

DRAFT INTEGRATED DEVELOPMENT PLAN



1 July 2023 to 30 June 2024

2023/24

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



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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



Princess Faku
**FOREWORD BY THE
EXECUTIVE MAYOR**

INSERT AFTER DRAFT REVISED IDP IS TABLED IN COUNCIL



Mxolisi Yawa
OVERVIEW BY THE
CITY MANAGER

INSERT AFTER DRAFT REVISED IDP IS TABLED IN COUNCIL

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 second revision of this five-year Integrated Development Plan for the review period of 2023/2024.

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 2023/2024 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.

The strategic processes and activities undertaken in order to produce the Revised 2023/2024 (Revised) Integrated Development Plan, are summarised in the table below:

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
JUL – AUG: Preparing for the IDP, Budget and Performance Management Process		
1.	Top Management: 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)	28/07/2022
2.	Strategic Development Portfolio Committee: 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)	03/08/2022
3.	Budget Steering Committee: 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)	05/08/2022
4.	Top Management: To consider 2022/2023 First Adjustment Budget & the 2021/2022 Fourth Adjustment budget and recommend these being approved by Council	05/08/2022
5.	Councillors and Traditional Leaders' Workshop: <ul style="list-style-type: none"> ✧ To consider the IDP / Budget / PMS Process Plan and Time Schedule before formal submission to Council for approval (at least 10 months before the start of the budget year) ✧ To consider 2022/2023 First Adjustment Budget & the 2021 / 2022 Fourth Adjustment budget before tabling in Council for approval 	12/08/2022
6.	External IDP/Budget/PMS Representative Forum: To consult External Stakeholders on the Draft IDP / Budget / PMS Process Plan and Time Schedule and the Buffalo City Metropolitan One Plan	16/09/2022
7.	Council: <ul style="list-style-type: none"> ✧ To approve IDP / Budget / PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year), the 2022/2023 First adjustment budget (to be tabled before 25 August 2022) and the 2021/2022 Fourth Adjustment budget. ✧ Note SDBIP approved by Executive Mayor and performance agreements signed by Municipal Manager and Managers directly accountable to the Municipal Manager to D for notification 	24/08/2022
SEPT – OCT: PHASE 1- Research Information Collection and Analysis		
8.	Technical Transversal Planning Sessions led by Management: To compile and report on consolidated narrative and data on the planned investment footprint of other spheres in the metro space for reporting to BCMM Political and Technical IGR Fora. REF: ONE PLAN	Sept – Oct 2022
9.	Technical IGR Forum: To present Update on the BCMM Integrated Development Plan; and to prepare for Three-Spheres Technical Planning Session	19/08/2022
10.	Top Management: To consider Ward Priorities and Mayoral Imbizo Report as updated by Senior Management	22/09/2022
11.	Ward Public Meetings: To collect ward community needs from the broader public and stakeholders in the wards and identify Ward Priorities through Ward Public Meetings	September – December 2022
12.	Ward Priorities Sessions with Ward Committees: Ward Councillors, together with Ward Committees compile/review ward profiles and ward priorities.	September – December 2022
13.	Pre-Mayoral Imbizo Sessions: To consult Councillors to verify content for the Executive Mayoral Imbizos, including the status report on 2016/2021 Ward Priorities	28/09/2022 to 29/09/2022
14.	Executive Mayoral Imbizo: To interact with ward communities, listen to needs and concerns and provide feedback on approved programmes and projects for 2023/2024	Coastal – 13/10/ 2022 Inland – 14/10/2022 Midland – 15/10/2022
OCT – DEC: PHASE 2 - Vision, Objectives and Strategies		
15.	Three Spheres Joint Planning Session: Intergovernmental Planning between metro and provincial and national government departments and State-owned Enterprises REF: ONE PLAN	09/09/2022

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
16.	IDP/Budget/PMS Technical Workstreams: Prepare for Mayoral and Council Lekgotla, including refinement of Ward Priorities Report (2016/2021) before presenting to Mayoral and Council Lekgotla	08/11/2022
17.	Mayoral Lekgotla Session: To review strategic objectives for service delivery and development	05 to 06/12/2022
18.	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	07/12/2022
19.	Budget Workshops with all directorates to address the following: <ul style="list-style-type: none"> ✧ Financial Institutional Performance ✧ Cost Containment Measures ✧ 2023/2024 Tariff Process ✧ Verification of Fleet & Staff Keys ✧ Consideration of all ward priorities when identifying projects and programmes for the 2023/2026 MTREF Budget ✧ IDP Strategic Priorities for 2021/2026 & MTREF Capital Prioritization ✧ 2022/2023 Mid-Year Adjustment Budget Reallocation (Capital & Operating Budget) 	22/11/2022 to 21/12/2022
JAN – FEB: PHASE 3: Development of Programmes and Projects		
20.	IDP Technical Planning Session (Also known as Top Management Technical Planning Session): <ul style="list-style-type: none"> ✧ To reflect on progress made with implementation of strategic priorities during preceding financial years; and ✧ To review SITUATIONAL ANALYSIS of the metro that inform priority choices 	23 to 24/01/2022
21.	Council: <ul style="list-style-type: none"> ✧ To table and adopt the Statement of Financial Performance and the Implementation of the 2022/2023 budget for the second quarter & Mid-year budget and Performance assessment report ended 31 December 2022 ✧ To consider Municipal entity's proposed budget, priorities and objectives for 2023/2024 and proposed budget adjustments for 2022/2023 ✧ To table the Draft AR within 7 months after the end of the financial year to which the report relates 	31/01/2023
22.	Political IGR Forum Workshop: <ul style="list-style-type: none"> ✧ To review BCMM IGR Framework and Terms of Reference ✧ To align municipal priorities with the plans of national and provincial sector departments and state entities REF: ONE PLAN	03/02/2023
23.	IDP Technical Work Sessions (per directorate): <ul style="list-style-type: none"> ✧ To review IDP vision, mission, strategic outcomes and key focus areas ✧ To develop action plans for Ward Priorities ✧ To review 2022/2023 service delivery key performance indicators and targets after adjustment budget ✧ Set Key Performance Indicators and Targets for the draft Revised 2023/2024 IDP and SDBIP ✧ To align IDP, Budget, Risk and performance indicators 	13/02/2023 to 03/03/2023
FEB: PHASE 4 - Integration and Consolidation		

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
24.	Top Management Technical Strategic Session: To consider 2022/2023 Mid-year Adjustment Budget	02/02/2023
25.	Budget Steering Committee: To consider 2022/2023 Mid-year Adjustment Budget	07/02/2023
26.	Council: To consider and adopt 2022/2023 Mid-year Adjustment Budget	28/02/2023
27.	National Treasury Mid-year Budget and Performance Assessment Review: To assess metro's Mid-year Financial and Performance Reports	06 to 07/03/2023
MAR: PHASE 5: Approval, Adoption and Publication		
28.	IDP Technical Planning Session (Also known as Top Management Technical Planning Session): <ul style="list-style-type: none"> ✧ To consider and recommend the draft IDP, MTREF Budget and SDBIP ✧ Consult on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders 	13 to 14/03/2023
29.	Budget Steering Committee: <ul style="list-style-type: none"> ✧ To consider and recommend the draft IDP, MTREF Budget and SDBIP ✧ Consult on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders 	15/03/2023
30.	Councillors and Traditional Leaders' Workshop: Consult draft IDP, draft MTREF and budget related policies with leadership on draft IDP, MTREF Budget and SDBIP	17/03/2023
31.	Council: To approve the draft IDP, MTREF Budget and draft policies (at least 90 days before the start of the budget year)	31/03/2023

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.

In adherence to legislative prescripts, the Buffalo City Metropolitan Municipality's 2021/2026 IDP has been reviewed for the second year and amendments thereto are submitted to Council for adoption. Kindly refer to table 1 below for the structure of the IDP. The Revised 2023/2024 Buffalo City Metropolitan Municipality Integrated Development Plan is attached hereto as **Annexure A**.

This Integrated Development Plan document is structured as follows:

SECTION A	INTRODUCTION 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 and an outline of the process that was followed during the review of the IDP form part of this Section.
SECTION B	BCMM PROFILE AND ANALYSIS 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.
SECTION C	SPATIAL DEVELOPMENT FRAMEWORK 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.
SECTION D	ONE PLAN: THREE SPHERES SERVICE DELIVERY BUDGET, PROGRAMMES AND PROJECTS The catalytic programmes and projects from all three spheres of government operating in the BCMM space as converged with the global, national and provincial strategic directives are

	clustered in accordance with the Six Key Transformational Areas of the District Development Model/One Plan.
SECTION E	DEVELOPMENT OBJECTIVES, STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS Contains the development objectives, strategies, indicators and targets for the entire term of Council as revised for the year under review.
SECTION F	FINANCIAL PLAN A strategic framework for financial management, key financial policies and strategies are outlined in this section. Budget Priorities in the form of projects and programmes as aligned with the Five MGDS/IDP Strategic Outcomes provide clarity on how the metro plans to converge strategic priorities with the allocation of appropriate resources to enable effective implementation of the IDP.
SECTION G	BCMM OPERATIONAL PLAN This section outlines the structure of the municipality providing a breakdown for each directorate, the status of the macro-structure and the policy environment informing the governance agenda of the metro.

Table 2: Structure of the 2021/2026 IDP and 2023/2024 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 2022/23 of the Buffalo City Metropolitan Municipality can be summarized as follows:

- The municipality has tabled, adopted and submitted its 2022/2023 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:

2022/2023 IDP Assessment Finding
KPA 1: Spatial Planning, Land, Human Settlement and Environmental Management
No findings for this financial year
KPA 2: Service Delivery and Infrastructure Planning
Must reflect on the functionality of the Roads and Transport Forum.
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 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

2022/2023 IDP Assessment Finding
Must develop specific disaster management emergency procurement measures
Must reflect on the fire services tariffs.
Must reflect on NERSA licensing.
Must review Water Services Development Plan and reflect in the IDP
KPA 3: Financial Planning and Budgets
Must spend 100% of its capital budget and its grants
Must gazette Section 6 and 14 of the Municipal Property Rates Act (MPRA)
Must establish the Indigent Steering Committee and ensure they are functional
KPA 4: Local Economic Development (LED)
No findings for this financial year
KPA 5: Good Governance and Public Participation
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 litigation register
Must reflect on the audit findings on predetermined objectives and compliance issues
KPA 6: Institutional Arrangements
Must reflect on the location and services of its satellite offices

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 2020/2021 Revised IDP	Rating 2021/2022 Revised IDP	Rating 2022/2023 IDP
KPA 1: Spatial Planning, Land, Human Settlement and Environmental Management	HIGH	HIGH	HIGH
KPA 2: Service Delivery & Infrastructure Planning	HIGH	MEDIUM	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	HIGH	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 2021-2026 Integrated Development Plan has been developed and revised annually 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 FOR 2023/2024

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 converged with the National and Provincial Imperatives as follows:

BUFFALO CITY METRO IMPERATIVES		JOINT IGR IMPERATIVES	PROVINCIAL IMPERATIVES	NATIONAL IMPERATIVES		
BCMM IDP Strategic Outcomes	BCMM Council Priorities 2023/26	One Plan Focus Areas	Provincial Development Plan (EC Vision 2030)	National Development Plan (NDP: 2030)	Medium Term Strategic Framework (MTSF: 2019/24)	Integrated Urban Development Framework (IUDF)
Strategic Outcome 1: An Innovative and Productive city	Council Priority 2: Safety, Security & Emergency Services. Council Priority 3: Community Development.	Focus Area 1: People Development & Demographics	Goal 4: Improved human development	NDP Chapter 9 – improving education, training and innovation NDP Chapter 11 - social protection NDP Chapter 12 – building safer communities NDP Chapter 15 – nation building and social cohesion NDP Chapter 10 – health care for all	Priority 3: Education, Skills and Health Priority 6: Social Cohesion and Safe Communities	Policy lever 7: Empowered active communities
Strategic Outcome 1: An Innovative and Productive city	Council Priority 1: Build a transformed and resilient economy.	Focus Area 2: Economic Positioning	Goal 3: Rural development and an innovative and high-value agriculture sector	NDP Chapter 3 – economy and employment NDP Chapter 4 – economic infrastructure	Priority 2: Economic Transformation and Job Creation Priority 7: A Better Africa and World	Policy lever 6: Inclusive economic development

BUFFALO CITY METRO IMPERATIVES		JOINT IGR IMPERATIVES	PROVINCIAL IMPERATIVES	NATIONAL IMPERATIVES		
BCMM IDP Strategic Outcomes	BCMM Council Priorities 2023/26	One Plan Focus Areas	Provincial Development Plan (EC Vision 2030)	National Development Plan (NDP: 2030)	Medium Term Strategic Framework (MTSF: 2019/24)	Integrated Urban Development Framework (IUDF)
				<p>NDP Chapter 6 – inclusive rural economy</p> <p>NDP Chapter 7 - South Africa in the region and the world</p>		
<p>Strategic Outcome 2: A green city</p> <p>Strategic Outcome 4: A spatially transformed city</p>	<p>Council Priority 4: Solid Waste and Environmental Management (Climate Change).</p> <p>Council Priority 6: Transform the spatial form of the city</p>	<p>Focus Area 3: Spatial Restructuring and Environmental Sustainability</p>	<p>Goal 5: Environmental sustainability</p>	<p>NDP Chapter 5 - environmental sustainability and resilience</p> <p>NDP Chapter 8 - transforming human settlements</p>	<p>Priority 5: Spatial Integration, Human Settlements and Local Government</p>	<p>Policy lever 1: Integrated urban planning and management</p> <p>Policy lever 3: Integrated and sustainable human settlements</p> <p>Policy lever 5: Efficient land governance and management</p>
<p>Strategic Outcome 3: A connected city</p>	<p>Council Priority 5: Infrastructure and Service Delivery</p>	<p>Focus Area 4: Infrastructure Engineering</p> <p>Focus Area 5: Integrated Services Provisioning</p>	<p>Goal 2: An enabling infrastructure network</p>	<p>NDP Chapter 4 – economic infrastructure</p>	<p>Priority 4: Consolidating the Social Wage Through Reliable and Quality Basic Services</p>	<p>Policy lever 4: Integrated urban infrastructure</p> <p>Policy lever 2: Integrated transport and mobility</p>
<p>Strategic Outcome 5: A well-governed city</p>	<p>Council Priority 7: Improve Administrative governance</p> <p>Council Priority 8: Financial Resilience:</p>	<p>Focus Area 6: Governance & Financial Management</p>	<p>Goal 6: Capable democratic institutions.</p>	<p>NDP Chapter 13 - building a capable and developmental state</p> <p>NDP Chapter 14 – fighting corruption</p>	<p>Priority 1: A Capable, Ethical and Developmental State</p>	<p>Policy lever 8: Effective urban governance</p> <p>Policy lever 9: Sustainable finances</p>

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.

