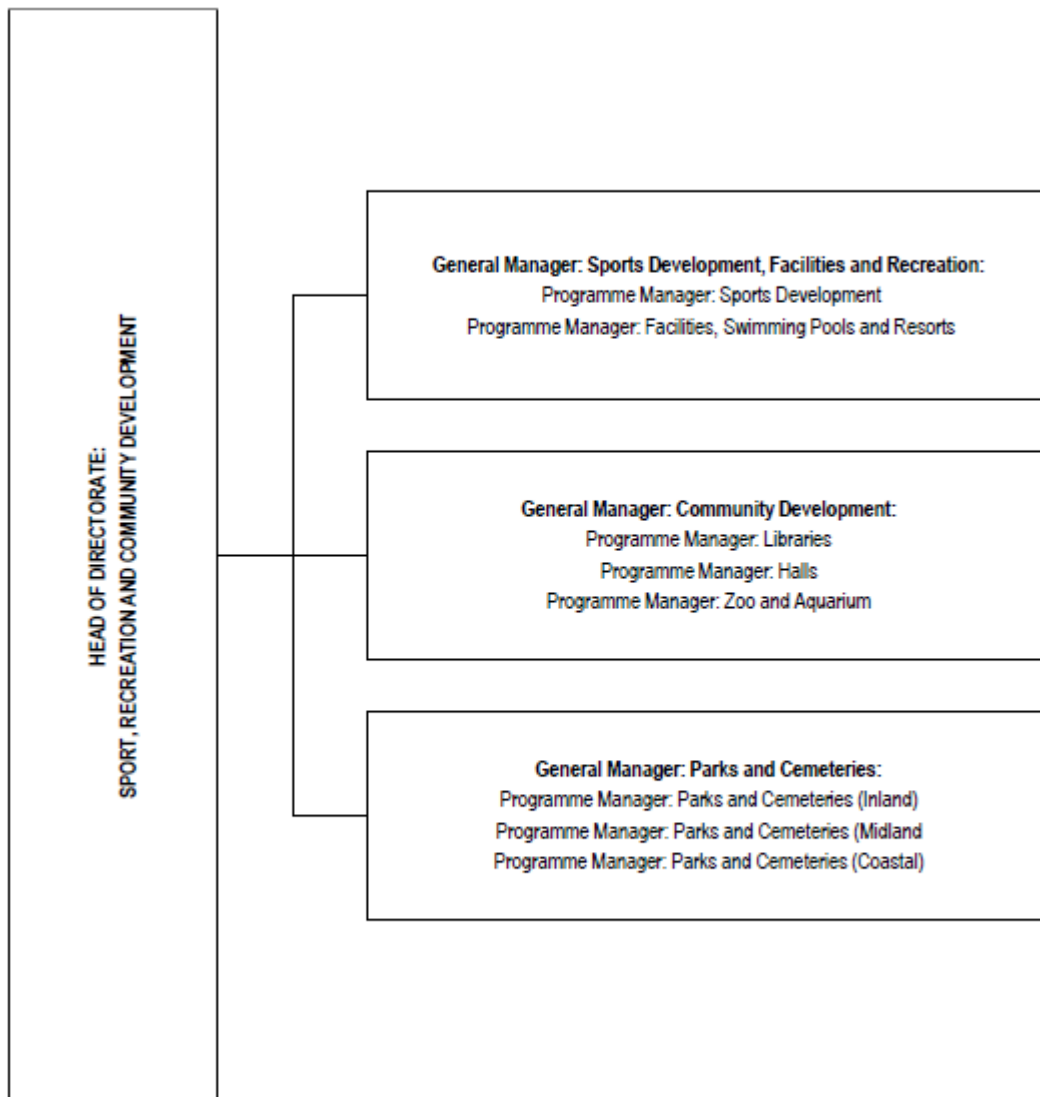
## 2.7 Directorate: Sport, Recreation and Community Development

The Directorate Sport, Recreation and Community Development has the following Departments, namely:

- Sports Development, Facilities and Recreation
- Community Development (Halls, Libraries, Zoo, and Aquarium)
- Parks and Cemeteries

The figure below details the organogram of the Directorate of Sport, Recreation and Community Development up to management level.

**Figure 65: Organogram - Sport, Recreation & Community Development**





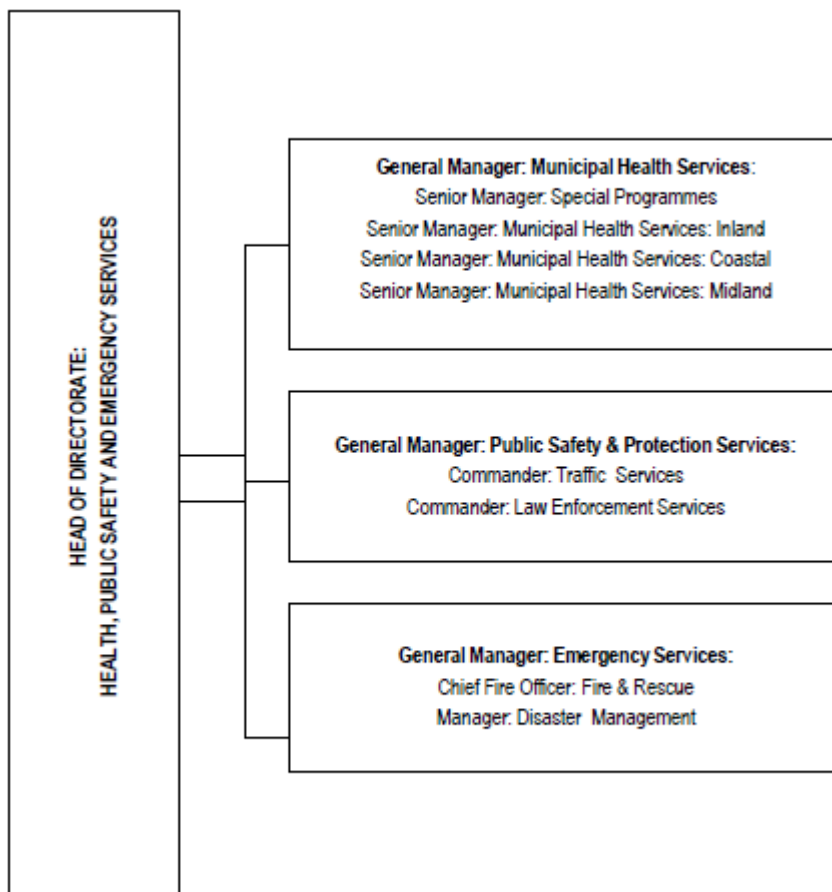
## 2.8 Directorate: Health, Public Safety and Emergency Services

The Directorate Health, Public Safety and Emergency Services has the following Departments, namely:

- Municipal Health Services
- Public Safety and Protection Services
- Emergency Services

The figure below details the organogram of the Directorate of Health, Public Safety and Emergency Services up to management level.

**Figure 66: Organogram - Health, Public Safety and Emergency Services**



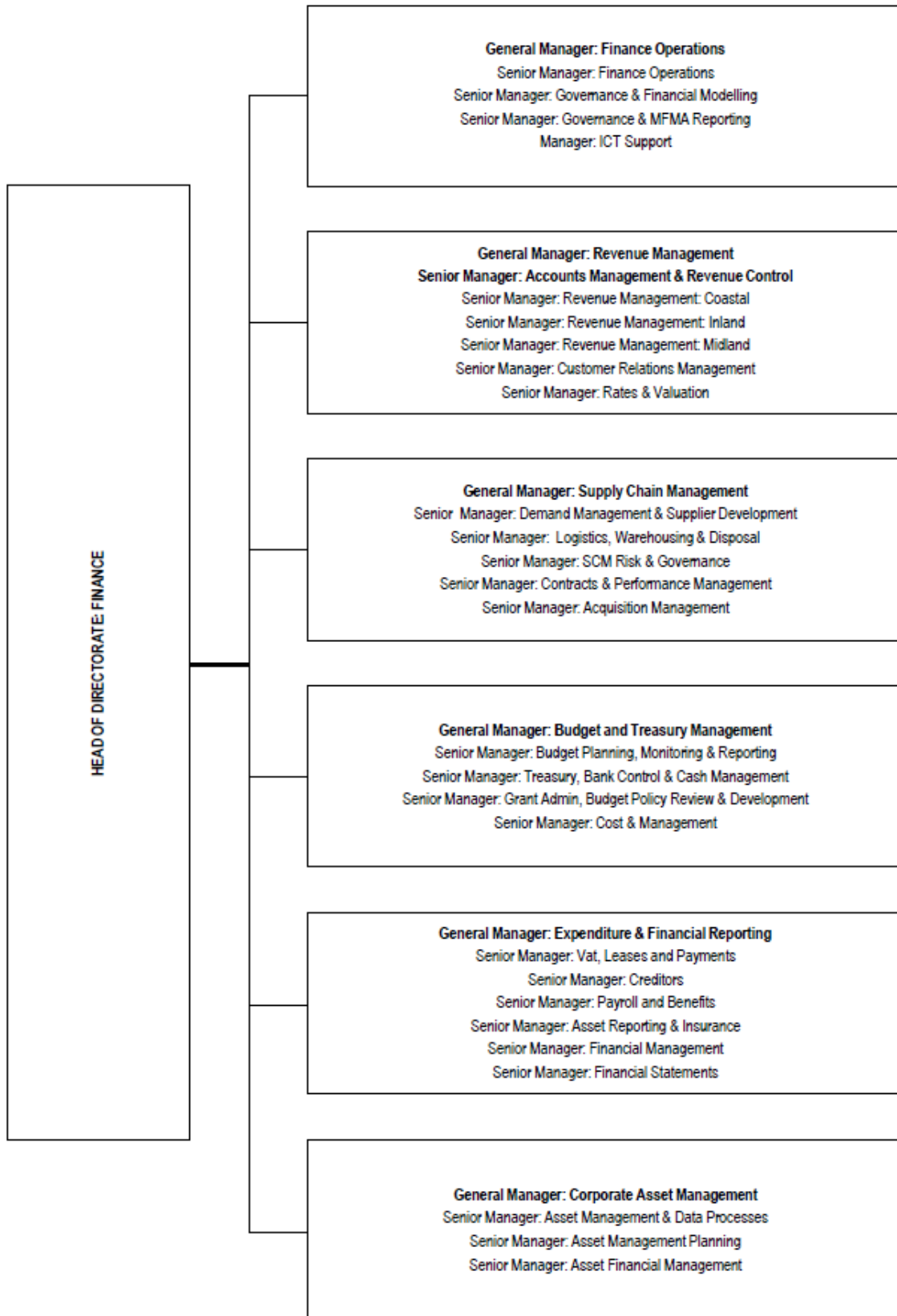
## 2.9 Directorate: Finance

The Directorate of Finance consists of the following departments, namely:

- Corporate Asset Management
- Revenue Management
- Budget & Treasury Management
- Expenditure and Financial Reporting
- Supply Chain Management
- Finance Operations

The figure below details the organogram of the Directorate of Finance up to management level.

**Figure 67: Organogram - Finance**



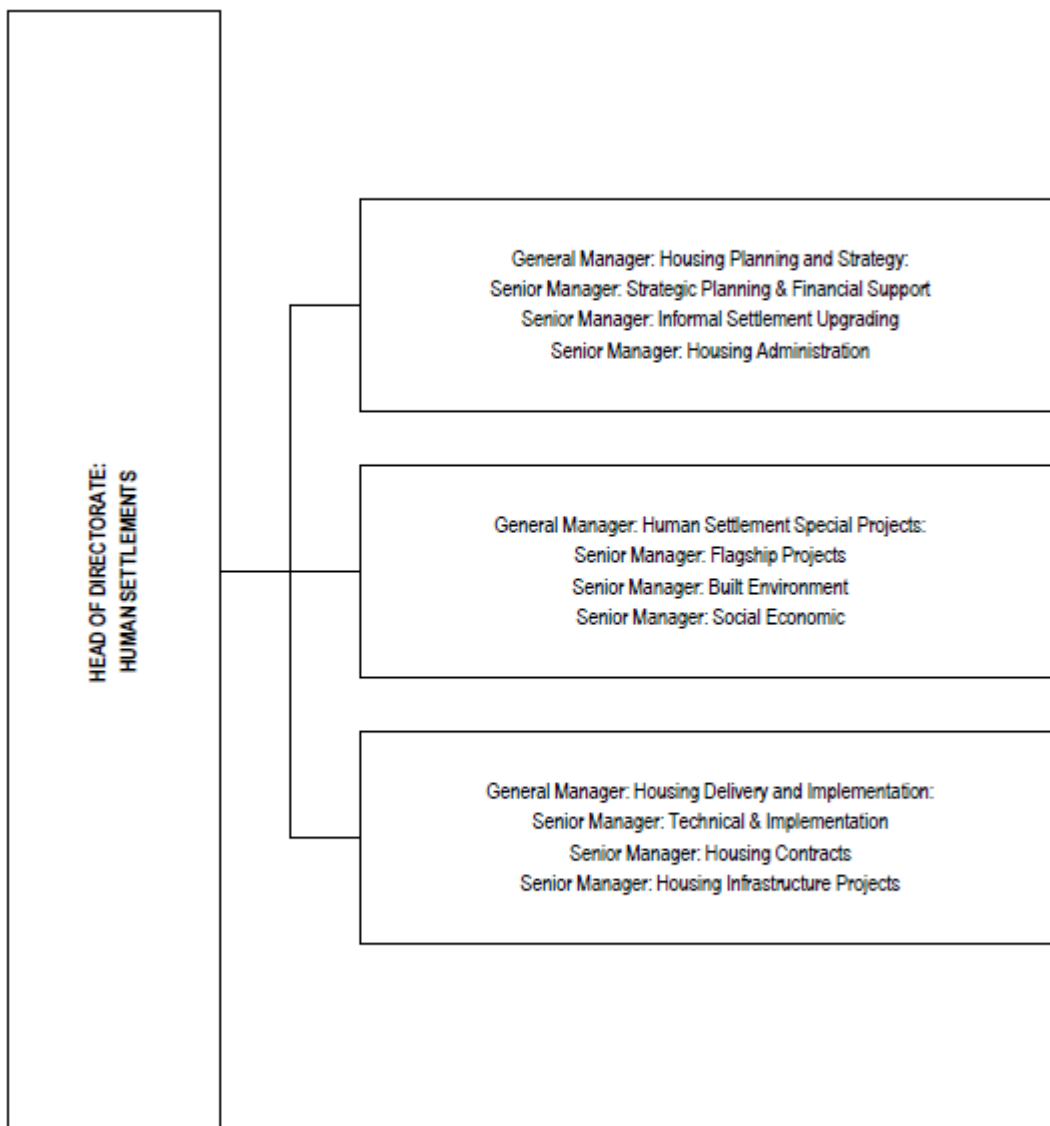
## 2.10 Directorate: Human Settlements

The Directorate: Human Settlements consists of the following departments, namely:

- Housing Planning & Strategy
- Housing delivery & Implementation
- Human Settlement Special Projects

Figure 11 details the organogram of the Directorate: Human Settlements up to management level.

**Figure 68: Organogram - Human Settlements**



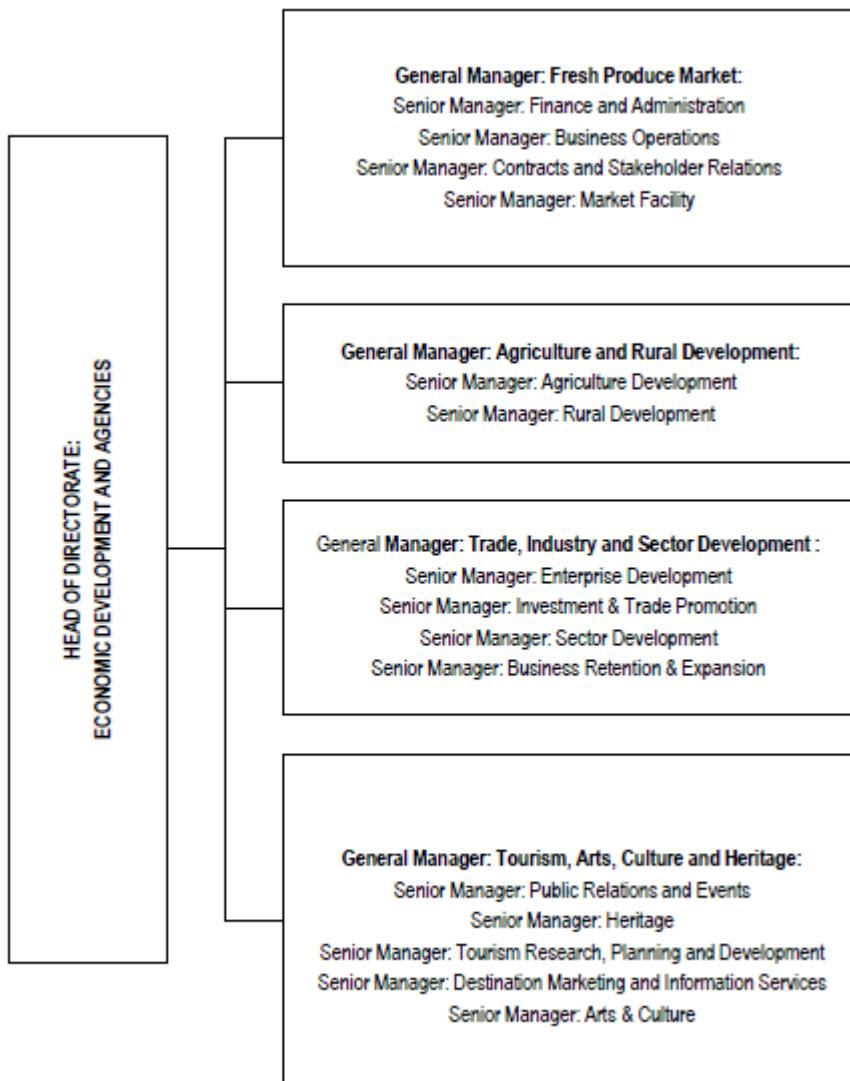
## 2.12 Directorate: Economic Development and Agencies

The Directorate: Economic Development and Agencies consists of the following departments, namely:

- Fresh Produce Market
- Trade, Industry and Sector Development
- Tourism, Arts, Culture and Heritage
- Agriculture and Rural Development

The figure below details the organogram of the Directorate: Economic Development and Agencies up to management level.

**Figure 69: Organogram - Economic Development & Agencies**



### 3. BUFFALO CITY METRO POLICIES AND BY-LAWS

In accordance with Section 11 of the Municipal Systems Act, a municipality exercises its legislative or executive authority by passing and implementing policies and by-laws.

The status of municipal policies and by-laws in the Buffalo City Metropolitan Municipality is outlined in this section.

| Directorate                | Policy Name  | Council Approval                            | Council Minute No.                           | Responsible Person   |
|----------------------------|--|---|--|--|
| OFFICE OF THE CITY MANAGER | Sponsorship Policy                                       | 2013/05/29<br>Effective date<br>2013/05/13  | BCMC 63/03                                   | Manager: Compliance Unit   |
|                            | Knowledge Management Policy                              | 2013/08/30<br>Effective date<br>2013/09/01  | BCMC234/13                                   | Head: IKM, Research & Policy   |
|                            | ICT Disaster Recovery Plan Policy                        | 2015/11/25<br>Effective date<br>2015/11/26  | BCMC 611/15                                  | Manager: ICT   |
|                            | Information and Communication Technology Security Policy | 2015/11/25<br>Effective date<br>2/015/11/26 | BCMC 611/15                                  | Manager: ICT   |
|                            | User Account Management Policy                           | 2015/11/25<br>Effective date<br>2015/11/26  | BCMC 611/15                                  | Manager: ICT   |
|                            | Petition Management Policy                               | 2012/05/03<br>Effective date<br>2012/06/01  | BCC 122/12                                   | Original owner-GM: Public Participation<br><br>Office of the Executive Mayor |
| EXECUTIVE SUPPORT SERVICES | Declaration of financial/benefits of Councilors          | 2009/07/27<br>Effective date<br>2009/09/01  | BCC 29/09                                    | Original owner was GM: Organizational Support.<br><br>Office of Speaker      |
|                            | Sanitation Policy  | June 2006                                   | According to IEMP, Information not available | Manager: IEMP  |
|                            | GIS Operational Policy                                   | 2013/09/15                                  | BCMC 412/13                                  | Manager: GIS   |
|                            |  |   |  |  |

| Directorate         | Policy Name                                  | Council Approval                                  | Council Minute No. | Responsible Person                        |
|---------------------|--|---|--------------------|---|
| FINANCE DIRECTORATE | Budget Policy                                | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | GM: Budget & Treasury<br>Management       |
|                     | Capital Infrastructure<br>Investment Policy  | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | CFO                                       |
|                     | Funding and Reserves Policy                  | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | CFO                                       |
|                     | Long Term Financial<br>Planning Policy       | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | CFO                                       |
|                     | Credit Control and Debt<br>Collection Policy | 2007/05/02  | BCMC 239/15        | GM: Revenue<br>Management                 |
|                     | Supply Chain Management<br>Policy            | 2013/10/30  | BCMC 458/13        | GM: SCM                                   |
|                     | Contractor Development<br>Policy             | 2015/09/30  | BCMC 468/15        | GM: SCM                                   |
|                     | Tariff Policy                                | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | GM: Budget & Treasury<br>Management       |
|                     | Virement Policy                              | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | GM: Budget & Treasury<br>Management       |
|                     | Property Rates Policy                        | 2014/05/28  | BCMC 239/15        | GM: Revenue<br>Management                 |
|                     | Indigent Policy                              | 2014/05/28  | BCMC 147/14        | GM: Revenue<br>Management                 |
|                     | Long Term Borrowing Policy                   | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | GM: Budget & Treasury<br>Management       |
|                     | Asset Management Policy                      | 2015/05/29  | BCMC 239/15        | GM: Corporate Asset<br>Management         |
|                     | Investment and Cash<br>Management            | 2019/05/29E<br>ffective date<br>2019/07/01        | BCMC 256/19        | CFO / GM: Budget &<br>Treasury Management |
| HUMAN SETTLEMENTS   | Housing Allocation Policy                    | 2014/12/11<br><br>Effective<br>date<br>2014/11/19 | BCMC 551/14        | HOD: Human Settlements                    |
|                     | Housing Relocation Policy                    | 2014/12/11<br><br>Effective<br>date<br>2014/11/19 | BCMC 551/14        | HOD: Human Settlements                    |
| C O R P O           | Organizational Support                       |   |                    |   |

| Directorate               | Policy Name                              | Council Approval                           | Council Minute No.                         | Responsible Person   |
|---------------------------|--|--|--|--|
|                           | Language Policy                          | 2010/08/31                                 | BCC 263/10<br>Effective date<br>2010/08/31 | GM: Organizational Support                                       |
|                           | Grant-In-Aid Policy                      | 2000/05/08<br>Effective date<br>2000/05/09 | BCMC 124/15                                | GM: Organizational Support                                       |
|                           | Loss, Theft of Municipal Property        | 2009/12/08<br>Effective date<br>2009/12/09 | BCMC 284/15                                | GM: Organizational Support                                       |
|                           | Records Management                       | 2007/12/05<br>Effective date<br>2007/12/06 | BCC 320/07                                 | GM: Organizational Support                                       |
|                           | Cellular Allowance Policy                | 2010/05/04<br>Effective date<br>2010/05/05 | BCMC292/10                                 | GM: Organisational Support                                       |
|                           | Funeral Policy for Councilors or Freeman | 2005/05/25                                 | BCC 88/05                                  | Was GM: Organisational Support<br>Now: Office of Executive Mayor |
| <b>Human Resources</b>    |  |  |  |  |
|                           | Discomfort Levels and Heat Stress        | 1993/04/05                                 | 30947                                      | Occupational Risk Coordinator                                    |
|                           | Dress Code Policy                        | 2000/05/10                                 | N/A  | GM: Human Resources  |
|                           | Employee Performance Policy              | 2013/06/21                                 | BCC 267/13                                 | GM: Human Resources Performance and Management                   |
|                           | Employee Wellness Policy                 | N/A  | N/A  | Occupational Risk Coordinator                                    |
| <b>CORPORATE SERVICES</b> | Employee/Staff Provisioning              | N/A  | N/A  | GM: Human Resources  |
|                           | Employment Relations                     | N/A  | N/A  | Manager: Labour Relations  |
|                           | Housing Subsidy Scheme                   | N/A  | N/A  | Manager: Remuneration and Benefits                               |
|                           | Occupational Health and Safety           | N/A  | N/A  | Occupational Risk Coordinator                                    |
|                           | Organizational Design Policy             | N/A  | N/A  | Organizational Design  |



| Directorate                 | Policy Name   | Council Approval             | Council Minute No.                 | Responsible Person                             |
|-----------------------------|---|------------------------------|------------------------------------|--|
|                             | Protective Overall and Footwear (Personal protective attire and equipment policy)                         | 2002                         | N/A                                | Occupational Risk Coordinator                  |
|                             | Progression Grade   | 2004                         | N/A                                | GM: Human Resources Performance and Management |
|                             | Qualification recognition policy  | 1994                         | N/A                                | Manager: Remuneration and Benefits             |
|                             | Rainy Day Policy  | N/A                          | N/A                                | Manager: Labour Relations                      |
|                             | Substance Abuse   | 2005                         | N/A                                | Occupational Risk Coordinator                  |
|                             | Leave Policy  | N/A                          | N/A                                | Manager: Remuneration and Benefits             |
|                             | Sewer Allowance   | 2016/03/20                   | Awaiting final report from Council | Manager: Remuneration and Benefits             |
|                             | Permission to have second Employment and/or be involved in any Business Venture other than as an employee | Effective Date November 2005 | N/A                                | GM: Human Resources                            |
|                             | Scarce Skills Policy  | 2010/10/05                   | BCC 364/10                         | GM: Human Resources Performance and Management |
| <b>CORPORATE SERVICES</b>   | Travel and Subsistence Policy   | 05/10/2010                   | BCC 333/10                         | GM: Human Resources Performance and Management |
|                             | Gifts and Benefits  | N/A                          | N/A                                | GM: Human Resources                            |
|                             | Conflict of Interests   | N/A                          | N/A                                | GM: Human Resources                            |
| <b>DEVELOPMENT PLANNING</b> | <b>Land Administration</b>  |                              |                                    |  |
|                             | Disposal of Immovable Capital Assets by the municipality and its municipal Entities                       | N/A                          | N/A                                | GM: Property Management                        |
|                             | Land Management   | 2007/11/20                   | DP 192/07                          | GM: Property Management                        |
|                             | <b>Architecture</b>   |                              |                                    |  |
|                             | Outdoor Advertising Signage Policy  | 2010/ 08/16                  | BCC 211/10                         | GM: Development Planning                       |
| <b>City Planning</b>        |   |                              |                                    |  |

| Directorate              | Policy Name  | Council Approval | Council Minute No. | Responsible Person       |
|--------------------------|--|------------------|--------------------|--------------------------|
|                          | Shipping Container Policy  | 1998/ 09/01      | CL450/98 (821/98)  | GM: Development Planning |
| INFRASTRUCTURE SERVICES  | <b>Roads</b>   |                  |                    |                          |
|                          | Provision of Roads in Informal Settlements   | 2006/06/01       | N/A                | GM: Roads                |
|                          | Expanded Public Works Programme  | September 2012   | N/A                | Manager: PIU             |
|                          | <b>Fleet Management</b>  |                  |                    |                          |
|                          | Fleet Management   | February 2005    | BCC 15/05          | GM: Fleet Management     |
| HEALTH AND PUBLIC SAFETY | <b>Public Safety</b>   |                  |                    |                          |
|                          | Carrying of Firearms   | 1991/01/28       | CL 27610           | GM: Public Safety        |
|                          | <b>Environmental Health</b>  |                  |                    |                          |
|                          | Cultural Slaughtering by persons who belong to indigenous religions and the Muslim faith | 2003/04/29       | BCC 63/03          | GM: Health               |

### By-laws

| No.  | Title of By-law   |
|--|---|
| <b>BY-LAWS: STILL IN A PROCESS OF PUBLIC PARTICIPATION</b>           |   |
| 1.   | Dilapidated Building and slightly neglected structures  |
| 2.   | Disaster Management   |
| 3.   | Installation of Electronic Communication Facilities   |
| 4.   | Municipal Health and keeping of animals.  |
| <b>BY-LAWS AT STAGE OF PROCLAMATION IN THE PROVINCIAL GOVERNMENT</b> |   |
| 5.   | Out -Door Advertising   |
| 6.   | Fresh Produce Market  |
| 7.   | Arts Culture and Heritage   |
| 8.   | Cemeteries and Crematorium  |
| 9.   | Municipal Parks and Conservancy   |
| 10.  | Events By-law   |
| 11.  | Informal Trading By-law   |
| <b>OTHER BY-LAWS</b>   |   |
| <b>Fire &amp; Rescue Services</b>                                    |   |
| 12.  | East London Municipality: Regulations for Controlling and Licencing the Storage, Keeping and Having of Inflammable Substances, P.N. 863/1970 dated 30 October 1970                    |
| 13.  | East London Municipality: Regulations for Controlling and Licensing the Storage, Keeping and Having of Inflammable Substances: Correction Notice P.N. 207/1971 dated 12 February 1971 |
| 14.  | East London Municipality: Amendment to the By-Law for Controlling, Keeping and Having of Inflammable Substances P.N. 337/1983 dated 17 June 1983                                      |
|  | East London Municipality: Amendment to the By-Law for Controlling, Keeping and Having Inflammable Substances, P.N. 246/1991 dated 22 March 1991                                       |
| 15.  | Standard By-Law Relating to Fire Brigade Services: Standard   |
| 16.  | By-Law in terms of Section 17 of the Fire Brigade Services, Ordinance 14 of 1978  |
| 17.  | Fire and Emergency Services South African National Standards: <ul style="list-style-type: none"> <li>▪ SANS 332 Fire Detection &amp; Alarm Systems for Hospitals</li> </ul>           |

| No.  | Title of By-law  |
|--|--|
|  | <ul style="list-style-type: none"> <li>▪ SANS 1128-1 Firefighting equipment Part 1. Components of underground and above ground hydrant systems</li> <li>▪ SANS 1128-2 Firefighting equipment Part 2. Hose couplings connectors and branch pipe &amp; nozzle connections</li> <li>▪ SANS 1253 Fire Doors and Fire Shutters</li> <li>▪ SANS 10087-1 Handling storage distribution and maintenance of liquefied petroleum gas Part 1. 500 litre to 3000 litre</li> <li>▪ SANS 10087-4 Handling storage Part 4. Transportation of LPG in bulk by road</li> </ul> |
| <b>Law Enforcement Services &amp; Traffic Services</b> |  |
| 18   | Street Trading By-Law  |
| 19   | Liquor Trading Hours By-Law  |
| 20   | Businesses Littering & Dumping By-Law  |
| 21   | Fireworks By-Law   |
| 22   | Roads & Street By-Law  |
| 23   | Advertising Signs & the Disfigurement of the Front or Frontages of Streets By-Law  |
| 24   | Parking Meters By-Law  |
| 25   | Control of Dogs By-Law/Keeping of Dogs by-Law  |
| 26   | Public Buses and Taxis By-Law  |
| 27   | Noise Nuisance By-Law  |
| 28   | Removal of illegal bush dwellers by-law (Squatting by-law)   |
| <b>Disaster Management</b>                             |  |
| 29   | Disaster Management By-Law (draft – still to be adopted & confirmed by Council)  |
| <b>Municipal Health Services</b>                       |  |
| 30   | Environmental Health By-Law to be replaced by Municipal Health Services Municipal Health Nuisance & Keeping of Animals By-Law (draft - still to be adopted & confirmed by Council)   |
| 31   | Noise Nuisance By-Law  |

# ANNEXURE A: List of Sector Plans

## 1. OVERVIEW OF DEVELOPMENT SECTORS

Sectors are defined as fields of intervention aimed either at specific human needs (such as food, housing, water, health, education, transport, recreation) or as specific ways of satisfying human needs (such as agriculture, trade, mining, tourism). Sectors, as fields of intervention, are frequently related to specific planning and implementation agencies (departments, ministries) heading up such interventions. The key characteristic of sectors in the IDP process is that they may or may not be considered in the planning process, depending on the specific local needs and resources.

## 2. ROLE OF SECTOR PLANNING IN IDP

Local government powers and functions are outlined in the 1996 Constitution and in the Municipal Structures Act. They vary from sector to sector and according to provincial discretion on the delegation of functions to municipalities in respect of some sectors. The principle underlying the role of sector planning in the IDP process can be summarised as follows:

- ❑ Sector planning requirements contained in national sectoral legislation in respect of municipal functions such as water and environment should be dealt with as part of the IDP process, where they are relevant to the local priority issues.
- ❑ Specific sectors which fall beyond the ambit of local competencies, such as education, may be directly related to the priority issues identified in a specific municipal area. As the municipality is not the implementation agency, attention will still need to be given to the planning process from analysis to integration; to facilitate alignment and co-ordination with other spheres of government and institutions, in the course of the IDP process. What is proposed is that even for sectors where there are no legally prescribed planning requirements, local government can use the integrated planning process to lever national and provincial sectoral contributions (funds and support) for development by ensuring compliance with national and provincial policy principles and sector guidelines. Local government can also use the IDP process to lobby provincial sector departments by involving them in the local planning process at appropriate points.
- ❑ Sector planning and national sector departments have set up municipal sector-driven planning requirements, to inform their strategic planning, budgetary and implementation processes. For example, the Department of Water Affairs and Forestry requires municipalities that are Water Services Authorities to formulate Water Services Development Plans, and the Department of Housing requires municipalities to formulate a housing strategy and targets as part of their IDP process. These planning requirements are meant to assist in the process of alignment.

Sector planning requirements vary in nature and status. The following categorisation of requirements can assist municipalities in differentiating between the various kinds of requirements:

- (a) legal requirements for the formulation of a sector plan;
- (b) a legal compliance requirement;
- (c) a planning requirement to be undertaken as a component of, or part of, the IDP; and
- (d) a recommendation, which is deemed to add value to the municipal planning process and product.

Below is a list of BCMM Sector Plans. Full copies of the below plans are available on request.