The following amendments to the Key Focus Areas (KFAs) are recommended:

- a. that KFA 12: Traffic Management be amended to KFA 12: Safety and Security, which will include traffic management and law enforcement; and
- b. That KFA 15: Beaches, Parks and Open Spaces be divided into two KFAs, respectively KFA 15: Beaches and KFA 16: Parks and Open Spaces.
- c. The numbering of Key Focus Areas be adjusted to accommodate the amendment to KFA 15: Beaches, Parks and Open Spaces.

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 Safety and Security
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 15: Beaches and KFA 16: Parks and Open Spaces.
		KFA 16-17: Vegetation Control and Biodiversity
		KFA 17-18: Municipal and Environmental Health
		KFA 18-19: Solid Waste Management
STRATEGIC OUTCOME 3 (SO3): A connected city	To maintain a world class logistics network.	KFA 19 20: Roads and Storm water Infrastructure
		KFA 20 21: ICT
		KFA 21 22: Transport Planning and Operations
		KFA 22 23: Energy Supply Efficiency
STRATEGIC OUTCOME 4 (SO4): A Spatially Transformed city	To develop and maintain world class infrastructure and utilities.	KFA 23 24: Water and waste water
		KFA 24 25: Spatial and Urban Planning
		KFA 25 26: Sustainable Human Settlements
		KFA 26 27: Built Environment Management
		KFA 27 28: Urban, Rural and Township Regeneration

Strategic Outcomes	Strategic Objectives	Key Focus Areas
		KFA 28 29: Property Management and Land Use
		KFA 29 30: Cemeteries and Crematoria
STRATEGIC OUTCOME 5 (SO5): A well-governed city	Promote sound financial and administrative capabilities.	KFA 30 31: Risk Management
		KFA 34 32: Stakeholder Participation & Customer Relations
		KFA 32 33: Intergovernmental Relations (IGR) and International Relations (IR)
		KFA 33 34: Communications (Internal and External)
		KFA 34 35: Corporate Marketing (Branding)
		KFA 35 36: Revenue Management
		KFA 36 37: Expenditure and Supply Chain Management
		KFA 37 38: Budget and Treasury
		KFA 38 39: Corporate Asset Management
		KFA 39 40: Internal Human Capital and Skills Development
		KFA 40 41: Gender, Elderly, Youth and Disabled (Vulnerable Groups)
		KFA 44 42: Performance Management and Monitoring and Evaluation
		KFA 42 43: Fleet Management
		KFA 43 44: Employee Performance Management
		KFA 44 45: Human Resources Management
KFA 45 46: 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:

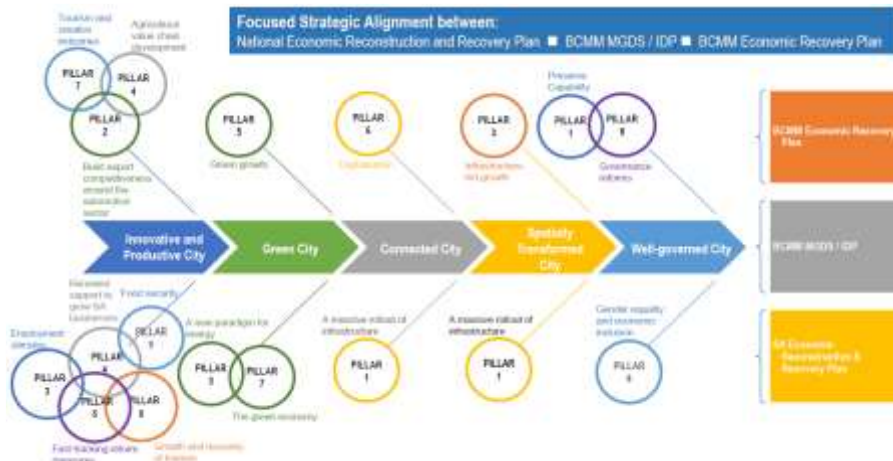


Figure 1: BCMM Alignment with National Economic Reconstruction and Recovery Plan

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

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"> Improve the quality of basic education. 	<ul style="list-style-type: none"> An educated, empowered, and innovative citizenry. 	<ul style="list-style-type: none"> All children should have at least two years of pre-school education. This implies about 2 million places. About 80% of schools and learners achieve 50% and above in literacy, mathematics and science in grades 3, 6, 9. At least 80% of students should complete 12 years of schooling. 	<ul style="list-style-type: none"> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. 	<ul style="list-style-type: none"> N/A
A Well-Governed City	<ul style="list-style-type: none"> A development-orientated public service and inclusive citizenship. 	<ul style="list-style-type: none"> An educated, empowered and innovative citizenry. 	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. 	<ul style="list-style-type: none"> Moderating workplace conflict.

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"> Improve health and life expectancy. 	<ul style="list-style-type: none"> A healthy population. 	<ul style="list-style-type: none"> By 2030, life expectancy should reach at least 70 for both men and women 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. 	<ul style="list-style-type: none"> Ensure healthy lives and promote well-being for all at all ages 	<ul style="list-style-type: none"> N/A
A Spatially Transformed City	<ul style="list-style-type: none"> Sustainable human settlements and improved quality of household life. 	<ul style="list-style-type: none"> Vibrant and equitably enabled communities (Universal access to social infrastructure). 	<ul style="list-style-type: none"> 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. Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry. 	<ul style="list-style-type: none"> Ensure availability and sustainable management of water and sanitation for all. 	<ul style="list-style-type: none"> State reform and boosting the role of state-owned companies, ICT infrastructure or broadband roll out, water, sanitation and transport infrastructure.

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, Bhisho 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 2,515km², 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 Bhisho, Ginsberg, Zwelitsha, Phakamisla, 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.

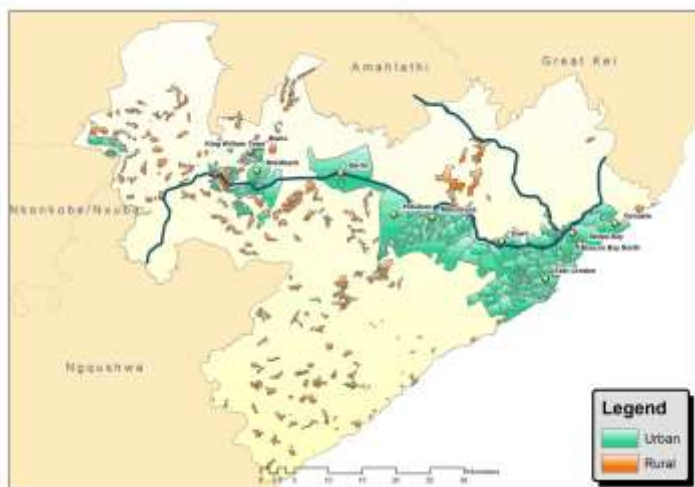


Figure 4: BCMM Urban and rural settlements

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.

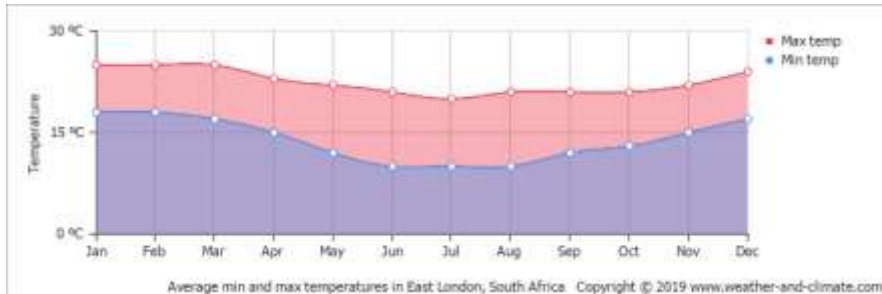


Figure 5: BCMM Weather Averages - 2019

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., Peeltion 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%
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%

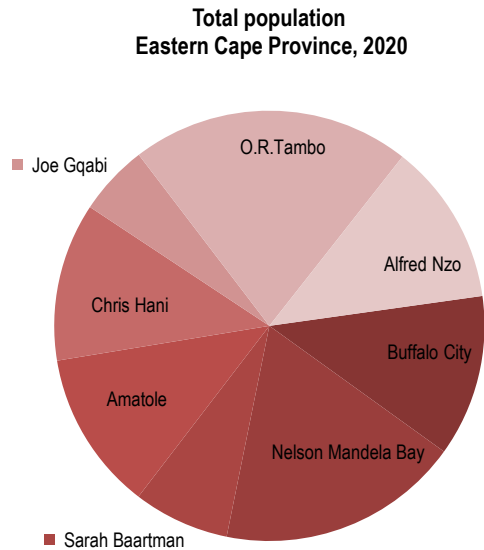
Average Annual growth

2010-2020	1.22%	1.00%	1.55%		
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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
Maclean town, Sandisiwe	53,000	60,000	66,500	2.29%
King Williams Town, Bisho	212,000	216,000	224,000	0.55%
Mdantsane, Chalumna	244,000	251,000	263,000	0.74%
East London	280,000	311,000	337,000	1.89%
Buffalo City	789,315	837,833	891,146	1.22%

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
2020	891,000	7,330,000	59,600,000	12.2%	1.49%
2021	900,000	7,400,000	60,300,000	12.2%	1.49%
2022	910,000	7,470,000	61,100,000	12.2%	1.49%
2023	921,000	7,550,000	61,900,000	12.2%	1.49%
2024	931,000	7,630,000	62,700,000	12.2%	1.48%
2025	943,000	7,710,000	63,500,000	12.2%	1.48%

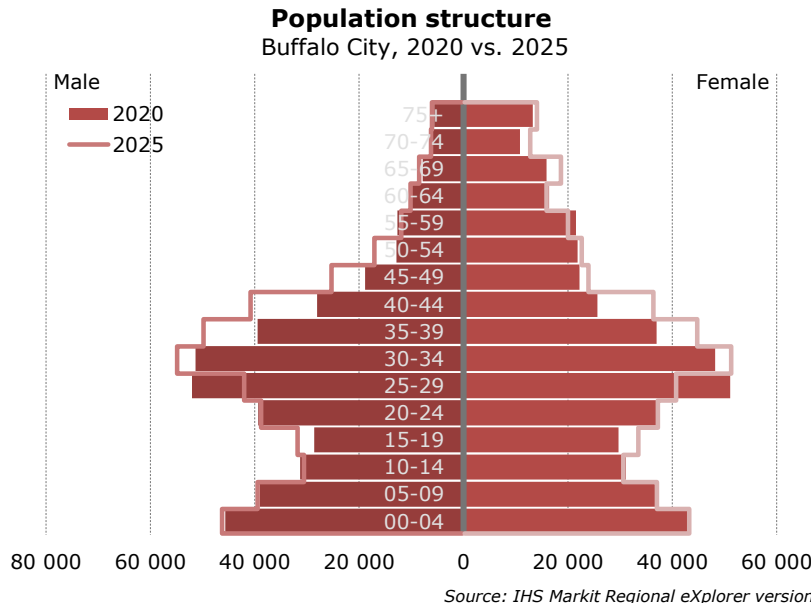
Average Annual growth

2020-2025	1.13%	0.99%	1.27%		
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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
Eastern Cape	3,497,105	3,836,657	7,333,763

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
Total	402,000	371,000	30,000	28,100	26,600	25,800	3,950	4,160

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.

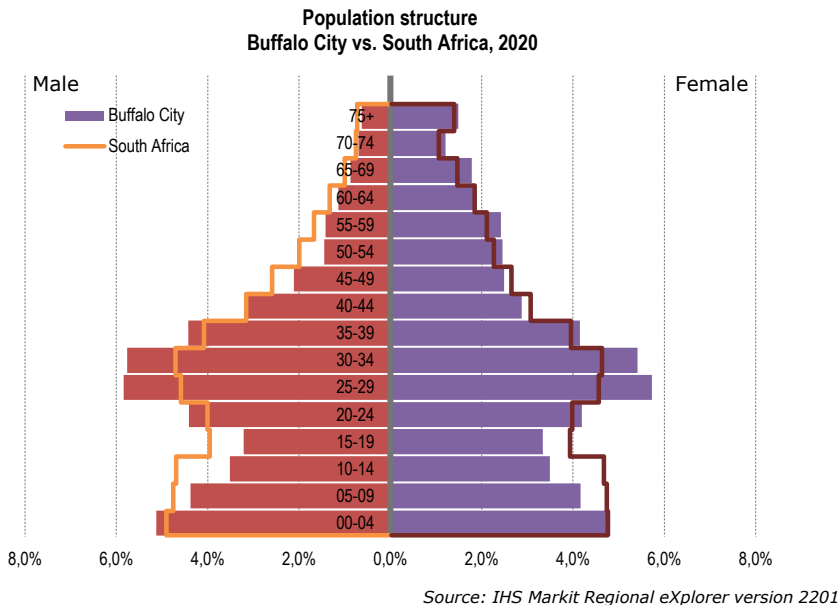
The largest share of population is within the young working age (25-44 years) age category with a total number of 333 000 or 37.3% of the total population. The age category with the second largest number of people is the babies and kids (0-14 years) age category with a total share of 25.5%, followed 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.

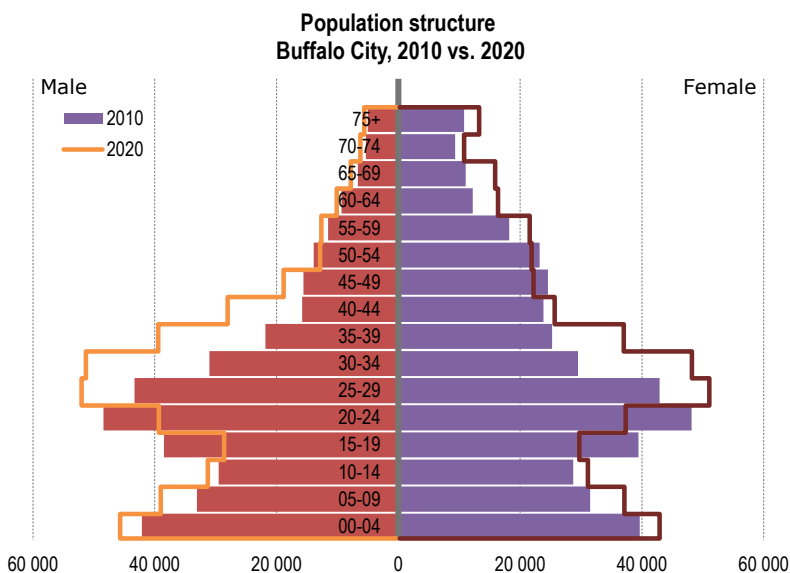
CHART 3. Population pyramid - Buffalo City Metropolitan Municipality vs. South Africa, 2020 [Percentage]



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 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

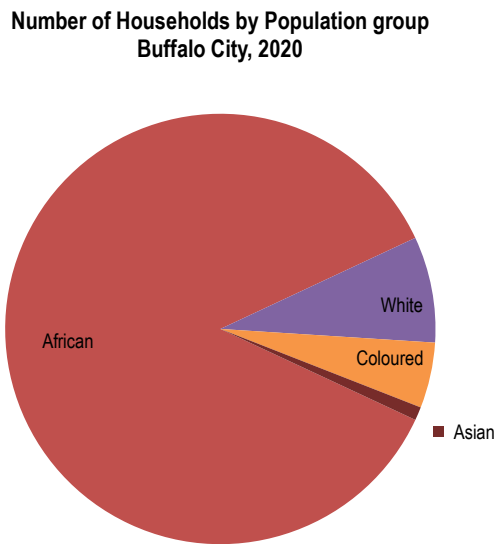
2010-2020	1.01%	0.79%	1.60%		
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Source: IHS Markit Regional eXplorer version 2201

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.

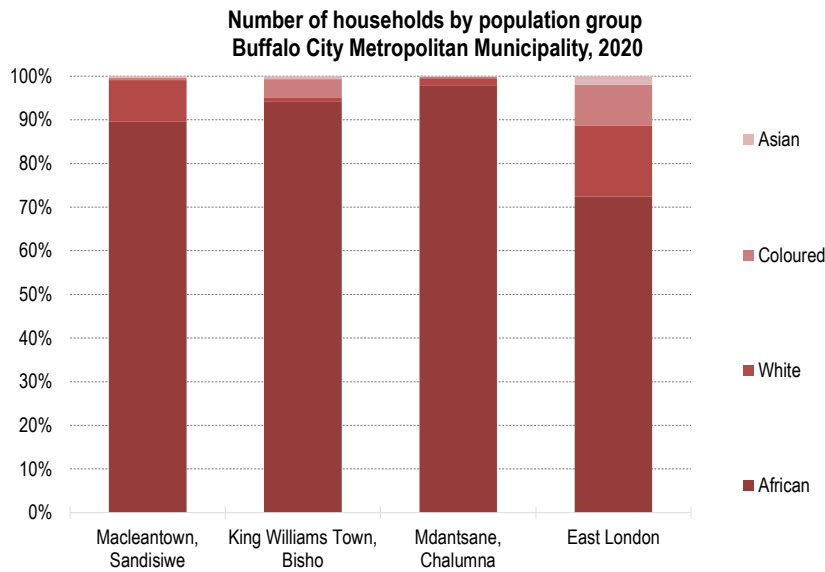
CHART 5. Number of households by population group - Buffalo City Metropolitan Municipality, 2020 [Percentage]



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]

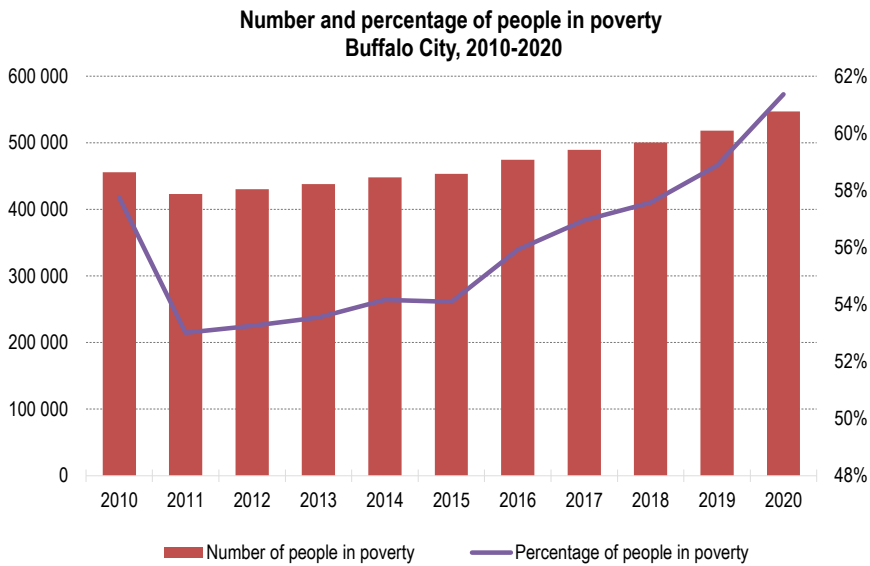


Source: IHS Markit Regional eXplorer version 2201

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 an increase of -3.62 percentage points.

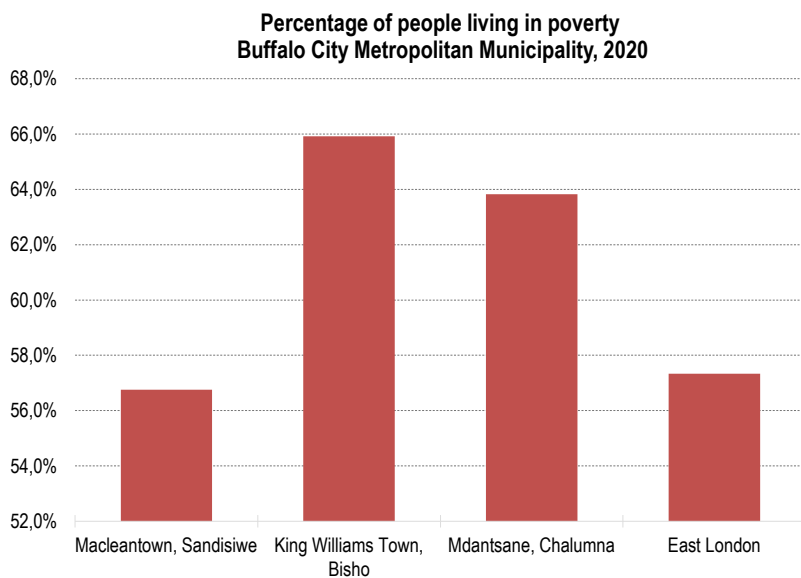
TABLE 7. Percentage of people living in poverty by population group - Buffalo City, 2010-2020 [Percentage]

	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.

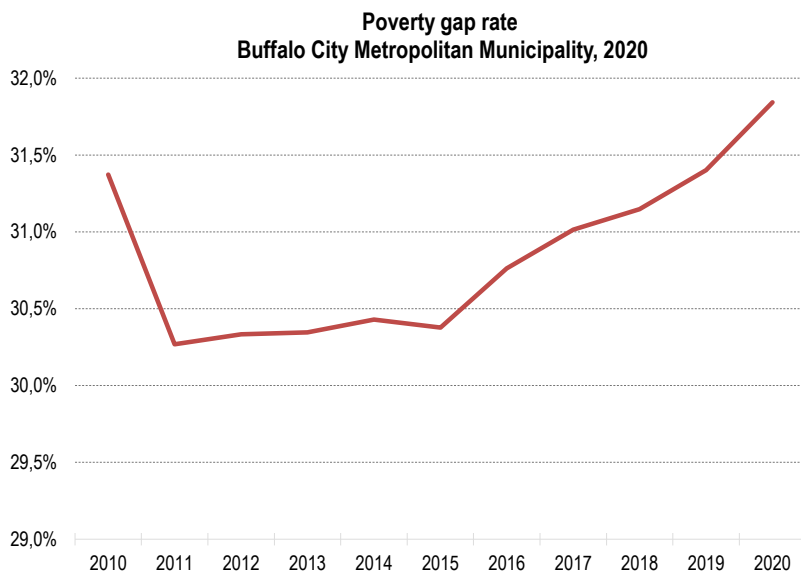
2.6 Poverty Gap Rate

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.

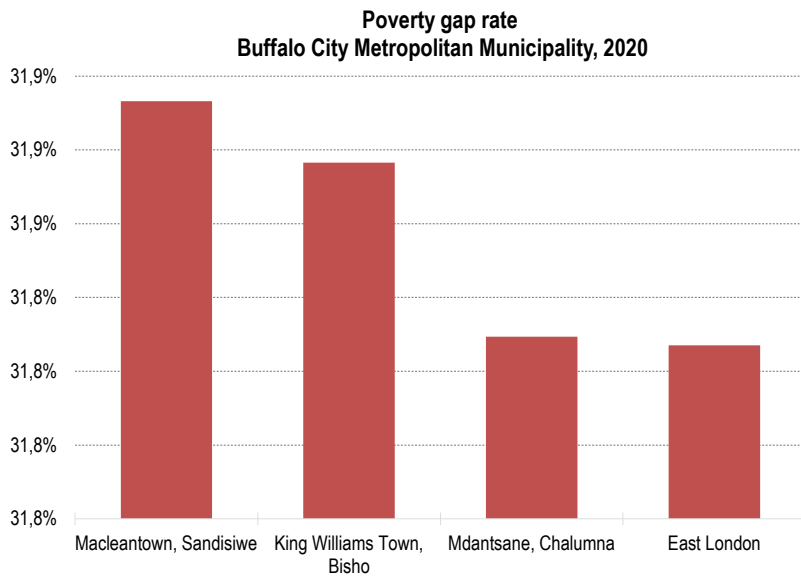
TABLE 8. Poverty gap rate by population group - Buffalo City Metropolitan Municipality, 2010-2020 [Percentage]



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.

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.

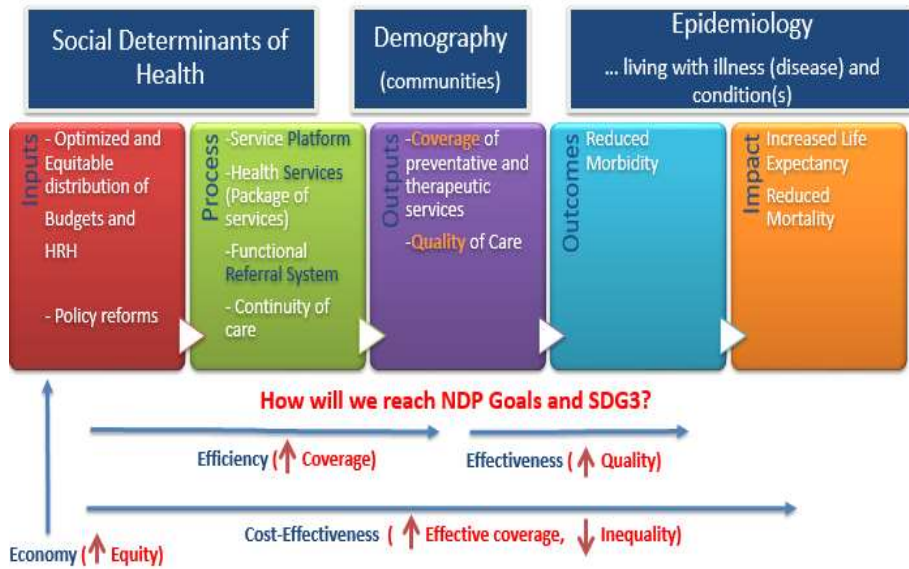


Figure 7: Health Sector - Logic Model

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 3rd 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 2nd quarter 2020/21 and 5.2% in the 3rd 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 21st 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

Table 2. Number of positive SARS-Cov-2 cases, recoveries and deaths, as of 19 Mar 2021

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
E. Cape	194659	80	22	194761	183136	11336	0	1	11337	5,8	94,0	208

* 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.

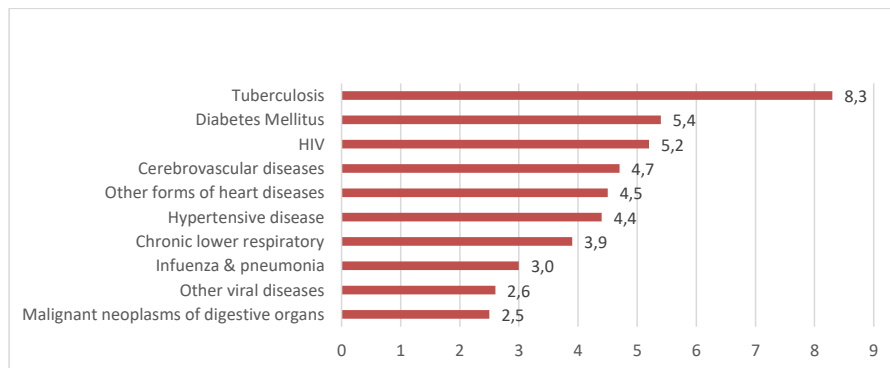


Figure 8: Broad causes of death by district

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	Province	District	LM2016
			ZA	EC	BUF	BUF_SD
			South Africa	EasternCape	Buffalo City MMA	Buffalo City SD
Adult ART cumulative started ART minus ART cumulative TFO (No)	DE	2017	3 657 602	388 990	48 459	
		2018	3 975 549	425 688	53 379	
Adult with viral load suppressed rate 12 months (%)	3rd 90 Outcome	DE 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	DE 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	30 148	8 975	1 049	
		2019 Q1	67 400	7 110	1 260	
Adult with viral load completion rate at 12 months (%)	2nd 90 Output	DE Ind	2017	65.8	58.5	72.3
			2018	71.7	62.4	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	DE Ind	Mar 2019	65.1	62.9	58.8
Total Clients remaining on ART at the end of the month (No)	DE Ind	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	DE Ind	2018/19	1.8	1.2	2.1
HIV test positive client 19 months to 14 years (No)	DE Ind	2018/19	15 369	1 552	147	147
HIV test client 19 months to 14 years (No)	DE Ind	2018/19	936 115	128 898	7 126	7 126
HIV test positive client 15 years and older rate (incl ANC) (No)	1st 90	DE Ind	2018/19	6.1	5.3	6.2
HIV test positive 15 years and older (excl ANC) (No)	DE Ind	2018/19	725 581	79 217	10 483	10 483
Antenatal client HIV 1st test positive (No)	DE	2018/19	89 954	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	DE Ind	2018/19	3.4	3.8	1.9
HIV testing coverage age 19 months and older (%)	1st 90	DE Ind	2018/19	48.1	49.7	48.8
HIV test client age 19 months and older (No)	DE Ind	2018/19	13 650 311	1 706 610	186 167	186 167
Male condom distribution coverage (No)	1st 90	DE Ind	2018/19	36.8	33.3	28.2
Male condoms distributed (No)	DE Ind	2018/19	726 202 616	73 672 416	8 022 000	8 022 000
Medical male circumcision rate (per 1K)	1st 90	DE Ind	2018/19	26.4	4.3	0.61
Medical male circumcision 10 years and older (No)	DE Ind	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 3rd 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%