### 3. LIST OF BCMM SECTOR PLANS

| SECTOR PLAN / STRATEGIES                     | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT   | DATE ADOPTED (Council Resolution Ref.)                                  | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)   | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION   |
|--|---|---|---|---|------------------------------------|--|
| Metro Growth and Development Strategy (MGDS) | The MGDS is the City's 15-year economic trajectory towards vision 2030. The implementation of the MGDS will cross throughout the 15-year time- frame over three IDPs (5 years each) to 2030. The MGDS will be subject to monitoring and evaluation processes.   | National Development Plan 2030  | BCMC 685/15   | N/A   | N/A                                | The review of the MGDS will take place as and when determined by Council.  |
| Spatial Development Framework (SDF)          | The purpose of the SDF is to provide a spatial analysis of the Municipality; to provide spatial development principles / guidelines with accompanying maps indicating the spatial objectives and strategies of the Municipality, such as the promotion of spatial restructuring, increased densities, compact urban environment, access to infrastructure services, economic opportunities, social facilities, protection of agricultural land and natural resources. | The SDF is a Sectoral Plan of the IDP as required in terms of Section 26(e) of the Municipal Systems Act (Act No. 32 of 2000) | Adopted by Council in 2003 in terms of Minute BCC 7/03 dated 9 Dec 2003 | <ul style="list-style-type: none"> <li>▪ Adopted by Council in 2013 in terms of Minute BCMC 500/13 dated 22 November 2013.</li> <li>▪ Adopted by Council on 11 December 2020 in terms of Minute VBCMC 496/20</li> </ul> |                                    | The final Draft SDF Review was advertised just before Lockdown for a period of 60 days period as required by the Spatial and Planning and Land Use Management Act 16 of 2013. No comments were received from the public due to Covid-19 lockdown regulations. The final Draft SDF Review was re-advertised on 14 September 2020 for 60 days. The final Draft SDF has been submitted already to the Spatial Planning and Development Portfolio Committee of the 7 October |

| SECTOR PLAN / STRATEGIES                  | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT                                | DATE ADOPTED (Council Resolution Ref.)            | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)                         | DUE DATE FOR NEXT REVIEW/AMENDMENT                     | CURRENT STATUS COMMENTS/DISCUSSION  |
|---|---|--|---|---|--|---|
|   |   |  |   |   |  | 2020 and Council adopted it on 11 December 2020.  |
| Disaster Risk Management Policy Framework | To establish and impliment an integrated and uniform approach to managing disaster risk in the Buffalo City Metropolitan Municipality | Section 42 of Disaster Management Act 57 of 2002 | 26 February 2014 in terms of Minute of BCMC 95/14 | 2019/2020 not finalized because of C-19. New developments need inclusion. | Currently under review. Estimated completion June 2022 | <p>During the COVID-19 lockdown a number of new developments have occurred. It is essential that these are incorporated into the revised policy framework.</p> <p>The National Disaster Risk Management Policy Framework is currently under review and is proposing a number of changes, these will also need to be addressed when the consultation workshops are held.</p> <p>The changes that have been identified are:</p> <p>Structures identified during COVID-19:</p> <ul style="list-style-type: none"> <li>• Command Council for Buffalo City.</li> <li>• Multi-stakeholder Command Centre</li> <li>• technical task teams at an operational level</li> </ul> |

| SECTOR PLAN / STRATEGIES  | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT   | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION   |
|---------------------------|---|---|--|---|------------------------------------|--|
|                           |   |   |  |   |                                    | <p>The principles of the Sendai Framework and the Sustainable Development Goals need to be incorporated into the document</p> <p>The roles and engagement of National and Provincial Organs of State at a local level and how the District Development Model will apply to disaster risk management in Buffalo City. To incorporate the principles of community risk reduction and impact-based forecasting.</p> <p>The draft discussion documents and consultation questionnaires are being prepared for two workshops to be conducted in April/ May for consolidation and finalization by June 2022.</p> |
| Long -Term Financial Plan | The purpose is to outline the comprehensive multi-year financial plan that will ensure long-term financial sustainability for the Municipality. | Section 26(h) of the Municipal Systems Act (MSA) determines | N/A                                    | N/A   | N/A                                | National Treasury appointed a service provider to support BCMM with the implementation of the Long-  |

| SECTOR PLAN / STRATEGIES                              | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT  | DATE ADOPTED (Council Resolution Ref.)  | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)   | DUE DATE FOR NEXT REVIEW/AMENDMENT  | CURRENT STATUS COMMENTS/DISCUSSION   |
|---|---|--|---|---|---|--|
|   |   | that an Integrated Development Plan (IDP) must reflect a financial plan, which must include a budget projection for at least the next three years. |   |   |   | Term Financial Strategy (LTFM).  |
| Integrated Sustainable Human Settlements Plan (ISHSP) | Aims to ensure that housing implementation contributes to the creation of vibrant sustainable and integrated communities in the Buffalo City Metropolitan Municipality. | The Housing Act, 1997 (Act No. 107 of 1997)  | Adopted by BCMC on the 28 June 2019   | Reviewed 28 June 2019   | ISHSP is a 5 Year Plan and therefore it is due for review by June 2024  | The ISHSP is currently being implemented. More funding is required to implement some of the projects that are expressed in the ISHSP and its implementation plan to address the challenges that were identified during its situation analysis phase. |
| Integrated Public Transport Network                   | This plan assists the City in planning for public transport services and their various systems.   | The Public Transport Plan is a component of the CITP. The National Land Transport Act (NLTA) (Act 5 of 2009) Section 36 is the primary governing   | The BCM Public Transport Framework Plan 2005 / The Mdantsane Public Transport Framework Plan 2006 | The revised Integrated Public Transport Network Business and Operational Plan draft plan was completed in 2019 but has not been adopted as yet as funding for the programme was withdrawn by National Treasury and National | BCMM Integrated Public Transport Network Plan 2019 Draft will be finalised once funding arrangements have been finalised with National Treasury and National Department of Transport. | Draft IPTN Plan was completed in 2019 and has been put on hold until funding issues can be resolved.   |



| SECTOR PLAN / STRATEGIES                | PURPOSE OF THE SECTOR PLAN / STRATEGY  | LEGAL REQUIREMENT   | DATE ADOPTED (Council Resolution Ref.)   | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)  | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION   |
|---|--|---|--|--|------------------------------------|--|
|   |  | legislation of this CITP  | and The Public Transport Plan 2006 was approved as part of 2008 CITP which was approved by Council in 2008 as per Council Minute BCC 90/08 | department of Transport in 2019.   |                                    |  |
| Comprehensive Integrated Transport Plan | Deals with an overall perspective of the BCMM transport planning documents.  | The National Land Transport Act (NLTA) (Act 5 of 2009) as required in terms of Section 36 which is the primary governing legislation of this CITP | Approved by Council in 2008 as per Council Minute BCC 90/08  | 2013 Review (2014 to 2017) Adopted by Council in 2013 in terms of Minute BCMC 370/13 K dated 28 August 2013. | 30 <sup>th</sup> June 2022         | BCMM CITP is currently being updated and reviewed for the 2022 to 2027 period. |
| Non-Motorised Transport Plan            | Deals with plan on the implementation of priority projects in terms of non-motorised transport (sidewalks, bicycle lanes, traffic safety plans). | The Non-Motorised Transport Plan is a strategy plan of the CITP which is  | 25 June 2014 / BCMC 214/14 I   | None   | TBC                                | TBC  |

| SECTOR PLAN / STRATEGIES | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT   | DATE ADOPTED (Council Resolution Ref.)   | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)   | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION |
|--------------------------|---|---|--|---|------------------------------------|------------------------------------|
|                          |   | a requirement of the National Land Transport Act (NLTA) (Act 5 of 2009) Section 36  |  |   |                                    |                                    |
| Traffic Safety Plan      | To reduce the number of severity of collisions & casualties within its area of operations.  | The Traffic Safety Plan is a strategy plan of the CITP which is a requirement of the National Land Transport Act (NLTA) (Act 5 of 2009) as well as being governed by the National Road Traffic Act 93 of 1996 | 2005 Traffic Safety Plan was approved as part of 2008 CITP which was approved by Council in 2008 as per Council Minute BCC 90/08 | <ul style="list-style-type: none"> <li>Was updated in March 2013 Traffic Department</li> <li>Was update 25 June 2020 Traffic Engineering</li> </ul> | 2025/2026 financial year           | Document still relevant            |
| Transport Register       | Must provide a description of all the scheduled and unscheduled services operating in, to or from the Buffalo City area and all public transport facilities and infrastructure in the Buffalo City area. The Transport Register is to include a register of all changes to operating licenses and permits in the Buffalo City area and new ones issued. | The Transport Register is a requirement for the CITP which is a requirement of the National Land Transport Act (NLTA) (Act 5 of 2009)   | The Current Public Transport Record (CPTR) formed part of 2008 CITP which was approved by Council in 2008 as per                 | Report to Top Management February 2018 ?????  | TBC                                | TBC                                |

| SECTOR PLAN / STRATEGIES               | PURPOSE OF THE SECTOR PLAN / STRATEGY  | LEGAL REQUIREMENT   | DATE ADOPTED (Council Resolution Ref.)   | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)  | DUE DATE FOR NEXT REVIEW/AMENDMENT                               | CURRENT STATUS COMMENTS/DISCUSSION                                   |
|--|--|---|--|--|--|--|
|  |  |   | Council Minute BCC 90/08   |  |  |  |
| Freight Plan                           | To survey the current freight movement and the modes by which such freight is being transported, and which has defined certain strategic freight corridors   | The Freight Plan is a strategy plan of the CITP which is a requirement of the National Land Transport Act (NLTA) (Act 5 of 2009)  | 25 June 2014 / BCMC 214/14 H   | None   | TBC  | TBC  |
| Arterial Road Network Development Plan | Transport Planning is a dynamic process, as forecasting future needs is dependent upon current priorities, planning and development. This plan is used to assist in the formulation of an implementation programme for the next five years, and as a guide for planning in years beyond. | The Arterial Network Development Plan is a component of the Transport Demand Model Strategy of the CITP, which is a requirement of the National Land Transport Act (NLTA) (Act 5 of 2009) Section 36. | 2006 – 2023 Arterial Road Network Development Plan was approved as part of 2008 CITP which was approved by Council in 2008 as per Council Minute BCC 90/08 | Was updated in 2015 for the period 2015 to 2035 and a report to Top Management was dated 16 January 2018 | 2020   | TBC  |
| Business Plan & Operational Plan       | This plan assists the City in identifying whether it can operate viable public   | The National Land Transport Act   | None   | The revised Integrated Public Transport Network Business and Operational                                 | BCMM Integrated Public Transport Network Plan 2019 Draft will be | Draft IPTN Plan was completed in 2019 and has been put on hold until |

| SECTOR PLAN / STRATEGIES             | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT  | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)   | DUE DATE FOR NEXT REVIEW/AMENDMENT   | CURRENT STATUS COMMENTS/DISCUSSION  |
|--------------------------------------|---|--|--|---|--|---|
|                                      | transport and also what are the costs associated with that system.  | (NLTA) (Act 5 of 2009)   |  | Plan draft plan was completed in 2019 but has not been adopted as yet as funding for the programme was withdrawn by National Treasury and National department of Transport in 2019. | finalised once funding arrangements have been finalised with National Treasury and National Department of Transport. | funding issues can be resolved.   |
| State of the Environment Report      | <ul style="list-style-type: none"> <li>To provide a baseline assessment of the main environmental issues and challenges facing the BCMM.</li> <li>Reports on the environmental integrity and sustainability of the BCMM.</li> <li>Ensures participative Greener Governance as part of the EMP.</li> </ul> | National Environmental Management Act, 107 of 1998   | 2004                                   | 2015  | 2023   | The plan is due for review. Its review process will be initiated in the next financial year (2022/2023) however the projects and programmes outlined in the plan are currently being implemented. |
| Child and Youth Development Strategy | Provides a framework against which the metro can mainstream child and youth development within the metro's core business  | SA Constitution 1996 National Youth Policy 2020 & Provincial Youth Strategy 2015 and National Integrated Early Childhood Development Policy 2015 | 2017                                   | Last reviewed 2017  | Document is reviewed as needed in line with the National Youth Policy and Provincial Youth Strategy                  | Document still relevant   |

| SECTOR PLAN / STRATEGIES                                     | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT  | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT  | CURRENT STATUS COMMENTS/DISCUSSION |
|--|---|--|--|---|---|------------------------------------|
| BCMM Disability Strategy                                     | A mainstreaming tool for the inclusion and participation of persons with disability within metro processes  | SA Constitution 1996<br>Promotion of Equality & Prevention of Unfair Discrimination Act 2000<br>SALGA Disability Framework for Local Government 2009                       | 2016                                   | Last reviewed 2016                                | Document is reviewed as needed in line with the National and Provincial legislation and guidelines            | Document still relevant            |
| BCMM Metro AIDS Council Implementation Plan HIV, TB and STIs | The Implementation Plan as devolved from the Provincial Implementation Plan guides the Metro AIDS Council with its coordination role for the multi stakeholder response to HIV, TB and STIs       | SA Constitution 1996<br>National HIV/Aids / TB Strategic Plan & Provincial HIV/Aids / TB and STI's Strategic Plan Eastern Cape AIDS Council Implementation Plan 2017-2022, | 2017                                   | Last reviewed 2017                                | Document is reviewed as needed in line with the National and Provincial HIV/Aids/TB and STI's Strategic Plans | Document still relevant            |
| BCMM Public Participation Strategy                           | The Strategy provides mechanisms by which the public may participate in the affairs of the municipality and to clarify roles and responsibilities of all the role players and interested parties. | The South African Constitution of 1996 states Municipal Structures Act 117 of 1998 (as   | 2011                                   |   |   |                                    |

| SECTOR PLAN / STRATEGIES                        | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT   | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION  |
|---|---|---|--|---|------------------------------------|---|
|   |   | amended in 2000 and 2003)<br>Municipal Systems Act 32 of 2000<br>National draft policy guideline on public participation<br>Municipal Structures Act 117 of 1998<br>Traditional Leadership and Governance Framework Act 41 of 2003<br>Municipal Finance Management Act 56 of 2003<br>Municipal Property Rates Act 6 of 2004 |  |   |                                    |   |
| Integrated Coastal Zone Management Plan (ICZMP) | <ul style="list-style-type: none"> <li>The plan articulates the BCMM's commitment to coastal protection and management???</li> <li>To present the Coastal Zone Protection and Management Policy Framework of the BCMM that needs to be adopted and integrated into the</li> </ul> | National Environmental Management: Integrated Coastal Management Act (Act 24 of 2008)   | 2004                                   | 2015  | 2023                               | The plan is due for review. Its review process will be initiated in the next financial year (2022/23) however, the projects and programmes outlined in the plan are currently implemented |

| SECTOR PLAN / STRATEGIES                       | PURPOSE OF THE SECTOR PLAN / STRATEGY  | LEGAL REQUIREMENT                                  | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION  |
|--|--|--|--|---|------------------------------------|---|
|  | <p>planning and operations of all municipal service sectors.</p> <ul style="list-style-type: none"> <li>To outline a clear implementation programme for coastal zone management activities and projects, as well as the partnerships that are needed for effective implementation.</li> </ul>                |  |  |   |                                    |   |
| Climate Change Strategy                        | <ul style="list-style-type: none"> <li>Plays a vital role in addressing the Metro's social, economic and environmental needs that are as a result of Climate Change.</li> <li>To intensify the City's endeavours towards the implementation of Climate Change mitigation and adaptation measures.</li> </ul> | National Environmental Management Act, 107 of 1998 | 2015                                   | -   | 2023                               | The strategy is due for review. Its review process will be initiated in the next financial year, 2022/2023, however the projects and programmes outlined in the strategy are currently implemented. |
| Environmental Education and Awareness Strategy | <ul style="list-style-type: none"> <li>To provide realistic guidance to the effective implementation of the environmental education, training and public awareness programmes and activities within the City</li> </ul>  | National Environmental Management Act, 107 of 1998 | 2010                                   | 2014  | 2023                               | The review processes for this strategy have been undertaken. The report has been tabled to the council committees and awaiting for council approval.  |
| Buffalo River Estuarine Management Plan        | <ul style="list-style-type: none"> <li>To ensure that the management of the Buffalo estuarine habitat is executed in a coordinated manner in compliance with necessary legislation is achieved.</li> </ul>   | National Environmental Management Act, 107 of 1998 | Gazetted in 2018                       | -   | 2024                               | Developed by DEDEAT on behalf of the Municipality. The Municipality is currently implementing the projects within the plan. A Committee to ensure that such actions are implemented was             |

| SECTOR PLAN / STRATEGIES                 | PURPOSE OF THE SECTOR PLAN / STRATEGY  | LEGAL REQUIREMENT                                  | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION  |
|--|--|--|--|---|------------------------------------|---|
|  | <ul style="list-style-type: none"> <li>To address the ecological functioning, habitat loss and threats to the estuary</li> </ul>   |  |  |   |                                    | established and sit quarterly. The committee consists of both internal and external stakeholders.   |
| Nahoon Estuarine Management Plan         | <ul style="list-style-type: none"> <li>To manage the Nahoon estuary cooperatively and in a coordinated manner.</li> <li>To address the ecological functioning, habitat loss and threats that are facing the estuary.</li> </ul>  | National Environmental Management Act, 107 of 1998 | Gazetted in 2016                       | -   | 2023                               | Developed by DEDEAT on behalf of the Municipality. The Municipality is currently implementing the projects within the plan. The Municipal Coastal Committee which sits on a quarterly basis seeks to address issues that are affecting the coastline and amongst those is the Nahoon Estuarine Management Plan. |
| Integrated Environmental Management Plan | <ul style="list-style-type: none"> <li>The Integrated Environmental Management Plan gives guidance and determine how Buffalo City Metropolitan Municipality fulfils its responsibility with regard to the environmental management and protection of the natural environment.</li> </ul> | National Environmental Management Act, 107 of 1998 | 2004                                   | 2015  | 2023                               | The plan is due for review. Its review process will be initiated in the 2022/2023 financial year however the projects outlined in the plan are currently being implemented  |



| SECTOR PLAN / STRATEGIES         | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT  | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)      | DUE DATE FOR NEXT REVIEW/AMENDMENT   | CURRENT STATUS COMMENTS/DISCUSSION  |
|----------------------------------|---|--|--|--|--|---|
| Reviewed Communication strategy  | <ul style="list-style-type: none"> <li>Communication strategy aims to educate and inform people living in the Metro.</li> <li>It also seeks to reassure people of BCMM about the commitment to effective and efficient service delivery.</li> <li>To open platforms for receiving feedback on departmental programmes.</li> <li>Change negative perceptions about the Metro.</li> </ul> | Promotion of Access to Information Act 2 of 2000<br>Promotion of Administrative Justice Amendment Act 53 of 2002 | January 2019                           | Expired in December 2016<br>Reviewed and approved 2019 | 2023   | Currently implementing the Action Plan.   |
| Integrated Waste Management Plan | To address the challenge of Waste Management by improving waste service provision through developing suitable waste management models for various settlements of Buffalo City which are formal, informal as well un-serviced areas in line with the National Waste Management Strategy.   | Section 11(4)(a)(ii) NEMA: Waste Act 2008  | 2014                                   | 2021   | 2027<br><br>(Review is also informed by any change of plans that the Metro might have within the five (5) year period) | The IWMP for 2021- 2026 has been successfully reviewed, consulted and awaiting proof reading and editing before submission to Council for adoption. |
| Air Quality Management Plan      | The Air Quality Management Plan (AQMP) is a legislative requirement and forms an input to the Environmental Management Plan (EMP) and other plans, policies and developments. It also protects the integrity and sustainability of the Municipality and the environment.  | National Management Act, 107 of 1998<br><br>Air Quality Act 39 of 2005   | 2018                                   | 2023   | To be reviewed every five years  | The department is still implementing the current plan.  |

| SECTOR PLAN / STRATEGIES                              | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT                               | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION                                 |
|---|---|---|--|---|------------------------------------|--|
|   | Ensures participative Greener Governance.   |   |  |   |                                    |  |
| Electricity Master Plan                               | The master plan was to include the following sub-plans: • Status of the Electricity Network • Infrastructure Refurbishment Plan • Network Integrity, Strengthening and Development Plan • Electrification Plan • Servitude Plan • Spatial Development Framework Plan • BCM Sector Plans Impact • BCM Local Integrated Resource Plan • Risk Management Plan • Capital Investment Programme • Operational Expenditure Programme • List of Projects The master plan is to be presented over the 3, 5 and 20 year planning windows. | Electricity Act 41 of 1987                      | 2015                                   | None  | 2020                               | Document is being prepared for the update to take place in 2022/23 |
| Local Economic Development Strategy                   | Outlines how Council can create an enabling environment for economic growth that will benefit all the Citizens, especially those that are poor.   | Section 26 of the Municipal Systems Act         |  |   |                                    |  |
| Tourism Master Plan                                   |   | Tourism Act, 72 of 1993 /Tourism Act, 3 of 2014 | 2006                                   |   |                                    |  |
| Integrated Agriculture and Rural Development Strategy | The strategy puts emphasis on an integrated approach to agriculture and rural development. It seeks to promote coordination among various role players to avoid duplication.  | EC Agricultural and Rural Development Plan      |  |   |                                    |  |

| SECTOR PLAN / STRATEGIES         | PURPOSE OF THE SECTOR PLAN / STRATEGY  | LEGAL REQUIREMENT  | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION  |
|----------------------------------|--|--|--|---|------------------------------------|---|
| SMME Strategy                    |  | Small Business Tax Amnesty Act   |  |   |                                    |   |
| Cooperative Development Strategy |  | Cooperatives Act, 14 of 2005   |  |   |                                    |   |
| Trade and Investment Strategy    |  | Integrated National Export Strategy                                    |  |   |                                    |   |
| Water Services Development Plan  | Provides a road map for the provision of sustainable and accessible to all water services in the BCMM area of jurisdiction. It also presents constraints in the current network and proposes priority intervention in both water and sanitation bulk infrastructure service. Responding to the SDF, it further provides forecasts for growth and development of the city with clear projections in terms of development upgrades and extension to the network. | Section 12 of Water Services Act, 30 of 2004                           | 2017                                   | 2019 not been to Council yet                      | 2021                               | <p>WSDP is the primary instrument of planning of water services. A new plan must be developed every five years and should be reviewed/updated as necessary and appropriate in the interim.</p> <p>The department is starting a process of updating the Water Services Master Plan which will be incorporated on the WSDP next review.</p> |
| Crime Prevention Strategy        |  | Criminal Procedure Act 51 of 1977<br>South African Police Services Act |  |   |                                    |   |

| SECTOR PLAN / STRATEGIES           | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT  | DATE ADOPTED (Council Resolution Ref.)                     | DATE/S REVIEWED/AMENDED (Council Resolution Ref.)    | DUE DATE FOR NEXT REVIEW/AMENDMENT   | CURRENT STATUS COMMENTS/DISCUSSION   |
|------------------------------------|---|--|--|--|--|--|
| Employment Equity Plan             | To achieve and maintain representation in the workplace by appointing, empowering and developing competent members of staff which are equipped to implement the strategic plans of Council.   | Employment Equity Act, 55 of 1998  | BCMC 371/19  | 01 July 2019 - 30 June 2021                          | 30 June 2021   | The process of reviewing the EE Plan has been initiated.   |
| Workplace Skills Plan              | Annually BCMM develops a Workplace Skills Plan (WSP) for the ensuing year, which encompasses training needs analysis, training budget and implementation plan for the capacitation of employees throughout the ensuing year as well as Annual Training Report on the implementation of current WSP. An Annual Implementation Plan flowing from the WSP is then drawn up containing scheduled interventions. | Labour Relations Act (LRA), Act 66 of 1995<br>Employment Equity Act, No 55 of 1998<br>Skills Development Act, No 97 of 1998<br>SAQA Act, No 58 of 1995<br>National Skills Development Strategy III |  |  |  |  |
| Human Resource Management Strategy | To ensure that HR serve and support the Municipality in achieving its strategic objectives through proper HR practices such as recruitment, training, performance management, health and safety, personnel administration and labour relations.   | Skills Development Facilitation Act<br>Labour Relations Amendment Act 42 of 1996<br>Basic Conditions of Employment Act 75 of 1997  | The Draft HR Strategy of 2006 was not approved by Council. | The Draft HR Strategy of 2006 has not been reviewed. | The draft Human Resources Management Strategy to be reviewed by 28 February 2021 | Note: There are two HR Departments, i.e. Human Resources Management, and HR Development & Performance. Each Department should have its own Strategy. Integration and linkages of the two |

| SECTOR PLAN / STRATEGIES        | PURPOSE OF THE SECTOR PLAN / STRATEGY   | LEGAL REQUIREMENT   | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT                                     | CURRENT STATUS COMMENTS/DISCUSSION                        |
|---------------------------------|---|---|--|---|--|---|
|                                 |   | Employment Equity Act 55 of 1998<br>Municipal Systems Act 32 of 2000<br>Municipal Finance Management Act 56 of 2003 |  |   |  | strategies will occur at operational level.               |
| Municipal Health Services Plan  | To provide a framework for the provision of comprehensive and integrated Municipal Health services in BCMM  | Municipal Systems Act 32 of 2000<br>Municipal Structures Act 117 of 1998<br>National Health Act, 61 of 2003         | 2014/2015                              | The plan has not been reviewed.                   | Funding for reviewal has been requested on the 2022/23 financial year. | Awaiting funding allocation and approval for the project. |
| Water and Sewerage Master Plans | The water & sewerage water master plans identify and prioritise required bulk water services infrastructure upgrading and extensions. Provides current and future needs regarding required upgrading of water and sewer infrastructure network. | National Water Act, 36 of 1998  |  |   |  |   |
| Storm water Management System   | The Storm water Management System addresses priorities in required maintenance on the system.   |   |  |   |  |   |
| Pavement Management System      | The Pavement Management System identifies and prioritises required  |   | 2012/2013                              | 2019/2020   |  |   |

| SECTOR PLAN / STRATEGIES | PURPOSE OF THE SECTOR PLAN / STRATEGY                | LEGAL REQUIREMENT | DATE ADOPTED (Council Resolution Ref.) | DATE/S REVIEWED/AMENDED (Council Resolution Ref.) | DUE DATE FOR NEXT REVIEW/AMENDMENT | CURRENT STATUS COMMENTS/DISCUSSION |
|--------------------------|--|-------------------|--|---|------------------------------------|------------------------------------|
|                          | maintenance and upgrading of streets infrastructure. |                   |  |   |                                    |                                    |

# ANNEXURE B: IDP/Budget/PMS Process Plan followed

## AMENDED IDP/BUDGET/PMS PROCESS PLAN AND TIME SCHEDULE

to guide the planning, drafting,  
adoption and review of the



for 1 July 2021 to 30 June 2026  
(as amended for the 1<sup>st</sup> annual review (2022/2023) in  
accordance with Section 34 of the Municipal Systems Act)

Compiled in terms of  
Sections 28 and 29 of the Municipal Systems Act, No 32 of  
2000 and Section 21(1) of the Municipal Finance  
Management Act, No 56 of 2003

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# 1 INTRODUCTION & BACKGROUND

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## **Rationale for the Process Plan**

The IDP is developed in accordance with requirements set out in the Municipal Systems Act (32 of 2000) and Local Government Municipal Planning and Performance Management Regulations (2001). The MSA further mandates municipalities to review its IDP annually in accordance with an assessment of its performance measurements.

In order to ensure certain minimum quality standards of the Integrated Development Plan (IDP), and proper coordination between all stakeholders, including the Council, administration, different spheres of government, institutional structures, ward committees and various community-based organisations, the preparation of the Process Plan has been regulated in the Municipal Systems Act (2000).

The preparation of a Process Plan, which is in essence the IDP Process set out in writing, requires the adoption by Council. This plan has to include the following:

- A programme specifying the time frames for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process;
- An indication of the organisational arrangements for the IDP process;
- Binding plans and planning requirements, i.e. policy and legislation; and
- Mechanisms and procedures for vertical and horizontal alignment.

## **Area of the IDP**

The IDP will be applicable to the Buffalo City Metropolitan Municipality Municipal Area which is situated on the east coast of the Eastern Cape Province, South Africa. Buffalo City Metropolitan Municipality is situated relatively centrally in the Eastern Cape Province, and is surrounded by the Great Kei Local Municipality, Amahlati Local Municipality, Nkonkobe Local Municipality and Ngqushwa Local Municipality. It is bounded to the south-east by the long coastline along the Indian Ocean. It includes the towns of East London, Bhisho and King William's Town, as well as the large townships of Mdantsane and Zwelitsha.

The municipality was established as a local municipality in 2000 after South Africa's reorganization of municipal areas, and is named after the Buffalo River, at whose mouth lies the only river port in South Africa. On 18 May 2011 it was separated from the Amathole District Municipality and converted into a metropolitan municipality.

The Buffalo City Metropolitan is made up of significant portions of two Magisterial Districts, as follows:

- East London, including the previous Ciskei Magisterial District(s) of Mdantsane.
- King William's Town, including the previous Ciskei Magisterial District of Zwelitsha.

In line with the local government dispensation in South Africa, the Buffalo City Metropolitan Municipality is categorized as a Category "A" Municipality.

## Five-year cycle of the IDP

Drafting an IDP requires a comprehensive planning process and the involvement of a wide range of internal and external role players. Such a process must be properly organised and prepared. This preparation is the duty of the Municipal Manager and Senior Management. The preparation process will be referred to as the “Process Plan” and should contribute to the institutional readiness of the municipality to draft or review the IDP.

The IDP drives the strategic development of BCMM. The Municipality’s budget is influenced by the strategic objectives identified in the IDP. The Service Delivery and Budget Implementation Plan (SDBIP) ensures that the Municipality implements programmes and projects based on the IDP targets and associated budgets. The performance of the Municipality is reported in the Quarterly and Mid-yearly Performance Assessment Reports as well as in the Annual Report. In addition, Risk Management forms an integral part of the internal processes of a municipality. When properly executed risk management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

## Phases of the annual process

The IDP process normally goes through the following phases during the course of a year:

| Phase                                | Tasks   | Mechanisms   |
|--------------------------------------|---|--|
| <b>Analysis</b>                      | <b>External analysis:</b>   |  |
|                                      | <ul style="list-style-type: none"> <li>▪ Spatial</li> <li>▪ Social</li> <li>▪ Economic</li> <li>▪ Environmental</li> <li>▪ Physical</li> <li>▪ Sector and Community needs and issues</li> </ul> | <ul style="list-style-type: none"> <li>▪ Sector plans analysis and reviews</li> <li>▪ Spatial Development Framework</li> <li>▪ Stakeholder discussions</li> <li>▪ IGR work sessions</li> </ul> |
|                                      | <b>Compilation of area plans:</b>   |  |
|                                      | <ul style="list-style-type: none"> <li>▪ Ward profiles</li> <li>▪ Services backlogs</li> <li>▪ Priority issues per ward</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Ward committee/ ward meetings and workshops</li> <li>▪ Inputs by departments</li> </ul>   |
|                                      | <b>Internal analysis:</b>   |  |
|                                      | <ul style="list-style-type: none"> <li>▪ Governance and Financial Management Critical issues / challenges</li> <li>▪ Minimum service levels</li> </ul>  | <ul style="list-style-type: none"> <li>▪ In-house exercise by departments and IDP/Budget/PMS Workstreams</li> <li>▪ Performance assessment</li> </ul>  |
| <b>Inter-governmental alignment:</b> |   |  |

| Phase  | Tasks  | Mechanisms  |
|--|--|---|
|  | Align with National and Provincial Policies  | Participatory process with other government spheres coordinated by Manager: IDP/BI and Manager: Development Cooperation & International Relations as core guiding principle of District Development Model   |
| <b>Strategy and action plan</b>                      | Council and Management discuss strategic issues such as vision and mission, future directions, strategic outcomes, key focus areas, as well as programmes, projects, key initiatives, key performance indicators and targets for each key focus area   | <ul style="list-style-type: none"> <li>▪ Strategy workshops (Top Management Technical Strategic Planning Sessions, Workstreams)</li> <li>▪ Mayoral Lekgotla</li> <li>▪ Council Lekgotla</li> <li>▪ Stakeholder discussions</li> <li>▪ In-house exercise by Top Management Team</li> </ul> |
| <b>Approval of draft IDP and draft annual budget</b> | Finalise and approve draft IDP and draft annual budget, SDF amendments   | <ul style="list-style-type: none"> <li>▪ In-house preparation of the relevant documentation and submission to Council</li> <li>▪ Council Workshop</li> </ul>  |
| <b>Consultation and refinement</b>                   | <ul style="list-style-type: none"> <li>▪ Make public the draft IDP and draft annual budget for comments and submissions.</li> <li>▪ Submit the draft annual budget to National and Provincial Treasury, prescribed national or provincial organs of state and to other municipalities affected by the budget.</li> <li>▪ Consult the local community and other stakeholders</li> </ul> | <ul style="list-style-type: none"> <li>▪ In-house exercise by Chief Financial Officer and Manager: IDP/BI</li> <li>▪ Public meetings &amp; workshops</li> <li>▪ IDP Representative Forum meeting</li> </ul>   |
| <b>Final approval</b>                                | <ul style="list-style-type: none"> <li>▪ Council approves the final IDP and final annual budget</li> </ul>   | In-house preparation of the relevant documentation and submission to Council  |

**Table 11: Phases of the Annual IDP Process**

## 2 PREPARATION FOR THE PROCESS

The result of the preparation process should not only be a document (the Process Plan), but also a well-prepared council and management, confident about the task ahead. In the Process Plan -

- Organisational arrangements are established, and the membership of committees and forums is clarified.
- Roles and responsibilities are clarified, and internal human resources allocated accordingly.

- The legal requirements, principles and functions of community and stakeholder participation during the IDP process are clarified.
- Mechanisms and procedures for alignment with external stakeholders such as other municipalities, districts and other spheres of government are looked at.
- Legislation and policy requirements that must be considered in the course of the IDP process are provided. The list contains documents, guidelines, plans and strategies from the provincial and national sphere of government.

This preparation for the IDP compilation process is a task of municipal management. Individual tasks may be delegated but the process remains the accountability of the Management Team.

All preparations taken in respect of managing the IDP drafting and review Processes for three (3) consecutive IDPs are to take place with due deference to the strategic mandate provided by the MGDS, BCMM’s long-term strategy until 2030. As illustrated below, the MGDS provides the long-term vision for the metro’s development trajectory.