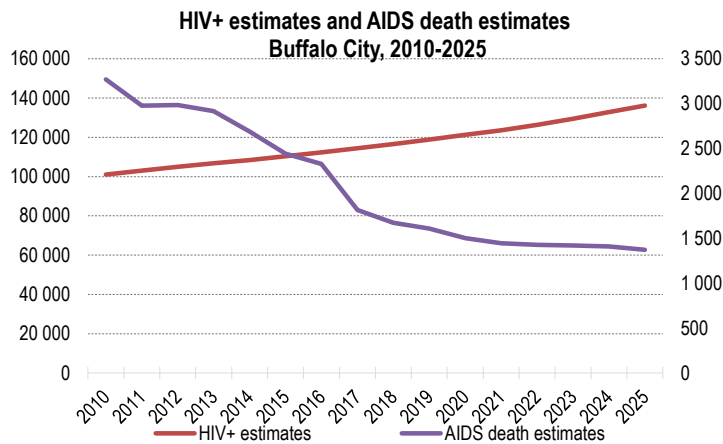
	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
2012	105,000	746,000	6,630,000	14.1%	1.58%
2013	107,000	759,000	6,770,000	14.1%	1.58%
2014	108,000	772,000	6,910,000	14.0%	1.57%
2015	110,000	786,000	7,050,000	14.0%	1.56%
2016	112,000	799,000	7,200,000	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%
Average Annual growth					
2010-2020	1.84%	1.88%	2.28%		

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 a 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:

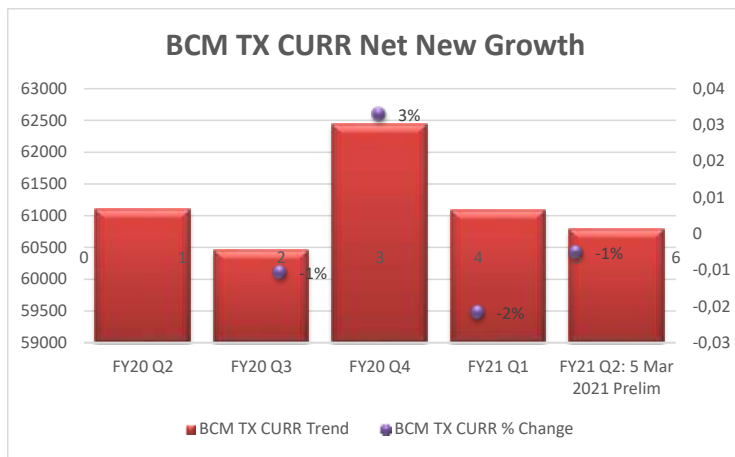


Figure 11: BCM TX CURR Net New Growth

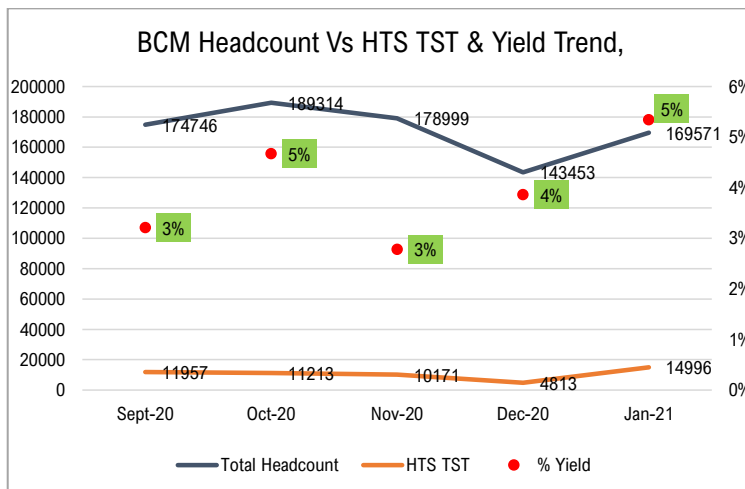


Figure 12: Current trends of HIV Yield vs Facility Head Count, September 2020 - January 2021

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

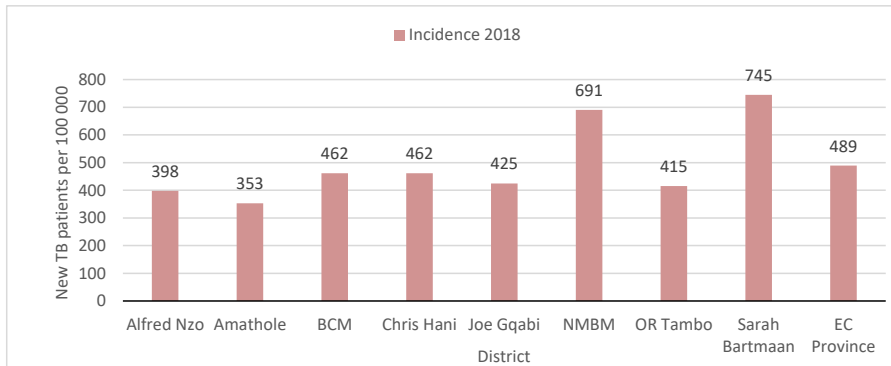


Fig 16: Distribution of new pulmonary TB patients per 100 000 population by EC district (Source: ETR)

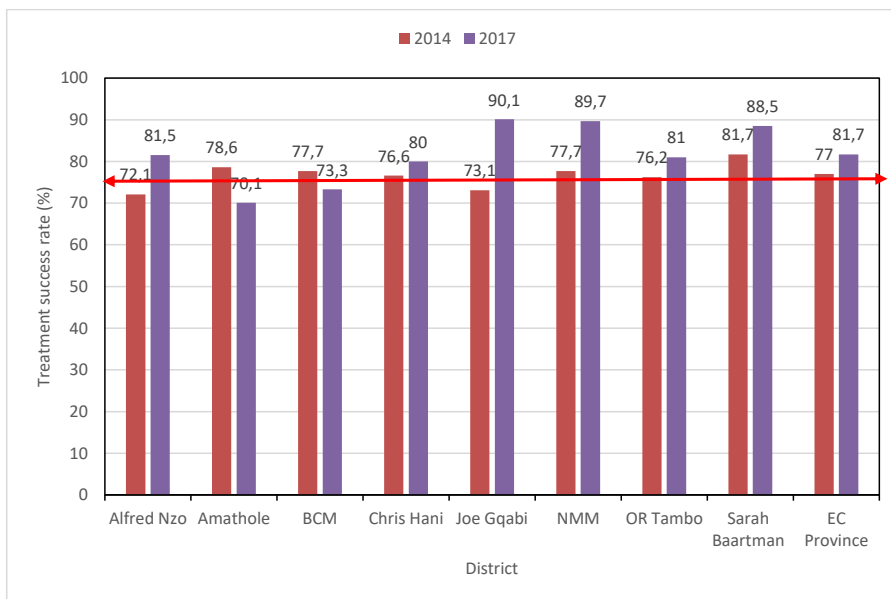


Figure 17: TB treatment success rate distributed by districts

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 3rd quarter of 2020/21. There were eight (8) recorded maternal deaths in the 3rd 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 3rd 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 3rd 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 3rd 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 1st 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 3rd quarter of 2020/21, the ANC 1st 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 2nd 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 3rd quarter of 2019/20:

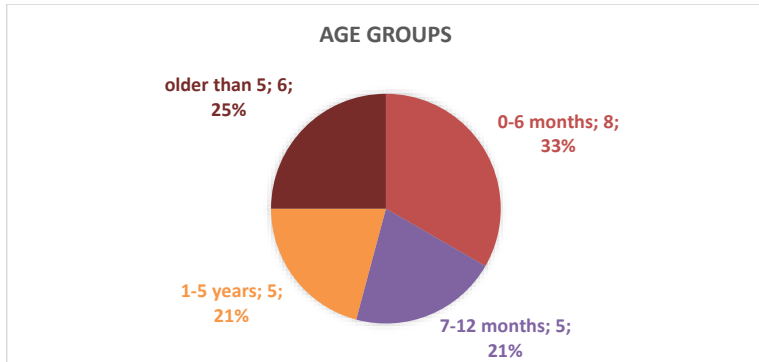


Figure 13: Number of deaths for children in the 3rd quarter of 2019/20

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.

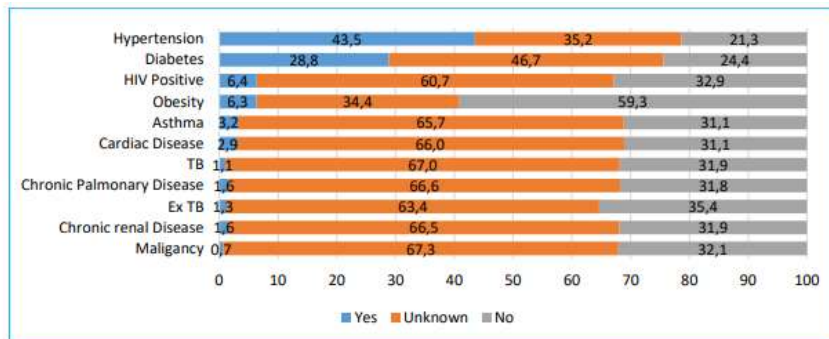


Fig. 33. Co-morbidities among SARS-Cov-2 cases who demised, as of 18 Mar. 2021 (DATCOV)

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 ..	DE	2018/19	0.87	1	0.88
Diabetes client 40 years and older new (No)	DE	DE	2018/19	136 931	16 430	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

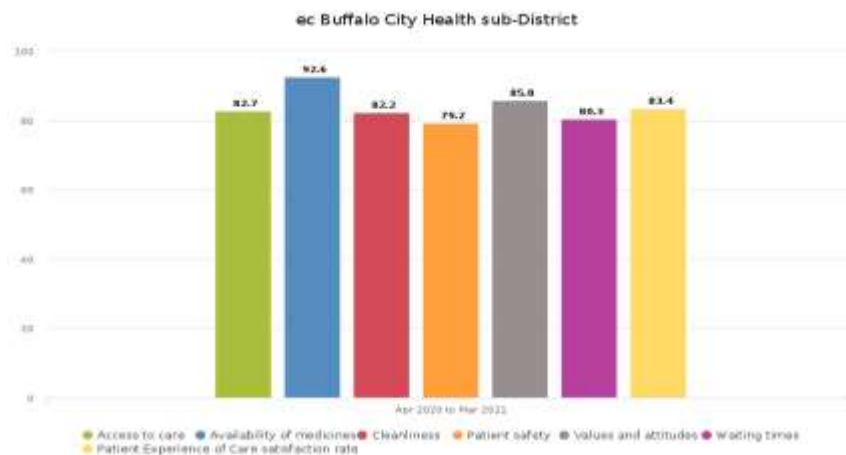


Figure 16: Quality of Care

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

Figure 17: Top 5 Patient Complaints and Observations - Health

Source: Ideal Clinic database 2020(patient complaints module)

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

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
Total	94

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	Visiting Hours
Adult ICU	Maternity	12h00 – 13h00
Paediatrics	Ophthalmology	19h00 – 20h00
Psychology	Dermatology	
Surgical	Paediatric ICU	Pharmacy Hours
Speech & Hearing Therapy	Social Work	Mondays – Fridays 08h00 – 20h00

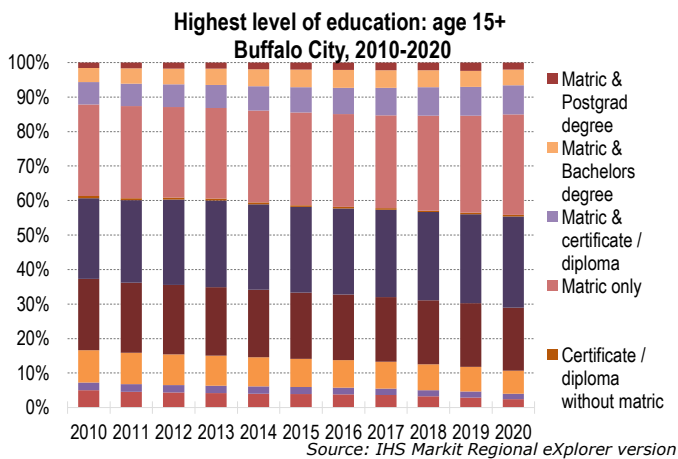
Services Offered		Accident and Emergency
Physiotherapy	Occupational Therapy	Saturdays 09h00 – 13h00
Ear Nose and Throat Surgery	Dental Surgery	Sundays 09h00 – 12h00
Psychiatry	Orthopaedic Surgeons	Public Holidays 09h00 – 12h00
Gynaecology/Obstetrics		
Dietetics	Ancillary Services	Number of Beds
Chiropractic	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.

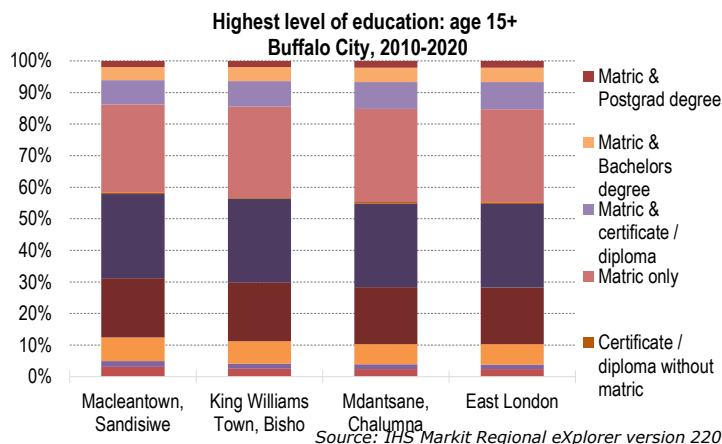
TABLE 10. Highest level of education: age 15+ - Buffalo City, Eastern Cape and National Total, 2020 [Numbers]

	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.

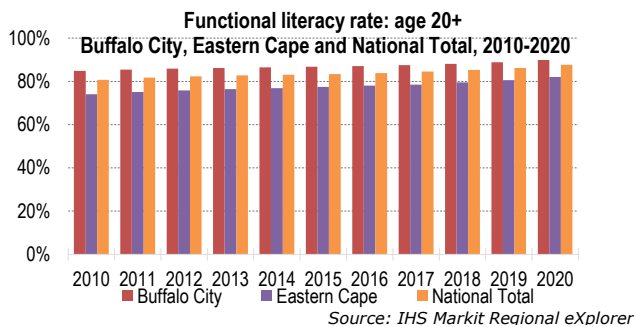
TABLE 11. Functional literacy: age 20+, completed grade 7 or higher - Buffalo City Metropolitan Municipality, 2010-2020 [Number percentage]

	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%
Average Annual growth 2010-2020	-2.76%	1.85%	0.58%

Source: IHS Markit Regional eExplorer 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.

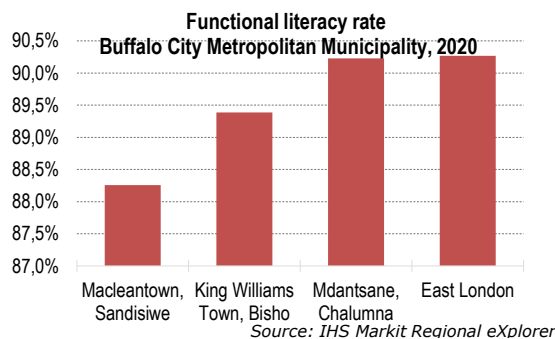
CHART 13. Functional literacy: age 20+, completed grade 7 or higher - Buffalo City, Eastern Cape and National Total, 2010-2020 [Percentage]



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.

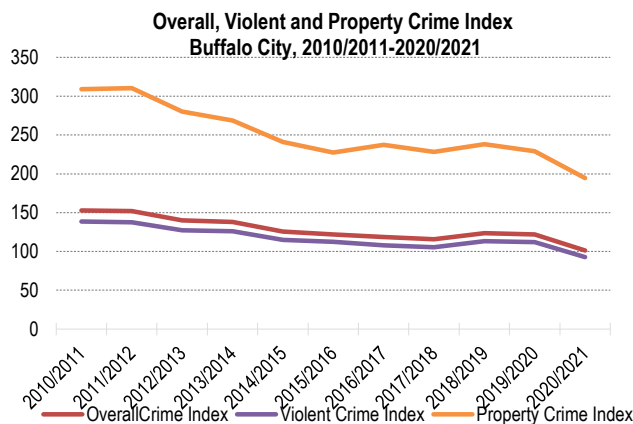
IHS Composite Crime Index

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 decreased 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]

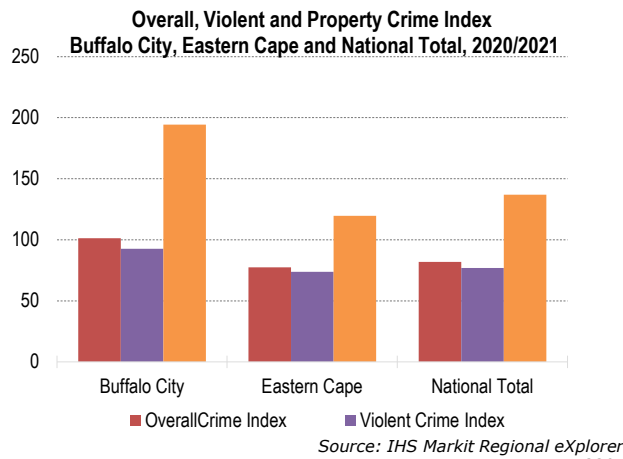
	Buffalo City	Nelson Mandela Bay	Sarah Baartman	Amatole	Chris Hani	Joe Gqabi	O.R.Tambo	Alfred Nzo
2010/2011	152.77	160.14	183.29	92.89	85.97	88.91	67.44	54.92
2011/2012	152.08	155.13	169.30	97.25	86.04	90.69	64.64	53.52
2012/2013	139.94	148.10	158.17	95.97	85.81	91.09	62.78	52.76
2013/2014	137.86	146.58	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
Average Annual growth								
2010/2011-2020/2021	-4.03%	-5.06%	-4.83%	-1.80%	-1.16%	-1.34%	-1.87%	-1.84%

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 - calendar 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
Inland	Mlungisi Township	Assault and Murder
	Farns and Township rural	Theft
	Dimbaza	Robbery and Murder
Midland	Mdantsane N.U 1 -Taxi Rank	Common Robbery
	Nyibiba N.U 14	Rape cases
Coastal	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	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 BCM 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
BCMM Political IGR Forum	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
BCMM Technical IGR Forum	Chaired by the City Manager or his nominee and is represented by HOD's, municipal officials, parastals, state-owned enterprises and	The functions of the Technical Support Structure include: <ul style="list-style-type: none"> • Providing technical support and advice to the Buffalo City Metro Municipality IGR Forum • Ensuring implementation of the decisions of the Buffalo 	2 meetings a year

Structure	Responsible	Responsibility	Meetings
	agencies of all three spheres.	City Metro Municipality IGR Forum <ul style="list-style-type: none"> • Reporting on progress in the implementation of the priorities and programmes as determined by the Buffalo City Metro Municipality IGR Forum. • Designing integrated programmes on policy implementation with clear timeframes. • Performing duties as delegated to them by the Buffalo City Metro Municipality IGR Forum. 	
BCMM Core Group	Chaired by the HOD: ESS 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
BCMM Political Roundtable	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
BCMM Technical Roundtable	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
Three Sphere Engagements	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		R 2 315 000

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 Bhisho 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 OOWV 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 OOVW and a new water operator in Germany Wuppverband 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.

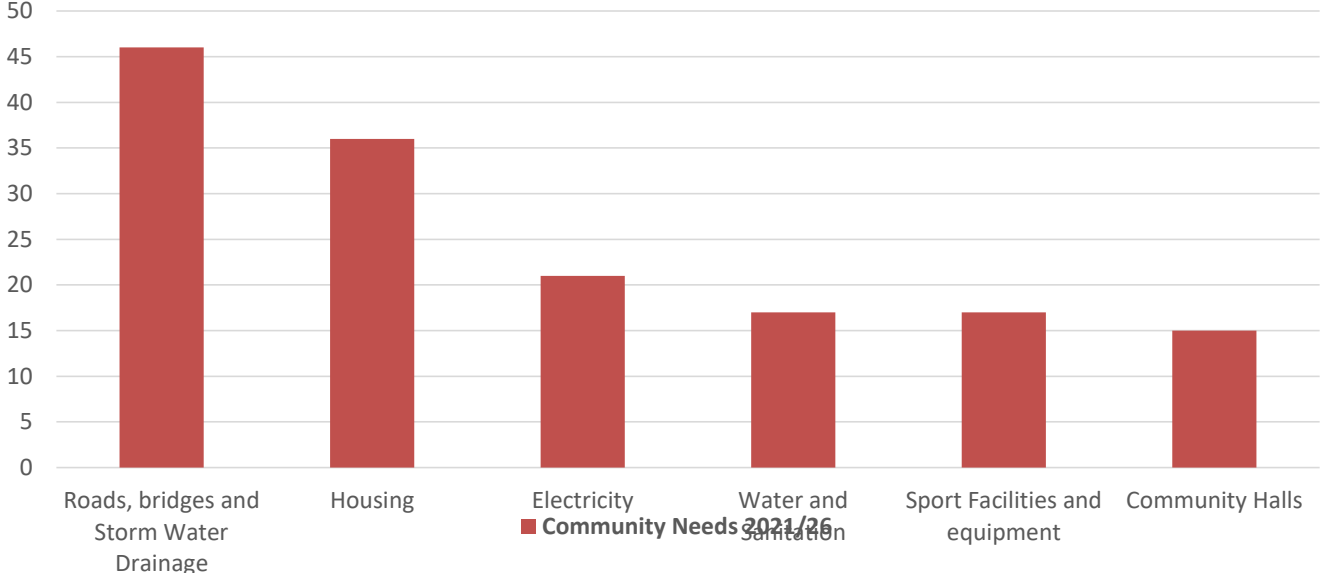
4.1.3 Summary of community developmental issues and priorities

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
DEPARTMENT OF HUMAN SETTLEMENTS		
WARD 9		
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
WARD 11		
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 Next to Nzaliseko Higher Primary School
WARD 34		
Multi-purpose centre	The ward needs a multi-purpose centre	Dimbaza
WARD 37		
Housing	RDP, Disasters, Need housing for destitute.	Tolofiyeni, Masingatha & Mdingi, Mxaxo B
WARD 50		
Multi-Purpose Youth Development Facilities	The ward needs multi-purpose youth development facilities	Kwelera Village
WARD 31		
Human Settlements	Construction of rural Houses	Ntenti, Bhongweni
WARD 39		
Title deeds	Ownership of houses remained unresolved	
Human Settlements	Storm damaged houses have not been replaced	
DEPARTMENT OF TRANSPORT		
WARD 26		
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, Nkqonkweni
WARD 31		
Fencing	Areas need fencing to prevent cattle from grazing to roads	Ncera Village, Fort Grey
WARD 32		
Walkways	The ward needs walkways	Entire ward
WARD 36		
Scholar transport	Transport for learners needed	
WARD 37		

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
WARD 10		
Learner Transport	A request for scholar transport to be provided for children living in Muvhango Squatter Camp	Muvhango Squatter Camp
DEPARTMENT OF HEALTH		
WARD 23		
Clinic	A Clinic facility within the proximity of the ward	NU 14
WARD 21		
Ambulances	Residents from the ward request for accessibility of ambulances	
WARD 43		
Clinic	Clinic is too far from the community and always short of medicine	Majali Location in Peelton
WARD 13		
Clinic	Requested a clinic in the ward	
WARD 32		
Clinic	The existing clinics closes early and the community request a 24HR health services.	
WARD 50		
Clinic	Tuba request Clinic and a Police Station	
WARD 10		
Mobile Clinic	A request for a mobile clinic that will serve Muvhango and Egoli residents	
WARD 13		
Clinic	A request for clarity on the provision clinics in New Life	
WARD 15		
Clinic	A request for the construction of a clinic in Ducats	Ducats
WARD 24		
Clinic	A request for construction of a clinic in ward 24	
WARD 26		
Clinic	A complaint was raised that the Mpundu clinic had not been moved	
WARD 33		
Clinic	A request for a clinic at Gwillili	Gwillili
WARD 42		
Clinic	A complaint that the clinic was old and that there was shortage of staff	
DEPARTMENT OF SAFETY AND LIAISON / SOUTH AFRICAN POLICE SERVICE		
WARD 30		
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,

Priority	Detail	Affected Area
WARD 13		Cuba, Chris Hani Park Block 1,2 &3.
Police Station	A request for clarity on the provision of a police station in New Life	New Life
WARD 24		
Mobile Police Station	A request for the availability of the mobile police station in ward 24.	
WARD 28		
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
DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE		
WARD 41		
Library	Students are struggling to go to K.W.T. library as sometimes there is no money for taxi.	Zwelitsha
DEPARTMENT OF EDUCATION		
WARD 44		
Creche	A request for a creche for kids in the ward	
WARD 13		
School	A request for clarity on the provision of a school in New Life	New Life
WARD 24		
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	
DEPARTMENT OF SOCIAL DEVELOPMENT		
WARD 44		
Creche	A request for a creche for kids in the ward	
NATIONAL DEPARTMENT OF ENERGY/ESKOM		
WARD 38		
Electricity	New sites	Entire ward
WARD 40		
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 (Total time that vacancies exist using fulltime equivalents)	*Vacancies (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	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%
Total	1373	124	9.03%
			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 No.	Terminations during the Financial Year 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 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
Financial Performance			
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
Surplus/(Deficit)	(758 956)	(1 193 462)	(390 944)
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
Surplus/(Deficit) after capital transfers & contributions	518 356	(183 049)	688 828
Share of surplus/ (deficit) of associate	28 865	105 684	(26 628)
Surplus/(Deficit) for the year	547 221	(77 365)	662 200
Capital expenditure & funds sources			
Capital expenditure	1 857 944	1 654 229	1 690 102
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
Total sources of capital funds	2 093 998	2 228 896	2 189 745
Financial position			
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
Cash flows			
Cash/cash equivalents at the year end	1 171 633	1 373 711	1 145 407
Collection rate	87,79%	81,63%	70,20%
Outstanding debtors	2 148 195	3 497 770	4 446 061
Percentage of capital expenditure spent against capital budget	89%	74%	77%
Current ratio	1.6 : 1	1.5 : 1	1.7 : 1
Debt (Total Borrowings) to Revenue	6.00%	5.07%	3.75%
Remuneration as % of Total Operating Expenditure	30%	29%	31%
Cost coverage	2.25	1.83	1.79

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.

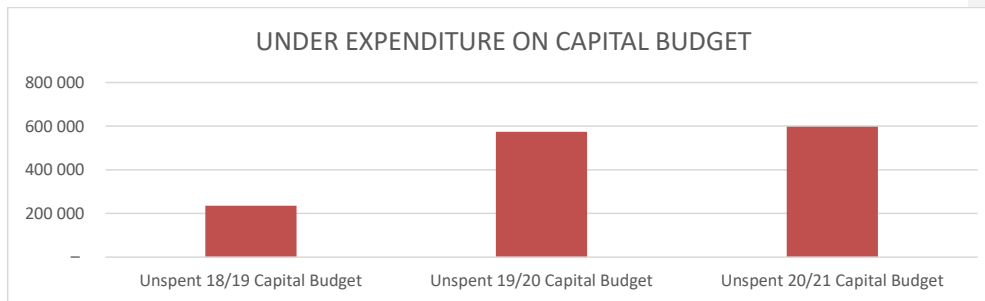


Figure 25: Under-expenditure on Capital Budget

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 No Findings	 Unqualified Opinion Emphasis of Matter Items	 Qualified Opinion	 Adverse Opinion	 Disclaimer of Opinion	An Outstanding Opinion
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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				
Qualification Paragraphs				
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
Emphasis of matter paragraphs				

Overall Opinion	2018/19	2019/20	2020/21	Reason
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.

Irregular Expenditure	2020/2021	2019/20	2018/19
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
Closing balance	2 693 913 449	2 520 884 798	2 920 754 510

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.

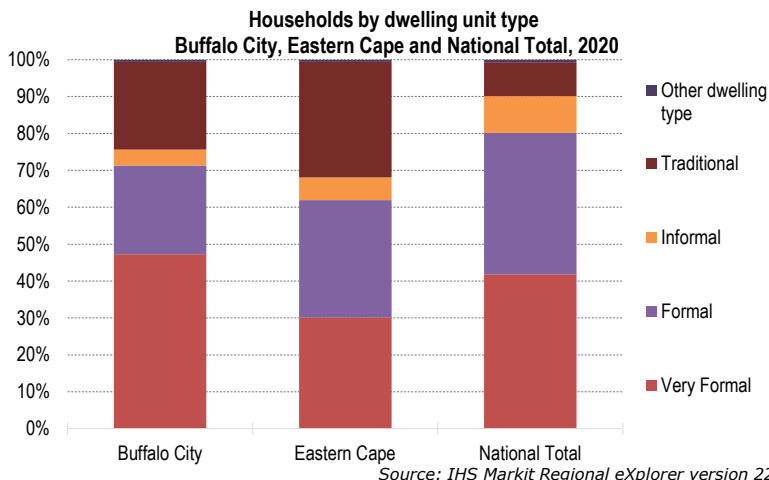
The next few sections offer an overview of the household infrastructure of the Buffalo City Metropolitan Municipality between 2020 and 2010.