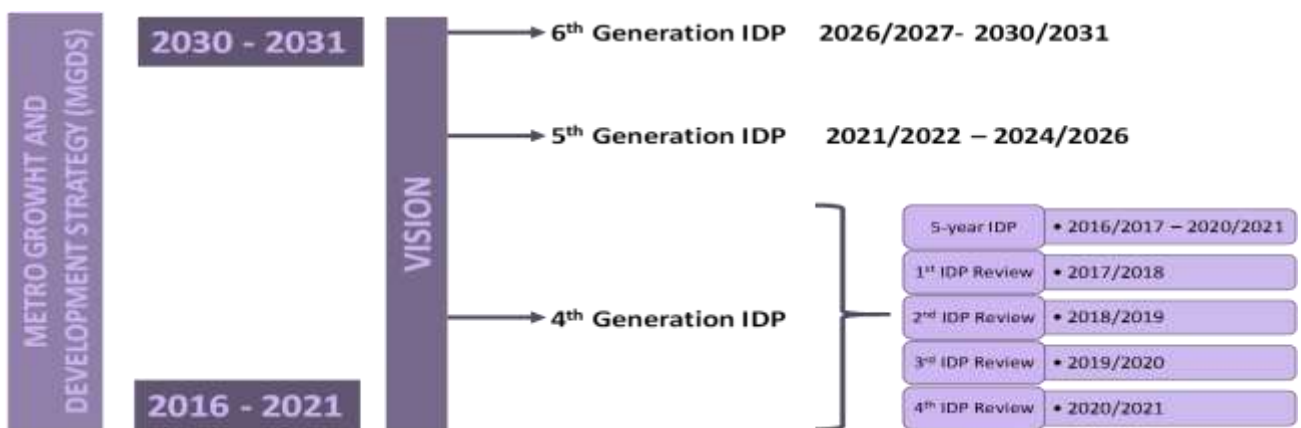


Figure 70: Strategic Planning Cycle

## 3 COMPILING THE IDP

### Key Elements to be addressed in this process

The following is a summary of the main activities to be undertaken during this IDP Process:

#### 3.1.1 Assessment Issues

- The comments on the last adopted IDP provided by the MEC for Local Government in accordance with Sections 31 and 32 of the Municipal Systems Act;
- Findings contained in the National Treasury Benchmarking Report on their assessment of the metro’s Budget during April/May annually;
- Findings contained in the Auditor General’s Report of the previous financial year/s; and
- Shortcomings and weaknesses identified through self-assessment.

#### 3.1.2 Review of the Strategic Elements of the IDP in terms of priorities of Council and the objectives of Management

- Review of the Strategic elements of the IDP and Metro Growth and Development Strategy (MGDS) if required; and integrating the strategic intent throughout the budget

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process, including mSCOA alignment, and finalizing of the Service Delivery and Budget Implementation Plan (SDBIP);

- Review of elements of the Spatial Development Framework;
- Review of the Disaster Management Plan;
- Update of Master Plans and Sector Plans; and
- The update of the Financial Plan.

### 3.1.3 Inclusion of new information where necessary

- Addressing areas requiring additional attention in terms of legislative requirements not addressed during the compilation of the 2016/17-2021/2022 IDP and all following revisions conducted in accordance with the relevant legislation (i.e. MFMA Regulatory Circulars);
- Update of the Socio-Economic Profile;
- Public Participation Input and revision of Ward Plans; and
- The implication of the National Government led Planning Reforms, with a specific emphasis on the development of Metro-Specific IDP Guidelines, the Guidelines for Transitioning out of BEPP, the District/Metro Development Model and the review of the IDP Assessment Tool, which are all at different stages of development and implementation.

### 3.1.4 Municipal Accountability Cycle and mSCOA compliance

The Minister of Finance has, in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No.56 of 2003), and acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs gazetted the Municipal Regulations on Standard Chart of Accounts (mSCOA) into effect on 22 April 2014.

Municipal SCOA provides a uniform and standardised financial transaction classification framework. Essentially this means that mSCOA prescribes the method (the how) and format (the look) that municipalities and their entities should use to record and classify all expenditure (capital and operating), revenue, assets and liabilities, policy outcomes and legislative reporting. This is done at transactional level and ensures that a municipality and its entities have minimum business processes in place. 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.

**mSCOA** is a business reform rather than a mere financial reform and requires multi-dimensional recording and reporting of every transaction across 7 segments:

The municipal financial management and accountability cycle consists of:

- **Integrated development plan (IDP):** Sets out the municipality's goals and development plans. Council adopts the IDP and undertakes an annual review and assessment of performance.
- **Budget:** The IDP informs the budget. The budget sets out the revenue raising and expenditure plan of the municipality for approval by council. It is linked to the service delivery and budget implementation plan (SDBIP). The budget and the SDBIP lay the basis for the performance agreements of the municipal manager and senior management.
- **In-year reports:** Council monitors financial and non-financial performance through quarterly and midyear reports produced by the administration and tabled in Council.

- **Annual financial statements:** These are submitted to the Auditor-General who issues an audit report on financial and non-financial audits undertaken simultaneously.
- **Annual report:** Reports on implementation performance in relation to the budget and the SDBIP.
- **Oversight report:** Council adopts an oversight report based on outcomes highlighted in the annual report and actual performance.
- **Audit committee:** Provides independent specialist advice on financial and non-financial performance and governance.

Figure 1 below illustrates the Municipal Accountability Cycle in South Africa and its linkage to mSCOA.

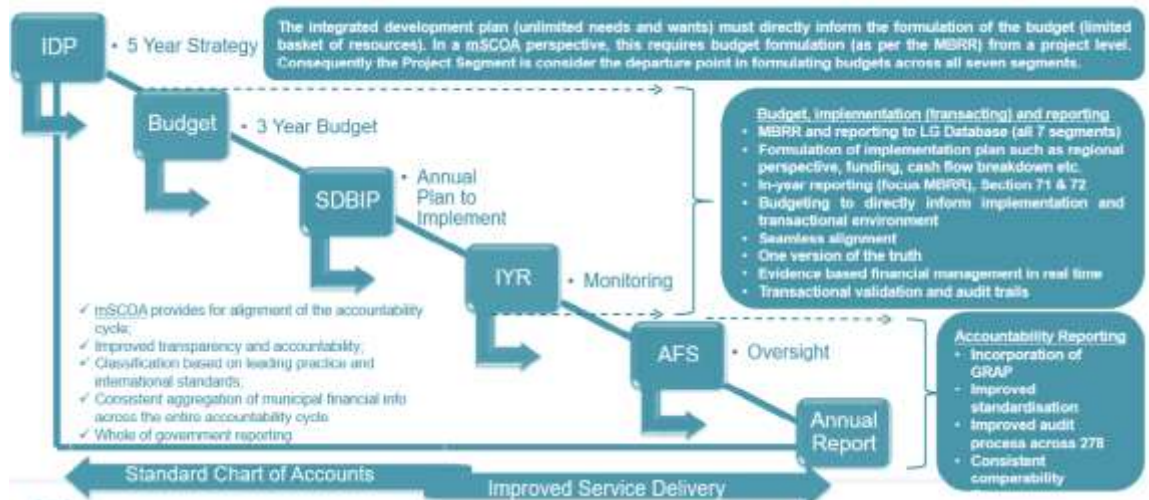


Figure 71: Local Government Financial Management Accountability Cycle and linkage with mSCOA

## 4 ANNUAL REVISION OF THE IDP

### Legislative prescripts for annual review of the IDP

**MSA Section 34, Annual review and amendment of integrated development plan determines 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 41; and*
  - (ii) *to the extent that changing circumstances so demand; and*
- (b) *may amend its integrated development plan in accordance with a prescribed process.*

### Purpose of a review

The IDP must be reviewed annually in order to:

- Ensure its relevance as the municipality’s strategic plan;
- inform other components of the municipal business process including institutional and financial planning and budgeting; and
- inform the cyclical inter-governmental planning and budgeting cycle.

For the IDP to remain relevant the municipality must assess implementation performance and the achievement of its targets and strategic objectives. In the light of this assessment the IDP is reviewed to reflect the impact of successes as well as corrective measures to address problems. The IDP is also reviewed in the light of changing internal and external circumstances that impact on the priority issues, outcomes and outputs of the IDP.

The annual review must inform the municipality’s financial and institutional planning and most importantly, the drafting of the annual budget. It must be completed in time to properly inform the latter.

The purpose of the annual review is therefore to -

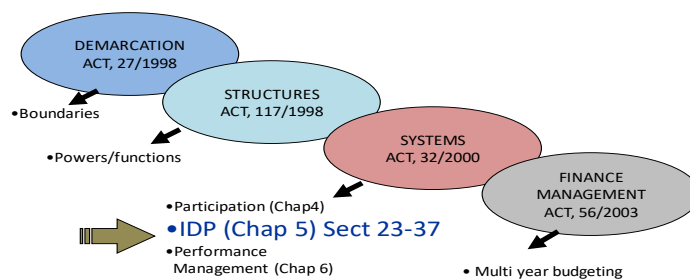
- reflect and report on progress made with respect to the strategy in the 5-year IDP;
- make adjustments to the strategy if necessitated by changing internal and external circumstances that impact on the appropriateness of the IDP;
- determine annual targets and activities for the next financial year in line with the 5-year strategy; and
- inform the municipality’s financial and institutional planning and most importantly, the drafting of the annual budget.

**What the review is not**

- The Review is not a replacement of the 5-year IDP.
- The Review is not meant to interfere with the long-term strategic orientation of the municipality to accommodate new whims and additional demands.

## 5 LEGAL REQUIREMENTS

To ensure certain minimum quality standards of the IDP process and proper coordination between and within the spheres of government, the IDP process is regulated by the following legislation:



**Figure 72: Municipal Legislative Background**

### The Integrated Development Plan (IDP)

5.1.1 Chapter 5 and Section 25 (1) of the Municipal Systems Act (2000) indicates that:

*Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all-inclusive and strategic plan for the development of the municipality which-*

- (a) Links integrates and coordinates plans and takes into account proposals for the development of the municipality;*
- (b) Aligns the resources and capacity of the municipality with the implementation of the plan;*
- (c) Complies with the provisions of this Chapter; and*
- (d) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.*

5.1.2 In accordance with the Municipal Systems Act, No 32 of 2000 (MSA) Section 28:

- (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.*
- (2) The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.*
- (3) A municipality must give notice to the local community of particulars of the process it intends to follow.*

5.1.3 Section 29(1) of the Municipal Systems Act, No. 32 of 2000 (MSA) instructs that:

*The process must -*

- (a) be in accordance with a predetermined programme specifying timeframes for the different steps;*
- (b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for -*
  - (i) the local community to be consulted on its development needs and priorities;*
  - (ii) the local community to participate in the drafting of the integrated development plan; and*
  - (iii) organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan;*
- (c) provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation; and*
- (d) be consistent with any other matters that may be prescribed by regulation.*

5.1.4 Section 34 of the Municipal Systems Act, No. 32 of 2000 (MSA) prescribes that:

*A municipal council must*

- (a) review its Integrated Development Plan*



- (i) annually in accordance with an assessment of its performance measurements in terms of section 41; and*
  - (ii) to the extent that changing circumstances so demand; and*
- (b) may amend its integrated development plan in accordance with a prescribed process.*

## **The Annual Budget**

The Annual Budget and the IDP are inextricably linked to one another, something that has been formalised through the promulgation of the Municipal Finance Management Act (2004).

5.1.5 Chapter 4 and Section 21 (1) of the Municipal Finance Management Act (MFMA) indicates that:

*The Mayor of a municipality must-*

- (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-*
    - aa) The integrated development plan in terms of section 34 of the Municipal Systems Act; and*
    - bb) The budget related policies.*
  - iii. The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and*
  - iv. The consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).*

## **The Service Delivery and Budget Implementation Plan (SDBIP)**

The Service Delivery and Budget Implementation Plan (SDBIP) is an implementation plan of the approved Integrated Development Plan (IDP) and Medium-Term Revenue and Expenditure Framework. Therefore, only projects that are budgeted for are implemented. The SDBIP serves to address the development objectives as derived from the approved IDP.

5.1.6 Section 1 of the MFMA defines the SDBIP as:

*“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:*

- (a) projections for each month of-*
  - (i) revenue to be collected, by source; and*
  - (ii) operational and capital expenditure, by vote;*
- (b) service delivery targets and performance indicators for each quarter*

5.1.7 The Spatial Planning and Land Use Management Act, 16 of 2013 confirms in Section 20(2):

*that a municipal SDF must be prepared – “as part of” a municipal IDP.”*

## 6 INSTITUTIONAL ARRANGEMENTS

### Organisational arrangements

The municipality needs to establish a set of organisational arrangements to -

- institutionalise the participation process of all stakeholders;
- effectively manage outputs; and
- give affected parties access to contribute to the decision-making process.

The Municipality should consider existing arrangements, use and adapt them if necessary, and avoid duplication of mechanisms. This section deals with the organisational structure and the terms of reference for each of the arrangements/structures.

It is one of the pre-requisitions of a smooth and well organised IDP process that all role players are fully aware of their own and of other role players' responsibilities. Therefore, it is one of the first preparation requirements for the IDP process to ensure that there is a clear understanding of all required roles, and of the persons or organisations that can assume those roles. This section deals with:

- The roles which the municipality must play in the IDP process in relation to the roles which external role players are expected to play.
- The further specification of roles within the Municipality and the responsibilities related to that role in detail.

#### 6.1.1 Roles and responsibilities within Government

| Role Player                  | Roles and Responsibilities  |
|------------------------------|---|
| <b>Local Municipality</b>    | <ul style="list-style-type: none"> <li>▪ Prepare and adopt the IDP Process Plan.</li> <li>▪ Undertake the overall management and co-ordination of the IDP process which includes ensuring that:               <ul style="list-style-type: none"> <li>- all relevant role-players are appropriately involved;</li> <li>- appropriate mechanisms and procedures for community participation are applied;</li> <li>- events are undertaken in accordance with the approved time schedule;</li> <li>- the IDP relates to the real burning issues in the municipality; and</li> <li>- the sector planning requirements are satisfied.</li> </ul> </li> <li>▪ Prepare and adopt the IDP.</li> <li>▪ Adjust the IDP in accordance with the MEC's proposal.</li> <li>▪ Ensure that the annual business plans, budget and performance management system are linked to and based on the IDP.</li> </ul> |
| <b>Provincial Government</b> | <ul style="list-style-type: none"> <li>▪ Ensure horizontal alignment of the IDPs of the local municipalities within the province.</li> <li>▪ Ensure vertical/sector alignment between provincial sector departments/provincial strategic plans and the IDP process at metro level by -               <ul style="list-style-type: none"> <li>- guiding the provincial sector departments' participation in and their required contribution to the municipal IDP process; and</li> <li>- guiding them in assessing draft IDPs and aligning their sector programmes and budgets with the IDPs</li> </ul> </li> <li>▪ Efficient financial management of provincial IDP grants.</li> <li>▪ Monitor the progress of the IDP processes.</li> <li>▪ Facilitate resolution of disputes related to IDP.</li> </ul>  |

| Role Player                | Roles and Responsibilities   |
|----------------------------|--|
|                            | <ul style="list-style-type: none"> <li>▪ Assist municipalities in the IDP drafting process where required.</li> <li>▪ Organise IDP-related training where required.</li> <li>▪ Co-ordinate and manage the MEC’s assessment of IDPs.</li> </ul> |
| <b>National Government</b> | <ul style="list-style-type: none"> <li>▪ NT assessment of IDP, Budget, SDBIP and BEPP</li> </ul>   |

**Table 12: Roles and Responsibilities within Government**

6.1.2 Roles and responsibilities – Municipality and Stakeholders

The Municipal Structures Act and the Municipal Systems Act provide clarity on the functions of the political structures, administration and community participating in the IDP Process as shown in the table below:

| ROLE PLAYERS         | LEGISLATED FUNCTIONS   |
|----------------------|--|
| MUNICIPALITY DEFINED | <p><b>Systems Act Section 2(b)</b> - A municipality consists of -</p> <ul style="list-style-type: none"> <li>(i) the political structures and administration of the municipality; and</li> <li>(ii) the community of the municipality</li> </ul>   |
| POLITICAL STRUCTURES | <p><b>Structures Act Section 56(2)</b> - Functions and powers of executive mayors</p> <p>The executive mayor must –</p> <ul style="list-style-type: none"> <li>(a) identify the needs of the municipality;</li> <li>(b) review and evaluate those needs in order of priority;</li> <li>(c) recommend to the municipal council strategies, programmes and services to address priority needs through the <b>integrated development plan</b>, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and</li> <li>(d) recommend or determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.</li> </ul> <p><b>Systems Act Section 30</b> - Management of drafting process</p> <p>The executive mayor of a municipality must, in accordance with section 29-</p> <ul style="list-style-type: none"> <li>(a) manage the drafting of the municipality’s integrated development plan;</li> <li>(b) assign responsibilities in this regard to the municipal manager; and</li> <li>(c) submit the draft plan to the municipal council for adoption by the council.</li> </ul> |
| ADMINISTRATION       | <p><b>Systems Act Section 55(1)</b> - Municipal managers</p> <p>As head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for-</p>  |

| ROLE PLAYERS | LEGISLATED FUNCTIONS  |
|--------------|---|
|              | <p>(a) the formation and development of an economical, effective, efficient and accountable administration-</p> <ul style="list-style-type: none"> <li>(i) equipped to carry out the task of implementing the municipality's <b>integrated development plan</b> in accordance with Chapter 5;</li> <li>(ii) operating in accordance with the municipality's performance management system in accordance with Chapter 6; and</li> <li>(iii) responsive to the needs of the local community to participate in the affairs of the municipality;</li> </ul> <p>(b) the management of the municipality's administration in accordance with this Act and other legislation applicable to the municipality;</p> <p>(c) the implementation of the municipality's <b>integrated development plan</b>, and the monitoring of progress with implementation of the plan</p> |
| COMMUNITY    | <p><b>Systems Act Section 29(1)</b> - Process to be followed</p> <p>The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must -</p> <ul style="list-style-type: none"> <li>(b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for - <ul style="list-style-type: none"> <li>(i) the local community to be consulted on its development needs and priorities</li> <li>(ii) the local community to participate in the drafting of the integrated development plan.</li> </ul> </li> </ul>   |

The table below indicates the roles and responsibilities of the different role players.

| STRUCTURE   | COMPOSITION AND RESPONSIBILITY   |
|---|--|
| <p><b>The Executive Mayor of Buffalo City Metropolitan Municipality</b></p> | <p>The Executive Mayor of Buffalo City Metro has the ultimate responsibility for the preparation and implementation of the IDP, Budget &amp; Performance Management. In his/her executive capacity the Executive Mayor has to:</p> <ul style="list-style-type: none"> <li>• be responsible for the overall oversight, development and monitoring of the process or delegate IDP &amp; PMS responsibilities to the City Manager;</li> <li>• ensure that the budget, IDP &amp; budget related policies are mutually consistent &amp; credible;</li> <li>• approve nominated persons that will be responsible for different roles and activities within the IDP/Budget process;</li> <li>• submit the IDP &amp; the Annual Budget to the municipal Council for adoption.</li> </ul> |
| <p><b>Buffalo City Municipal Council</b></p>                                | <p>The Buffalo City Municipal Council is the ultimate political decision-making body of the municipality and the Council has the responsibility to:</p> <ul style="list-style-type: none"> <li>• consider and adopt the IDP Process Plan &amp; time schedule for the preparation, tabling &amp; approval of the annual budget;</li> <li>• consider and adopt the IDP and annual Budget;</li> </ul>   |

| STRUCTURE   | COMPOSITION AND RESPONSIBILITY   |
|---|--|
|   | <ul style="list-style-type: none"> <li>• ensure the municipal budget is coordinated with and based on the IDP;</li> <li>• adopt a Performance Management System (PMS)</li> <li>• Monitor progress, re. IDP implementation</li> </ul>   |
| <b>Ward Councillors;<br/>Ward Committees;<br/>Community Development Workers &amp; Traditional Leaders</b> | <p>Ward Councillors/ CDW's &amp; Traditional Leaders are the major link between the municipal government and the residents. Role and responsibilities</p> <ul style="list-style-type: none"> <li>• Form a link between municipal governance and the community</li> <li>• link the planning process to their constituencies and/or wards;</li> <li>• ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate;</li> <li>• facilitate public consultation and participation within their wards.</li> <li>• provide feedback to their communities on the adopted IDP and Budget and SDBIP</li> </ul> |
| <b>IDP / OPMS Portfolio Committee</b>   | <p>The IDP/OPMS Portfolio Committee will provide general political guidance over the IDP/Budget &amp; PMS review process. The Portfolio Committee will be chaired by the Political Head of the Executive Support Services Directorate and will be constituted of Councillors and the Executive Mayor as an ex-officio member. Key members will also be the portfolio Councillor for finance and technical support will be provided by the:</p> <ul style="list-style-type: none"> <li>• HOD: Executive Support Services</li> <li>• GM: IDP/Budget Integration/PMS &amp; GIS;</li> <li>• Manager IDP/Budget Integration</li> <li>• Other relevant officials.</li> </ul>                                 |
| <b>Budget Steering Committee</b>  | <p>The Budget Steering Committee is responsible for recommending the budget document as well as any other budget related issues such as changes in internally funded projects, prior to approval by council. This committee is chaired by the Executive Mayor or his/her delegated representative, with chairpersons of the portfolio committees and all section 57 employees serving as members.</p>  |
| <b>City Manager and HODs</b>  | <p>The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget and works towards its implementation.</p> <p>HODs are responsible for championing IDP/Budget processes with their directorates. This is done through:</p> <ul style="list-style-type: none"> <li>• Ensuring understanding of the importance of integrated planning</li> <li>• Ensuring quality distribution of information related to IDP/Budget processes</li> <li>• Ensuring timeous dissemination of good quality information for all matters related to IDP/Budget processes</li> </ul>                 |
| <b>IDP Steering Committee / Top Management</b>  | <p>The IDP Steering Committee is chaired by the City Manager and the Heads of Directorates who will also be the technical leaders of the different Clusters. The tasks of the steering committee are to:</p> <ul style="list-style-type: none"> <li>• provide technical oversight and support to the IDP/ Budget review and its implementation;</li> <li>• consider and advise on IDP/ Budget content and process;</li> <li>• ensure inter-directorate co-operation, co-ordination, communication and strategic thinking to address priority issues</li> <li>• ensure sector and spatial co-ordination and alignment</li> <li>• ensure IDP &amp; budget linkage</li> </ul>                             |

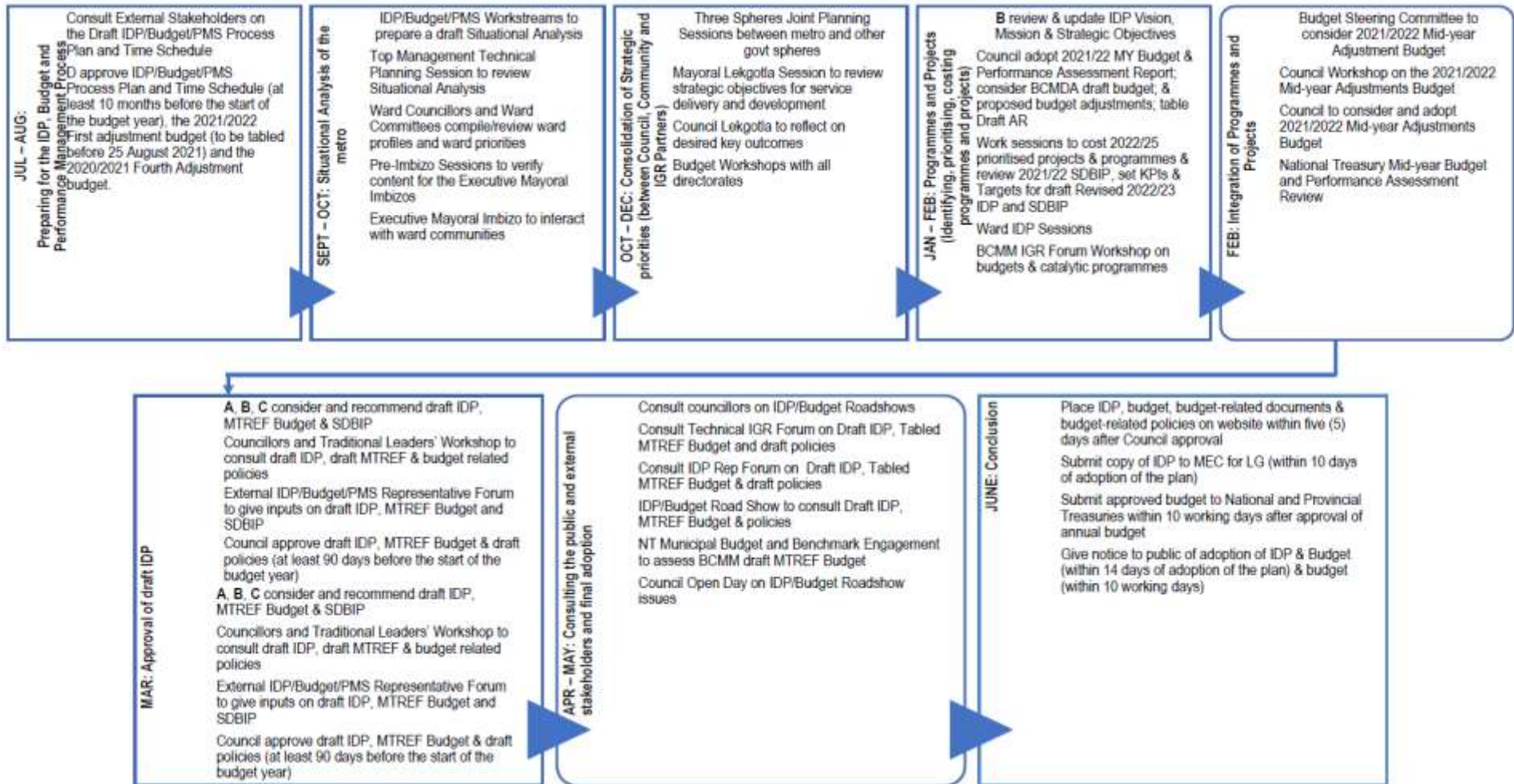
| STRUCTURE  | COMPOSITION AND RESPONSIBILITY  |
|--|---|
|  | <ul style="list-style-type: none"> <li>• ensure Performance Management is linked to the IDP</li> <li>• ensure the organisation is oriented to implement the IDP</li> <li>• ensure timeframes set for the review are met.</li> </ul>   |
| <b>Directorates &amp; Departments</b>                    | <p>Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical and they:</p> <ul style="list-style-type: none"> <li>• provide technical / sector expertise and information, throughout the IDP Budget process; and</li> <li>• ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked and aligned with and satisfies sector planning requirements.</li> </ul>  |
| <b>IDP/Budget Work Streams</b>                           | <p>IDP/Budget Work streams are led politically by Mayoral Committee Councillors and technically by HoDs. All Councillors, all General Managers and identified key officials are members of the different working groups. The Work streams are required to:</p> <ul style="list-style-type: none"> <li>• assist with the identification of key issues, the development of objectives, strategies, indicators and programmes, projects &amp; budgets for the relevant themes</li> <li>• ensure inter-sectoral co-operation, communication and strategic thinking to address priority issues</li> <li>• consider &amp; incorporate the cross-cutting issues – e.g. HIV/ AIDS, climate change, poverty, gender, youth, elderly and disabled</li> <li>• monitor progress on the implementation of the IDP</li> </ul>   |
| <b>Representative Forum and Community Stakeholders</b>   | <p>The IDP/ PM/ Budget Representative Forum constitutes the structure that institutionalises sectoral participation in the IDP Process. The members of the IDP Representative Forum include Business, Government &amp; NGO sectors (as well as political and technical leaders of the IDP Clusters). The Executive Mayor or his/her nominee chairs the Forum. The Forum has the following functions and duties:</p> <ul style="list-style-type: none"> <li>• represents the interests of their constituents in the IDP process;</li> <li>• provide an organisational mechanism for discussion and consensus-building between the different stakeholders and the Municipal Government;</li> <li>• monitor the performance of the planning, implementation and review process;</li> <li>• ensures an efficient flow of information to and from stakeholder groups.</li> </ul> |
| <b>Public Consultation/ Imbizo Preparation Committee</b> | <p>The Public Consultation/ Imbizo Preparation Committee is led by the Mayoral Committee Councillors for IDP, Public Participation and Finance. Members of the technical Committee include:</p> <ul style="list-style-type: none"> <li>• GM IDP/PMS/GIS &amp; IEMP</li> <li>• GM Public Participation &amp; Special Programmes</li> <li>• GM Development Co-operation and Communication</li> <li>• GM Budget &amp; Treasury</li> <li>• GM Organisational Support</li> <li>• GM Public Safety</li> <li>• GM Community Services</li> </ul> <p>The purpose of the Committee is to provide technical guidance and ensure the administrative co-ordination of key public consultations and imbizos.</p>  |
| <b>IDP/BI, PM, Budget Integration,</b>                   | <p>The IDP, Budget Integration, Performance Management and GIS Department reports to the HOD: Executive Support Services and is required to manage and co-ordinate the IDP review process, ensure IDP / budget integration, the roll out of</p>   |

| STRUCTURE                            | COMPOSITION AND RESPONSIBILITY   |
|--------------------------------------|--|
| <b>GIS &amp; IEMP<br/>Department</b> | Performance Management System and monitor the implementation of the IDP, including: <ul style="list-style-type: none"> <li>• preparing the Process Plan for the development of the IDP;</li> <li>• undertaking the overall management and co-ordination of the planning and review process under consideration of time, resources and people; and</li> <li>• ensuring that the review process is participatory, strategic, implementation-oriented, integrated with the budget process, is horizontally and vertically aligned and satisfies sector planning requirements</li> </ul> |

**Table 13: Roles and Responsibilities of role players**

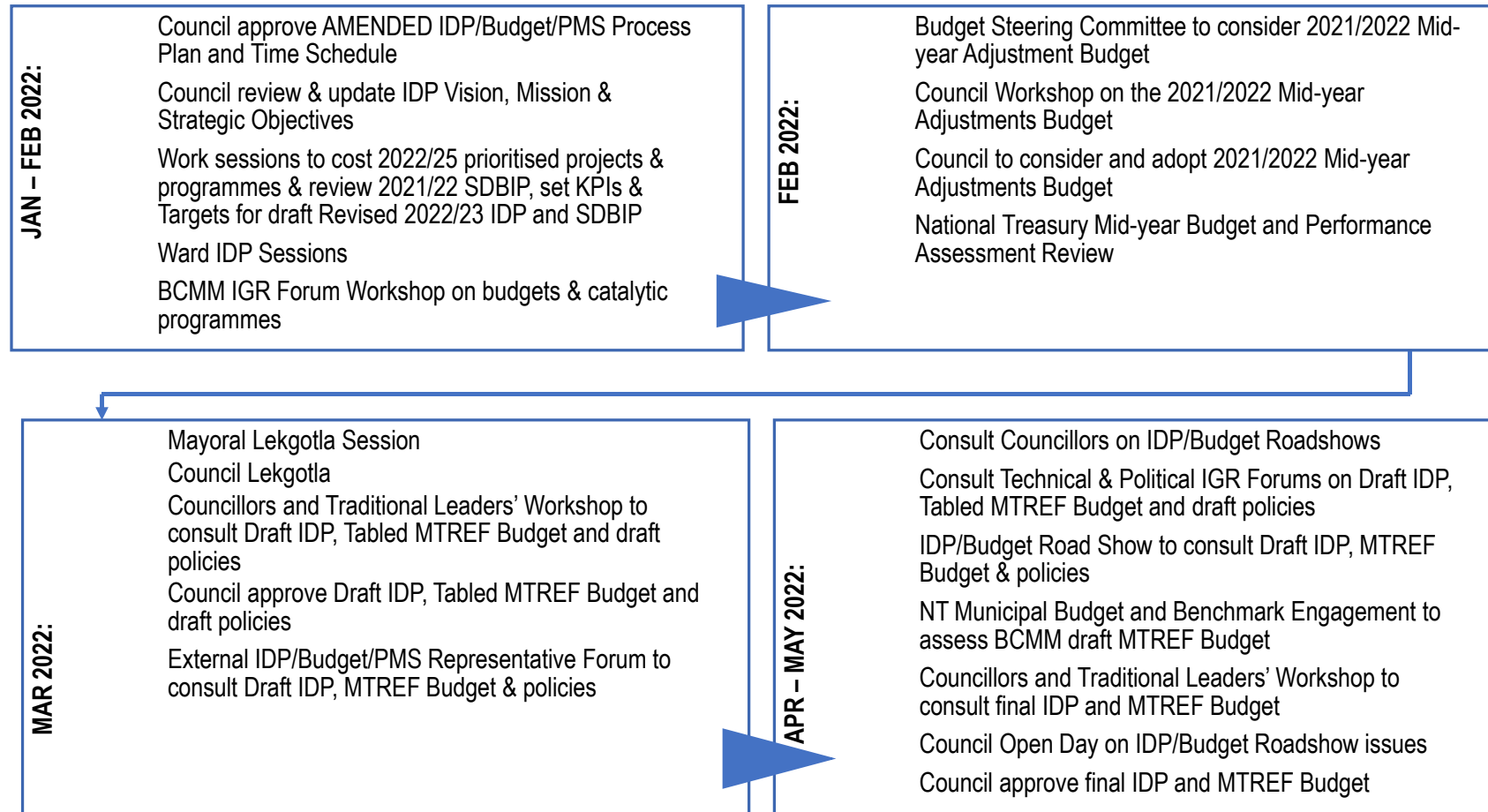
## IDP Planning Process Flow

The following figure is a graphic presentation of the process flow of key activities throughout the IDP Process:





## Amended IDP Planning Process Flow



**Figure 73: Amended IDP Planning Process Flow**

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# INTER-GOVERNMENTAL ALIGNMENT

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The IDP requires alignment with other spheres of government at different stages during the process. Before starting with the IDP process municipalities need to understand where alignment should take place and through which mechanism this can best be achieved. Alignment is the instrument to synchronize and integrate the IDP process between different spheres of government. The alignment process must reveal how National and Provincial Government and state-owned enterprises (SOEs) could tangibly assist this Municipality in achieving its developmental objectives.