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]

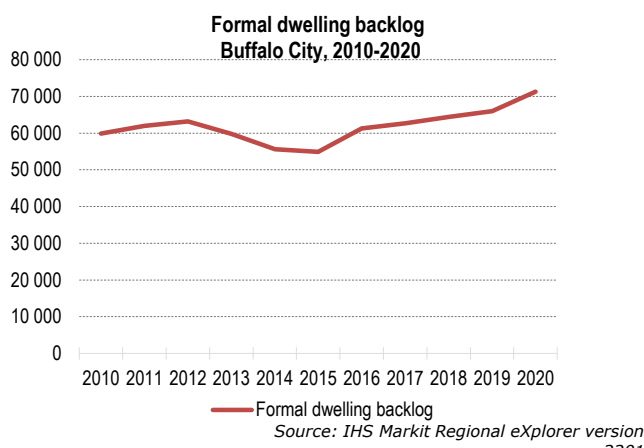
	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Macleantown, Sandisiwe	8,282	5,216	845	4,798	114	19,255
King Williams Town, Bisho	26,348	14,709	2,650	14,286	320	58,315
Mdantsane, Chalumna	34,050	16,415	2,993	16,523	397	70,378
East London	48,676	23,252	4,261	23,525	567	100,281
Total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

Source: IHS Markit Regional eXplorer 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.

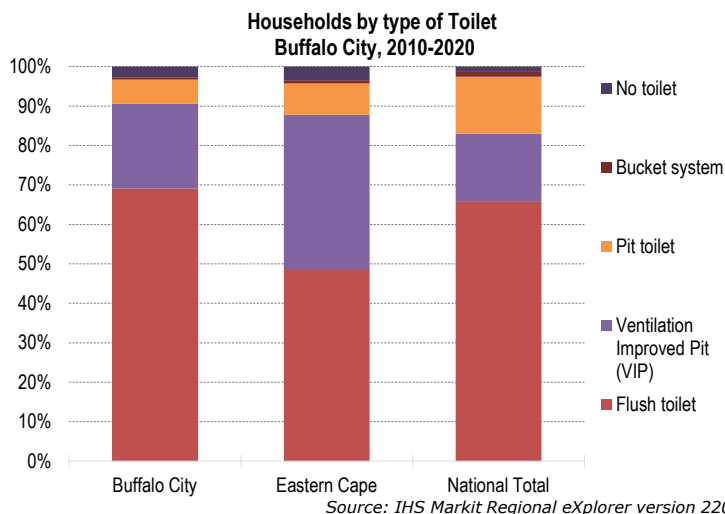
The total number of households within Buffalo City Metropolitan Municipality increased at an average annual rate of 1.01% from 2010 to 2020, which is higher than the annual increase of 1.60% in the number of households in South Africa.

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]



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.

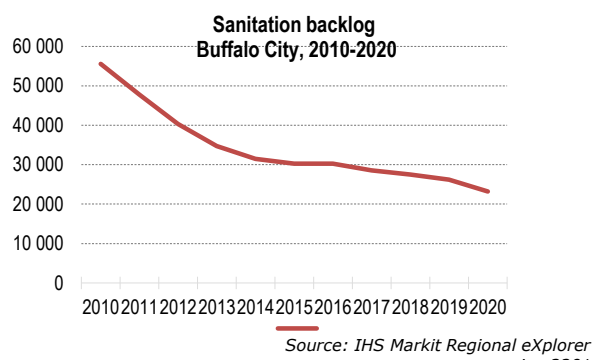
TABLE 14. Households by type of sanitation - Macleantown, Sandisiwe, King Williams Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2020 [Number]

	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]

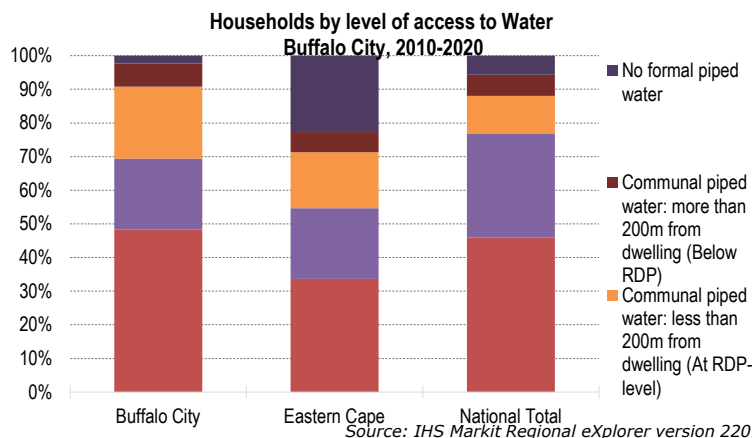


When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2010 the number of Households without any hygienic toilets in Buffalo City Metropolitan Municipality was 55 600, this decreased annually at a rate of -8.36% to 23 200 in 2020.

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.

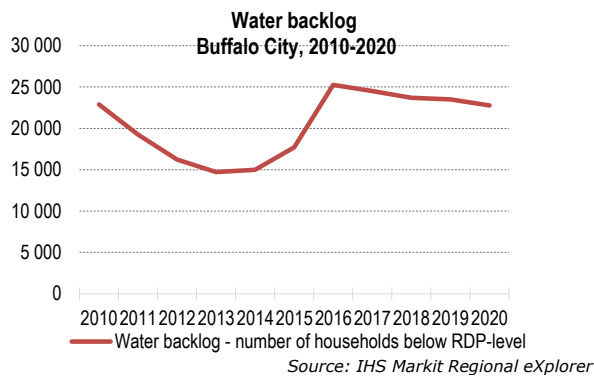
TABLE 15. Households by type of water access - Buffalo City Metropolitan Municipality, 2020 [Number]

	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]

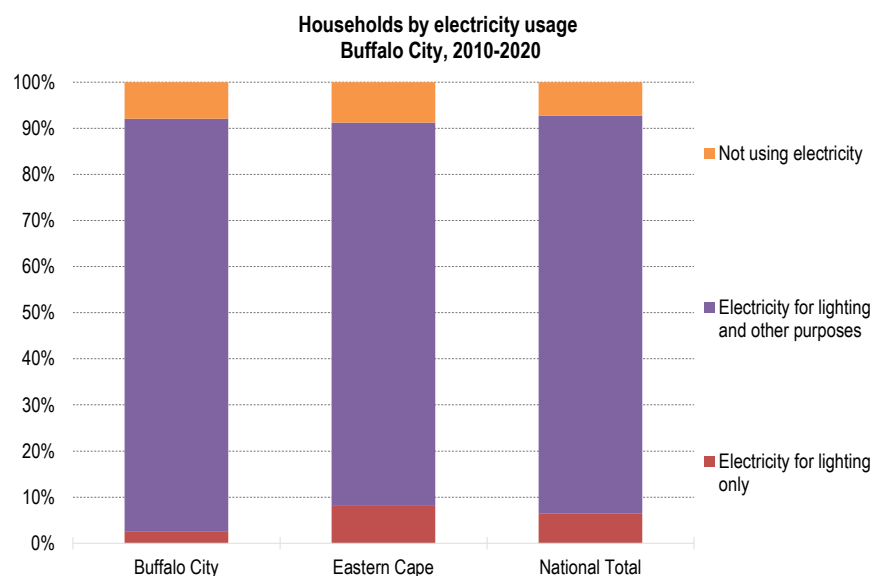


When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2010 the number of households below the RDP-level were 22 900 within Buffalo City Metropolitan Municipality, this decreased annually at -0.05% per annum to 22 800 in 2020.

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]

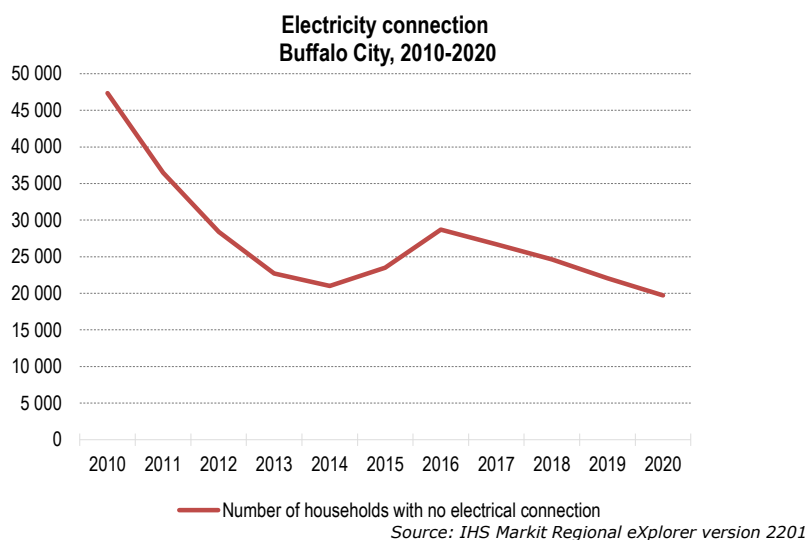
	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Macleantown, Sandisiwe	515	17,151	1,589	19,255
King Williams Town, Bisho	1,521	52,324	4,470	58,315
Mdantsane, Chalumna	1,675	63,078	5,625	70,378
East London	2,374	89,871	8,036	100,281
Total Buffalo City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

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]



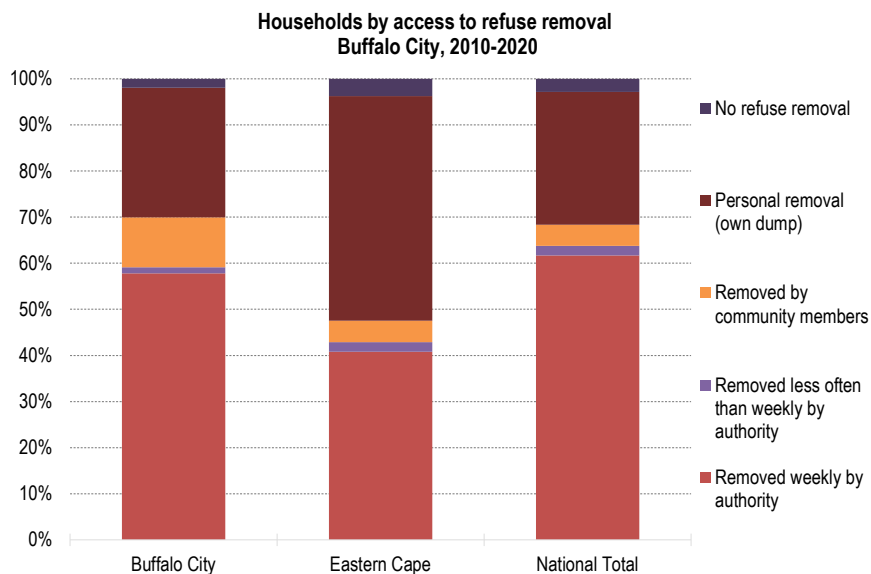
When looking at the number of households with no electrical connection over time, it can be seen that in 2010 the households without an electrical connection in Buffalo City Metropolitan Municipality was 47 300, this decreased annually at -8.39% per annum to 19 700 in 2020.

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).

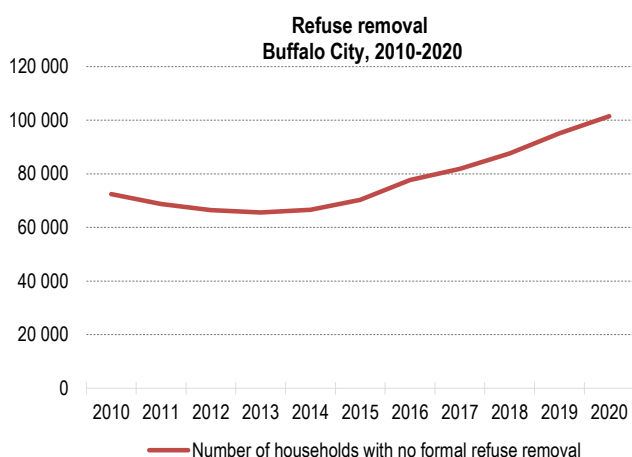
TABLE 17. Households by refuse disposal - Macleantown, Sandisiwe, King William’s Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2020 [Number]

	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
Total Buffalo City	143,569	3,169	26,863	69,812	4,817	248,229

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 catchment 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 ±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

Commented [VK1]: Any developments?

(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

Households				
Description	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
Solid Waste Removal: (Minimum level)				
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%
Solid Waste Removal: (Below minimum level)				
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%
Total number of households	2,606	2,256	447	210 803

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.	
Formal Settlements					
Total households	100,000	100,000	228 000	126	100,000
Households below minimum service level	25,000	25,000	-	-	-
Proportion of households below minimum service level	25%	25%		0%	0%
Informal Settlements					
Total households	100,000	100,000	156	100,000	100,000
Households below minimum service level	25,000	25,000	1	25,000	25,000
Proportion of households below minimum service level	25%	25%	719%	25%	25%

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 regravelled/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.

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:

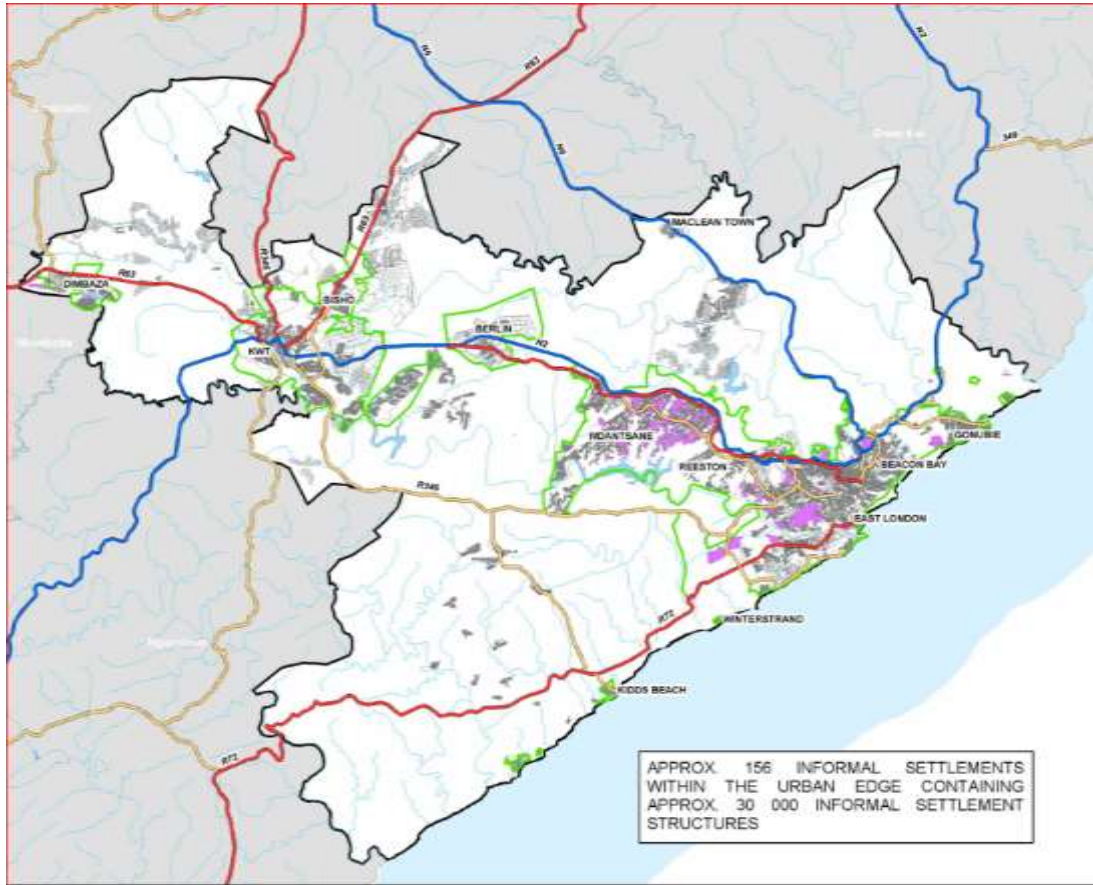


Figure 30: Plan D.1 BCMM informal settlements - Overall

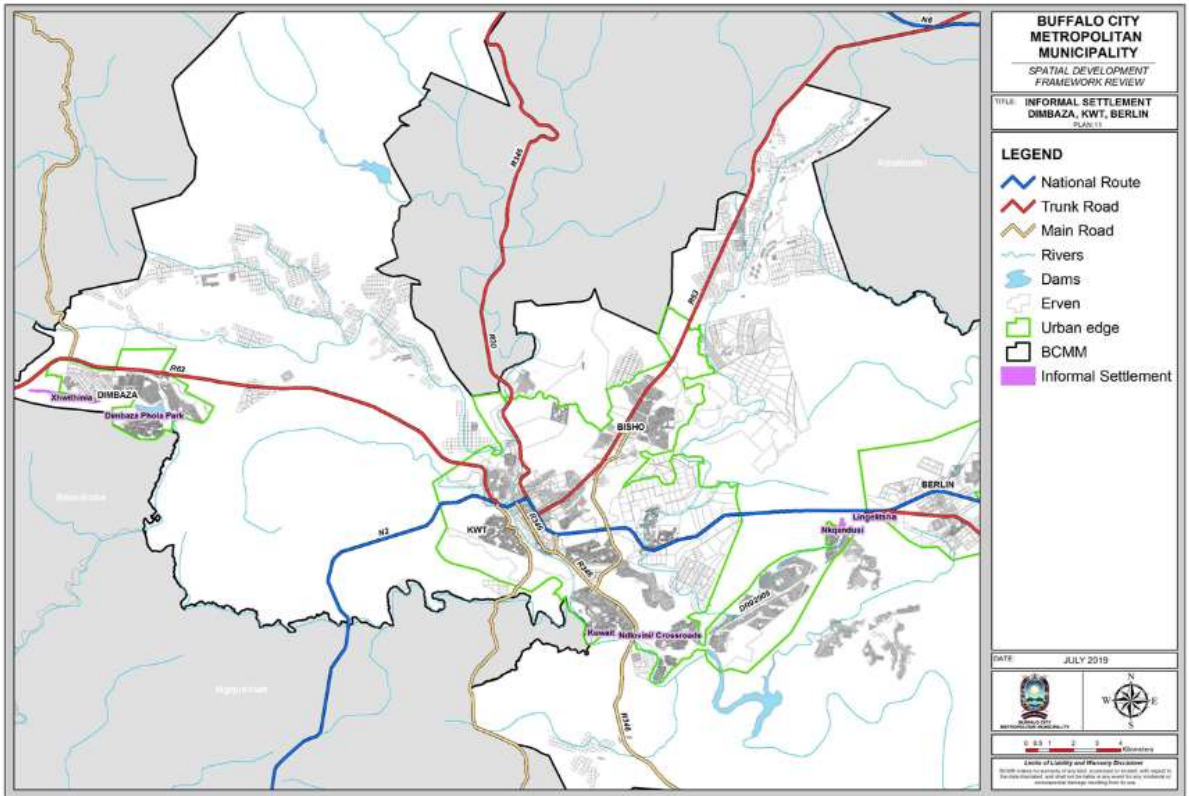


Figure 32: Plan D.3 BCMM informal Settlements – Qonce (previously known as KWT)

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.

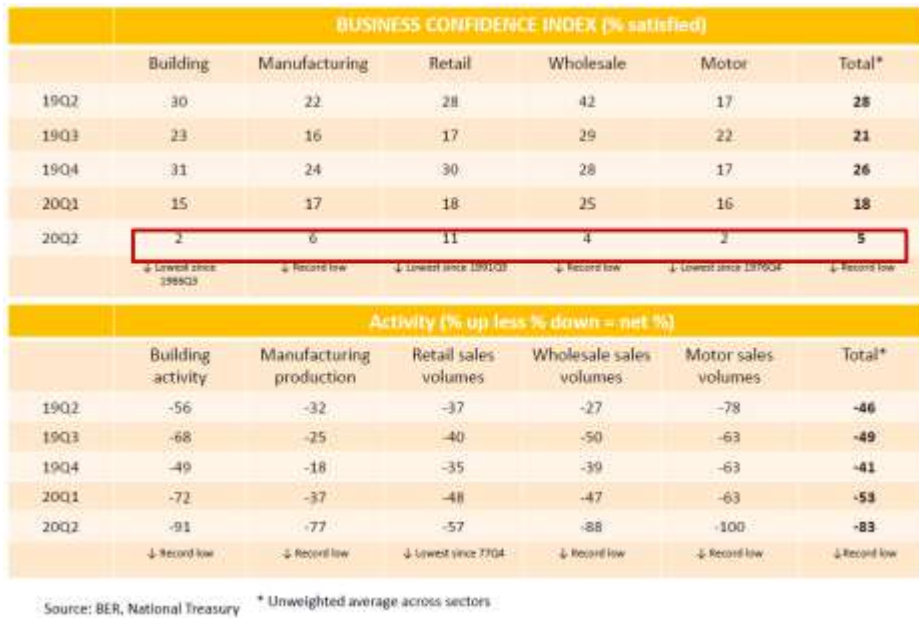


Figure 35: Business Confidence Index

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 measure 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.

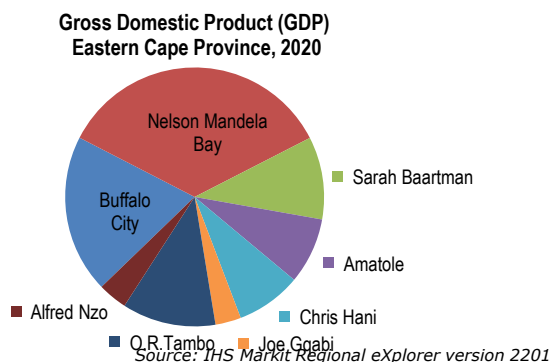
TABLE 19. Gross Domestic Product (GDP) - Buffalo City, Eastern Cape and National Total, 2010-2020 [Annual percentage change, Constant 2010 prices]

	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%
Average Annual growth 2010-2020	0.30%	0.39%	0.74%

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]



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.

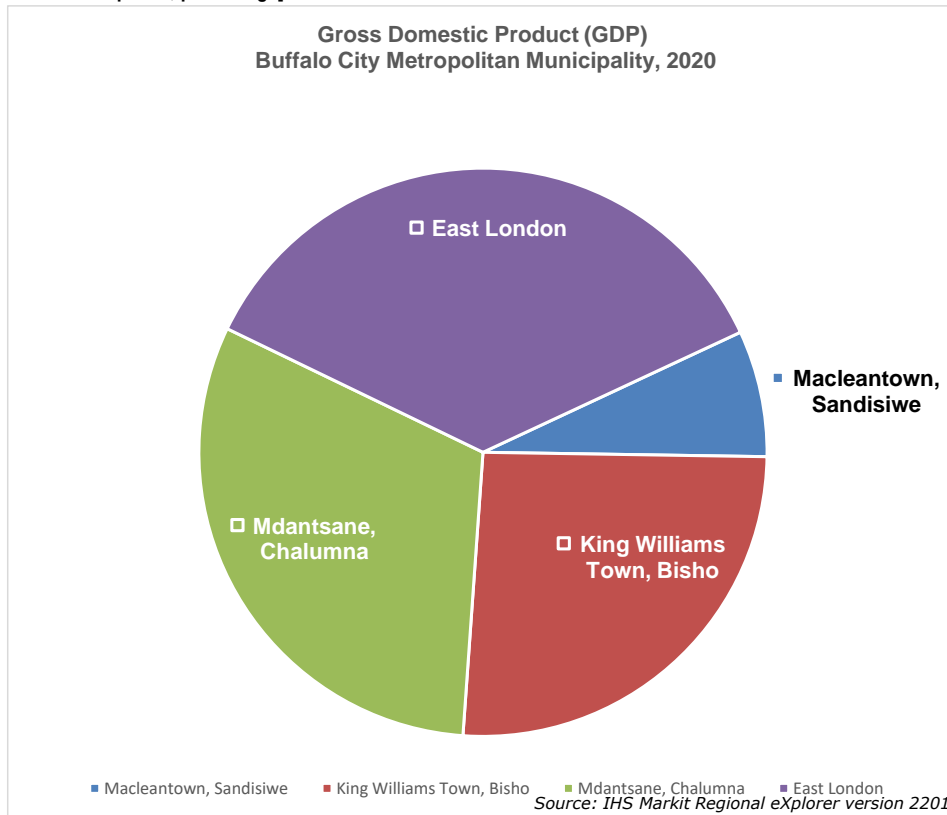
TABLE 20. Gross Domestic Product (GDP) - sub-metro regions of Buffalo City Metropolitan Municipality, 2010 to 2020, share and growth

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

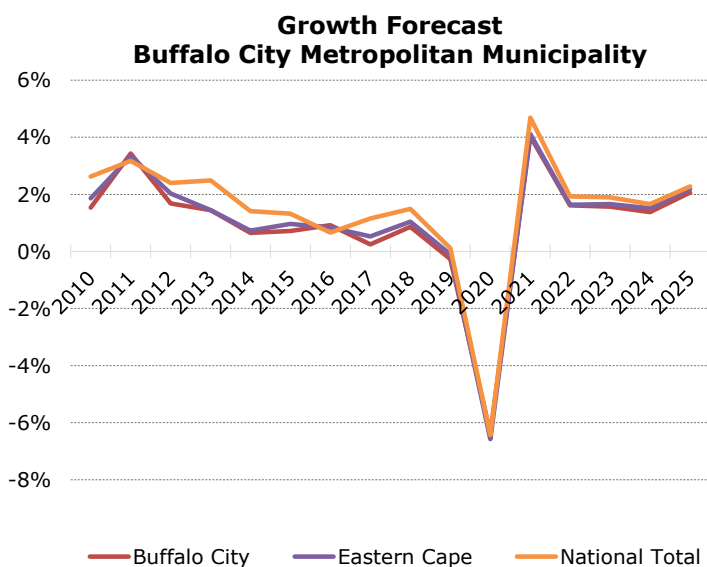


The greatest contributor to the Buffalo City Metropolitan Municipality economy is the East London Sub-metro Region with a share of 35.89% or R 30.1 billion, increasing from R 17.4 billion in 2010. The economy with the lowest contribution is the Macleantown, Sandisiwe Sub-metro Region with R 6.03 billion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

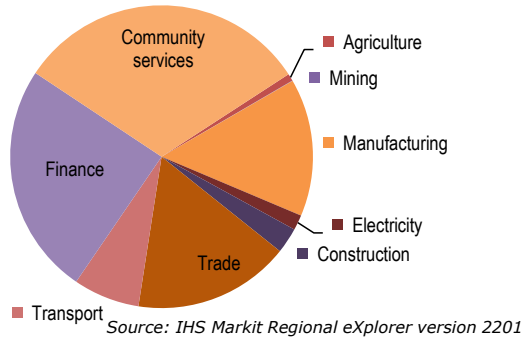
	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
Agriculture	0.6	7.4	139.5	7.9%	0.42%
Mining	0.0	0.5	353.2	5.9%	0.01%
Manufacturing	11.1	49.1	648.4	22.5%	1.71%
Electricity	1.2	8.6	157.3	14.3%	0.78%
Construction	2.1	10.4	134.3	19.8%	1.54%
Trade	12.6	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%
Total Industries	75.3	383.0	4,997.9	19.7%	1.51%

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.