The desired outcome of inter-governmental alignment is –

- to make government as a whole work together;
- to improve the impact of its programmes; and
- to work towards achieving common objectives and outcomes, particularly with regards to economic growth for job creation and addressing the needs of the poor.

Efficient performance of government, integration and alignment across all spheres of government can be realized through focused implementation.

## 6.1 Horizontal and Vertical Alignment

### 6.1.1 Horizontal Alignment

The potential for cross-border collaboration with neighbouring municipalities and regional spatial planning is under-explored. BCMM will intensify efforts to achieve shared economic, social and environmental objectives with the municipalities bordering our jurisdiction and the other metropolitan municipality in this Province.

### 6.1.2 Vertical Alignment

Our participation in provincial and national joint planning initiatives will be intensified and deepened as we venture towards finding synergy with provincial and national plans and programmes.

Alignment with Sector Departments will take place through:

- The existing IGR structures or as initiated by Provincial and National Government.
- Provincial and local based IGR forums and working groups.
- One-on-one meetings with government departments where necessary and improved coordination of such engagements.

## 6.2 Institutionalising of Planning Reforms

BCMM is a keen participant in the Institutionalising of Planning Reforms processes led by National Treasury, Department of Planning, Monitoring and Evaluation, Department of Cooperative Governance and Department of Agriculture, Land Reforms and Rural Development.

Key guiding principles for this IDP Review emanates from the following policy/guiding processes:

- Integrated Planning Framework Bill
- Memorandum: Rationale for Transitioning out of Planning Reforms and BEPPS to Sharpen the Planning Tools

- Revision of IDP Guidelines for Metropolitan Municipalities
- District/Metro Development Model

The District Development Model seeks to address the silos and the lack of coherence of planning and implementation in all spheres of government. The challenges intended to be solved through the District Development Model includes:

- Silos at a horizontal and vertical level.
- Narrowing the distance between the people and government by strengthening the coordination role and capacities at the District/Metro.
- Delivering Integrated Services whilst strengthening Monitoring and Evaluation and impact at district and local levels.
- Ensuring inclusive and gender mainstreamed budgets based on the needs and aspirations of our people.
- Maximising impact and aligning resources at our disposal.
- Changing the face of our rural and urban landscapes by ensuring alignment between urban and rural development.
- Ensuring sustainable development accelerating to eradicate poverty, create employment and improving people’s quality of life.

The Draft Metro-Specific Guidelines will be used as an interim guide in drafting the 5<sup>th</sup> Generation Integrated Development Plan for Buffalo City Metropolitan Municipality. The Guideline is structured around 9 priority areas key to integrated development planning identified by IDP practitioners in cities:



**Figure 74: Draft Metro-Specific IDP Guidelines - 9 Focus Areas**

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# TRANSVERAL ALIGNMENT ACROSS METRO DIRECTORATES

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Integrated planning across metro departments (intra-municipal), inter-sphere and intersectorally has always been a requirement of the IDP; however, it has been difficult to achieve in practice. The planning of other spheres of government does not factor in a municipal or spatial perspective, and neither does it factor in impacts of their plans on land use. Within municipalities, working across silos is a challenge. While it is acknowledged that silos have their own merit and will likely continue to exist, where are the opportunities for encouraging integrated intra-municipal planning? A reasonable response is in designing an operational system and processes that emphasize and action the horizontal, across the municipality. (It should be noted that only local municipalities have the land use function in terms of SPLUMA).

## **IDP/Budget/PMS Work-streams - an instrument to facilitate intra-municipal alignment**

BCMM has introduced the concept of Work-streams as part of the strategic processes of the city during the crafting of the Metro Growth and Development Strategy and has continued with this practice during all subsequent Integrated Development Planning Processes. It is an instrument to facilitate internal strategic integration between business units and functionaries and assists in focusing the organisation collectively towards achieving shared objectives and goals.

Work-streams are small strategic and operational teams that are, at a technical level, led by Heads of Directorates (HODs) or delegated key officials and they are politically led by Councillors who are Members of the Mayoral Committee. Each of the political work-streams is comprised of representatives from all directorates, officials who are involved in the direct management and implementation of issues linked to themes and BCM Councillors. Technical work-streams consist of officials only and they are chaired by technical work-stream leaders. Political work-streams, on the other hand, comprise of both officials and councillors and they are chaired by political work-stream champions.

The role of the work-streams is to ensure inter-directorate coordination, cooperation and strategic thinking about the achievement of the Metro Growth and Development Strategy, review of the IDP, Budget and Performance Management System.

## **Clarifying IDP timelines in relation to other plans, strategies and framework**

### The City Long Term Growth and Development Strategy

The Cities Long-Term Growth and Development Strategy provide the long-term vision on which the IDP is based. It is an institutional and community planning process that contemplates a city's possible futures, resulting in a strategy for the long term (a 10-50-year period), coordinated, cross-sector, multi-issue development of an urban jurisdiction that inform and are informed by shorter-term plans and initiatives (SACN, 2018: 4). The Long-Term Growth and Development Strategy is a means of grounding medium term plans, such as the IDP and Spatial Development Frameworks (SDFs). The IDP, specifically, articulates the next five years towards this vision.

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City Long-Term Growth and Development Strategies are not a legal requirement for municipalities to draft in South Africa. The National Development Plan 2030, the IUDF, the Spatial Planning Land Use Management Act 16 of 2013 (SPLUMA), and the Division of Revenue Act 3 of 2017 (DORA) provide a national policy impetus for drafting the City Long-Term Growth and Development Strategy.

### “Khawaleza” One Plan Metro Model

The One Plan will incorporate the City Long-Term Growth and Development Strategy, its Municipal Spatial Development Framework and its Sector Strategies. Focusing on the metro space, the intent of the One Plan is to enable and enhance integrated planning and improved coherence of planning and implementation across all spheres of governance. The idea is a spatially Integrated single plan that guides and directs a coordinated and collaborative all-of-government approach to strategic planning, investment expenditure, service delivery, inclusive economic growth and spatial transformation for a metro.

The One Plan is not a legal requirement for metros.

### The Municipal Spatial Development Framework

The Municipal Spatial Development Framework (MSDF) is the spatial expression of the IDP, it is prepared as part of the IDP, and reviewed every five years alongside the introduction of a new IDP but is located as a longer-term spatial vision.

The SDF is a legal requirement for municipalities.

### Sector Strategies

The cities' sector strategies take their cue from the IDP and the long-term growth and development strategy. The programmes and projects of sector strategies should find expression in the implementation portion of the IDP.

### Infrastructure Plans / CIDMS

City infrastructure plans are longer term plans for sustainable provision of city infrastructure. Some of these are also sectorally legislated. The capital investment aspects of these plans should follow the long-term vision in the long-term strategy. The shorter 5-year timeframes of these plans should integrate with the IDP and MSDF and find expression in the IDP.

In order to address the problems of inadequate capital expenditure and insufficient attention to asset management, a City Infrastructure Delivery and Management System (CIDMS) has been developed, building on the established Infrastructure Delivery Management System (IDMS) for provincial infrastructure. The CIDMS toolkit assists cities to optimise performance right across the urban infrastructure value chain by offering best practice processes, techniques and tools specifically designed to achieve city strategic objectives and desired outcomes related to the built environment. Consultation was held with key stakeholders on all 12 modules and the proposed implementation strategy<sup>2</sup>.

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## Service Delivery and Budget Implementation Plan (SDBIP)

The SDBIP details the implementation of the IDP programme for the budget period. This is where detail on implementation is found, and it deals with planning, budgeting and performance reporting at the output level. These outputs contribute to the achievement of the outcomes inscribed in the IDP that the city aims to achieve.

Development of the SDBIP is a legal requirement for municipalities.

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## **IDP CONTENT**

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### **Legally required content of a five-year IDP**

#### ***Section 26 of the MSA: Core components of integrated development plans***

*An integrated development plan must reflect-*

- (a) the municipal council's vision for the long-term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;*
- (b) an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;*
- (c) the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;*
- (d) the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;*
- (e) a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;*
- (f) the council's operational strategies;*
- (g) applicable disaster management plans;*
- (h) a financial plan, which must include a budget projection for at least the next three years; and*
- (i) the key performance indicators and performance targets determined in terms of section 41.*

#### ***Regulation 2 of the 2001 Municipal Planning and Performance Management Regulations: Detail of integrated development plan***

- (1) A municipality's integrated development plan must at least identify-*
  - (a) the institutional framework, which must include an organogram, required for-*
    - (i) the implementation of the integrated development plan; and*
    - (ii) addressing the municipality's internal transformation needs, as informed by the strategies and programmes set out in the integrated development plan;*
  - (b) any investment initiatives in the municipality;*
  - (c) any development initiatives in the municipality, including infrastructure, physical, social, economic and institutional development;*
  - (d) all known projects, plans and programmes to be implemented within the municipality by any organ of state; and*
  - (e) the key performance indicators set by the municipality.*

- 
- (2) *An integrated development plan may-*
- (a) *have attached to it maps, statistics and other appropriate documents; or*
  - (b) *refer to maps, statistics and other appropriate documents that are not attached, provided they are open for public inspection at the Offices of the municipality in question.*
- (3) *A financial plan reflected in a municipality's integrated development plan must at least-*
- (a) *include the budget projection required by section 26(h) of the Act;*
  - (b) *indicate the financial resources that are available for capital project developments and operational expenditure; and*
  - (c) *include a financial strategy that defines sound financial management and expenditure control, as well as ways and means of increasing revenues and external funding for the municipality and its development priorities and objectives, which strategy may address the following:*
    - (i) *Revenue raising strategies;*
    - (ii) *asset management strategies;*
    - (iii) *financial management strategies;*
    - (iv) *capital financing strategies;*
    - (v) *operational financing strategies; and*
    - (vi) *strategies that would enhance cost-effectiveness.*
- (4) *A spatial development framework reflected in a municipality's integrated development plan must-*
- (a) *give effect to the principles contained in Chapter 1 of the Development Facilitation Act, 1995 (Act No. 67 of 1995);*
  - (b) *set out objectives that reflect the desired spatial form of the municipality;*
  - (c) *contain strategies and policies regarding the manner in which to achieve the objectives referred to in paragraph (b), which strategies and policies must-*
    - (i) *indicate desired patterns of land use within the municipality;*
    - (ii) *address the spatial reconstruction of the municipality; and*
    - (iii) *provide strategic guidance in respect of the location and nature of development within the municipality;*
  - (d) *set out basic guidelines for a land use management system in the municipality;*
  - (e) *set out a capital investment framework for the municipality's development programs;*
  - (f) *contain a strategic assessment of the environmental impact of the spatial development framework;*
  - (g) *identify programs and projects for the development of land within the municipality;*
  - (h) *be aligned with the spatial development frameworks reflected in the integrated development plans of neighbouring municipalities; and*
  - (i) *provide a visual representation of the desired spatial form of the municipality, which representation -*
    - (i) *must indicate where public and private land development and infrastructure investment should take place;*
    - (ii) *must indicate desired or undesired utilisation of space in a particular area;*
    - (iii) *may delineate the urban edge;*
    - (iv) *must identify areas where strategic intervention is required; and*
    - (v) *must indicate areas where priority spending is required.*

## IDP SOURCE DOCUMENTS

The Integrated Development Planning process is guided by a number of legal and policy documents that impose a range of demands and requirements on the Municipality.

National legislation can be distinguished between those that deal specifically with municipalities arising from the Local Government White Paper on the one hand and sector planning legislation on the other.

The Municipal Structures Act, No. 117 of 1998, Municipal Systems Acts, No. 32 of 2000 (as amended), and Municipal Finance Management Act, No. 56 of 2003 are specific to local government. The Municipal Systems Act has a specific chapter dedicated to Integrated Development Plans and it is the overarching piece of legislation with regard to development and review of the IDP. Arising from the Municipal Systems Act, the IDP and PMS Regulations need to be complied with.

National sector legislation contains various kinds of requirements for municipalities to undertake planning. Sector requirements vary in nature in the following way:

- Legal requirements for the formulation of a discrete sector plan (e.g. a water services development plan).
- A requirement that planning be undertaken as a component of, or part of, the IDP (like a housing strategy and targets).
- Links between the IDP and budget process as outlined in the Municipal Finance Management Act, 2003.
- Legal compliance requirement (such as principles required in the Development Facilitation Act – DFA – and the National Environmental Management Act – NEMA).
- More a recommendation than a requirement, which is deemed to add value to the municipal planning process and product (in this case, Local Agenda 21).

These are highlighted in the table below:

| CATEGORY OF REQUIREMENT                                     | SECTOR REQUIREMENT              | NATIONAL DEPARTMENT                             | LEGISLATION/POLICY                                       |
|---|---------------------------------|---|--|
| Legal requirement for a district/local plan                 | Water Services Development Plan | Department of Water                             | Water Services Act, No 30 of 2004                        |
|   | Integrated Transport Plan       | Department of Transport                         | National Land Transport Act, No 5 of 2009                |
|   | Waste Management Plan           | Department of Environmental Affairs             | White Paper on Waste Management in South Africa, 2000    |
|   | Spatial planning requirements   | Department of Rural Development and Land Reform | Development Facilitation Act, No 67 of 1995              |
| Requirement for sector planning to be incorporated into IDP | Housing strategy and targets    | Department of Human Settlements                 | Housing Act, No 107 of 1997                              |
|   | Coastal management issues       | Department of Environmental Affairs             | National Environmental Laws Amendment Act, No 14 of 2009 |



| CATEGORY OF REQUIREMENT            | SECTOR REQUIREMENT  | NATIONAL DEPARTMENT  | LEGISLATION/POLICY   |
|------------------------------------|---|--|--|
|                                    | LED   | Department of Cooperative Governance and Traditional Affairs | Municipal Systems Act, No 32 of 2000                                 |
|                                    | Spatial framework   | Department of Cooperative Governance and Traditional Affairs | Municipal Systems Act, No 32 of 2000                                 |
|                                    | Integrated Energy Plan  | Department of Energy   | White Paper on Energy Policy, December 1998                          |
| Requirement that IDP complies with | National Environmental Management Act (NEMA) Principles                               | Department of Environmental Affairs                          | National Environment Management Act, No 107 of 1998                  |
|                                    | Development Facilitation Act (DFA) Principles   | Department of Rural Development and Land Reform              | Development Facilitation Act, No 67 of 1995                          |
|                                    | Environmental Implementation Plans (EIPs)   | Department of Environmental Affairs                          | National Environment Management Act, No 107 of 1998                  |
|                                    | Environmental Management Plans (EMPs)   | Department of Environmental Affairs                          | National Environment Management Act, No 107 of 1998                  |
|                                    | IDB/Budget link   | Department of Finance  | Municipal Finance Management Act, No 56 of 2003                      |
|                                    | Developmental local government  | Department of Provincial and Local Government                | White Paper on Local Government, 1998                                |
| Value adding contribution          | Sustainable Development and Environmental Awareness                                   | Department of Environmental Affairs                          | Local Agenda 21  |
|                                    | Global Partnership responding to world's main development challenges                  | Department of Social Development                             | Sustainable Development Goals  |
| Performance Management             | Regulations in terms of the Spatial Planning and Land Use Management Act (March 2015) |  | Municipal Planning and Performance Management Regulations (Aug 2001) |
|                                    |   |  | Municipal Budget and Reporting Regulations (April 2009)              |

| CATEGORY OF REQUIREMENT | SECTOR REQUIREMENT                                     | NATIONAL DEPARTMENT       | LEGISLATION/POLICY   |
|-------------------------|--|---------------------------|--|
| National policy         | National Development Planning Imperatives              | Office of the Presidency  | National Development Plan (2012)<br>Medium-Term Strategic Framework: 2014 – 2019<br>Back to Basics Approach - September 2014 |
| Provincial policy       | Provincial Government Development Planning Imperatives | Department of the Premier | Provincial Spatial Development Plan<br><br>EC Vision 2030 Plan   |

**Table 14: Legal Requirements**

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## AMENDMENT OF IDP PROCESS PLAN

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The following procedures and principles will apply to addressing any departure/amendment to the IDP Process Plan and/or the planning process as such: –

- i. The Budget Steering Committee meets after each phase in the IDP process to evaluate progress and to identify where changes, amendments or departures to/from both the Framework and the planning process are required.
- ii. The Budget Steering Committee must request the Municipal Manager’s permission to depart from the Action Plan, particularly if the request may delay the implementation of the IDP/Budget/PMS Process Plan.
- iii. Requests to amend the Process Plan must include: –
  - The wording of the proposed amendment;
  - Motivation for the amendment;
  - Expected implications of the amendment.
- iv. The Manager: IDP/Budget Integration deals with the process and ensures that all proposals for departure/amendment are reported to role-players and that their comment is invited.
- v. Where deemed necessary by the City Manager, the HOD: ESS submits a formal request to Council to approve the amendment.
- vi. The Budget and Treasury Office must work closely with the IDP/Budget Integration and Performance Management Units of the city in planning and executing any technical and public participation tasks related to the compilation of the IDP, Budget and Service Delivery and Budget Implementation Plan.

# ANNEXURE A: PROGRAMME WITH TIMEFRAMES IN TERMS OF SECTIONS 29 AND 34 OF THE MSA AND SECTION 21(1)(B) OF THE MFMA

## ACRONYMS

|        |  |
|--------|--|
| MSA    | Municipal Systems Act 32 of 2000   |
| MPPMR  | Municipal Planning and Performance Management Regulations, 2001  |
| MFMA   | Municipal Finance Management Act 56 of 2003  |
| MPR    | Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 |
| MPRA   | Municipal Property Rates Act 6 of 2004   |
| MBRR   | Municipal Budget and Reporting Regulations, 2009   |
| SPLUMA | Spatial Planning and Land Use Management Act 16 of 2013  |

**\*Disclaimer – Due to the Global Pandemic of the Corona Virus (Covid-19) the Buffalo City Metropolitan Municipality makes no guarantee that the deadlines, (excluding those stipulated in law) set out in the Integrated Development Plan (IDP) / Budget / Performance Management System (PMS) Process Plan and Time Schedule will be met meticulously. Except for those specific instances where no exemption from statutory deadlines had been issued, the target dates herein must be read as a broad framework for compliance.**

### KEY

|                                   |  |  |                            |                              |
|-----------------------------------|--|--|----------------------------|------------------------------|
| <b>A</b> = Top Management         | <b>B</b> = IDP/OPM Portfolio Committee | <b>C</b> = Budget Steering Committee             | <b>D</b> = Council         | <b>E</b> = Provincial COGTA  |
| <b>F</b> = Provincial Legislature | <b>G</b> = MEC for Local Government    | <b>H</b> = Provincial Dept. of Human Settlements | <b>I</b> = Auditor General | <b>J</b> = National Treasury |

## ABBREVIATIONS

|      |  |        |  |
|------|--|--------|--|
| AFS  | Annual Financial Statements            | IDP/BI | Integrated Development Plan / Budget Integration |
| AR   | Annual Report                          | IGR    | Intergovernmental Relations                      |
| APR  | Annual Performance Report              | MEC    | Member of the Executive Council                  |
| BCMM | Buffalo City Metropolitan Municipality | MTREF  | Medium Term Revenue and Expenditure Framework    |
| BTO  | Budget and Treasury Office             | OPMS   | Organisational Performance Management System     |
| EPMO | Enterprise Project Management Office   | SDBIP  | Service Delivery and Budget Implementation Plan  |

**Amendments to the Time Schedule are in *Bold, Italic Font*. Activities recommended to be removed from the Time Schedule are indicated with a strikethrough (e.g. ~~strikethrough~~):**

| NO   | ACTIVITY DESCRIPTION   | LEGISLATION                      | Responsible |
|--|--|----------------------------------|-------------|
| <b>JUL – AUG:<br/>Preparing for the IDP, Budget and Performance Management Process</b> |  |                                  |             |
| 1.   | Make public the projections, targets and indicators as set out in the SDBIP (no later than 14 days after the approval of the SDBIP) and submit to National and Provincial Treasuries (no later than 10 working days after the approval of the SDBIP) | MFMA Sec 53(3)(a)<br>MBRR Reg 19 | OPM         |
| 2.   | Make public the performance agreements of City Manager and HODs (no later than 14 days after the approval of the SDBIP)  | MFMA Sec 53(3)(b)                | OPM         |
| 3.   | <b>A, B and C</b> consider and recommend that IDP/Budget/PMS Process Plan and Time Schedule be approved by Council (at least 10 months before the start of the budget year)  | N/A                              | IDP/BI      |
| 4.   | <b>A</b> consider 2021/2022 First Adjustment Budget & the 2020/2021 Fourth Adjustment budget and recommend these being approved by Council   | MBRR - Reg 23(5)                 | BTO         |
| 5.   | Consult External Stakeholders on the Draft IDP/Budget/PMS Process Plan and Time Schedule   | MSA - Sec 9(1)(b)(i) &<br>(ii)   | IDP/BI      |

| NO   | ACTIVITY DESCRIPTION  | LEGISLATION  | Responsible                    |
|--|---|--|--------------------------------|
| 6.   | <b>D</b> approve IDP/Budget/PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year), the 2021/2022 First adjustment budget (to be tabled before 25 August 2021) and the 2020/2021 Fourth Adjustment budget. | MSA - Sec 28<br>MFMA - Sec 21(1)(b)<br>MFMA - Sec 28(2)(e)<br>MBRR - Reg 23(5) | IDP/BI, BTO                    |
| 7.   | Submit the adopted IDP/Budget/PMS Process Plan and Time Schedule to the MEC for Local Government and Provincial Treasury  | MSA - Sec 28<br>MFMA - Sec 1(1)(b)   | IDP/BI                         |
| 8.   | Submit to National & Provincial Treasury as well as to the other transferring officers the 2021/2022 First Adjustment Budget & the 2020/2021 Fourth Adjustment budget within ten working days   | MBRR - Reg 24  | BTO                            |
| 9.   | Publicise the 2021/2022 First Adjustment Budget & the 2020/2021 Fourth Adjustment budget in the Local Newspaper and on the BCMM Website within ten working days   | MSA – Sec 21A<br>MBRR - Reg 25   | BTO                            |
| 10.  | Submit Draft APR, AR and AFS for previous financial year to <b>I</b>  | MSA - Sec 21, 21A,<br>28(3)<br>MSA – Sec 46<br>MFMA - Sec 126                  | BTO, OPMS                      |
| 11.  | Submit 4 <sup>th</sup> Quarter Performance Report to <b>D</b> within 30 days of the end of the quarter  | MFMA - Sec 52(d)   | BTO, OPMS                      |
| 12.  | Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to <b>D</b>  | MFMA - Sec 52(d)   | BTO, OPMS                      |
| 13.  | Submit SDBIP approved by Executive Mayor and performance agreements signed by Municipal Manager and Managers directly accountable to the Municipal Manager to <b>D</b> for notification   | MBRR - Reg 31(c)   | OPMS                           |
| 14.  | Place on website notice to the public of the approved IDP/Budget/PMS Process Plan and Time Schedule   | MFMA - Sec 53(3)(b)  | IDP/BI                         |
| 15.  | Publicise in print media notice to the public of the approved IDP/Budget/PMS Process Plan and Time Schedule   | MSA - Sec 21, 21A,<br>28(3)  | IDP/BI                         |
| <b>SEPT – OCT:<br/>Situational Analysis of the metro</b> |   |  |                                |
| 16.  | Conduct IDP/Budget/PMS Workstreams to: <ul style="list-style-type: none"> <li>Prepare a draft Situational Analysis Report for the Top Management Technical Planning Session; and</li> </ul>   | MSA - Sec 21, 21A,<br>28(3)<br>MSA – Sec 26(b)                                 | IDP/BI, Office of City Manager |

| NO   | ACTIVITY DESCRIPTION  | LEGISLATION                                      | Responsible                                  |
|--|---|--|--|
|  | <ul style="list-style-type: none"> <li>Assess and identify information from adopted Sector Plans against the backdrop of the SITUATIONAL ANALYSIS, including the LSDFs for integration into the IDP Review document if possible</li> </ul>  |  |  |
| 17.  | Conduct a Top Management Technical Planning Session to: <ul style="list-style-type: none"> <li>Reflect on progress made with implementation of strategic priorities during preceding financial years; and</li> <li>Review SITUATIONAL ANALYSIS of the metro that inform priority choices</li> </ul> | MSA – Sec 26(b)                                  | IDP/BI, Office of City Manager               |
| 18.  | Coordinate the process of Ward Councillors, together with Ward Committees compiling/reviewing ward profiles and ward priorities<br><br><i>Recommended to move to January and February 2022.</i>   | Chapter 4 MSA                                    | IDP/BI                                       |
| <del>19.</del>   | <del>Consult Councillors at three Pre-Imbizo Sessions to verify content for the Executive Mayoral Imbizos</del>   | <del>N/A</del>                                   | <del>IDP/BI, Office of Executive Mayor</del> |
| <del>20.</del>   | <del>Executive Mayoral Imbizo to interact with ward communities, listen to needs and concerns and provide feedback on approved programmes and projects for 2022/2023</del>  | <del>MSA – Sec (29)(1)(b)(i) &amp; (ii)</del>    | <del>IDP/BI</del>                            |
| <del>21.</del>   | <del>Submit 1<sup>st</sup> Quarter Performance Report to D</del><br><br><b>Note: Was submitted directly to legislative authorities</b>  | <del>MFMA – Sec 52(d)</del>                      | <del>BTO, OPMS</del>                         |
| 22.  | Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to D   |  | BTO, OPMS                                    |
| 23.  | Submit draft Annual Report to A   | MBRR - Reg 31(c)                                 | OPMS   |
| <b>OCT – DEC:</b>  |   |  |  |
| <b>Consolidation of Strategic priorities (between Council, Community and IGR Partners)</b> |   |  |  |
| 24.  | Three Spheres Joint Planning Sessions between metro and provincial and national government departments and State-owned Enterprises<br><br><i>Recommended to change to Political IGR Roundtable (15 October 2021)</i>  | MSA - Chapter 5<br>IGR Framework Act -<br>Sec 30 | IDP/BI                                       |

| NO  | ACTIVITY DESCRIPTION  | LEGISLATION  | Responsible                       |
|---|---|--|-----------------------------------|
| 25.   | Compile consolidated narrative and data on the planned investment footprint of other spheres in the metro space   | N/A  | IDP/BI                            |
| 26.   | Mayoral Lekgotla Session to review strategic objectives for service delivery and development<br><i>Recommended to move to February 2022.</i>  | N/A  | IDP/BI, Office of Executive Mayor |
| 27.   | Council Lekgotla to reflect on desired key outcomes over the remainder of Council's 5-year term based on its deep understanding of current and emerging City trends and realities as consolidated during Mayoral Lekgotla<br><i>Recommended to move to February 2022. Date to be determined by Speaker.</i> | N/A  | IDP/BI, Office of Speaker         |
| 28.   | Budget Workshops with all directorates  | N/A  | BTO                               |
| <b>JAN – FEB:</b>   |   |  |                                   |
| <b>Programmes and Projects (Identifying, prioritising, costing programmes and projects)</b> |   |  |                                   |
| 29.   | <b>B</b> review and update the IDP Vision, Mission and Strategic Objectives for recommendation to <b>D</b>  |  | IDP/BI                            |
| 30.   | Submit 2 <sup>nd</sup> Quarter Performance Report to <b>D</b> within 30 days of the end of the quarter  | MSA Section 34<br>MFMA - Sec 52(d)<br>MBRR - Reg 29                    |                                   |
| 31.   | Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to <b>D</b>  |  | BTO, OPMS                         |
| 32.   | Submit the Mid-year Budget and Performance Assessment Reports by 25 January to the Executive Mayor, National and Provincial Treasury and transferring officers  | MBRR - Reg 31(c)<br>MFMA - Sec 72(1)(b),<br>Sec 52(d)<br>MBRR - Reg 35 | BTO, OPMS                         |
| 33.   | Draft Initial changes to IDP: Reconcile community, administrative and political priorities within the context of MGDS and IDP and last review (if applicable)   | N/A  | IDP/BI                            |
| 34.   | Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the Statement of Financial Performance and the Implementation of the 2021/2022 budget for the second quarter & Mid-year budget and Performance assessment report ended 31 December 2020 to Council                 | MSA - Sec 21, 21A,<br>28(3)<br>MBRR - Reg 34                           | BTO, OPMS                         |

| NO             | ACTIVITY DESCRIPTION  | LEGISLATION   | Responsible    |
|----------------|---|---|----------------|
| 35.            | Publicise the Mid-Year Budget and Performance Reports in the local newspaper  | MSA - Sec 21, 21A, 28(3)  | BTO, OPMS      |
| 36.            | <p>Council:</p> <ul style="list-style-type: none"> <li>To table and adopt the Statement of Financial Performance and the Implementation of the 2021/2022 budget for the second quarter &amp; Mid-year budget and Performance assessment report ended 31 December 2021</li> <li>To consider Municipal entity's proposed budget, priorities and objectives for 2021/2024 and proposed budget adjustments for 2021/2024</li> <li>To table to the Draft AR within 7 months after the end of the financial year to which the report relates</li> </ul> | <p>MFMA - Section 72(1)(b), Section 52(d)<br/>MBRR - Reg 35</p> <p>MFMA - Sec 75 (2)<br/>MSA - Sec 21(b)<br/>MFMA - Sec 127</p> | BTO, OPMS      |
| 37.            | Make public the Mid-Year Budget and Performance Reports in the local newspaper and on municipal website   | MFMA - Section 75 (2)<br>MSA - Sec 21(b)  | BTO, OPMS      |
| 38.            | <p>Send the Draft AR, within five (5) days via e-mail and hard copy to the National Treasury, the Eastern Cape COGTA, the Eastern Cape Provincial Treasury and the Auditor General</p> <p><b>Recommended to move March 2022 because the external audit has not been completed yet.</b></p>  |   | OPMS           |
| 39.            | <p>Publicise draft AR and notify the public and other stakeholders to render written comments on the Draft AR</p> <p><b>Recommended to move March 2022 because the external audit has not been completed yet.</b></p>   | MFMA – Sec 127(5)(b)<br>MFMA – Sec 127 (5)(a)<br>MSA – Sec 21A  | OPMS           |
| <del>40.</del> | <p><del>Work sessions to do costing of prioritised projects and programmes for CAPEX and OPEX 2022/2025 MTREF Budget</del></p> <p><b>Recommended to remove as the objectives for these sessions were achieved during the November Budget Sessions. No further need for more sessions.</b></p>   | <del>N/A</del>  | <del>BTO</del> |
| 41.            | Work sessions:  | MSA - Sec 26, Ch 6  | OPMS, IDP/BI   |



| NO  | ACTIVITY DESCRIPTION   | LEGISLATION                              | Responsible |
|---|--|--|-------------|
|   | <ul style="list-style-type: none"> <li>To review 2021/2022 service delivery key performance indicators and targets after adjustments budget</li> <li>Set Key Performance Indicators and Targets for the draft Revised 2022/2023 IDP and SDBIP</li> </ul>   | MFMA – Sec 53(1)(c)(ii)<br>MFMA - Sec 54 |             |
| 42.   | Ward IDP Sessions on progress made with Ward Priorities, <del>Mayoral Imbizo Issues</del><br><br><b><i>Recommended to move to February 2022.</i></b>   | N/A                                      | IDP/BI      |
| 43.   | BCMM Technical IGR Forum Workshop to allow Provincial Sector Departments and State-owned Enterprises to inform BCMM of budgetary allocations and catalytic programmes to be implemented in the Buffalo City space and identify transversal gaps and challenges to implementation of catalytic programmes and agree on action plans to address these. | MSA - Chapter 5                          | IDP/BI, IGR |
| 44.   | Consult <b>A</b> on Draft Revised SDBIP  | MFMA - Sec 54                            | OPMS        |
| 45.   | Submit Draft Revised SDBIP to <b>D</b>   | MFMA - Sec 54(1)(c)                      | OPMS        |
| 46.   | Publicise the revised SDBIP within 10 working days after adoption in the Local Newspaper and BCMM Website  | MFMA - Sec 54(3)<br>MSA - Sec 21A        | OPMS        |
| 47.   | Submit the revised SDBIP within 10 working days after the adoption by council to the National & Provincial Treasury as well as to the other transferring officers  |  | OPMS        |
| <b>FEB:</b>                                   |  |  |             |
| <b>Integration of Programmes and Projects</b> |  |  |             |
| 48.   | Incorporate improvements as recommended by the MEC for Local Government in the IDP document  | MSA - Sec 31 and 32                      | IDP/BI      |
| 49.   | Integrate and align sector plans with the IDP  | N/A                                      | IDP/BI      |
| 50.   | Integrate and align operational strategies with the IDP  | N/A                                      | IDP/BI      |
| 51.   | Budget Steering Committee to consider 2021/2022 Mid-year Adjustment Budget   | MFMA - Sec 28<br>MBRR - Part 4           | BTO         |
| 52.   | Council Workshop on the 2021/2022 Mid-year Adjustments Budget  | MFMA - Sec 28<br>MBRR - Part 4           | BTO         |
| 53.   | Council to consider and adopt 2021/2022 Mid-year Adjustments Budget  | MFMA - Sec 28<br>MBRR - Part 4           | BTO         |

| NO   | ACTIVITY DESCRIPTION  | LEGISLATION   | Responsible             |
|--|---|---|-------------------------|
| 54.  | Submit the 2021/2022 Mid-year Adjustment Budget within 10 working days after the adoption by council to the National & Provincial Treasury as well as to the other transferring officers  | MBRR – Part 4<br>MSA – Sec 21A  |                         |
| 55.  | National Treasury Mid-year Budget and Performance Assessment Review   | MSA - Chapter 5   | BTO, IDP/BI             |
| 56.  | Integrate and align catalytic project identification processes with provincial budgeting processes.   | N/A   | EPMO, IDP/BI            |
| <b>MAR:</b><br><b>Approval of draft IDP</b>  |   |   |                         |
| 57.  | Present draft IDP, MTREF Budget to <b>A, B, C</b> to consider and recommend the draft IDP, MTREF Budget and SDBIP   | MFMA - Sec 16(2)<br>MSA - Sec 25<br>MBRR - Part 3   | IDP/BI, OPMS,<br>BTO    |
| 58.  | Consult draft IDP, draft MTREF and budget related policies with leadership at Councillors and Traditional Leaders' Workshop on draft IDP, MTREF Budget and SDBIP  | MFMA - Sec 16(2)<br>MFMA - Sec 21<br>MSA - Sec 25<br>MBRR - Part 3  | IDP/BI, OPMS,<br>BTO    |
| 59.  | External IDP/Budget/PMS Representative Forum to give inputs on the draft IDP, MTREF Budget and SDBIP  | MSA - Sec 29(1)(b)(i) &<br>(ii)   | IDP, OPMS,<br>BTO       |
| 60.  | Council: <ul style="list-style-type: none"> <li>To approve the draft IDP, MTREF Budget and draft policies (at least 90 days before the start of the budget year)</li> <li>To consider the proposed budget of the entity and assess the entity's (BCMDA) priorities and objectives and make recommendations. Board of Directors to consider the recommendations and, if necessary, submit a revised budget.</li> </ul> | MFMA - Sec 16(2)<br>MSA - Sec 25<br>MBRR - Part 3<br>MFMA - Sec 129<br>MSA - Sec 26(e), 34<br>SPLUMA Sec 20 (2)<br>MFMA - Sec 127 | IDP, BTO,<br>EDA, BCMDA |
| <b>APR – MAY:</b><br><b>Consulting the public and external stakeholders and final adoption</b> |   |   |                         |
| 61.  | Publicise the draft IDP, MTREF Budget and draft policies in the Local Newspaper and on the BCMM Website and provide at least 21 days (for the IDP) and 30 days (for the draft Rates Policy) for public comments and submissions   | MFMA - Sec 16(2)<br>MSA - Sec 25<br>MBRR - Part 3   | IDP, BTO                |

| NO  | ACTIVITY DESCRIPTION   | LEGISLATION   | Responsible         |
|-----|--|---|---------------------|
|     |  | MFMA - Sec 22(a)<br>MSA - Sec 21A<br>MPPMR - Reg 15(3)<br>MPRA – Sec 4(2)<br>DORA Regulations |                     |
| 62. | Submit to National & Provincial Treasury, as well as to the other transferring officers' copies of the Draft IDP, Tabled MTREF Budget and draft policies |   | IDP, BTO            |
| 63. | Submit Oversight Report and Annual Report for approval to <b>D</b>   | MFMA - Sec 22(a)<br>MSA - Sec 21A<br>MPPMR - Reg 15(3)<br>MPRA – Sec 4(2)<br>DORA Regulations | MPAC, OPMS          |
| 64. | Place OR and AR on the municipal website within five (5) days after approval by Council  | MFMA - Sec 127<br>MFMA - Sec 129(3)   | OPMS                |
| 65. | Make available OR and AR at all municipal offices and libraries for information  | MFMA - Sec 127<br>MFMA - Sec 129(3)   | OPMS                |
| 66. | Submit the Annual Report and Oversight Report to the provincial legislature as per circular  | MFMA - Sec 129  | OPMS                |
| 67. | Consult <b>A</b> on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders                              | MFMA - Sec 132(1) &<br>(2)<br>MFMA - Sec 21<br>MBRR - Part 3                                  | IDP/BI              |
| 68. | Consultation with councillors on IDP/Budget Roadshows (Inland, Midland and Coastal Wards)  | N/A   | IDP/BI              |
| 69. | Consult BCMM Technical IGR Forum on Draft IDP, Tabled MTREF Budget and draft policies for comment to other spheres of government for consultation        | IGR Framework Act -<br>Sec 30   | IDP/BI, IGR,<br>BTO |
| 70. | Consult External IDP/Budget/PMS Representative Forum on the Draft IDP, Tabled MTREF Budget and draft policies  | MSA - Sec 29(1)(b)(i) &<br>(ii)   | IDP/BI, IGR,<br>BTO |
| 71. | Conduct IDP/Budget Road Show to consult the Draft IDP, Tabled MTREF Budget and draft policies  | MFMA - Sec 22(a)<br>MSA - Sec 21A, Sec<br>29(1)(b)(i) & (ii)<br>MPPMR - Reg 15(3)             | IDP/BI, BTO         |

| <b>NO</b>                   | <b>ACTIVITY DESCRIPTION</b>  | <b>LEGISLATION</b>   | <b>Responsible</b>    |
|-----------------------------|--|--|-----------------------|
| 72.                         | Submit 3 <sup>rd</sup> Quarter Performance Report to <b>D</b> within 30 days of the end of the quarter   | MFMA - Sec 52(d)   | OPMS                  |
| 73.                         | Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to <b>D</b>   |  | OPMS                  |
| 74.                         | Municipal Budget and Benchmark Engagement by National Treasury to assess BCMM draft MTREF Budget   | MBRR - Reg 31(c)   | BTO                   |
| 75.                         | Submit Final IDP to <b>A</b> and <b>B</b> to consider and recommend the Final IDP, MTREF Budget and SDBIP, after considering the submissions made by the local community, National or Provincial Treasury, national or provincial organs of state or neighbouring municipalities | MFMA - Sec 23  | BTO, IDP/BI, OPMS     |
| 76.                         | Council Open Day to inform stakeholders of the issues raised during the consultative meetings held on the Draft IDP, Budget and SDBIP  | MFMA - Sec 24  | Office of the Speaker |
| 77.                         | Consult draft IDP with leadership at Councillors and Traditional Leaders' Workshop to interrogate Final IDP, MTREF Budget and budget related policies  | MFMA - Sec 16(2)<br>MSA - Sec 25<br>MBRR - Part 3              | IDP/BI, BTO           |
| 78.                         | Submit Final IDP to Council to adopt IDP, Performance Management Measures and Targets, MTREF Budget, and the revised Policies (at least 30 days before the start of the budget year)   |  | IDP/BI, BTO, OPMS     |
| <b>JUNE:<br/>Conclusion</b> |  |  |                       |
| 79.                         | Place the IDP, multi-year budget, all budget-related documents and all budget-related policies on the website within five (5) days after approval by Council   | MFMA - Sec 24<br>MFMA - Sec 22 and 75<br>MSA - Sec 21A and 21B | IDP/BI, BTO           |
| 80.                         | Submit a copy of the IDP to the MEC for LG (within 10 days of the adoption of the plan)  | MSA - Section 32   | IDP/BI                |
| 81.                         | Submit approved budget to National and Provincial Treasuries (both printed and electronic formats) within 10 working days after approval of the annual budget  | MFMA - Sec 24(3)<br>MBRR - Reg 20                              | BTO                   |
| 82.                         | Give notice to the public of the adoption of the IDP and Budget (within 14 days of the adoption of the plan) and budget (within 10 working days)   | MBRR - Reg 18<br>MSA - Sec 25(4)(a)(b)                         | IDP/BI, BTO           |

# ANNEXURE C: Community and Stakeholder Issues / Priorities Raised

## A. WARD PRIORITIES

Ward Priorities are considered a very significant barometer for gauging how well BCMM integrates and responds to concerns and needs shared by residents during the IDP, and Budget Roadshows convened by the municipality as part of the participatory democracy outreach agenda.

The following table reflects the priorities as refined with the assistance of Ward Councillors and Ward Committees insofar as was possible given the restrictions on gatherings of people as imposed through various levels of the Covid-19 lockdown. Virtual Mayoral Imbizos were held on 24, 25 and 26 October 2020 for each of the three functional regions of BCMM and the input submitted from the public on the various platforms, including radio, social media, email and WhatsApp were considered during the review of these ward priorities.

| PRIORITY       | DETAIL  | AFFECTED AREA  | 2021/2022 RESPONSE/ PROJECT   |
|----------------|---|--|---|
| <b>WARD 1</b>  |   |  |   |
| Houses         | There is high density in the ward. Accommodation is vital as the community is growing | Duncan village, Stoneydrift, Braelyn, Pefferville, Miner, Pamure/Chiselhurst | In order to develop within Duncan village competition and surroundings areas in Duncan Village, workspaces need to be created through provision of temporary relocation areas. It is against this background that Ziphunzana TRA and Mdantsane TRU are under construction to move people so a space for construction is found. Plus 400 households from Duncan Village have already been moved to Mdantsane TRU out of 462 temporary relocation completed units. The project for construction of 30 units for DV military veterans will resume on 11 April 2022. The Directorate of Spatial Planning and Development are currently undertaking a feasibility study for the development of the Northwest road corridor which will assist identifying developable land in the ward. |
| Infrastructure | Pipes which were invented long ago are causing problems of water and sewer disaster   | The entire Ward - especially Pefferville and Duncan Village.                 | Refurbishing and repairs of toilets is on-going. 4 toilet seats were installed in 2019/20. A new block with 4 toilet seats were installed in Pefferville after the ablution block was demolished together with an upgraded sewer line across Pefferville Sportfield   |
| Roads          | Duncan Village, Stoneydrift, Braelyn, Pefferville, Milner, Pamure/Chiselhurst         | Roads Provision Ward 1   | The following roads have been resurfacing in the 2020/2021 financial Year: Annapurna Rd, Balkon Rd, Edna Rd, Jongilanga Rd, Gwijana Rd, Ntsenyego St, Sandile Rd, Gardenia Street, Archer Str, Douglas Smith Hway. Furthermore, Alphine Rd and Reservoir Rd) in Lennox Estate and Braelyn Hills have been completed   |

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| Community hall & Library   | The community needs a community hall and library   | Entire ward. E.g., Braelyn & Milner/Pamure   | A library does exist at Braelyn extension 10 and there is also the central library in town. There are currently two existing halls being Clements Kadalie and Braelyn Community Hall in this ward.  |
| Children's recreational centre and parks for leisure.                                    | Children need a safe place to play and be kept whilst their families are away or busy  | Entire ward. E.g., Duncan village, Perfferville, Braelyn Heights, Milner estate, Panmure | Annual contracts for playground and outdoor gym equipment - Specifications were amended and submitted for advertising   |
| <b>WARD 2</b>  |  |  |   |
| Houses   | The ward is in need of proper housing  | Berea area, Duncan Village Proper  | In order to develop within Duncan village competition and surroundings areas in Duncan Village, workspaces need to be created through provision of temporary relocation areas. It is against this background that Ziphunzana TRA and Mdantsane TRU are under construction to move people so a space for construction is found. There are currently 427 households from Duncan Village which have already been moved to Mdantsane TRU out of 462 temporary relocation completed units.   |
| Electricity  | Request for High Mast at Fished Road at Mzonyama Cemetery  | Area 10, Bebelele  | High mast installed on corner of Fitchett Road.   |
| Job creation   | Many people in the ward are unemployed therefore job creation is required  | 50 young people from Ward 2, 5, 6 and 7  | The department has just launched a small business area (Scenery Park Container Mall) Ward 5 for entrepreneurs in different sectors. Ward 6 & 7 is in process for constructing informal hawker stalls for identified businesses operating. Ward 2 there is a programme running in partnership with Waste Management department for Public Employment Programme funded by Ruliv. Entrepreneurship programme is running as per interventions based on the needs of that particular school. |
| Sanitation   | The ward needs proper sanitation   | Entire Ward  | 8 toilets seats in Mandela Park and Barberton have been completed in 19/20FY. Refurbishing and repairs of toilets in the ward has been done in the 19/20FY.   |
| Bush clearing  | Bushy areas need to be cleared   | Mzonyana Squatter, KwaZakele Squatter  | Annual contract tender for bush clearing Awaiting adjudication.   |
| <b>WARD 3</b>  |  |  |   |
| Multi-purpose centre with: Community hall, Indoor sport facility, Study centre, Computer | Majority of community members are students and young people, there is a need for such a centre to create enthusiasm and promote education and health | Southernwood/ Belgravia  | The dept of Human Settlements has a grant allocation where multi-purpose centres can be funded. Land identification is the first step of the process  |

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| centre, Art centre, Clinic & Councillor's office |   |   |   |
| Roads  | All access roads in the ward are dilapidated and they need resurfacing  | Southernwood/ Belgravia   | The roads have been completed in Palay Rd, Kloof Plc, Usher Str, Veve Rd, Tweede rd, Rosedale Garden Ln, and Nahoon View Rd. In Addition, McGrath Str, Craig Str, Usher Str, Gordon Rd & intersection of St Peter) in Southernwood have been completed St Patrick's St, Conrad's Str were resurfaced in 20/21 financial year  |
| Storm water drains                               | During heavy rain, drainage is unable to keep up and this leads to blockage and dirty streets.  | Southernwood/ Belgravia   | The work has been completed, and maintenance works are ongoing  |
| High mast light                                  | The current lights are not enough to provide light in the area. This increases criminal activities also.  | Southernwood/Belgravia  | These areas already have street lighting that meets current road lighting standards. A meeting has been held with the ward Cllr who was advised of the effect on the lighting would have on residents living in high rise buildings within in close proximity to the parks. Cllr was in addition informed that a request should be made to Community services for the installation of walkway lighting in the parks |
| Communal children's park and childcare centre    | There is no place where kids can enjoy themselves. Majority of families do not have helpers therefore children care centre will be of help.   | Southernwood/Belgravia  | Annual contract for playground and outdoor gym equipment – Specifications were amended and submitted for advertising  |
| <b>WARD 4</b>                                    |   |   |   |
| Electricity                                      | Repair all switch housing and upgrade all old switch housing. Upgrade all streetlights with energy saving bulbs and solar panels. Mark all light poles with numbers for identification when reporting faults. Meter boxes on pavements to be replaced by a contractor. Overhead network replaced with bundles or underground. Fence all sub stations. | Selbourne, Berea, Cambridge, Cambridge-West, Chislehurst and Highgate | The Electricity Dept has a multiyear capital replacement programme, areas are identified in order of priority in terms of network condition and lifespan. Maintenance takes place regularly, High fault occurrences are monitored more regularly, however co-operation is required from the public to Report faults to the Fault Centre   |

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| Roads                                       | <p>Potholes to be repaired directly after being reported. All islands at intersections and roads to be cemented on top as grass is not mowed. Suburb names to be erected. Roads signs and directions from all sides to SAPS in Cambridge. Overlaying of badly damaged roads, as reported all over the ward. Missing street names, to be replaced. Clearing of blocked storm water drains. Road marking to be done in the entire ward on a regular basis.</p>   | Ward 4   | <p>Scholl Rd and Lincoln Rd Roseberry Road, Meadow Road, Renfrew Road, Latimer Street, Greenan Road, Bardia Road and Dunkirk Street have been resurfaced in the 2019/2020 FY, Belvoir Rd, Byron Rd, has been completed in 2020/21 FY Furthermore, Elizabeth Rd, Glenside Rd, Hebbes Street, Harrison Street and Abalex Street were resurfaced in the 2020/21 FY.</p>                                      |
| Water and Sanitation                        | <p>Upgrade of all old infrastructure for sewerage and water. Repair all storm water inlets that are broken and have collapsed with the new inlet system. Replace all inspection covers for storm water drains that are missing. Replace all broken water meter box lids. Investigate pre-paid water meters for consumers</p>   | High Gate, Chisselhurst, Cambridge, Cambridge-West, Selborne and Berea | <p>Have completed the replacement of water main at the Olympic Avenue in this current financial year (2021/2022). The municipality has installed smart meters throughout the city in order to improve meter reading and billing.</p>  |
| Cleansing-Refuse Collection-Street Sweeping | <p>Refuse collection on a regular basis-notify all BCMM Residents of collection days-Fines for placing refuse out on non-collection days. Delivery of refuse bags must be on a regular basis. Regular gutter clearing and sweeping especially in business areas such as Queen Street in Cambridge, Jarvis Road and Pearce Street in Berea, Garcia Street in Cambridge and griffin Road in Cambridge West. Litter bins for Queen Street in Cambridge as there are none. Gutters to be kept weed and soil free workers must be equipped with</p> | Entire ward 4  | <p>Refuse is collected once a week, every Thursday as per the current refuse collection schedule. All main streets that lead to the suburb are litter picked and swept once a week and once complaints are received, they are attended within 48hrz. Refuse bags are delivered once each financial year. Street litter bins have been distributed and completed in the 2019/20 financial year project</p> |



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|                         | spades to remove ground. Recycling of refuse-garden refuse for composting-Job Creation. Use of the mechanical street and gutter sweepers that was purchased for all streets. Drop off point and transfer station to be managed according to law.  |   |  |
| Environmental Issues    | Grass cutting on a regular basis on BCMM public open spaces, parks, islands. Board walk on Nahoon Beach to be maintained on a regular basis as this is a major tourist attraction. Parking areas and public toilets on Nahoon Beach, Nahoon Point, Nahoon Corner to be upgraded. Selborne Park Botanical Garden to be upgraded and maintained. Aliens to be eradicated and bush clearing done on a regular basis as requested at all open areas especially in the Cambridge and Cambridge West area where there are a lot of open spaces. Clearing of overgrown storm-water gullies especially in Sprigg Street running through to Garcia Street in Green Park and lower Garcia Street to Olympic Avenue. | Green Park in Cambridge-Selborne Park in Selborne-Open space along Vianne Road and Weare Road in Cambridge West | Grass Cutting and Bush Clearing in the ward and other wards is done on an ongoing basis. Annual contract for bush clearing is currently awaiting adjudication. Boardwalk is also maintained on an ongoing basis. Public toilets in Nahoon Corner were upgraded in the 2018/19 FY, Nahoon Beach toilets were also upgraded in the 2019/20 FY. |
| <b>WARD 5</b>           |   |   |  |
| Roads                   | Repair of all gravel road and upgrading of some other roads   | Entire Scenery Park   | Roads in scenery park have been graded and gravelled as part of periodic maintenance. There is an ongoing roads upgrade program in Scenery Park. Bathandwa Ndongdo, Alister Mahashe and River Park Circle have been upgraded in the 2019/2020 FY. Karl Marx, Lilian Ngoyi and Tom Chalman roads has been upgraded in the 2021/2022 FY        |
| Building of footbridges | Four footbridges are requested  | Entire Scenery Park   | Bid document completed, however, one of the bridges traverses on private property. The municipality is busy negotiating with the affected party to allow the affected piece of land to be  |

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|   |  |                                     | donated to BCMM as part of the conditions of sub division – The subdivision application is currently being circulated within BCMM. Project rescheduled to be implemented during the 2022/23 FY for the second pedestrian crossing with no land challenges.   |
| Electrification of informal settlements | Installation of electricity in all informal settlements  | Entire Scenery Park                 | <p>The Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act, and other legislation has been approved by top management and presented to council.</p> <p>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.</p> <p>In terms of the available information the informal areas, Phola Park, Joe Slovo, Nobetere, Ekuthuleni / Chris Hani and Raymond Mhlaba require relocation</p> |
| Job creation                            | Create job opportunities for our youth   | Entire Scenery Park                 | Container mall completed that will accommodate more than 17 traders that are trading with various commodities  |
| Taxi Rank and Pavements                 | Building of a taxi rank; building of pavements   | Entire Scenery Park                 | Taxi Rank: EIA submitted to DEDEAT and waiting for the approval.   |
| <b>WARD 6</b>                           |  |                                     |  |
| Houses                                  | People died due to the condition they stayed at informal settlement. Establishment of township in Nompumelelo primary School area. | Entire ward                         | <p>There is need for more land acquisition to accommodate Nompumelelo people living in unhealthy conditions, The pre-screening and beneficiary registration has been completed for Nompumelelo</p> <p>The land acquisition process is in different phases i.e. Negotiation stage with one land owner who owns 4 land parcels, there is one land parcel where BCMM has entered into an agreement with the land owner and the Conveyancer was appointed to pass transfer in favour of BCMM. BCMM paid the purchase price and transfer costs. Transfer is underway to effect transfer in favour of BCMM. It should be noted that the land acquisition process is a tedious and complex exercise</p>                                 |
|   | Rectification of parkridge 136 project must be fast-tracked. People cannot stay in temporal shelters for long.                     | Parkridge                           | A go ahead has been given for allocation of 10% for housing rectification the said will be completed by NHBRC. The contractor is on site for rectification of 76 defective housing units under the supervision of the Provincial Dept of Human Settlement.   |
| Electrification of informal settlements | More than three people died due to illegal connection at ward 6, which the last one was the one-year-old child at E21              | Duncan Village and Cclloyd Township | The Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act, and other   |

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|   | Gadini squatter camp, Duncan Village.  |  | legislation has been approved by top management and presented to council.<br>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement. CC Llyod is not part of the Settlement Programme for the next three years and will be added when budget is available   |
| Jobs                                    | High rate of unemployment  | Entire ward, Parkside, Dalhia            | CWP in the ward participants are involved in the following projects i.e., Lukhanyiso, Sinoncedo and Haven Wellness Daycare Centre. Painting and Paving Artisan training was also done where 6 youth benefited.  |
| Roads                                   | Request for Roads Upgrade  | Entire ward                              | Primula, Amatola, Dahlia, Phillip, Abdurahman and Creesy Roads in Ward 6 have been resurfaced. Rehabilitation of Gxasheka, Tokota and Olive street in Parkside has been completed   |
| Renovation of Eluxolweni community Hall | We don't have a hall to hold our ward meetings. We always have poor attendance due to venue which is not in our ward (Gompo hall). | Entire Ward                              | The hall is still registered in the name of Buffalo Flats Development Trust. The matter is being dealt with by Messrs Smith Tabata Attorneys winding the transfer of ownership. Renovations of Eluxolweni Community Hall will only be prioritised once the ownership transfer is done, and the Hall belongs to BCMM   |
| Sanitation                              | Building of public toilets and standpipes in Dalhia informal settlements   | Duncan Village, Cclloyd Township         | 8 toilets at Eluxoleni and 2 toilets at Moscow were completed in 20/21 financial year and refurbishing and repairs of existing toilets was done in the same financial year. Dalhia Informal Settlement will be considered during prioritization for construction of new ablution facilities in 2022-2023 financial year.  |
| <b>WARD 7</b>                           |  |  |   |
| Skills empowerment for youth            | To develop young people mentally, emotionally and physically. E.g., driving school & entrepreneurship                              | Entire Ward                              | The BCMM Executive Mayoral Bursary Fund is advertised annually for deserving youth studying at tertiary institutions in various approved scarce skills fields of Engineering, Finance, Science, Planning and Economic Services  |
| Housing                                 | Moving people from shacks as they exposed to disaster  | C-Section and D-Section                  | In order to develop within Duncan village competition and surroundings areas in Duncan Village, workspaces need to be created through provision of temporary relocation areas. It is against this background that Ziphunzana TRA and Mdantsane TRU are under construction to move people so a space for construction is found. There are currently 427 households from Duncan Village have already been moved to Mdantsane TRU out of 462 temporary relocation completed units. |
| Community Hall                          | For community events and meetings  | Entire Ward                              | Due to budget constraints, the construction of the Community Hall for the Ward will be considered in the 2022/23 Financial Year   |
| Roads                                   | Need to be fixed and maintained  | C-section, Bebelele, Makatala, D section | Adonis, Fuleni, Mangala, Dangazele, Duze, portion of Douglas Smit Road have been resurfaced in  |

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|                               |  |  | Ward 7 in the 2019/2020 FY. Griffith Mxenge Rd and Jacaranda Street has been resurfaced in 2021/2022 FY   |
| High Mast                     | Crime is the big problem   | C-Section (Next to Mzokanyo High school) | High mast lights have been installed in D-section by post office and Bebelele. Request for C-section near Mzikanyo-assessment has been done for installation.   |
| Electricity                   | Areas need electricity   | Steve Tshwete, Bebelele                  | The Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement. Bebelele is located on the banks of a watercourse and will need relocation and alternative land to accommodate beneficiaries. |
| Bush Clearing & Grass cutting | Bushy areas need to be cleared in the ward as it results in crime and snakes | Gompo                                    | Annual contract for bush clearing is currently awaiting adjudication  |
| Water and Sanitation          | Challenge of water leakages  | C-Section, D-section and Bebelele        | Water leakages is an ongoing repairs and maintenance issue and are repaired as soon as they are reported or identified by the municipality. The municipality has appointed 5 Water Agents on each ward to assist with the identification of leaks.  |

#### WARD 8

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| Housing                   | Informal dwellers need houses                    | Entire Ward   | Construction of houses of 200 houses is progressing with invasion challenges and completion of services for 1599 outstanding units is progressing very well and HDA is going to start the implementation of plus 600 housing units.   |
| Electrification of Shacks | Informal Settlements need proper electrification | Moscow, Khayelitsha, Siya, Dotwana, Magqwashu, Fynbos Squatter Camp A and B | The Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement. |
| Community Hall            | The ward needs a community hall                  | Old police station in Siya Street, next to Gompo Welfare                    | Tender Document is still with the Bids Committees   |

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| Footbridge                      | Construction of a footbridge is needed for river crossing                           | Khayelitsha & Siya Squatter Camp                  | Construction of the pedestrian bridges completed during the month of July 2020 and both bridges are in use.  |
| Fixing of Roads and Speed humps | Roads are damaged and urgent repairs are needed. Also speed humps are needed in one | Fixing of roads: Ntshona Street, Mandleni Street, | Siya Vuyani, Mteneni St, Momoti St, Bukani Cres, Ndubela St, Fumazela St, Qomisa St, Biyana Drv, Bottoma St hve been resurfaced in the 2019/2020 FY. Falkland Rd, Mqwashu and Spunzana Street, Mpuntsha St were resurfaced in the 2020/2021 FY Construction of speed humps scheduled for the 2022/2023 financial year. |

#### WARD 9

|                                     |   |   |  |
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| Wheelie-bins/refuse collection bins | The ward never received wheel-bins and refuse collector bins  | Braelyn EXT 10 & EXT 8, Amalinda                          | Wheelie bins have been distributed as a pilot project. Lessons learned from the pilot indicate that the city needs to reconsider use of wheelie bins as they are quite costly.   |
| Infrastructure of Roads             | The state of roads in this ward is bad and needs urgent attention. For example, there are lot potholes, gravel roads and a need for speed humps. Informal settlements also need roads | Amalinda, Braelyn Ext 10 & Ext 8                          | Sarhili Hintsas Cres, Moses Mabidhida St, Operation Vula St, Tembisele Jongani Rd, Vuyisile Nodikana Rd, Garth St, Fenwick St, Field St, Drift St, Beamish cres and Laurel Str have been resurfaced in the 2019/2020 FY. Ben Howe Pl, MCGovern Rd and Koch St and Saxilby Rd, Hereford Rd, Thorn Bush, Zandile Thole Rd were resurfaced in the 2020/2021 FY<br>Assessment of the request for speedhumps was done in the 2020/21 financial year and did not meet technical requirements. New request to be considered during the 2022/2023 financial year.  |
| Rectification of old Houses         | Rectification of houses which have the serious challenges of cracks and water that is pouring when it's heavy raining. Some areas need houses urgently                                | Braelyn Ext 10 and Stoney Drift                           | BCMM is busy with rectification of defective old housing project in Cambridge, parkridge, Dimbaza where contractors have been recently being awarded and are on site.  |
| Electrification of Shacks           | People living in the dump site need Electricity   | Stoney Drift  | The Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement. Relocation of people in a dumpsite is required.<br><br>In terms of the available information the informal area Stoney Drift requires relocation. |
| Bush clearing and grass cutting     | There is a need for grass cutting and bush clearing to minimize criminal activities that occur in those dense bushes  | Stoney Drift (Amalinda), Braelyn Ext 10 & Ext 8, Amalinda | Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage. In the meantime, grass cutting is done on an ongoing basis.   |

**WARD 10**

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| Tarring of roads & gravelling of informal roads | These areas have bad gravel roads and informal settlements need roads gravelled       | East Bank, Egoli, Muvhango, 7de laan, Amalinda, Braelyn, Vergenoeg, Scenery Park.   | Portion of Sheridan Rd, Ringwood Crescent, Longacre Road have been resurfaced and completed<br>The Mercedes Rd resurfacing has been completed. Cranberry rd, George Place, 1st Boeing, Marrah Crescent, Bermuda Rd, Bermuda Crescent and Alphen Rd been resurfaced and completed  |
| Bush clearing & grass cutting                   | Crime rate is escalating in the two areas East Bank & 7de Laan because of bushy areas | East Bank, Braelyn, Scenery Park  | Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage. In the meantime, grass cutting is done on an ongoing basis.  |
| Wheelie bins & refuse collection bins           | The ward never received wheelie bins and refuse collector bins                        | Backyard dwellers of ward 11. Nkululekweni, Hlalani, Dumanokhwe A, B, C. Ekuphumleni, Sylver town, Vokani, Gugulethu, Ramaphosa, Polar Park, Sonwabile A, B, Hani Park & all informal settlements | Wheelie bins have been distributed as a pilot project. Lessons learned from the pilot indicate that the city needs to reconsider use of wheelie bins as they are quite costly.  |
| Rectification of old houses                     | The houses have cracks leaks and very old they need attention                         | East Bank, Haven Hills, Braelyn   | BCMM is busy with rectification of defective old housing project in Cambridge, Parkridge, Dimbaza where contractors have been recently being awarded and are on site. The work is still in progress   |
| Mobile library                                  | The ward needs a library.   | Entire ward   | A new mobile library has been purchased in the 2021/22 financial year which will service the wards.   |
| Electrification of shacks                       | The problem of illegal connection is affecting houses                                 | Entire ward   | The Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement. Planning/ Upgrading of Settlements is done on individual settlement merits and subject to availability of budget and capacity |

**WARD 11**

|         |   |   |  |
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| Housing | Housing is a growing need in ward 11 and we continue to chase a moving target and backyard dwellers who are not considered as informal settlements takes a centre stage. There is also an | Backyard dwellers of ward 11. Nkululekweni, Hlalani, Dumanokhwe A, B, C. Ekuphumleni, Vokani, Gugulethu, Ramaphosa, Polar | The registration of informal settlements into the Needs Register is ongoing. Ward Councillors are consulted when Human Settlements Officials undertake such registration in their wards.<br>Human Settlements is in a process to review the informal settlement study that was conducted 10 years ago, in order to determine the current status of informal settlements in the City. |
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|   | uncontrollable growth of informal settlements.  | Park, Sonwabile A, B, Hani Park & all informal settlements | Hlalani and Hani Park Layout plans have been approved. All other settlements are planned/ upgraded based on individual settlement merits and subject to availability of budget and capacity<br>General plans for Phola Park, Hani Park and Hlalani were completed, each creating 36, 21 and 29 residential sites respectively  |
| Multi-purpose Community Centre/Community Hall | There is no meeting venue for the community of ward 11 including a venue to host important gatherings as they resort to use of tents and if not available and it is raining or bad weather, they are left with no option but to cancel the meeting or event | N.U 2 & N.U 5 rent office                                  | Construction of multi-purpose centres falls with the Provincial Dept of Human Settlements. The request was forwarded to the Dept and will be followed up in the next IGR Forum   |
| Skills development                            | There is a need to address the level of unemployment and part of that is attributed to the lack of skills in the ward   | Next to Nzaliseko Higher Primary School                    | An awareness campaign will be conducted for Ward 11 in the coming FY   |
| Electrification of shacks                     | To curb the illegal connections and provide this service as a basic need.   | Entire ward  | A Feasibility Study for Silvertown/Mtsotso Station has been developed and it is in its final stage. The draft Feasibility Study has been submitted and circulated to all relevant and internal departments. The Directorate of SP&D is in the process to organize a meeting to present the feasibility study to the Ward Cllr, Ward Committee and Community Reps. After that a report will be submitted to Council for approval. Land Acquisition process to commence once the feasibility study has been approved by Council. |
| Aqua sport tourism attraction facilities      | Ward 11 is on the bank of the bridge drift demand and its community aspire to explore the Aqua sport tourism facility project for both skills development and economic growth strategy.   | All informal settlements in the ward                       | A community consultation meeting in the form of awareness was held in the ward to get detailed information on business opportunities that the community is interested in and the available resources. They identified car wash, braai lounge and spa business. The Directorate will engage individual groups to follow-up on their interest and provide necessary guidance and support.  |
| <b>WARD 12</b>                                |   |  |  |
| High mast lights                              | The Ward needs high mast lights   | Entire ward, especially area 100, 200, 300, 400            | Order has been placed for installation in current financial year   |
| Water & Sanitation                            | There are no toilets in the area especially for those who reside in informal settlements and the crèche in the area. Water is also a challenge therefore standpipes are requested   | Smiling valley at area 40, Thafalofefe Squatter camp.      | Four Ablution Facilities were constructed in Marikana during the 19/20 Financial Year. 10 toilets were provided in Mivundleni Informal Settlement during 2020-2021 financial year. 6 additional toilets were constructed in Mivundleni and Forster Village informal settlements during the current 2021-2022 financial year.   |

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| Roads upgrade & speedhumps | Roads need to be tarred and potholes fixed.  | Smiling Valley, Nkomponi, Evelwano, Masakhane Squatter camps. Area 1200 from Mdantsane station to 1400 area. | The upgrading of gravel roads to surfaced standards was completed in June 2020. Speed humps constructed during the 2019/2020 financial year.   |
| Housing Electricity        | There is no housing development in Masizakhe Squatter camp since 1990. Electrification of informal settlement  | Masizakhe Squatter camp, Sisonke Squatter camp.  | At Dacawa all 315 sites are fully serviced with water, sewer and roads and 315 top structures are complete. The construction of 161 will commence in Mid April 2022 in Masibulele Area, however the construction of Top Structures will await beneficiary approval.<br>On Masibulele Housing project under Cluster 1, beneficiary registration will start once Dacawa project is completed. There is a shortage of land in BCMM as a whole and people are invading available land illegally, so its not easy to find land to address housing shortage.<br>Dacawa electrification has been completed.<br><br>Informal Settlement need to follow the Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.<br>In terms of the available information the informal area ,Sisonke requires partial relocation as it has land issues |
|                            |  | Dacawa, Velwano  | All other Projects will be programmed for electrification once the pre-planning and planning elements have been completed and the settlement has been sent to infrastructure as electrification compliant. Dacawa has been planned and approved, Velwano is part of the planned and approved Velwano.<br>Dacawa opening of township register was registered at the Deeds Registry office in September 2020 which will enable individual registration of ownership to approved beneficiaries.   |
| <b>WARD 13</b>             |  |  |  |
| Tar Road                   | Roads are in a very bad condition especially the taxi routs as a result taxi don't want to take Reeston people. Also, emergency vehicles are finding it hard | Chicken farm, Renour's Farm, Tembalethu, Khayelitsha, Bonda & Dice incomplete Bakana & Boarder.              | Dice road is a multiyear project, 0,5km of Roads rehabilitation been completed.  |



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|                           | to assist communities due to bad roads.   |                                |   |
| Community Hall            | No hall for meetings and for all other activities of the community. Yes, the area is too big + - 5000 houses except phase 3 stage 3 | Centre/middle of Dice          | A multipurpose centre was constructed by the PDoHS in the ward  |
| Sports field              | No sports fields as a result there is too much crime as the youth do not have proper sporting facilities                            | All Reeston informal dwellings | There is ongoing maintenance of informal Sports fields in the ward. There is an additional sports fields at the multipurpose center   |
| Electrification of shacks | All shacks be electrified due to instability caused by Izinyoka.  | All Reeston informal dwellings | The Standard Operating Procedure (SoP) for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement. |
| High mast lights          | Streetlights are always not working due to izinyoka. Even if they are maintained these do not last                                  | All Reeston informal dwellings | It has been proven that the installation of high mast doesn't resolve the issue of non-working lighting as high mast are also targeted by illegal connections. However, repairs are done on an ongoing basis  |
| Waste bins & refuse bags  | All Reeston houses need black bags and refuse bins  | Entire ward                    | Wheelie bins have been distributed as a pilot project. Lessons learned from the pilot indicate that the city needs to reconsider use of wheelie bins as they are quite costly. Refuse bag distribution has commenced  |

#### WARD 14

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| Roads              | Our roads need to be surfaced, tarred and be maintained  | Entire Ward   | Mdantsane roads upgrade is a multiyear programme that will address all gravel roads to be upgraded.<br>The contractor for Phase 4B is on site.  |
| Pedestrian Bridge  | A Pedestrian bridge just to cross next to area 68-72 especially for learners to Kanyisa Primary.                       | Next to eSithembiso Secondary school                | Design is completed, however, there is no funding for the construction stage. Directorate of Spatial Planning and Development has requested funding however, this has not been granted. Further requests will be made during the budgeting process. |
| Grass Cutting      | There is a small bush behind NU4 Rent Office, in schools and around the roads. This is where children are being raped. | Entire ward especially eSithembiso Secondary School | Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage. In the meantime, grass cutting is done on an ongoing basis.  |
| Community Hall     | The land has been identified for the hall just behind the rent office. Sharing houses must be separated.               | NU3   | Tender Documents are with the Bids Committee  |
| Electrification of | There is a big fight between four-room   | The whole ward is affected                          | There are no identified projects except for the pilot project (Silvertown Mdantsane) which is still at the  |

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| Informal Settlements | residents and those from Informal Settlement because of illegal connections. |  | planning stage. All other Projects will be programmed for electrification once the pre-planning and planning elements have been completed and the settlement has been sent to infrastructure as electrification compliant. |
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#### WARD 15

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| Housing Phase 2        | Many people have no places to stay. They are living in shacks.  | Nompumelelo & Ducats | Provincial Department of Human Settlements has taken over the funding and procurement of conveyancers' Bax Kaplan Conveyancers has been appointed and 410 transfers are with conveyancers but the Province is monitoring to the process. 18 Title deeds are at the Housing offices, but title deeds are being issued on a daily basis once they are made available by Province. A Feasibility Study to investigate the viability of developing land parcels around Nompumelelo has been completed and Council has approved it on 15 December 2021. |
| Sports fields          | There are no proper sports fields in the area   | Nompumelelo & Ducats | There is an existing sports field in Ducats that is maintained by BCMM   |
| Transfer of Ducats     | Transfer from Amathole Municipality to BCMM   | Ducats               | Transfer of Ducats Township from Amathole to BCMM has not been finalised. Conveyancers were appointed by ADM to finalise the transfer.   |
| Tar Road & Speed humps | On the main road speed humps are needed to stop speeding cars. There is no tar on the sides of the main road. | Nompumelelo & Ducats | Upgrade of Umxina Street, Umgwali Street and Khwenene Street, and the resurfacing Bunburry Cres and South Haven Cres has been completed in the 2019/2020 FY Umqokolo St has been upgraded and the resurfacing of a portion of Two Rivers Drive has been completed. Upgrade of Ducats South Road has been upgraded in the 20/21 FY. In addition, Idyllway Cres and Candleberry Dr Roads Rehabilitation has been completed. Speed humps constructed during the 2019/2020 financial year.   |
| Title deeds            | The community is in dire need of title deeds  | Nompumelelo & Ducats | There are some title deeds are at the Housing offices, but they are being issued on a daily basis once they are made available by Province, it is work in progress.<br>In respect of Nompumelelo, Province has appointed Conveyancers to effect transfer in favour of rightful beneficiaries in cases where there are no illegal occupations and where the correct beneficiaries are occupying their approved properties in terms of HSS   |

#### WARD 16

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| Electricity | BCMM should install proper electricity to avoid illegal connections and disputes amongst community members | Amalinda Forest Cambridge Location (relocated to Ward 4 after Local Government Demarcation) | The Standard Operating Procedure for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council.<br><br>Each informal settlement would need to follow the process which includes de-densification, re-blocking, |
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|  |   |   | <p>and relocation to allow for the safe electrification of the settlement.</p> <p>Amalinda Forest and Cambridge Location (relocated to Ward 4 after Local Government Demarcation) require partial relocation and land identification.</p> <p>A Feasibility Study to determine whether it is feasible to establish a township at Amalinda Forest has commenced and the service provider has commenced with their work and has completed the Development Perspective.</p>   |
| Houses Completion - Amalinda Co-OP Cambridge - phase 3 | Shacks are destroyed by fire and there are service delivery protests pertaining to this matter. Urgent attention should be given to this matter | Amalinda Forest Cambridge Location (relocated to Ward 4 after Local Government Demarcation) | The annual contractor is proceeding with construction of internal services. Top structures will now proceed under Provincial Department of Human Settlements. Land is required for a development in Cambridge Location, Special planning may indicate if there is a planned project for this community.   |
| Pedestrian Bridge                                      | A request for pedestrian bridge   | Cambridge Township Phase 3  | Construction of the bridge was completed in February 2020 and in use.   |
| Roads  | There should be access roads in Amalinda Informal Settlements so that ambulances, fire fighters and police do not struggle                      | Amalinda forest   | <p>Resurfacing in Haven Hills was completed in December 2020. Arrangements are being made through the ward councillor to get access for plant, however it seems that a more consultative process is needed to achieve that which is required in Amalinda Forest. Anchorage Rd, Rowland Rd, Trafford Rd, Maggs Street, Thompson Rd, Human Rd and Hunter Rd has been resurfaced in the 2021/2022 FY</p> <p><u>Councillor's Comment:</u><br/>Resurfacing of Branbury Rd</p>  |
| High Mast Lights                                       | Installation of high mast lights will reduce the crime rate. There are no lights around the informal settlements                                | Amalinda Forest Cambridge Location  | <p>Two High masts have been installed in the ward during the 2018/2019 year. One in Cambridge location phase 2 and a second near the SPCA on the Amalinda Main Road.</p> <p>(relocated to Ward 4 after Local Government Demarcation)</p> <p><u>Councillors' Comment:</u><br/>One high mast is required next to Lukhanyo Primary School in Amalinda Forest so that it covers the entire informal settlement, including the school. Another high mast is required at the corner of Baarb Street and Woolwash Rd to maximise light in the entire area as there is no street lighting in the area. Maintenance of the high mast at corner of Goodhope and Umzimkhulu.</p> |
| Community Hall   | Amalinda areas of Ward 16 do not have a community hall  | Amalinda Forest Heaven Hills  | <p>No budget in the 2020/21 FY for the Construction of new Halls. Consideration will be done in the next budget cycle (MTREF).</p> <p><u>Councillor's Comment:</u></p>  |

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|             |                      |   | The feedback is outdated and need to be updated. The need for a hall is still a high priority in the ward.  |
| Speed humps | All areas of ward 16 | All areas at ward 16, especially the road next to the Bushbucks Stadium urgently need intervention - kids are being killed by motorists | Speed humps completed in the 2019/20 financial year.<br><br><u>Councillor's Comment:</u><br>A speedhump at Baarb Str and Barbatos St are required.<br>Corner of Robert de Lange Rd and Mdantsane Access Roadside parking required for taxi operators to reduce accidents. |

**WARD 17**

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| Housing                        | BCMM should buy land from private owners in order to provide housing. Rural housing also needed in the ward     | NU 3 Informal Settlements, Cuba and Eluxolweni; Sonwabiso Informal Settlement | In 2021/22 the approval of the feasibility study for Eluxolweni by Council. Subject to the availability of funding, the Township Establishment Process will be done in 2022/2023.<br>The procurement process for the Township Establishment for Sonwabiso has commenced and the specifications have been submitted to SCM for approval by the Bid Specification Committee. Sonwabiso land acquisition - 5 out of 8 properties have been acquired by BCMM from private landowners. BCMM is in the process of finalizing the acquisition process. There have been estate processes where the land was registered in favour of deceased owners that have had to be followed so therefore the transfer and registration process has been lengthy before the Municipality could take ownership of the affected land parcels. General Plan for Masibulele was completed, creating a total of 203 residential sites |
| Electricity                    | Request for electrification of informal settlements to curb illegal connections                                 | NU 3 Informal Settlements   | The Standard Operating Procedure for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council.<br>Each informal settlement would need to follow the process which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.<br>NU3 informal settlements require partial relocation and land indentification<br>(Silvertown Mdantsane) has been identified as the pilot site to test the new SOP is still at the planning stage.   |
| Roads and Storm water drainage | There is a need for upgrading of roads and storm water drainage in the ward. Access roads in rural areas needed | NU 3 & 9, Rural areas Cuba and Eluxolweni                                     | 5km of Regravelling in Cuba and Eluxolweni has been completed in the year 2021/2022.<br>Mdantsane roads upgrade is a multiyear programme that will address all gravel roads to be upgraded.<br>The contractor for Phase 4B is on site.   |

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| Job creation   | Expanded Public Works Programme and the Community Works Programme should recruit more people  | Entire ward 17   | Ward Cleaning and beautification programme was undertaken with 100 people employed for six months.<br>Ward annual general meeting will be held in 2020/21 financial year to determine the programme that will be undertaken in the ward   |
| <b>WARD 18</b>                                       |   |  |   |
| Roads  | Pothole patching is not sufficient, roads need resurfacing. The roads have degraded and are dangerous   | Rochester Road, Cavendish Road, Sussex Road, Surrey Road, Crosbie Road, Norwood Avenue | The Resurfacing of Bonnie Doon Plc, Ayr Plc, King George Rd have been completed in the 2020/2021 FY. The following roads were resurfaced in the 2020/2021 FY: Essex Rd, Somerset Rd, Drake Rd, Smart Rd, Florence Ave, Claremont Rd, Dersley Rd.<br>Brunsfelsia Rd, Putney Ave, Cornwall Rd & Leicester Rd, Portion of Roslyn Rd and Rosyth Rd have been resurfaced in 20/21 FY |
| Traffic Calming                                      | Due to large amounts of congestion in Western Ave, many people are using Kent and York roads as a shortcut. This is causing safety concerns to the residents. Traffic calming in the form of speed bumps would help reduce the safety risks caused by this run off traffic. | Kent Road, York Road, Linaria Drive  | Speed humps were constructed in Kent Road. Speed humps in Linaria and York Road have been constructed> Additional requests to be considered during the 2021/22 financial year.  |
| Care and Maintenance of Road Network in Ward 18      | Potholes to be repaired, island intersections and roads to be cemented on top as grass is not mowed, suburb names to be erected, missing street names to be replaced, clearing of blocked storm water drains, and road marking to be done in the ward on a regular basis    | Ward 18  | Street name signs are replaced as and when they are reported. Roads will be identified based on Condition and Usage in conjunction with the ward councillor. Potholes are repaired on an ongoing basis and maintenance programme.   |
| Environmental  | Regular Grass Cutting & Removal must be done in   | James Pearce Park  | Grass cutting at James Pearce Park is done bi-monthly.  |
| Road Infrastructure Development                      | A taxi rank needs to be constructed in Devereux Avenue. The congestion and hazards caused by lawless taxi drivers are a major hazard in the area  | Devereux Avenue  | The area is designed to be a loading and offloading zone with minimum area for long term parking. Taxi rank is not applicable.  |
| Sports Facilities in Bunkers Hill/Stirling/Woodleigh | Combine all three sporting facilities into one large sports compound with shared resources and staff due to limitations in finances and mismanagement.  | Ward 18  | Installed new perimeter fencing at Bunkers Hill Sports field in May 2020. However, due to budget constraints only one side of the field was fenced. To be completed when funds are available.   |

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| Water and Sanitation | There should be an upgrade of all ageing infrastructure for sewerage and water throughout the ward. Broken or missing storm water inlets should be repaired. Broken water meter box lids should be replaced. There should be an investigation of pre-paid water meters for consumers (complaints about water billing issues)                | Ward 18  | The Water Department has replaced water pipes in the following streets Devereux, John Bailey and Beach Road in the 2018/19 Financial Year. Due to limited budget, there is no planned pipe replacement for this financial year, the programme is ongoing.<br>Planned Pipe replacement of 400mm diameter at Smythelands Road in Dorchester Heights in 2021/2022 financial year. Project is in progress, Awaiting works order.  |
| Environmental        | Eradication of alien species and bush clearing done on regular basis. Inhlanza River-clearing of all invaders, mowing of lawns next to river. There should be regular grass cutting on BCMM public open spaces, parks, islands (Currently neglected or with little response from officials).  | Ward 18  | Grass Cutting and eradication of alien species in this Ward is done on an ongoing basis. Grass cutting and maintenance of Public Open Spaces, Parks and Road Islands in all Wards, including Ward 18. Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage. In the meantime, grass cutting is done on an ongoing basis.  |
| Nahoon Beach-Tourism | There should be equipment for life savers (sunscreens, highchairs and upgrading of existing equipment). Boardwalk to be maintained as it is a major tourist Attraction. Parking areas, public toilets, Nahoon Point to be upgraded  | Ward 18  | Nahoon beach boardwalk was repaired prior to the December 2019 holiday season and Nahoon Beach main ablutions upgrade completed in January 2020. Nahoon Caravan Park: Services Provider is on site busy with the construction of offices that was awarded during December 2021.   |
| Public Transport     | Projects emanating from Local Spatial Development Framework should be implemented: <ul style="list-style-type: none"> <li>▪ Kenyon Crescent Open Space Upgrade</li> <li>▪ Vincent Berea LSDF Review</li> <li>▪ Stirling Retirements Home Development</li> <li>▪ Vincent Garden Refuse Transfer Site</li> <li>▪ Bus Rapid Transit</li> </ul> | <ul style="list-style-type: none"> <li>▪ Kenyon Crescent, Nahoon</li> <li>▪ Vincet, Berea, Nahoon, Sitrling</li> <li>▪ Stirling</li> <li>▪ N2 Site</li> <li>▪ Vincent</li> </ul> | The Integrate Public Transport Network Plan has prioritised the upgrading of the MELD Corridor made up of Qumza Highway and Mdantsane Access Road. The last phase of Qumza Highway Upgrade is under evaluation anticipated to be awarded not later than end May 2022. Design for the Mdantsane Access Road is in progress with detailed design to be completed not later than end October 2021. Upgrading of 2km of the Mdantsane Access Road next to Crave Area to improve pedestrian safety is under construction to be completed by end June 2022.<br>The Integrated Public Transport Network Grant which BCMM were recipients of and is used for the implementation of formalized Public Transport systems was suspended in July 2021 for three years. BCMM do however strive continuously to be re-instated to the grant to allow IPTN (formally BRT) systems to be implemented throughout the City. |

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|  | Firefighting pipe work upgrade | Vincent, Nahoon, Stirling |  |
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**WARD 19**

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| Bush clearing and clearing of parks and open spaces                          | All recreation parks and playground facilities in Ward 19 need urgent attention                               | Westbank-Hood Street, Buffalo Flats-Bruce Str, Dunnon Rd, Port Rex, Bush clearing along Greenpoint Rd, Greenfields      | Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage. In the meantime, grass cutting is done on an ongoing basis.  |
| Road repairs and resurfacing   | Roads servicing areas where schools are situated cannot be pothole repaired anymore                           | Buffalo Flats-Innisfree Rd, Freemantle Str, Maxwell Str, all other roads need proper repairs as pothole teams can't fix | Tugela Street, Smith street and Hood Street have been resurfaced in the 2020/2021 FY. Rehabilitation of Settlersway project is at construction stage with the addition of a 3rd lane in each direction, with total of 7,7 km to be constructed. The project cuts across ward 19 and ward 46 |
| Opening of road along Buffalo River  | Road from Buffalo Flats to West Bank through Latimers Landing needs re-opening                                | Buffalo flats and Westbank Would greatly benefit economic and logistic capacity and contribute to a Connected City      | The arterial roads network study that is used to prioritize roads to be built does not recommend the upgrading of the road to a surface standard  |
| Distribution of Wheelie Bins   | Most Ward 19 Residents still waiting for wheelie bins   | Buffalo Flats, Westbank, Second Creek   | Wheelie bins have been distributed as a pilot project. Lessons learned from the pilot indicate that the city needs to reconsider use of wheelie bins as they are quite costly.  |
| Installation of Toilets and water standpipes, general sanitation maintenance | Informal residents still no access to Sanitation Many Blocked sewer lines and Stormwater channels need repair | Second Creek area, Buffalo Flats-Fairflax Popcorn Valley, Westbank Village High School                                  | 6 Ablution facilities with standpipes have been planned for 2021/2022. Access roads to outfall sewers has been refurbished, manholes lifted & pipes jetted. Maintenance is ongoing.   |

**WARD 20**

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| Housing     | There are people who are living in shacks and need proper housing | Slovo Park NU 6, Ekuphumleni NU 7, Ramaphosa NU 7, Khayelitsha NU 7, Ngidi Park NU 8. | Consumer Education and National Housing Needs Register have been completed, so once land and budget is available the affected informal settlements will be considered for future housing projects. There are 44 informal settlements under incremental upgrading for 2020/21 and this number will increase each financial year by 2%. Khayelitsha, Professional Consultant appointed for design of internal engineering services (water and sewer). General plans for Empilisweni, Khayelitsha and Matsheni Park were completed, each creating 26,67 and 51 residential sites respectively. |
| Electricity | Electrification of shacks.  | Ekuphumleni NU 7, Ramaphosa NU 7,   | The Standard Operating Procedure for the successful electrification of informal settlements   |

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|                    |  | Khayelitsha NU 7, Ngidi Park NU 8. | <p>which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council</p> <p>Each informal settlement would need to follow the process which starts with the spatial planning requirements which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.</p> <p>Khayelitsha Township Establishment has been completed, Slovo Park and Ekuphumleni planning is ongoing, the department is currently concluding applications with COGTA. Ramaphosa and Ngidi Park have not been planned as planning/ upgrading of Settlements is done on individual settlement merits and subject to availability of budget and capacity</p> |
| Tar Road           | Roads are in a bad condition. They need to be upgraded                   | NU6 &7                             | <p>Mdantsane roads upgrade is a multiyear programme that will address all gravel roads to be upgraded</p> <p>Phase 4 B which constitutes 15 Km of roads to be upgraded will be shared amongst the five wards in the Cluster 3, ward 20, 21, 23, 24</p>   |
| Sport field        | There is a sport field at NU 7 that need a sport complex to be built on. | N.U.7                              | We have done 3 sports fields recently for rugby, soccer and netball during 2019/2020 and there is no new request for 2021/2022 financial year.   |
| Youth unemployment | There is a huge rate of youth unemployment that result to poverty.       | Entire ward                        | Urban Agriculture Programme is being extended to accommodate more participants. Inputs such as seedlings being provided for self-employment.   |

#### WARD 21

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| Housing Development | Housing development process should be expedited. Request RDP housing for informal settlements  | NU 13, Nojoko NU 13, Tambo village, Z Soga Phase1, TRAs opposite Vulindlela police station | <p>Hani Park internal civil engineering services has been completed. Housing Development Agent has been approached to lead the implementation of the project. A contractor for construction of top-structures is expected to be on site by May 2022.</p> <p>General plans for Z Soga 2 P2 and Z Soga 3 P2 were completed, each creating 71, and 84 residential sites respectively.</p> |
| Cllr's Office       | Ward Cllr has no office in the ward. There are two rent offices in NU 12 and 13 which Cllr should be allowed access to use for office space. NU 12 currently being renovated and not in use. | Entire Ward  | NU 12 renovations completed.   |
| Internal Streets    | Process of upgrading roads / streets is very slow, it should be expedited. Poor quality of work due to appointment of external contractors instead of local                                  | All N U 12 streets   | <p>The upgrading of gravel roads to surfaced standards was completed in June 2020.</p> <p>Phase 4 B which constitutes 15 Km of roads to be upgraded will be shared amongst the five wards in the Cluster 3, ward 20, 21, 23, 24 and 20.</p>  |



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|  | contractors. BCMM should hire local contractors and strengthen monitoring   |   |  |
| Speed humps  | Request for installation of speed humps due to speeding of cars   | N U 12 Taxi route, Nowonga J.P School road and Sakhile Higher Primary School road and Noncedo Supermarket road, N U 13 Clinic road, Mqoboli Methodist Church to Jama Supermarket road and in front of Caltex garage | Contractors were appointed late in 2020/21 financial year. Speedhumps to be constructed during 2021/22 financial year  |
| Electricity and High mast lights                             | Request for installation of high mast lights  | N U 12, Z Soga Phase 1-3  | Sufficient Lighting within the area Maintenance is carried out. Night spotting is done on a rotational basis throughout the City and community report are dealt with<br>The Standard Operating Procedure for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council.<br>Each informal settlement would need to follow the process which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.<br>Soga has been provided with 327 electrical connections |
| Maintenance of streetlights                                  | Request for maintenance of streetlights   | N U 12, Z Soga Phase 3, Golden Highway  | Maintenance of streetlights is ongoing   |
| Faulty electricity meter boxes and registration of consumers | Request that repairs of faulty meter boxes and registration of consumers to be able to buy electricity be expedited         | Z Soga Phase 2 and 3  | Residents who experience faulty electricity meter boxes are encouraged to report the issue as the challenge of faulty meter boxes is being attended to on an ongoing basis. In addition is in the process of rolling out smart meter boxes.  |
| Illegal electricity connections                              | BCMM should penalise people who connect electricity illegally as illegal connections negatively affect law abiding citizens | Entire Ward   | BCMM carry out daily raids throughout BCMM to remove illegal connections, illegal connections is an illegal act and BCMM charge perpetrator's when they can be clearly identified ,this process is not easy as it also requires the legal community members to assist in identifying the illegal connectors as without eye witness statements a case cannot be made)   |

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| Electricity Vending outlets     | Electricity Vending should be considered at Golden Highway Super Spar   | Entire Ward   | There is an electricity Vendor at Golden Highway Super Spar in Mdantsane.   |
| Community Hall                  | N U 13 requests a community hall  | N U 13  | Community hall has been budget for in the 2021/22 FY  |
| Bush clearing                   | Request for bush clearing in RDP Footpaths  | N U 12 & 13,  | Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage. In the meantime, grass cutting is done on an ongoing basis.                              |
| Construction of RDP Footpath    | Request for construction of footpaths   | From Prison to 36 Area N U 12, N U 12 Z Soga Phase 1 to N U 11A | Project is planned to be implemented from the 2022/23 financial year due to budget constraints.   |
| Youth Skills Development        | Request for youth to be empowered with skills in order to start own businesses and be employable  | Entire Ward   | Artisan training – carpentry & Learnerships, internships and apprenticeships to be implemented across BCMM to the value of R31 600 000.00 in partnership with Services SETA in process pending MOU approval.    |
| Sports facilities and equipment | Request land for a sports field, and a gymnasium for boxing and other sports codes. Ward has no sports facilities and equipment. Request access to Winter Rose sports field in N U 13 which is exclusively used by Winter Rose Rugby Club | Entire Ward   | Status quo of Winter Rose Sportsfield is still under Property Department and also there are other Sports Facilities in the Ward, which is 2 Sportsfields managed by BCMM in the Ward                            |
| Wheelie Bins                    | Request that piloting of Wheelie Bins be extended to the ward   | Entire Ward   | BCMM never resolved to roll-out Wheelie Bins and is still providing Black Refuse Bags as household waste/refuse receptacle. The Wheelie Bins was a Pilot Project. (NB Wheelie Bin roll out was a pilot project) |
| Internal Footpaths              | Request that internal footpaths be cleaned / tarred or paved and provided with lighting to curb crime at night  | Entire Ward   | Priority is public transport routes. Construction of sidewalks on internal roads are shelved due to budget constraints  |
| Toilets in Informal Settlements | Toilets in informal settlements are not maintained due to expiry of maintenance workers contracts. Workers were informed late about expiry and are still owed wages. Shortage of toilets for informal areas                               | Z Soga Phases 2 & 3, Solomon Mahlangu Village, Z Soga Phase 1,  | The Department has resolved the payment of all caretakers. The provision of ablutions to informal settlements is an on-going programme.   |
| <b>WARD 22</b>                  |   |   |   |
| Community Hall                  | Community Hall - to be constructed in the centre of the Ward.   | N.U. 17   | No commitment was made as the Ward has an existing Community Hall   |
| Roads                           | Roads to be upgraded and re-gravelled and sidewalks to be constructed   | Potsdam Village, N. U. 17, Luxhomo Village, Mcotho              | Roads have been regravelled in Potsdam, Mtlabathi, Mbolompeni & Mabaleni Villages. Mdantsane roads  |

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|                 |  | Village, Mabaleni<br>Village, Mbolompeni<br>Village, Mtlabathi<br>Village   | upgrade is a multiyear programme addressing all the roads in Mdantsane.<br>8km of Regravelling has been completed in Mtlabathini, Mncotsho & mabaleni villages in the year 2021/2022  |
| Housing project | Informal settlement dwellers are in need of houses | Potsdam Village, Nkqonkqweni Village, Luxhomo Village, Mncotsho Village, Mabaleni Village, Mbolompeni Village, Mtlabathi Village. | The contractor is on site progressing with top structures about 225 houses were handed over to the rightful beneficiaries. We are expecting another 50 houses before end June 2022. We are assessing the contract extension of contract to the end August 2022 to finish the scope of 500 units in total. |

#### WARD 23

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| Roads and Stormwater Pipes | NU 14 and NU 16 for 20 years waiting for development                    | NU 14 & NU 16 | Mdantsane roads upgrade is a multiyear programme that will address all gravel roads to be upgraded.<br>Phase 4 B which constitutes 15 Km of roads to be upgraded will be shared amongst the five wards in the Cluster 3, ward 20, 21, 23, 24 |
| High Mast Lights           | Old lights don't secure the people of the ward                          | NU 14         | NU 14 does have street lighting, due to budget constraints priority is given to areas that don't have lighting at all.   |
| Clinic                     | A Clinic facility within the proximity of the ward                      | NU 14         | Issue has been taken up with the relevant Provincial Department for actioning, follow up will be done during the next IGR Forum meeting  |
| Community Hall             | Residents are tired of using school halls.                              | NU 14 & NU 16 | The Ward is in proximity of N.U 15 Community Hall and that hall is accessible to them.   |
| Arts Centre                | Mdantsane as the second largest township in SA only has one Arts centre | NU 14 & NU 16 | The tender is still with BID committees for consideration and approvals. Once all necessary approvals are completed, the construction and upgrading of the Mdantsane Art Centre will take place.   |

#### WARD 24

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| Electricity         | There is a need for electrification of informal settlements to avoid illegal connections | Kanana, IKhwezi, Msintsini | Kanana Electrification complete<br>Ikhwezi Block 1 & 2 Current housing construction (electrification will take place once the housing project has been completed and the houses are 80% occupied)<br>Msintsini is in the Eskom Area of supply, Msintsini is on the Eskom 3 year rolling plan, the first phase of the project will be the Planning Phase.   |
| Provision of Houses | There is a slow rate of housing delivery in the ward as a whole.                         | IKhwezi, Kanana, Unit V    | Buffalo City Metro is preparing a tender for appointment of the contractor for construction of bulk infrastructure for Potsdam Kanana Housing Project the consultant has submitted documentation for the application of funding and NHBRC consideration. Draft tender has been submitted by the consultant to BCMM and Directorate of Infrastructure has approved the Deviation of Road Designs.<br>At Postdam Ikhwezi the contract between BCMM and the appointed contractor was terminated and |

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|                              |  |  | the Department is in the process of appointing a new contractor.  |
| Tarred Roads and maintenance | All roads in the ward are in a bad condition. Some need to be tarred and some need to be re-gravelled                              | Unit P, Mbekweni, NU 15, Khayelitsha, Nxamkwana & Msintsini, Nkqonkqweni village | 2,5 km of Regravelling of Roads in Nxamkwana, Nkqonkqweni, Unit P, and Msintsini has been completed.<br>Mdantsane roads upgrade is a multiyear programme that will address all gravel roads to be upgraded.<br>Phase 4 B which constitutes 15 Km of roads to be upgraded will be shared amongst the five wards in the Cluster 3, ward 20, 21, 23, 24  |
| Sanitation                   | Toilets in informal settlement are needed  | Nxamkwana & Msintsini  | Project has been completed to provide VIPs in Msintsini, in January 2021. Ongoing provision of VIP toilets in the ward as per the need growing to a determined number through the budget process  |
| Job opportunities            | Job opportunities for youth should be created  | Mbekweni, Unit P, NU 15  | Business Skills training is being rolled out through BCMM   |
| Sports field                 | There is lack of maintenance of sport fields in the area   | Mbekweni, Unit P, NU 15  | Fields in the ward are maintained by BCMM on an ongoing basis including informal sports fields in Mbekweni, Unit P and NU 15  |
| <b>WARD 25</b>               |  |  |   |
| Roads                        | Gravel Roads need to be tarred as they are badly damaged by storms. Some of the roads need to be re-surfaced                       | Kuwati, Zone 8, Zone 9 and Pakamisa  | There is a regravelling program that addresses the maintenance of gravel roads in Ward 25 on an annual basis. This is used to address routine maintenance and service requests for patching and regravelling. Roads have recently been bladed/regravelled in Klifu, Zwelitsha Zone 8 & 9. Roads have also been resurfaced within Phakamisa. The project consists of road rehabilitation of about 1,0km in Pakamisa has been completed |
| Electricity                  | The whole area of Zone 8, 10 & 9 the infrastructure is ageing, and electric poles are falling on top of houses                     | Part of Zone 10, Zone 8, Zone 9 and Pakamisa                                     | Upgrade, replacement and refurbishment of R10 Million was implemented in Zwelitsha Zone 9 and 10.   |
| Sport facilities             | There are no adequate sport facilities. Ablution and change rooms, grass, flood lights and taps are needed                         | Phakamisa  | Currently, there are facilities in the ward that are being maintained by BCMM (one rugby and one soccer field). Further upgrades will be considered in the next MTREF subject to budget approval. When the field is upgraded a tariff will be paid for use.   |
| Graveyard                    | Graveyards in Zwelitsha & Phakamisa are full and this needs urgent attention. New space for new cemeteries needs to be identified. | Pakamisa & Zwelitsha   | Zwelitsha Cemetery has been extended for more burial space.<br>Investigation more burial space in Phakamisa currently being undertaken  |
| Houses                       | There is a dire shortage of houses in ward 25  | Zone 8 Barcelona, Cliff and Phakamisa  | Pakamisa South project is completed with 856 housing units. Currently the Provincial Dept of Human Settlements is attending to the issues of completed houses that were invaded   |
| <b>WARD 26</b>               |  |  |   |

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| RDP/Disaster houses Phase 2 | Phase 2 of these houses should be built because phase 1 was done long time ago  | All villages                                | The tender for procurement of the professional team was advertised. The bidding processes are now closed, tender is currently under assessment for appointment of the professional team that is going to conduct investigation of all villages that were affected by disaster.   |
| Community halls             | Renovation of community halls   | Mpundu, Zikhwaba, Mzonkeshe                 | Renovations cannot occur because the hall is not under BCMMM asset register  |
| Bridges                     | Building of these bridges if there are heavy rains people of these areas can't go to work and children can't go to school | Zikhwaba, Mzonkeshe, Khwetyana, Nkqonkqweni | BCMM wrote a letter to the Department of Transport to attend to the request as the bridges fall outside BCMM's area of jurisdiction. BCMM will engage further with ECDoT to determine progress.  |
| Sport fields                | Building of sports field because there are clubs that are playing in 1st division in rugby.                               | Zikhwaba, Mpundu                            | BCMM currently maintains two Rugby fields in the ward. Upgrading of Sports fields may be considered subject to budget approval.  |
| Dipping tanks               | There is only one dipping tank for eleven villages  | All villages                                | Dipping tank for Zikhwaba is on the plans of BCMM for current financial year   |
| <b>WARD 27</b>              |   |   |  |
| Electrification of shacks   | Site and Service (water, toilets, electricity)  | Mzomomhle                                   | <p>Electrification of Mzamomhle informal area is taking place. This project is a pilot project for such electrification.</p> <p>A number of issues has made progress slow such as de-densification, relocation and a number of other issues. The lessons learnt on this project will be implemented on future projects to ensure electrification is done in a safe, controlled and maintainable way.</p> <p>The project electrified some 1400 informal structure. Second phase of Mzomomhle require partial relocation, reblocking and land identification</p> |
| Sports field                | Transfer and upgrading  | Mzomomhle                                   | There is a sports field that is maintained by BCMM on an ongoing basis. However, upgrading of sports field can't be done due land transfer from Dept of Public Works still not completed. Will be followed through the IGR Forum, to follow up these communications of land transfer.  |
| Housing                     | Informal Settlement dwellers in the ward are requesting houses  | Mzomomhle                                   | <p>Consumer Education has been completed and Beneficiary Administration have completed Master List for affected areas, HDA is going to undertake beneficiary administration in this project. The Township Establishment for Mzamomhle Phase 3 has been approved and completed.</p> <p>Land Acquisition Process is at its final stage. BCMM is in a process of purchasing a portion 41 of farm 807, measuring approximately 21.4632 Hectares for Human Settlements Development.</p>   |
| Taxi Rank                   | The ward is in need of a formal Taxi rank   | Mzomomhle                                   | Design is completed. Construction stage is delayed due to budget constraints.  |

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| Walkway  | The ward is requesting a walkway   | Rieberton                     | Priority is public transport routes. Construction of sidewalks on internal roads are shelved due to budget constraints.   |
| <b>WARD 28</b>   |  |                               |   |
| Fencing of Bonza Bay Dune Forests                            | People chopping trees down for braai wood. Sensitive environment   | Bonza Bay & Beacon Bay        | Fencing has been completely installed in the 2021/2022 FY   |
| Security cameras for Bonza Bay parking area.                 | Beach attacks in residents. Abalone poaching in area   | Bonza Bay & Beacon Bay        | Due to financial constraints. Issue will be considered in the next MTREF cycle  |
| Ramp at lifesavers shack                                     | To evacuate injured people off the beach   | Bonza Bay & Beacon Bay        | Ramp has been done in 2017/18 FY  |
| Repairs to wooden boardwalks                                 | There is only one uneven field for a vastly grown-up community   | Bonza Bay & Blue Bend         | Boardwalk and Blue Bend boardwalks were repaired in 2017/18 FY  |
| Lockable boom at entrance to paved walkway                   | Vehicles driving on pedestrian walkway   | Bonza Bay                     | Boom was vandalized and was replaced with a Chain   |
| <b>WARD 29</b>   |  |                               |   |
| Urgent Repair and maintenance of roads                       | Roads in a poor and pathetic condition. No or very little done during 2015/16 financial year                                   | Gonubie                       | The project consists of road rehabilitation of about 1250km (Oceanway and Gounbie Main) and is currently at construction stage. Pothole patching is done on an ongoing basis  |
| Maintenance of boardwalk                                     | Danger to society, slats missing, floor rotting etc  | Gonubie                       | Repairs are done on an ongoing basis subject to budget availability. Vandalism of boardwalk remains a serious challenge   |
| Repair of retainer wall between Gonubie point and black rock | Damaged by Tsunami in 2009 now in poor condition. LEE ANN Proudfoot did an EIA with recommendations, but nothing has been done | Gonubie                       | Work started on the 26th of March 2021. Work was completed in current FY  |
| Tidal pool   | Algae infested and bottom in poor condition that needs attention before the festive and holiday season                         | Gonubie                       | Tidal pool is cleaned on an annual basis prior to the December holiday season. Tidal pool is situated in a natural environment and therefore, Algae grow normally as natural inhabitants of the pool. Maintenance is carried out annually.              |
| Safety fence   | Death occurred with break in. Two subsequent break ins.  | Gonubie                       | Law enforcement patrols on an ongoing basis. Issue has also been escalated to SAPS and follow up will be done during the IGR Forum<br>Refurbishment of flood lights: 16 camping sites electrical boxes were refurbished and completed in December 2021. |
| <b>WARD 30</b>   |  |                               |   |
| Housing  | There are many informal settlements in the ward  | Holomisa village, NU 9 Winnie | Busy with implementation (internal services & top structures) At Masibulele installing services to 161  |

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|                            | people are in need of houses to restore their dignity.  | Village, Back yard shacks at NU 9, Cuba & Joe Mati  | sites has commenced and thereafter construction of top structures will commence accordingly as the price adjustment has been finalized accordingly.   |
| Electricity & Solar System | People are in need of electricity, to protect and minimise fatalities because of illegal connections.   | Winnie village NU 9, Holomisa village NU 9, JF Mati NU 9, Chris Hani Park Block 3 NU 11 & Cuba 2. | The Standard Operating Procedure for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council.<br>Each informal settlement would need to follow the process which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.<br><br>Holomisa village NU 9, JF Mati NU 9, & require partial relocation, reblocking and land identification Cuba 2. Land issues |
| Roads                      | Bad roads in the ward and need to be tarred.  | NU 9, Manyano NU 9, Thembelihle NU 9, NU11A, Chris Hani Park Block 1,2,3 Cuba                     | Work has been completed in Cuba in the current year for 3Km of roads.<br>Phase 4B which constitutes 15kms of roads to be upgraded will be shared amongst the 3 wards in Custer 2, ward 17, 20, 30, 48.  |
| Community Hall             | Community needs a hall for their activities and other problems.   | NU 9  | No commitment was made, and Ward is in proximity of N.U 10, N.U.7 existing Community Halls and that Hall is accessible to them. The Ward will also be close to the N.U.3 Community Hall which will be constructed.  |
| Crime                      | People are dying because of high rate of crime. Youth are using drugs also there is high rate of theft. | NU 9, NU 11A, Manyano NU 9, Thembelihle NU 9, Cuba, Chris Hani Park Block 1,2 &3.                 | Visibility of BCMM Law enforcement is ongoing in the ward, also visible when requested. However, the request was forwarded to SAPS for actioning.   |
| <b>WARD 31</b>             |   |   |   |
| Houses                     | Communities need houses   | Ncerha Village, Fort Grey   | Once land and Town planning processes are done by SPD. Human Settlements Directorate will apply to Province for funding purposes.   |
| Electricity                | SunnySouth and other areas need electricity   | Ncerha East, Sunny South, Emagqazeni  | Emagqazeni village – 2018/2019 electrification scope complete. Final connections have been completed at Sunny South   |
| Fencing                    | Areas need fencing to prevent cattle from grazing to roads  | Fort Grey, Ncera Village  | BCMM is only responsible for fencing of grazing and arable land. Fencing of roads is a function of the Provincial Dept of Transport. Request has been forwarded via IGR Forums  |
| Job creation               | People need to be offered to form Co-ops  | Entire Ward   | Information sharing on how to form cooperatives was done for this ward. Training on cooperative governance will be conducted in the new financial year.   |
| Bridge                     | A bridge will connect Village 1-4 to access schools and clinic  | Village 1-4   | A project to build bridges and sidewalks to connect Village 1-4 in the Ncera/New Hope area is under way and will be completed by June 2022.   |
| <b>WARD 32</b>             |   |   |   |

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| Housing                  | The ward is requesting houses for informal settlement dwellers  | Entire Ward   | Once land and Town planning processes are done by SPD. Human Settlements Directorate will apply to Province for funding purposes   |
| Walkways                 | The ward is in need of walkways   | Entire Ward   | Request to be considered in outer years due to budget constraints.   |
| Agricultural Support     | The ward is requesting agricultural support   | Entire Ward   | Implementation of cropping programme continued at Kiwane Village   |
| Play Parks               | There are no play parks therefore the ward is requesting play parks   | Entire Ward   | Annual Contract for Playground equipment – specifications were amended and submitted for advertising   |
| Roads and infrastructure | The ward is requesting upgrading of roads and infrastructure  | Entire Ward   | Regravelling of roads in Ngqinisa Village, Zweliyandila village and Mazikhanye village have been completed<br>The regravelling of roads in Ngqinisa Village and Zweliyandila is currently underway. Kaysers Beach Road upgrade was completed in November 2020. 3km of Access Roads in Ngqinisa Village, Zweliyanda Village has been Regravelled  |
| <b>WARD 33</b>           |   |   |  |
| Roads and bridges        | All rural roads in the ward are in bad state. There is also a need for small connection bridges.  | D02129 from R72 to R 346 KWT and Gxethu, Twecwana, Kuni                     | Roads in Ezigodweni, Gwiligwili, Khayelitsha and Kuni 2 and Bulurha have been regravelled. Roads in Needs ( Section D, E &F) are being re gravelled this FIN year 2020/2021. Roads in Ezigodweni, and Kuni 2 and have been regravelled. Roads in Needs Camp (Section D, E &F) are being re gravelled in the year 2021/2022.  |
| Sanitation               | All the toilets that were built in Hill, Altile, Gxethu, Gwiligwili, Confield, Bhulurha and Welcomewood are in poor state with broken doors, seats and poor workmanship | Twecu, Moni, Cwecweni   | All the mentioned villages were part of ADM. In 19/20 financial year, BCMM has built 300 new toilets in Cwecweni, and Moni. Currently, 160 more VIPs are being added in the current financial year. Rural sanitation backlog eradication programme is ongoing.   |
| Community Halls          | Communities are sitting their meetings under trees  | Gwiligwili, Twecu, Moni, Hill, Altile, Cwecweni, Twecwana, Kuni 1, Kalikeni | Due to financial constraints, no budget for the Construction of new Halls. This request will be considered in the next Budget Cycle (MTREF).   |
| Housing                  | Ward 33 has a high rate of unemployed senior citizens who have no shelters.   | All villages need houses however priority should be given to older people.  | Once land and Town planning processes are done by SPD. Human Settlements Directorate will apply to Province for funding purposes. Once Spatial Planning and development Directorate has identified land, conducts feasibility studies, town planning and General Plans are in place, then Human Settlements Directorate will apply to the Provincial Department of Human Settlements for project funding purposes. |
| Water                    | Taps are dry the reservoir need to be filled with water   | All villages  | The Dept is currently installing plastic tanks in this ward. 10 x 5000l are being installed. Scheduled filling of reservoirs and tanks in on-going. Installation of 10 x 5000l plastic tanks is 100% complete.   |



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| Electricity | All 31 villages need connection to electricity, infields and extensions are new sites in other villages without electricity. Thembisa extension has 149 households with no electricity since 2009 | All villages | These areas fall outside BCMM's electricity licence area and fall within Eskom's area of supply Eskom require a formal letter from BCMM stating that the areas meet electrification criteria such as land ownership, to remain a rural village or will be formalised , Eskom forward a letter to BCMM for confirmation based on their planning , BCMM investigate and approve the project if it meets the requirements |
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#### WARD 34

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| Storm water drainage                 | The Ward is in need of storm water drainage  | Some parts of Dimbaza  | Stormwater drainage issues are to be addressed in conjunction with the upgrade of roads, as they are dependent on one another for the efficient operation of the roads and stormwater systems.   |
| Tarred and Upgrading of Gravel roads | Some parts of the ward are in need of tarred roads and upgrading of gravel roads           | Dimbaza                | 0,6km Resurfacing of roads in Dimbaza has been completed   |
| Job Creation                         | The Ward is in need of employment opportunities as the number of unemployed people is high | Dimbaza                | Contractor is on site for refurbishment of access road, refurbishment of water supply and water treatment works and electricity refurbishments. There are 64 jobs created through the Revitalisation programme implemented in partnership with the EDCD as well as 5 SMME's appointed and new water pipeline is at 48 % completion, Internal road progress is at 30%, Access Road is at 41%, Sewer network is at 70%. Electricity Contractor has been appointed and awaiting delivery of material. |
| Multi-purpose centre                 | The ward is in need of a multi-purpose centre  | Dimbaza                | Construction of multi-purpose centres falls with the Provincial Dept of Human Settlements. The request was forwarded to the Provincial office  |
| Water and Ablution facilities        | The cemetery is in need of water and abluion facilities                                    | Dimbaza South Cemetery | The is no water infrastructure closer to the cemetery, the Infrastructure Department is engagement with the Department of Community Services for the planning and provision of funds for the provision of the required services to the cemetery.   |

#### WARD 35

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| Toilets          | This is the request from all the former Amahlathi Areas, and one must indicate that, the situation in this regard is embarrassingly bad. | Former Amahlathi Areas  | In 18/19 FY, 300 toilets were built in Quzini 500 VIP toilets in Quzini and Lyteville have been constructed in 19/20 financial year. In current financial year 500 VIP toilets have been built in Lyteville, Cwengcwe, Magqobhokeni, Silositsha and Mbashane. Rural Sanitation programme in on-going. |
| Roads            | The state of roads in Balasi location and Tyutyu village and you add the areas from Amahlathi and surfacing of roads in Balasi Valley.   | Balasi Location, Tyutyu Village, Amahlathi Areas, Balasi Valley | Roads in Kuwait and Lupondweni have been completed. Rehabilitation of 4km in Balasi has been completed  |
| Bush-cutting and | Bushes in Balase Valley are making the environment fertile for   | Balasi Valley   | Annual contract for bush clearing is currently at Evaluation Stage  |

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| Dam Fencing              | criminal activities and there is an urgent need for the dam there to be fenced, a young boy drowned there last year. |             | DRDAR is responsible for fencing of Dams. The matter has been forwarded to the Dept through the IGR Forum and is constantly being followed up on.   |
| Sport fields Development | Upgrading of rural sports fields is needed to assist young people after school and working hours.                    | Entire Ward | Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage.  |
| Housing Development      | Across the ward, this is needed.   | Entire Ward | Community members of the ward are encouraged to register on the National Housing Needs Register. Once land and funding is available requests will be considered for future housing projects |

#### WARD 36

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| Create jobs                 | High level of unemployment especially on young people and women. Sustainable jobs should be created, and preference should also be given to women.               | Amadaka, Upper Mngqesha, Dimbaza, Xhwithinja, Pirie Mission, Zabalaza, Nkosiyan Nakani, New Rest, Fine Trust, Nomgwadle, Khayelitsha, Mzintshane, Mmangweni, Gambushe, Myeni | Dimbaza – Seedlings for vegetable gardens provided; Pirie Mission – irrigation System and seedlings; Zabalaza – seedlings; Nkosiyan - poultry structure, chicks, feed and medicine; Mzintshane – irrigation system, garden tools and seedlings; Amahleke – wool growers Association shearing shed equipment  |
| Housing                     | Few destitute houses have been built whilst all relevant information has been submitted. Rectification of shutter houses that were built by apartheid government | Amadaka, Upper Mngqesha, Dimbaza, Xhwithinja, Pirie Mission, Zabalaza, Nkosiyan Nakani, New Rest, Fine Trust, Nomgwadle, Khayelitsha, Mzintshane, Mmangweni, Gambushe, Myeni | Destitute programme especially around KWT region is being implemented by Province. On Shutter houses in Dimbaza an assessment exercise had been completed and the Municipality will submit funding application to Province once all due processes had been done, then once funding approves it is then the project will start. BCMM is busy engaging PDoHS for funding agreement for Top Structure purposes. The PDoHS will be liaising with Ward Councilors affected during the period of 2021 /22 FY to outline their rectification programme for 2021/2022 the said being subject to budget availability. |
| Roads                       | All roads are in bad condition. Gravelling of roads in rural areas and tarring of roads in Dimbaza.  | Amadaka, Upper Mngqesha, Dimbaza, Xhwithinja, Pirie Mission, Zabalaza, Nkosiyan Nakani, New Rest, Fine Trust, Nomgwadle, Khayelitsha, Mzintshane, Mmangweni, Gambushe, Myeni | Resurfacing of roads in Dimbaza and regravelling in Zabalaza, Mngqesha and Madakeni have been completed. Regravelling of roads in Nakani completed(4km) 19/20 FY. Regravelling of 5km in Myeni and Mzitshana villages has been completed   |
| Building of community halls | Currently there is no hall for community gatherings  | Amadaka, Upper Mngqesha, Dimbaza,  | Due to budget constraints, BCMM has no budget set aside in this current (2020/21 FY) nor the outer years.  |

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|  | as the community is sharing a hall with ward 34.  | Xhwithinja, Pirie Mission, Zabalaza, Nkosiyane Nakani, New Rest, Fine Trust, Nomgwadle, Khayelitsha, Mzintshane, Mmangweni, Gambushe, Myeni                                   |  |
| Building & maintenance of sport facilities | A multi-purpose centre with indoor sport centre that will be user friendly to people with disabilities as well. | Amadaka, Upper Mngqesha, Dimbaza, Xhwithinja, Pirie Mission, Zabalaza, Nkosiyane Nakani, New Rest, Fine Trust, Nomgwadle, Khayelitsha, Mzintshane, Mmangweni, Gambushe, Myeni | Management of multi-purpose centre is not part of the functions of sport facilities and therefore the matter has been referred to the relevant department. |

#### WARD 37

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| Urban & Rural Bridges  | West Drive bridge to be lifted because it is very dangerous when it is rainy. All other bridges are in a very bad condition | West Drive, Masingatha. Tolofiyeni and Mdingi village & Mxaxo B                                 | Construction of Westdrive bridge in progress for planned completion in September 2021.   |
| Sport fields fencing, Agricultural fields & graveyards fencing | Most of sports fields in rural areas are in bad condition. Agricultural fields and graveyards are not fenced as well.       | Tolofiyeni village, Masingatha village & Mdingi village, Clubview, Mxaxo B, Westdrive, WestBank | Tolofiyeni village & Mdingi village sports fields are maintained by BCMM on an ongoing basis. Masingatha sports field is already fenced. Fencing of graveyards to be prioritized when there's budget available. Tractor used in agricultural activities for local farmers. |
| Housing  | RDP, Disasters, Need housing for destitute.   | Tolofiyeni, Masingatha & Mdingi, Mxaxo B  | The request has been forwarded to the Provincial Dept of Human Settlements for their intervention, matter is being continuously followed up through the IGR Forum  |
| Rural & Urban roads upgrade                                    | In a bad condition  | CBD-West Bank, Masingatha. Tolofiyeni, Mxaxo and Mdingi village                                 | New St, College St, Gutsche Crescent and Portion of Joubert were overlaid<br>0,9km of Rehabilitation of Roads in the CBD has been completed<br>A further 800m of Patch and overlay in CBD has been completed.  |
| Community halls  | Tolofiyeni village has a population of +- 3500 people.  | Tolofiyeni village, Masingatha, West Bank & Westdrive in KWT. Mxaxo B & Clubview                | Land ownership vests with the BCMM Land Administration Division. This request will be considered in the 2022/23 Financial Year   |

#### WARD 38

|                        |   |             |   |
|------------------------|---|-------------|---|
| Re-gravelling of roads | All roads are in bad state there are no streets to access the area. | Entire ward | Regravelled roads in Kwelerana, Mamata, Dikidikana and Gwaba have been completed. Regravelling is an ongoing process. Roads has been upgraded in Bulembu (3km) Mamata (3km) and Mzantsi (3km) |
|------------------------|---|-------------|---|

|                              |   |   |   |
|------------------------------|---|---|---|
|                              |   |   | Regravelling of 5km at Anders mission and Kwa Notenga has been completed  |
| Water                        | There are no taps the community is dependent on water delivered by trucks | Entire ward                                   | The development of a borehole to supplement Mxhalanga, Cwengcwe and Magqobhokeni water supply has been completed. Amahleke Bulk pipeline has been upgraded and extended up to Dikidikane. The next phase is the extension of distribution mains with standpipes and the bulk line to Mdingi village, this phase is currently at design stage.   |
| Toilets                      | There are areas that were left incomplete in the ward                     | Mamata, Mxaxo, Lieveld & Dikidikana new sites | In 18/19 FY, 400 toilets were built in Dikidikana. In 19/20 financial year, 400 VIP toilets have been built in Mxhalanga village. In current financial year, 300 VIP toilets to be built in Mzantsi and Nothenga villages. A total of 230 wards have been added in the current 2021-2022 financial year. Rural Sanitation programme is on-going   |
| Electricity                  | New sites   | Entire ward                                   | These areas fall outside BCMM's electricity licence area and fall within Eskom's area of supply Eskom require a formal letter from BCMM stating that the areas meet electrification criteria such as land ownership, to remain a rural village or will be formalised , Eskom forward a letter to BCMM for confirmation based on their planning , BCMM investigate and approve the project if it meets the requirements  |
| Destitute Housing & Disaster | Still incomplete  | Entire ward                                   | The request has been forwarded to the Provincial Dept of Human Settlements for their intervention, matter is being continuously followed up through the IGR Forum. Applications for Emergency Housing Grant to National Department of Human Settlements have been submitted for all Disasters which have occurred during 2020 to 2022 financial years. Joint Disaster inspections/Verifications have been conducted by Ward councilors, BCMM officials and National officials. We are currently awaiting NDoHS to allocate funds so as to be able to implement. |
| Unemployment                 | There is a high rate of youth unemployment                                | Entire ward                                   | Outreach programme conducted at Mzantsi location  |
| Pedestrian Bridge            | Request for Pedestrian Bridge   | Mxhalanga                                     | Mxhalanga bridge was investigated, and the road belongs to the Provincial Department of Transport. Request was sent to the Department of Transport to consider the request.   |

#### WARD 39

|                               |   |                                   |  |
|-------------------------------|---|-----------------------------------|--|
| Construction of sports fields | Youth in our village do not have sport facilities and that result in them doing drugs | Bonke, Kwalini, Ngxwalane & Rhayi | Kwalini sports field was upgraded and handed over to the community in 2017/18 FY. No budget for the construction of new Sport Fields in the 2020/21 Financial Year |
| Community Halls               | People conduct their funerals and community activities outside even if it is rainy.   | Bonke, Kwalini, Ngxwalane & Rhayi | Due to budget constraints, BCMM has no budget for the construction of new Community Hall. This request will be considered in the next budget Cycle (MTREF).        |

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| Houses                                     | Mud houses are collapsing in rainy days            | Ginsburg, Bonke, Kwalini, Shornville Ngxwalane & Rhayi                | BCMM is busy engaging Province about funding agreement i.e. in Ginsberg and Schornville. Preliminary designs being undertaken for the Ginsberg Housing Project General Plans for Ginsberg Area (B), and Ginsberg Area (G1) and Ginsberg Area (G2) were completed, each creating a 26,51 and 84 residential sites respectively |
| Fencing of rural cemeteries                | Animals are destroying tombstones                  | Bonke, Kwalini & Ginsberg   | Fencing of these cemeteries will be prioritised when there budget available   |
| Upgrading of rural roads into tarred roads | People in the low-income area have no tarred roads | Lipota & Happy rest in Ginsberg & Shornville roads need to be tarred. | Resurfaced and upgraded roads in Ginsberg is ongoing. Regravelled roads in kwaBhonke is complete. Rehabilitation of 1,1km in Schornville. has been completed  |

#### WARD 40

|              |   |                                   |  |
|--------------|---|-----------------------------------|--|
| Housing      | Many people in this ward need proper housing  | Entire Ward                       | Consumer Education and National Housing Needs Register has been completed. Once Spatial Planning and development Directorate has identified land, conducts feasibility studies , town planning and General Plans are in place, then Human Settlements Directorate will apply to the Provincial Department of Human Settlements for project funding purposes  |
| Sports field | Most areas don't have sports fields therefore the ward requests construction of sports fields | Entire Ward                       | Due to BCMM budget constraints, no budget for the development of new Sport Field. Currently, BCMM is maintaining a sports field in Mount Coke. Grass cutting and provision of chalk is being done by BCMM and being utilised by local clubs. Request for new Sport Field will be considered in the in the next Budget Cycle (MTREF).   |
| Water Tanks  | The ward is need urgent need of jojo tanks as water sometimes run out                         | Dubu, Godidi, Ndileka, Mount Coke | Jojo tanks are installed at strategic reachable to areas, in the case of water outages.13 x 5000l plastic tanks have been installed in Dubhu, Masele and Ndileka, Godidi, Ndileka and Masele villages Filling of tanks has been strengthened through the introduction of additional 6 water tankers.   |
| Electricity  | Informal Settlements are in need of electricity   | Entire Ward                       | These areas fall outside BCMM's electricity licence area and fall within Eskom's area of supply Eskom require a formal letter from BCMM stating that the areas meet electrification criteria such as land ownership, to remain a rural village or will be formalised , Eskom forward a letter to BCMM for confirmation based on their planning , BCMM investigate and approve the project if it meets the requirements |

#### WARD 41

|           |  |                   |   |
|-----------|--|-------------------|---|
| Graveyard | Fencing of the graveyard is not finished yet, therefore cows and other stray animals are destroying tombstones | Zone 10 Zwelitsha | Fencing of Zwelitsha Cemetery was completed in the current FY |
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| Roads             | Roads are in a bad condition especially in Zone 5, 7, 10 & 4                             | Zwelitsha                            | 1km of roads upgrade completed in Zwelitsha(19/20). Another 1.4 km upgraded in Zwelitsha. 800m of Patch & Overlay in Zwelitsha has been completed   |
| Houses            | Community members with blue cards are waiting for houses since 2011                      | Zwelitsha in Zone 10                 | Human Settlement have referred the matter to SPD for land acquisition/ identification as to address the issue of housing in that ward. Land acquisition being finalized for sweetwater extension. Also golfclub design is at preliminary design being implemented by province |
| Library           | Students are struggling to go to K.W.T. library as sometimes there is no money for taxi. | Zwelitsha                            | A mini Library is under renovations at the Zwelitsha Civic Center (Conversion of a Boardroom to a Library is in process)  |
| Sportsgrou nds    | There are many teams in Zwelitsha but they struggle to get funds                         | Zwelitsha stadium must be maintained | All applications for sponsorships must be directed to BCMM sponsorship committee  |
| Mall in Zwelitsha | Mall that must be built next to DAGAMA   | Zwelitsha                            | Building of Malls is not a BCMM competency, BCMM strive to create a conducive environment for investment  |

#### WARD 42

|                       |   |   |   |
|-----------------------|---|---|---|
| Housing developme nt. | Long overdue program of allocating people with proper shelters so that they enjoy better life.  | All ward informal settlements and both NU 1 and NU 2 need houses.                   | There are 44 informal settlements under incremental upgrading for 2020/21 and this number will increase each financial year by 2%. Through the support from HDA, there identification and purchase of suitable land has been initiated, wherein one land parcel has been acquired in 2020/21 and three more are planned to be acquired in 2021/22. Slovo Park and Ekuphumleni Township establishment supported by BCMM Council, the department is currently concluding applications with COGTA. |
| Community Hall        | Ever since Boxer supermarket took over the then civic hall people have long been suffering without the hall. We never had one.  | Need it to be more centralised as to accommodate and accessible to all in the ward. | There is an existing Hall at NU1. Community members are encouraged to use this hall as they are accessible  |
| Electricity           | All informal settlements to be electrified stop the day-day infighting among the formal and informal residents as well as to stop illegal connections (izinyoka).                   | All ward informal settlements and both NU 1 and NU 2 need houses                    | The following informal areas in ward 42 have received electricity connections, Nkompolo, Masibambane, Andrew Mlangeni, Nondula, Nazo Park1 and Nazo PARK 2.   |
| Rent office           | People spend much money in travelling to town/ NU 11 office to pay rates and services. Ever since the centre one at highway was demolished. It is quite urgent that it be restored. | Need to be more central (Highway) so one can easily access it.                      | The City has got a rent office at NU 1 which is proximity to the Highway central business and pay points for municipal services and prepaid electricity purchases are available in the central business using for example Spar. Revenue Management to relocate to a building situated in Zone 11, Erf 2460 Mdantsane which is BCMM owned property for operational purposes.   |

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| Roads                        | Request for roads upgrade and maintenance NU 1 and NU 2   | Entire ward   | Most Roads in Ward 42 are surfaced. The construction of Sidewalks in the Ward has been completed. Road rehabilitation of 0,400km in NU 1 & 2 has been completed.  |
| Swimming pool                | Ever since it was vandalised and brought down it was never built again. This is an essential service delivery for our kids so they can be able swim and more jobs be created. | On the very same old spot it was in NU 2 section of the ward. | Mdanstane NU.2: The Swimming is currently at 95% to be completed and be opened for the community within the 4th Quarter of 2021/2022 financial year.  |
| <b>WARD 43</b>               |   |   |   |
| Roads                        | Re-gravelling and resurfacing of roads not patching of potholes.  | Bhisho  | 5km of roads regravelled in Peelton. 1,5k roads resurfaced in Bisho   |
| Sport fields                 | Upgraded and provided with adequate equipment   | Bhisho, Peelton, Tyutyu location                              | Bisho & Tyutyu location sports fields are maintained by BCMM on an ongoing basis  |
| Refuse bags & refuse removal | Collection schedule not adhered to and refuse bags not provided   | Bhisho  | Refuse bag distribution has been completed for 2020/21  |
| Clinic                       | Clinic is too far from the community and always short of medicine   | Majali Location in Peelton                                    | The community in Majali location is within 5km radius of Peelton clinic and as such do not qualify for a fixed as NdoH standards. Secondly, the population size of Majali location is not growing. Therefore, a mobile clinic services the area three times a week to cover their health needs. In terms of shortage of medicine- there are sufficient supplies at Peelton clinic. There is a system to monitor medicine availability in the clinic.  |
| Housing                      | The area called Mdange be provided with RDP houses urgently.  | Peelton at Mdange Location                                    | The contractors for Cluster 1 (Mdange 278 units) and Cluster 2 (Majali 385 units and Nkqonkweni 268 units) are on site progressing with construction of houses at Peelton. Cluster 2 (Majali and Nkqonkweni) projects are anticipated to be completed by, or before end of the 2021/22 financial year and Cluster 1 (Mdange) is anticipated to be completed by end of 2022/23 financial year 2020 and Cluster 3 (Drayini, Esixekweni, Under Train and Mpengempengeni 598 units) contract is anticipated to be awarded by end October 2022 |
| <b>WARD 44</b>               |   |   |   |
| RDP houses/rural houses      | People from Breidbach have been looking for RDP houses for long time  | Breidbach, Qalashe, Tshatshu, Siyathemba                      | The effect of Covid-19 did impact on the progress of this project after new stringent health & safety measures were applied. The production is gaining a momentum after relaxation of some conditions. Construction of roads and pump station at Breidbach is under way at 75% complete Construction of 139 top structures on serviced sites will commence in May 2022 due to contractual challenges between the province and the developer.  |

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| Water Tanks                               | The Siyathemba community member request for household to have tanks because there are no taps in the area | Siyathemba  | There is water supply in this area. Water supply project was completed in the 2017/18 financial year and additional taps were provided in 2019/20 financial year for new village extension   |
| Tar roads, Sidewalks, Roads re-gravelling | Roads are very bad in the area and need to be tarred.   | Golfcourse, Sweetwaters, Tshatshu, Qalashe, Acornvalley, Siyathemba   | Regravelling of roads in Tshatshu are complete. Upgrading roads in Sweetwater and resurfaced roads in Breidbach (Geranium) completed. Portion of Sweetwater Main Rd resurfaced. Sidewalks n Golf Course and in Sweetwater are partly completed as end June 2021, projects to be completed during the 2021/22 financial year. Sidewalks have been constructed in Qalashe and Siyathemba. Road rehabilitation of 0,950km in Breidbach has been completed. Sidewalks in Golf Course and in Sweetwater completed as end January 2022.  |
| Electricity                               | Electrification of informal settlements   | Golf course, Sweetwaters, Tshatshu, Qalashe, Acornvalley, Siyathemba. | 109 Dwellings have been electrified in Qalashe<br><br>The Standard Operating Procedure for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.<br>In terms of the available information Tshatshu, Acornvalley, Siyathemba. Informal area required relocation, or partial relocation or have land issues or are not on the I study of informal areas and will form part of the new study<br>Areas that fall within the Eskom area of supply will need to follow the Eskom requirements for electrification<br>Eskom require a formal letter from BCMM stating that the areas meet electrification criteria such as land ownership, to remain a rural village or will be formalised , Eskom forward a letter to BCMM for confirmation based on their planning , BCMM investigate and approve the project if it meets the requirements |
| Title deeds                               | Golf course, Platue have no title deed  | Golf course, Sweetwaters, Tshatshu, Qalashe, Acornvalley, Siyathemba. | The Qalashe Disaster house has been built on privately owned property; therefore, the title deed cannot be issued.   |
| Sports Field                              | There is no playground or sports field for the youth.   | Golf course, Sweetwaters, Tshatshu, Qalashe,                          | There are existing facilities in the area that are being maintained by Sports Facilities staff if and when required by the community. Sports field in Sweetwater was handed over to the community in   |



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|  |  | Acornvalley, Siyathemba | the 2018/19 FY (Rugby & Soccer) and its fencing will be considered in 2021/21 FY. No budget for new Sport Field for Tshatshu Village |
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**WARD 45**

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| Land        | There is no land to build houses at Litha & Berlin. | Berlin Lingelitsha temporary structure & Litha township | The Township Establishment for Berlin/Lingelitsha Phase 1 and 2 have been approved and therefore the planning has been completed. Conveyancer has been appointed to attend to the registration of the general plans. Currently awaiting receipt of confirmation from Infrastructure Services that the pressure care has been conducted, therefore all the conditions of establishment have been complied with. This will be completed in the 2021/22 FY  |
| Sidewalks   | To roads which have been surfaced                   | Berlin Lingelitsha, Ilitha                              | Construction of 962 is completed as end July 2022. And the project is completed.   |
| RDP Houses  | No RDP houses in these villages                     | Nkqonqweni near Berlin, Hanover & Tshabo 1              | Hanover housing project is progressing well under planning & design stages, approval by National Home Building Registration Council (NHBC). We are submitting an application for funding of the professional team that will package the project to tender and construction stage. For Lingelitsha/Majarantiyeni, An appointed service provider (Professional Civil Engineering Consultants) is busy undertaking preliminary designs.   |
| Electricity | There are some new areas with no electricity        | Nkqonqweni near Berlin, Hanover & Esikhobeni            | Eskom has funding for the pre-design of Hanover in the next financial year. Areas that fall within the Eskom area of supply will need to follow the Eskom requirements for electrification. Eskom require a formal letter from BCMM stating that the areas meet electrification criteria such as land ownership, to remain a rural village or will be formalised, Eskom forward a letter to BCMM for confirmation based on their planning, BCMM investigate and approve the project if it meets the requirements. If the project does not meet the requirements, it is rolled over until the requirements have been met. |
| Speed Humps | Children are being knockout by cars                 | Berlin & Ilitha   | Speed humps constructed during the 2019/2020 financial.  |

**WARD 46**

|                 |                                     |                                   |   |
|-----------------|-------------------------------------|-----------------------------------|---|
| Playing Grounds | The ward is need of a playground    | Entire ward                       | Play equipment has been installed in Brookville, Greenfields and Sunset Bay in 2018/19 FY. Annual Contract for Playground equipment – was amended and sent for advertising  |
| Roads           | The ward is in need of tarred roads | Santa, Leaches Bay, Orange Groove | Regravelling of Roads in Santa and Leaches Bay has been completed in the FY 2021/22. Rehabilitation of Settlersway project is at construction stage with the addition of a 3rd lane in each direction, with total of 7,7 km to be constructed. The project cuts across ward 19 and ward 46. |

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| Housing  | Informal dwellers are in need of houses   | Entire ward   | The Boxwood Project is an ongoing multi-year project from ward 46. It is jointly implemented by BCMM and Provincial Department of Human Settlements. Construction is currently in progress and moving smoothly. |
| Bush Clearing  | Bush clearance is requested by the ward   | Entire ward   | Annual contract for bush clearing is still undergoing procurement processes and currently awaiting Adjudication Stage. In the meantime, grass cutting is done on an ongoing basis.                              |
| Basic Services in Informal settlements like Water and Sanitation | A bucket system in Leaches Bay since 2011 and that was never collected. No taps and toilets for unfinished houses | Orange Groove, No toilets at all. Leaches Bay, Informal houses and in some houses | A chemical toilet is utilised by the Church. In total 15 toilets have been provided in (Informal Areas) Leaches Bay to date. Orange Grove 20 toilet seats have been provided in the 2019/20.                    |

#### WARD 47

|  |  |                                    |   |
|--|--|------------------------------------|---|
| Revamp of the Orient Theatre and purchase of signal hill land.           | There is a need of an internationally multi-purpose centre at Orient Theatre and development of signal hill at Quigney         | Quigney                            | Construction and development of Multi-Purpose Centre (MPCC) is the competency of EC Human Settlement Department and this matter will be raised at the IGR Forum. BCMM has no budget in the 2020/21 FY to attend to the request.   |
| Pedestrian walk of Oxford, Buffalo and Cambridge streets                 | The influx of cars and buses in the Oxford, Buffalo and Cambridge streets need to be prioritized.                              | CBD                                | Feasibility study to convert Oxford street and Cambridge street into one ways has been completed. The outcomes do not support the conversion of the two streets into one way streets. Further, MELD Business and Operational Plan also did not propose any changes to the layout of the roads under the Public Transport Network Grant.             |
| Ebuhlanti development  | Development of Ebuhlanti as a tourist attraction   | Quigney (Beach Front)              | Progress on development stands at 60% completion. Daily cleaning services at Marina Glen B (Ebuhlanti), Little Mauritius and the Esplanade (Eastern Beach to Moore Street Intersection) for a period of twelve (12) months. 20 Braai stands have been constructed   |
| Demolishing of old buildings and houses in Quigney and C.B.D.            | There are a lot of old buildings and houses in the CBD and Quigney that need to be upgraded and developed                      | CBD and Quigney                    | Waiting for Dilapidated and unsightly buildings by-law to be approved by council in current FY.   |
| Roads maintenance of potholes and streetlights and CCTV cameras in C.B.D | The damage of roads and streetlights in Baysville, CBD and Quigney is of a great concern to rate payers and business community | Baysville Arcadia, C.B.D & Quigney | Union St and a portion of North St have been resurfaced. Furthermore, Gregg Road, Bushview Terrace, Tiddy Crescent has been resurfaced. Maintenance of roads ongoing in Currie, Esplanade, Union, Oxford, Commercial Streets and Settlers Way, North Earth Xpress Way have been partially or completely resurfaced. Fleet Street Has been upgraded. |

#### WARD 48

|              |   |                                     |   |
|--------------|---|-------------------------------------|---|
| Housing      | All informal dwellers need houses               | Francis Meli, Stofile, Lilian Ngoyi | The effect of Covid-19 did impact on the progress of this project after new stringent health & safety measures were applied. The production is gaining a momentum after relaxation of some conditions. It is expected that all infrastructure challenges will be dealt with before end of 2021/22 financial year. The issue of NHBRC approval has a condition of completion of the necessary infrastructure. The project for cluster 2 is at final procurement stage a contractor expected to be on site in May 2022. |
| Electricity  | All Informal areas need electricity             | Francis Meli, Lilian Ngoyi          | The identified areas currently do not meet the electrification criteria. An integrated plan is being developed between Spatial Planning, Infrastructure and Human Settlements to address the issue Francis Meli Layout Plan Approved and Completed. Planning/ Upgrading of Settlements is done on individual settlement merits and subject to availability of budget and capacity   |
| Roads        | There is a need of Tarred Roads and Speed Humps | N. U. 8, N. U. 10, N. U. 11B        | Upgrading of roads in Mdantsane is a multiyear programme..<br>Phase 4 B which constitutes 15 Km of roads to be upgraded will be shared amongst the wards in the Cluster 3, ward 20, 21, 23, 24  |
| Job Creation | Job creation for youth                          | Entire Ward                         | Business Skills workshop benefitted some areas within ward 48. SMMEs provided with non-financial support.   |
| Bridge       | A Bridge needed between 11B and 10              | Between 11B and 10                  | Construction to commence 2022/23 financial due to budget constraints.   |

#### WARD 49

|                |   |             |  |
|----------------|---|-------------|--|
| Housing        | The Ward requests houses for informal settlement dwellers   | Entire Ward | BCMM and Province are busy planning the execution of informal settlement upgrading across all areas in its jurisdiction.   |
| Sports Complex | A sports complex was under construction but later abandoned. The ward requests for the construction of a new one in a new location. | Emthonjeni  | Sports complex development that was under construction was not a BCMM project. The new request for a Sports complex development in the ward will be considered in the next MTREF period  |
| Electricity    | The Ward requests electrification of informal settlements as crime levels are escalating  | Entire Ward | The Standard Operating Procedure for the successful electrification of informal settlements which considers the responsibilities of all directorates and the requirements of the Occupational Health and Safety Act, and other legislation has been approved by top management and presented to council<br>Each informal settlement would need to follow the process which includes de-densification, re-blocking, and relocation to allow for the safe electrification of the settlement.<br>Eskom require a formal letter from BCMM stating that the areas meet electrification criteria such as land ownership, to remain a rural village or will be formalised, Eskom forward a letter to BCMM for |

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|                        |   |  | confirmation based on their planning, BCMM investigate and approve the project if it meets the requirements. If the project does not meet the requirements, it is rolled over until the requirements have been met.  |
| Roads                  | The ward requests upgrading of roads as they are in a very bad state. | Entire Ward  | Regravelling of Ndevana roads and stabilization of gravel completed.<br><br>3km completed(regravelling) in FY19/20. Regravelling of 5km in Ndevana has been completed  |
| Youth Centre           | The Ward requests a youth centre to be constructed at Santini         | Santini  | Situational analysis was undertaken in April 2021 on all regions.<br>Sessions were held between BCMM and NYDA to establish war rooms to accelerate youth development programmes.<br>Ward-based outreach programmes will be undertaken in the next FY.  |
| Bridge to the cemetery | Request for Bridge to the Cemetery                                    | Santini  | Construction is in progress scheduled to be completed by end June 2022.  |
| <b>WARD 50</b>         |   |  |  |
| Fencing                | The ward is need of fencing of fields and veld                        | Kwelera Village  | Due to financial constraints, BCMM has no budget to attend to this request. This request will be considered in the next Budget Cycle (MTREF)   |
| Water and Sanitation   | There are some areas without proper water and sanitation              | Informal Settlements in Kwelera Village                  | In 19/20 financial year 300 VIP toilets were constructed.<br>A total of 460 VIP toilets were built during the 2020-2021 financial year, while 80 VIP toilets were added during 2021-2022 financial year.<br>Rural sanitation programme is ongoing.   |
| Roads                  | There is a need for tarred roads in some areas of the ward            | Kwelera Village  | Upgrading of roads in Sunrise on Sea. Some roads have been regravelled in the ward- Tuba Village, KwaNokhala Village and Jongilanga Village have been completed<br>Regravelling of the roads in Gwaba and KwaZozo has been completed 2020/2021 Fy.<br>Furthermore, Chris Hani Village and Kwa Bota roads Regravelling has been completed   |
| Electricity            | Informal Settlements do not have Electricity                          | Kwelera Village, Informal Settlements in Kwelera Village | Eskom require a formal letter from BCMM stating that the areas meet electrification criteria such as land ownership, to remain a rural village or will be formalised, Eskom forward a letter to BCMM for confirmation based on their planning , BCMM investigate and approve the project if it meets the requirements. If the project does not meet the requirements it is rolled over until the requirements have been met. |
| Housing                | There are no RDP houses at all.                                       | Kwelera Village, Informal Settlements in Kwelera Village | The issue of land is crucial to be addressed to build decent housing units for the citizen, the matter is receiving attention. The Human Settlements Directorate is still to do Consumer Education sessions which will be followed by National Housing Needs Registration (NHNR), Verification and Pre-  |

|  |   |                 |   |
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|  |   |                 | screening exercise will be done as to determine the qualifiers and non-qualifiers for future housing projects in the ward. Verification and Pre-screening exercise is being undertaken for kwabotha so as to determine the qualifiers and non-qualifiers for future housing projects in the ward. |
| Multi-Purpose Youth Development Facilities | The ward is in need of multi-purpose youth development facilities | Kwelera Village | Construction of multi-purpose centres falls with the Provincial Dept of Human Settlements. The request was forwarded to the Dept and will be followed up in the next IGR Forum  |

# ANNEXURE D: Programmes by Buffalo City Metro Development Agency

## 1.1 BCMDA Strategic Goals

### 1.1.1 Strategic Goal 1: A financially viable and fully capacitated agency delivering its mandate efficiently and effectively

| Strategic Objective   | Objective Statement   | Performance Metrics  |      |  | Targets  |   |   |   |  |
|---|---|--|------|--|--|---|---|---|--|
|   |   | Indicator  | Unit | Baseline   | FY18/19  | FY19/20   | FY20/21                                       | FY21/22                                       | FY22/23  |
| 1.1 Financial sustainability  | Ensure the Financial Sustainability of the BCDMA  | Implementation of a Financial Sustainability Strategy            | %    | Council approval of the Sustainability Strategy    | Approval of the Sustainability Strategy                        | 20% Implementation of Sustainability Strategy           | 40% Implementation of Sustainability Strategy | 80% Implementation of Sustainability Strategy | 100% Implementation of Sustainability Strategy |
| 1.2 Organisational alignment to mandate   | Ensure the organisational structure enables the BCMDA to effectively deliver on its mandate   | Implementation of a revised organisational structure             | %    |  | 100% Organisational Review completed                           | 100% Implementation of revised organisational structure | n/a   | n/a   | n/a  |
| 1.3 Efficient and effective Information Technology and Knowledge Management service | Ensure the development of electronic systems to manage all Agency transactions and projects as well as a document management system | Development of Enterprise Architecture/Master Systems Plan (MSP) | #    | Approved ICT Strategy                              | Approved Enterprise Architecture/MSP                           | n/a   | n/a   | n/a   | n/a  |
|   |   | Implementation of ePDMS  | #    | Manually signed Performance Agreements and Reviews | 100% implementation of ePDMS                                   | n/a   | n/a   | n/a   | n/a  |
|   |   | Implementation of Enterprise Backup and Recovery Solution        | #    | IronTree Backup Solution                           | 100% implementation of Enterprise Backup and Recovery Solution | n/a   | n/a   | n/a   | n/a  |

| Strategic Objective                          | Objective Statement   | Performance Metrics   |                           |  | Targets  |  |  |  |  |
|--|---|---|---------------------------|--|--|--|--|--|--|
|  |   | Indicator   | Unit                      | Baseline   | FY18/19  | FY19/20  | FY20/21  | FY21/22  | FY22/23  |
|  |   | Implementation of Enterprise wide Antivirus and Internet Protection       | #                         | Standalone Antivirus licenses  | 100% implementation of Enterprise wide Antivirus and Internet Protection | n/a  | n/a  | n/a  | n/a  |
|  |   | Implementation of Intranet Portal   | #                         | n/a  | 100% implementation of Intranet Portal                                   | n/a  | n/a  | n/a  | n/a  |
| 1.4 Equitable and sound Corporate Governance | Ensure effective and efficient performance, financial and risk management | Expenditure incurred  | %                         | 84 %   | 99 %   | 99 %   | 99 %   | 99 %   | 99 %   |
|  |   | Unqualified opinion   | Unqualified Audit opinion | Unqualified Audit opinion  | Unqualified Audit opinion  | Unqualified Audit opinion  | Unqualified Audit opinion  | Unqualified Audit opinion  | Unqualified opinion  |
|  |   | Implementation of the Risk Register and Internal Audit Plan               | %                         | 90%  | 100% implementation of the Risk Register and Internal Audit Plan         | 100% implementation of the Risk Register and Internal Audit Plan | 100% implementation of the Risk Register and Internal Audit Plan | 100% implementation of the Risk Register and Internal Audit Plan | 100% implementation of the Risk Register and Internal Audit Plan |
|  |   | Implementation of audit recommendations from all Audit Reports (external) | %                         | 90%  | 90 %   | 90 %   | 90 %   | 90 %   | 90 %   |
|  |   | Implementation of all recommendations from audit findings (internal)      | %                         | 90%  | 90 %   | 90 %   | 90 %   | 90 %   | 90 %   |
|  |   | Number of policies developed, implemented and reviewed                    | #                         | Policies and a strategy were developed, reviewed and approved including the review of the standard operating procedures. | 2  | 2  | 2  | 2  | 2  |
|  |   | Number of financial and performance reports prepared                      | #                         | 4 Quarterly reports  | 4 Quarterly reports  | 4  | 4  | 4  | 4  |

| Strategic Objective | Objective Statement | Performance Metrics  |      |          | Targets  |         |         |         |         |
|---------------------|---------------------|--|------|----------|--|---------|---------|---------|---------|
|                     |                     | Indicator  | Unit | Baseline | FY18/19  | FY19/20 | FY20/21 | FY21/22 | FY22/23 |
|                     |                     | and submitted (with supporting portfolio of evidence)  |      |          |  |         |         |         |         |
|                     |                     | Prepare and submit half year 2018/19 financial statements  | #    | Nil      | Submission of 2018/19 half year financial statements by 28 February 2019 and mid-year assessment reports by 20 January 2019. | 1       | 1       | 1       | 1       |
|                     |                     | % of creditors paid within 30 days from the date of receiving an invoice by Finance Division                     | %    | 100%     | 100%   | 100%    | 100%    | 100%    | 100%    |
|                     |                     | Number of monthly budget statements prepared and submitted by the 7th working day of each month by 30 June 2019. | #    | 12       | 12   | 12      | 12      | 12      | 12      |
|                     |                     | Timeous reconciliation of all revenue, expenditure, assets and liabilities (by the 10th of the following month). | #    | 12       | 12   | 12      | 12      | 12      | 12      |
|                     |                     | Submission of EMP 201 returns within 7 days after every month-end  | #    | 12       | 12   | 12      | 12      | 12      | 12      |
|                     |                     | Submission of VAT 201 returns by the last working day after a two-month period                                   | #    | 6        | 5  | 5       | 5       | 5       | 5       |
|                     |                     | Accurate fixed asset register that reconciles with the general ledger  | #    | 1        | 1  | 1       | 1       | 1       | 1       |



| Strategic Objective                          | Objective Statement  | Performance Metrics  |      |   | Targets                     |                             |                             |                             |                             |
|--|--|--|------|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  |  | Indicator  | Unit | Baseline                                | FY18/19                     | FY19/20                     | FY20/21                     | FY21/22                     | FY22/23                     |
|  |  | % expenditure of conditional grants received by December 2018                              | %    | 38%                                     | 99%                         | 99%                         | 99%                         | 99%                         | 99%                         |
|  |  | Prepare and submit 2019/20 annual budget for approval by 31 May 2019.                      | #    | Approved 2018/19 Budget by 31 May 2018. | 1 Approved Budget           | 1 Approved Budget           | 1 Approved Budget           | 1 Approved Budget           | 1 Approved Budget           |
|  |  | Monitor mSCOA compliance   | %    | 30% implementation                      | 100% mSCOA compliance       | 100% mSCOA compliance       | 100% mSCOA compliance       | 100% mSCOA compliance       | 100% mSCOA compliance       |
|  |  | % implementation of the Supply Chain Management Policy                                     | %    | 100%                                    | 100%                        | 100%                        | 100%                        | 100%                        | 100%                        |
|  |  | Develop and approve annual procurement plan  | #    | 1 Approved procurement plan             | 1 Approved procurement plan | 1 Approved procurement plan | 1 Approved procurement plan | 1 Approved procurement plan | 1 Approved procurement plan |
|  |  | Monthly evaluation of supplier performance and maintenance of Contracts Register           | #    | 1 Contracts Register                    | 1 Contracts Register        | 1 Contracts Register        | 1 Contracts Register        | 1 Contracts Register        | 1 Contracts Register        |
|  |  | % LEVEL ONE BBBEE expenditure on procurement of goods and services                         | %    | 60%                                     | 75%                         | 75%                         | 75%                         | 75%                         | 75%                         |
|  |  | 2018/19 Performance contracts and work plans for all divisional staff developed and signed | #    | 3                                       | 5                           | 5                           | 5                           | 5                           | 5                           |
| 1.5 Adequate and appropriately skilled staff | Position BCMDA as an employer of choice through credible recruitment and retention of staff and the implementation of a Performance Development Management System (PMDS) | Vacancy rate on funded posts   | %    | 5.5%                                    | 10%                         | 10%                         | 10%                         | 10%                         | 10%                         |
|  |  | Women employed by the agency   | %    | 65%                                     | 60%                         | 60%                         | 60%                         | 60%                         | 60%                         |
|  |  | Implementation of PMDS   | %    | 100%                                    | 100%                        | 100%                        | 100%                        | 100%                        | 10%                         |
|  |  | Turnover of staff  | %    | 5.8%                                    | 12%                         | 12%                         | 12%                         | 12%                         | 12%                         |

| Strategic Objective                               | Objective Statement   | Performance Metrics  |      |  | Targets   |   |   |   |   |
|---|---|--|------|--|---|---|---|---|---|
|   |   | Indicator  | Unit | Baseline   | FY18/19   | FY19/20   | FY20/21   | FY21/22   | FY22/23   |
|   |   | Talent Management (Learning & Growth)  | %    | 55%  | 75%   | 75%   | 75%   | 75%   | 75%   |
|   |   | Culture & Change Management Policy   | #    | Nil  | Approved Change Management Policy                                 | 1   | n/a   | n/a   | n/a   |
|   |   | Employee Wellness Programme  | %    | Nil  | 90%   | 90%   | 90%   | 90%   | 90%   |
|   |   | Employee Relations Management  | #    | Nil  | To have sound Labour Relations with no external dispute referrals | To have sound Labour Relations with no external dispute referrals | To have sound Labour Relations with no external dispute referrals | To have sound Labour Relations with no external dispute referrals | To have sound Labour Relations with no external dispute referrals |
|   |   | Development of Internship and Learnership Programme  | #    | Nil  | Appointment of Learners and Interns                               | Develop 1 TOR   | 0   | 0   | 0   |
| 1.6 Effective Board Secretariat and legal support | Provision of all Board Secretariat support functions and legal services to the agency | Board & committee meetings organised and recorded  | #    | All Board and Committee meetings properly organised and recorded | 20  | 20  | 20  | 20  | 20  |
|   |   | Implementation of board resolutions  | %    | All Board and Committee resolution implemented                   | 100%  | 100%  | 100%  | 100%  | 100%  |
|   |   | Board Secretariat functions and legal support matters dealt with as per legislated time-frames | %    | Effective Board secretarial function                             | 100%  | 100%  | 100%  | 100%  | 100%  |
|   |   | Implementation of litigation matters attended to within time-frames                            | %    | Attending to litigation matters within the legal timeframe       | 100%  | 100%  | 100%  | 100%  | 100%  |
| 1.7 Conducive working environment                 | The creation of a positive working environment  | Office Space Acquisition   | #    | Leased Office  | Approved budget for office space acquisition                      | Relocation to new offices   | n/a   | n/a   | n/a   |

| Strategic Objective | Objective Statement | Performance Metrics                        |      |  | Targets   |   |   |   |   |
|---------------------|---------------------|--|------|--|---|---|---|---|---|
|                     |                     | Indicator                                  | Unit | Baseline   | FY18/19   | FY19/20   | FY20/21   | FY21/22   | FY22/23   |
|                     |                     | Compliance with Health and Safety controls | #    | Approved Health and Safety Procedure; Appointed H&S Reps | 100% minimum fulfilment of Health and Safety Controls | 100% minimum fulfilment of Health and Safety Controls | 100% minimum fulfilment of Health and Safety Controls | 100% minimum fulfilment of Health and Safety Controls | 100% minimum fulfilment of Health and Safety Controls |

1.1.2 Strategic Goal 2: A dynamic tourist destination through infrastructure investment and promotion

| Strategic Objective  | Objective Statement   | Performance Metrics  |      |          | Targets   |                                  |                                   |                                    |                           |
|--|---|--|------|----------|---|----------------------------------|-----------------------------------|------------------------------------|---------------------------|
|  |   | Indicator  | Unit | Baseline | FY18/19   | FY19/20                          | FY20/21                           | FY21/22                            | FY22/23                   |
| 2.1 Tourism opportunities exploited in high value products | Facilitate the promotion of tourism in Buffalo City through the: <ul style="list-style-type: none"> <li>• Development of a Tourism Infrastructure Masterplan (TIM)</li> <li>• Sisa Dukashe Integrated Sports Precinct (SDISP)</li> <li>• Boxing Precinct</li> <li>• Rugby Precinct</li> <li>• Aqua-sport Precinct</li> <li>• Cricket Precinct</li> <li>• Implementation of a Branding and Marketing Programme (BMP)</li> <li>• Mandela Boxing Festival (MBF)</li> <li>• Development and implementation of a Public Art Programme (PAP)<sup>3</sup></li> </ul> | Implementation of Tourism Infrastructure Masterplan (TIM)  | #    | n/a      | 1 developed TIM   | Implementation of Phase I of TIM | Implementation of Phase II of TIM | Implementation of Phase III of TIM | Evaluation of TIM         |
|  |   | Sisa Dukashe Integrated Sports Precinct (SDISP)            | #    | n/a      | Completion of phase I – feasibility, design and planning of Sisa Dukashe        | Completion of phase II           | Completion of phase III           | n/a                                | n/a                       |
|  |   | Boxing Precinct  | #    | n/a      | Completion of phase I – feasibility, design and planning of Boxing Precinct     | Completion of phase II           | Completion of phase III           | n/a                                | n/a                       |
|  |   | Rugby Precinct   | #    | n/a      | Completion of phase I – feasibility, design and planning of Rugby Precinct      | Completion of phase II           | Completion of phase III           | n/a                                | n/a                       |
|  |   | Aqua-sport Precinct  | #    | n/a      | Completion of phase I – feasibility, design and planning of aqua-sport Precinct | Completion of phase II           | Completion of phase III           | n/a                                | n/a                       |
|  |   | Cricket Precinct   | #    | n/a      | Completion of phase I – feasibility, design and planning of Cricket Precinct    | Completion of phase II           | Completion of phase III           | n/a                                | n/a                       |
|  |   | Implementation of a Branding and Marketing Programme (BMP) | %    | Nil      | 100% development of BMP   | 100% implementation of BMP       | 100% implementation of BM         | 100% implementation of BM          | 100% implementation of BM |

<sup>3</sup> The feasibility studies will also consider the role of the private sector in the development and management of each precinct. If a concession is feasible, a public procurement process will be undertaken to appoint such a concessionaire. However, access of the facilities to communities will be paramount in each transactional arrangement.

| Strategic Objective | Objective Statement | Performance Metrics  |      |          | Targets                              |                            |                            |                            |                            |
|---------------------|---------------------|--|------|----------|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|                     |                     | Indicator  | Unit | Baseline | FY18/19                              | FY19/20                    | FY20/21                    | FY21/22                    | FY22/23                    |
|                     |                     | Mandela Boxing Festival (MBF)                                  | #    | Nil      | 1                                    | 1                          | 1                          | 1                          | 1                          |
|                     |                     | Development and implementation of a Public Art Programme (PAP) | %    | Nil      | 100% development and approval of PAP | 100% implementation of PAP | 100% implementation of PAP | 100% implementation of PAP | 100% implementation of PAP |

### 1.1.3 Strategic Goal 3: Acquire, plan, develop and manage land and buildings

| Strategic Objective         | Objective Statement   | Performance Metrics   |      |             | Targets  |  |  |  |  |
|-----------------------------|---|---|------|-------------|--|--|--|--|--|
|                             |   | Indicator   | Unit | Baseline    | FY18/19  | FY19/20  | FY20/21  | FY21/22  | FY22/23  |
| 3.1 Inner City Regeneration | Implementation of programmes and initiatives to revive the East London, Berlin and Kings Williams Town with a bias to township economic revitalization of Dimbaza, Zwelitsha, Mdantsane and Duncan Village <sup>4</sup> | Development of a BCMM Business Improvement District Strategy (BIDS) | #    | CID Concept | Fully developed Business Improvement District Strategy   | Implementation of Business Improvement District Strategy | Implementation of Business Improvement District Strategy | Implementation of Business Improvement District Strategy               | Implementation of Business Improvement District Strategy |
|                             |   | Business forums held to discuss progress on implementation of BIDS  | #    | n/a         | 4  | 4  | 4  | 4  | 4  |
|                             |   | Grant proposals submitted   | #    | n/a         | 3 Township Renewal Grant proposal submitted  | 1 Grant Proposal submitted to National Treasury          | 1 Grant Proposal submitted to National Treasury          | 1 Grant Proposal submitted to National Treasury                        | 1 Grant Proposal submitted to National Treasury          |
|                             |   | University Town Program (UTP)                                       | #    | n/a         | Develop a University Town Program  | Implement Phase I of UTP                                 | Implement Phase II of UTP                                | Implement Phase III of UTP   | Evaluate the UTP   |
|                             | Industrial Cluster Development (ICDP)   | Industrial Cluster Development Programme (ICDP)                     | #    | n/a         | Fully developed ICDP in conjunction with ECDC, ELIDZ, ECSECC, TNPA and provincial universities | Implementation of ICDP                                   | Implementation of ICDP                                   | Implementation of ICDP   | Evaluation of the ICDP                                   |
|                             |   | Industrial Clusters initiated                                       | #    | n/a         | 1 Agro-industrial Cluster initiated <sup>5</sup>   | 1 Fashion and Beauty Industrial cluster initiated        | 1 Oceans Economy Industrial Cluster initiated            | 1 Electronics and Artificial Intelligence Industrial Cluster initiated | 1 Industrial Cluster Performance Awards                  |

<sup>4</sup> The Township Economic Development process will seek to integrate economic infrastructure, services and opportunities of the townships to the urban core. This will be a deliberate program of utilizing property development, tourism and socio-economic development to reverse the historical marginalization of the township from the mainstream economic activity.

<sup>5</sup> The Agro-Industrial Cluster program is intended to integrate BCMM village agricultural activities to agro-processing services and global value chains. It will see the transfer of economic value to depressed and unproductive village agricultural assets.

| Strategic Objective              | Objective Statement  | Performance Metrics   |      |                          | Targets   |                                       |   |   |                    |
|----------------------------------|--|---|------|--------------------------|---|---------------------------------------|---|---|--------------------|
|                                  |  | Indicator   | Unit | Baseline                 | FY18/19   | FY19/20                               | FY20/21                                   | FY21/22                                   | FY22/23            |
|                                  |  | Development of Provincial Government Precinct Programme (PGPP)                          | #    | n/a                      | Fully developed PGPP in collaboration with ECPA                             | Roll-out of phase I of PGPP           | Roll-out phase II                         | Roll-out phase III                        | Evaluation of PGPP |
| 3.2. A well-developed beachfront | Implementation of programmes and initiatives to revitalise the economic activities on the Buffalo City Metropolitan Municipality's beachfronts, covering the entire coastal precinct of the metro. | Development of Integrated Beachfront Plan (IBP)   | #    | n/a                      | Fully developed Integrated Beachfront Plan                                  | n/a                                   | n/a                                       | n/a                                       | n/a                |
|                                  |  | Commencement of project planning and execution at Water World                           | #    | Draft designs developed  | Tender documents completed, and process of contractor appointment initiated | Design and planning of Water World    | Execute on project plan for Water World   | Execute on project plan for Water World   | n/a                |
|                                  |  | Land disposal agreement signed with qualifying developer for Marina Glen A <sup>6</sup> | #    | Land valuation completed | Land disposal agreement signed  | n/a                                   | n/a                                       | n/a                                       | n/a                |
|                                  |  | Commencement of project planning and execution at Court Crescent                        | #    | Draft designs developed  | Tender documents completed, and process of contractor appointment initiated | Design and planning of Court Crescent | Execution of project plan for Water World | Execution of project plan for Water World | n/a                |
|                                  |  | Commencement of project planning and execution at Esplanade                             | #    | Draft designs developed  | Tender documents completed, and process of contractor appointment initiated | Design and planning of Esplanade      | Execution of project plan for Esplanade   | Execution of project plan for Esplanade   | n/a                |

<sup>6</sup> BCMDA shall develop a Land Disposal Policy, which shall guide the agency about the rationale for either leasing out, selling, swapping the asset for equity or any other option. This policy will prevent the wholesale selling of land donated to the agency by the shareholder. It will also prescribe the steps of consultation to be undertaken and approvals to sort in the event of an outright sale.

| Strategic Objective | Objective Statement | Performance Metrics  |      |                          | Targets                                     |         |         |         |         |
|---------------------|---------------------|--|------|--------------------------|---|---------|---------|---------|---------|
|                     |                     | Indicator  | Unit | Baseline                 | FY18/19                                     | FY19/20 | FY20/21 | FY21/22 | FY22/23 |
|                     |                     | Land disposal agreement signed with qualifying developer for Seaview Terrace | #    | Land valuation completed | Land disposal agreement signed              | n/a     | n/a     | n/a     | n/a     |
|                     |                     | Appoint a panel of transactional advisors                                    | #    | n/a                      | 1 panel of transactional advisors appointed | n/a     | n/a     | n/a     | n/a     |



#### 1.1.4 Strategic Goal 4: The facilitation and delivery of socio-economic development programmes

| Strategic Objective                      | Objective Statement  | Performance Metrics   |      |          | Targets   |   |   |   |   |
|--|--|---|------|----------|---|---|---|---|---|
|  |  | Indicator   | Unit | Baseline | FY18/19   | FY19/20   | FY20/21   | FY21/22   | FY22/23   |
| 4.1. Job Creation & Economic Development | Facilitate and implement initiatives geared towards job creation and socio-economic development <ul style="list-style-type: none"> <li>• Development of a Clean, Secure and Blue Beachfront (CSBB) Programme</li> <li>• Development and implementation of an Inner-City Safety Programme</li> <li>• Development and implementation of an Inner-City Greening Programme</li> <li>• Implementation of an Agri-Tourism and Fish-Farming Support Programme</li> <li>• Implement Waste Management Programme with DEA</li> <li>• Implementation of a Learnership Programme</li> <li>• Implementation of a Corporate Social Investment Programme<sup>7</sup></li> </ul> | Development of a Clean, Secure and Blue Beachfront (CSBB) Programme | #    | n/a      | Approved Clean, Secure and Blue Beachfront (CSBB) Programme | Implementation phase I of CSBB Programme                        | Implementation phase II of CSBB Programme                       | Implementation of phase III of CSBB Programme                   | Evaluation of CSBB Programme                                    |
|  |  | Implementation of an Inner-City Safety Programme                    | #    |          | 1 Inner-City Safety Programme Implemented                   | 1 Inner-City Safety Programme Implemented                       | 1 Inner-City Safety Programme Implemented                       | 1 Inner-City Safety Programme Implemented                       | 1 Inner-City Safety Programme Implemented                       |
|  |  | Initiation of an Agri-Tourism & Fish-Farming Support Programme      | #    |          | Agri-Tourism & Fish-Farming Support Programme Initiated     | Implementation of Agri-Tourism & Fish-Farming Support Programme | Implementation of Agri-Tourism & Fish-Farming Support Programme | Implementation of Agri-Tourism & Fish-Farming Support Programme | Implementation of Agri-Tourism & Fish-Farming Support Programme |
|  |  | Implementation of a Waste Management Programme with DEA             | #    |          | Implementation of Waste Management Programme with DEA       | Implementation of Waste Management Programme with DEA           | Implementation of Waste Management Programme with DEA           | Implementation of Waste Management Programme with DEA           | Implementation of Waste Management Programme with DEA           |
|  |  | Implementation of a Corporate Social Investment (CSI) Programme     | #    | 0        | 10 NPO's supported  | 10 NPO's supported  | 10 NPO's supported  | 10 NPO's supported  | 10 NPO's supported  |
|  |  | NPO's trained on CSI Programme                                      | #    | n/a      | 10 NPO's trained  | 10 NPO's trained  | 10 NPO's trained  | 10 NPO's trained  | 10 NPO's trained  |
|  |  |   |      |          |   |   |   |   |   |

<sup>7</sup> This program will be implemented in conjunction with BCMM's municipal services, planning and economic development directorates. It is envisaged that BCMDA will be largely an implementing agent of the shareholder in this regard. At all times the agency will avoid duplicating or supplanting work being done at the city level. In each instance this program will necessitate the review of existing service delivery models and their continuous improvement.

### 1.1.5 Strategic Goal 5: Project preparation, packaging and investment facilitation

| Strategic Objective   | Objective Statement   | Performance Metrics  |      |          | Targets   |  |  |  |  |
|---|---|--|------|----------|---|--|--|--|--|
|   |   | Indicator  | Unit | Baseline | FY18/19   | FY19/20  | FY20/21  | FY21/22  | FY22/23  |
| 5.1 Facilitation and promotion of investment activities within Buffalo City | Implementation of programmes to promote and facilitate investment | Development of Investor Support Programme (ISP)                                | %    | Nil      | 100% development of ISP I in consultation with existing investors                           | 100% implementation of ISP I in consultation with existing investors                           | 100% implementation of ISP I in consultation with existing investors                           | 100% implementation of ISP I in consultation with existing investors                           | 100% Development of ISP II in consultation with existing investors                             |
|   |   | Investor summits held  | #    | Nil      | 1   | 1  | 1  | 1  | 1  |
|   |   | Develop a Regional Incentive Package (RIP)                                     | %    | Nil      | 100% development of a Regional Incentive Package in conjunction with DTI in line with ISP I | 100% implementation of a Regional Incentive Package in conjunction with DTI in line with ISP I | 100% implementation of a Regional Incentive Package in conjunction with DTI in line with ISP I | 100% implementation of a Regional Incentive Package in conjunction with DTI in line with ISP I | 100% implementation of a Regional Incentive Package in conjunction with DTI in line with ISP I |
|   |   | Investment promotion missions  | #    | Nil      | 1   | 1  | 1  | 1  | 1  |
|   |   | Partnerships established with Embassies  | #    | Nil      | 2   | 2  | 2  | 2  | 2  |
|   |   | International trade agreements reviewed  | %    | Nil      | 25% of Trade Agreements reviewed  | 25% of Trade Agreements reviewed   | 25% of Trade Agreements reviewed   | 25% of Trade Agreements reviewed   | n/a  |
|   |   | Implementation of a Marketing, Demand Creation, Plan and Go-to-Market Strategy | %    | Nil      | 100% development of BCMM Marketing Programme (MP)   | At least 25% Implementation of BCMM Marketing Programme  | At least 25% Implementation of BCMM Marketing Programme  | At least 25% Implementation of BCMM Marketing Programme  | At least 25% Implementation of BCMM Marketing Programme  |
|   |   | Market research seminars held  | #    | Nil      | 1   | 1  | 1  | 1  | 1  |

# ANNEXURE E: Top Layer Service Delivery and Budget Implementation Plan (SDBIP) 2022/2023

Will be included after completion of SDBIP in terms of regulations.