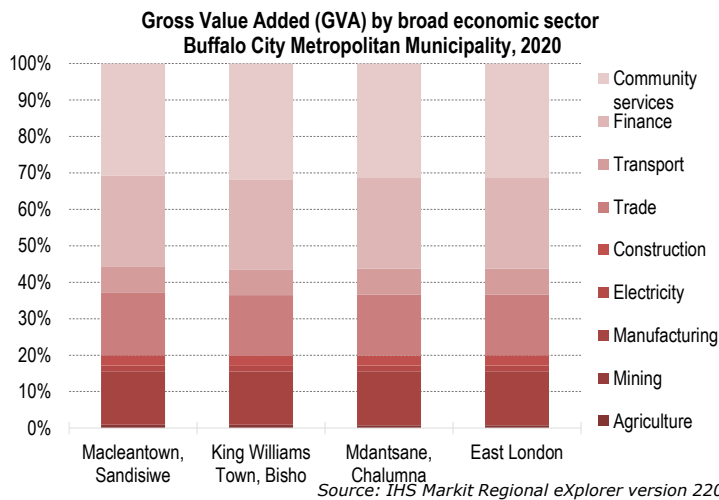
CHART 29. Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2020 [percentage composition]

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



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]



6.7 Historical Economic Growth

For the period 2010 and 2020, 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]

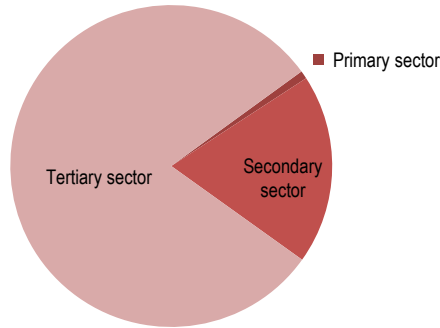
	2010	2015	2020	Average Annual growth
Agriculture	0.33	0.40	0.38	1.63%
Mining	0.05	0.06	0.04	-1.75%
Manufacturing	9.09	9.33	8.35	-0.85%
Electricity	0.68	0.62	0.56	-2.04%
Construction	2.18	2.32	1.72	-2.36%
Trade	9.45	10.31	8.87	-0.62%
Transport	4.80	5.31	4.65	-0.33%
Finance	12.90	14.21	14.90	1.45%
Community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

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**



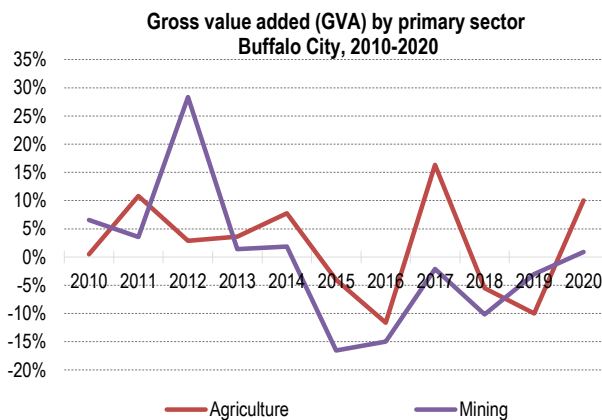
Source: IHS Markit Regional eExplorer version 2201

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]



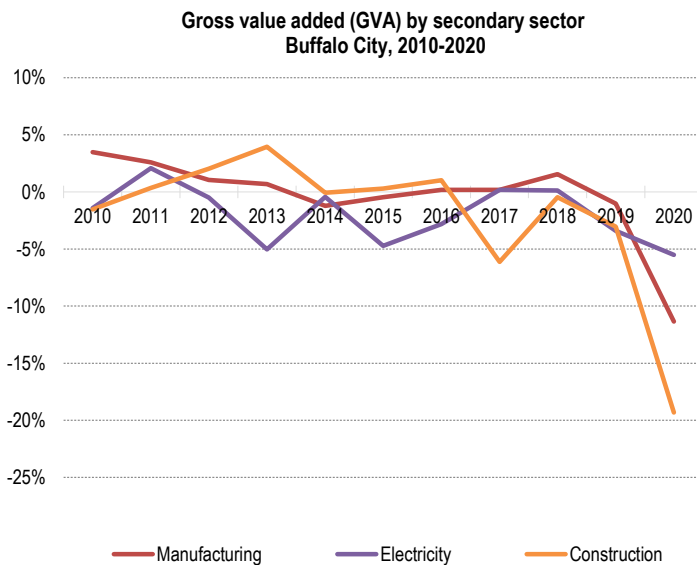
Source: IHS Markit Regional eExplorer version 2201

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]



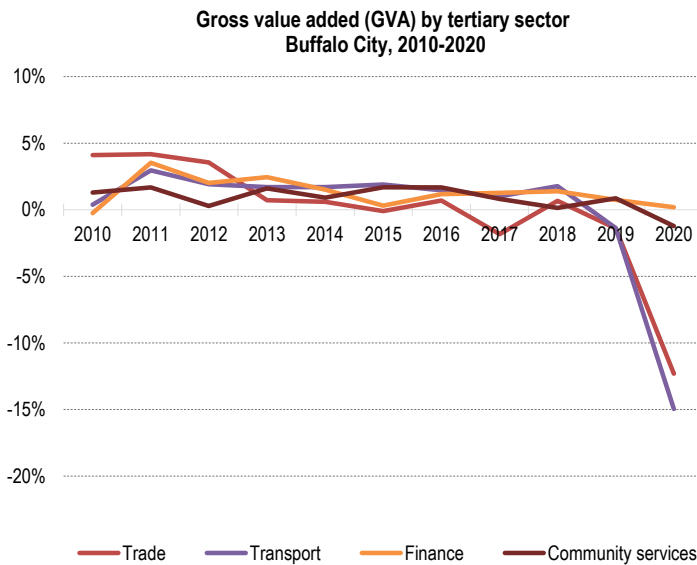
Source: IHS Markit Regional eXplorer version 2201

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.

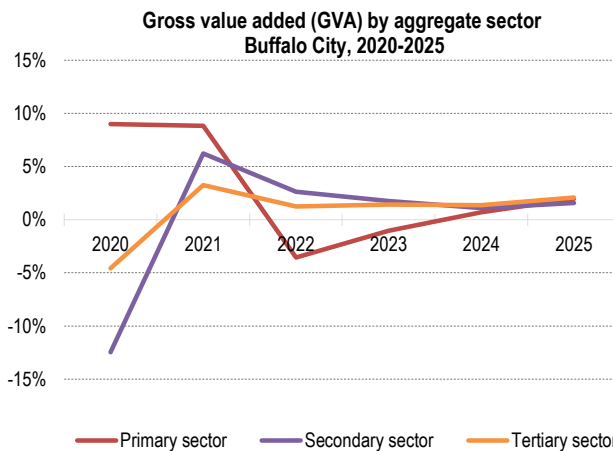
TABLE 25. Gross value added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2020-2025 [R billions, constant 2010 prices]

	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%
Total Industries	58.40	60.64	61.53	62.43	63.25	64.51	2.01%

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]



Source: IHS Markit Regional eXplorer version 2201

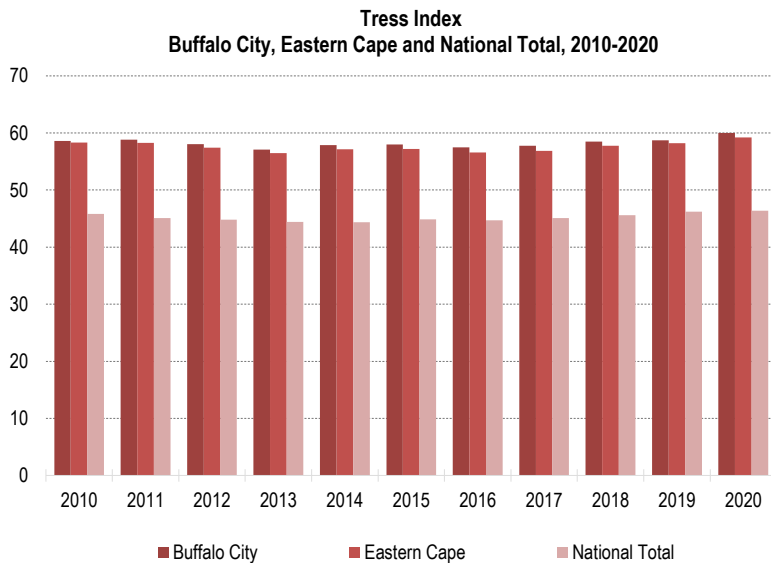
The Primary sector is expected to grow at an average annual rate of 1.29% between 2020 and 2025, with the Secondary sector growing at 2.64% on average annually. The Tertiary sector is expected to grow at an average annual rate of 1.87% for the same period.

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.

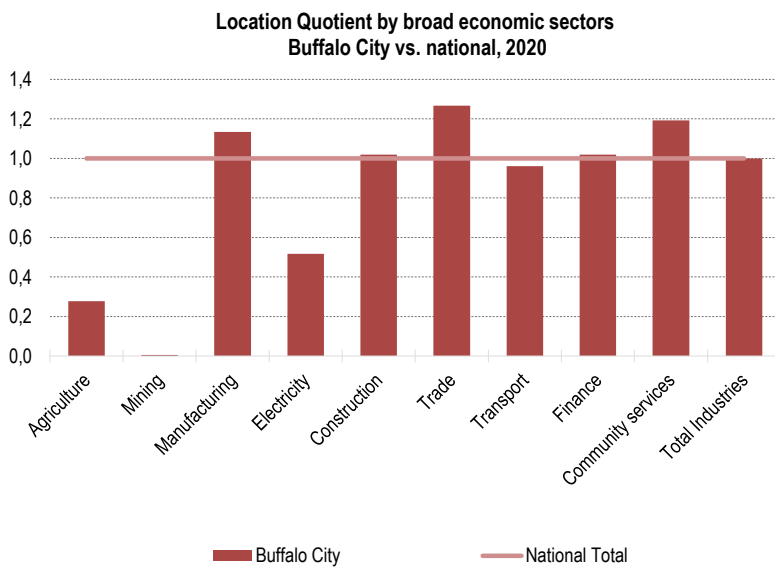
The more diverse an economy is, the more likely it is to create employment opportunities across all skills levels (and not only - for instance - employment opportunities that cater for highly skilled labourers), and maintain a healthy balance between labour-intensive and capital-intensive industries. 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]

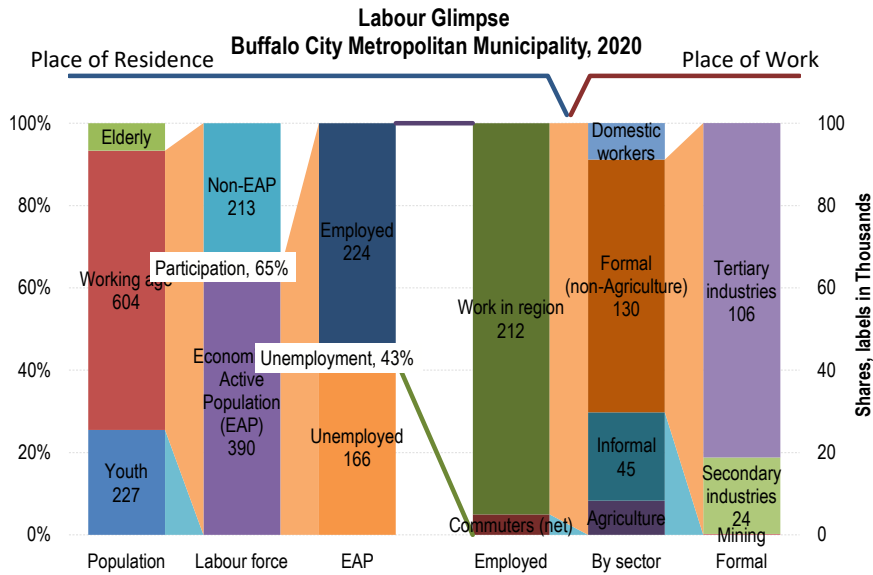
	Buffalo City		Eastern Cape		National Total	
	2010	2020	2010	2020	2010	2020
15-19	77,900	58,400	809,000	651,000	5,220,000	4,700,000
20-24	96,600	76,700	737,000	620,000	5,360,000	4,760,000
25-29	86,200	103,000	578,000	726,000	4,800,000	5,460,000
30-34	60,500	99,600	389,000	655,000	3,890,000	5,570,000
35-39	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
Total	536,000	604,000	4,040,000	4,520,000	33,300,000	38,800,000

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%		
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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
Joe Gqabi	22.7%	26.6%	29.6%
O.R.Tambo	16.4%	19.0%	22.6%
Alfred Nzo	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.

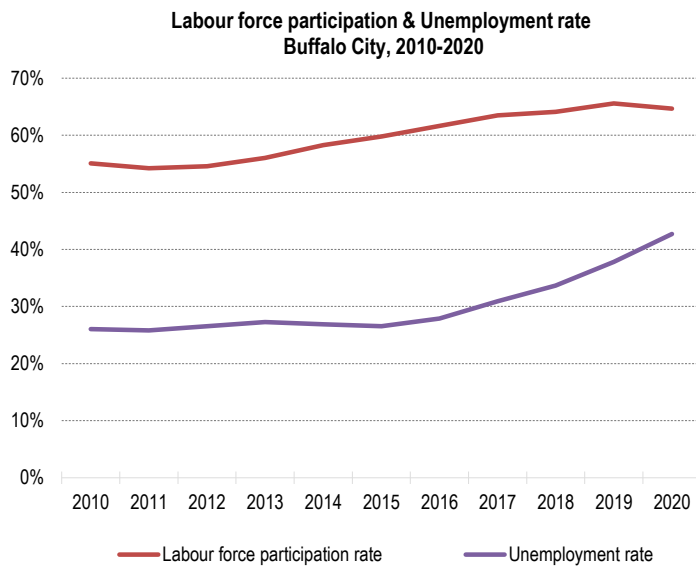
TABLE 30. The labour force participation rate - Buffalo City, Eastern Cape and National Total, 2010-2020 [percentage]

	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.

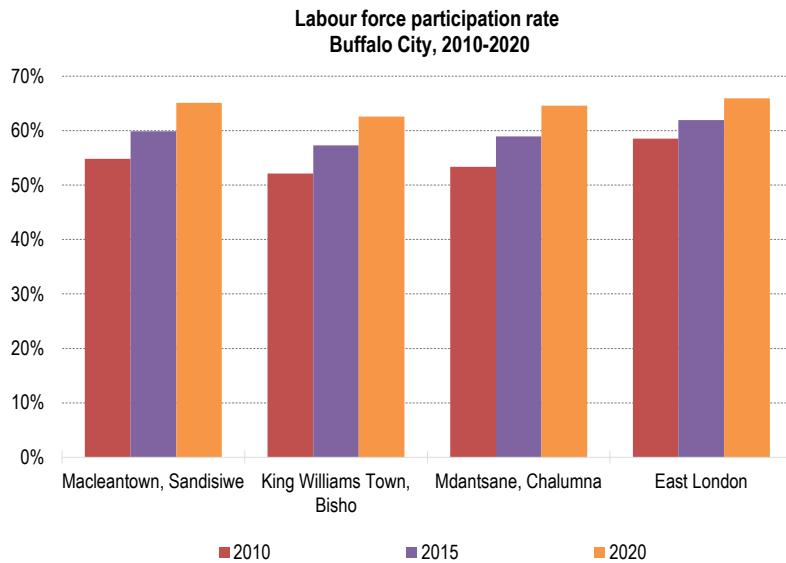
CHART 38. The labour force participation and unemployment rates - Buffalo City Metropolitan Municipality, 2010-2020 [percentage]



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%
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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]

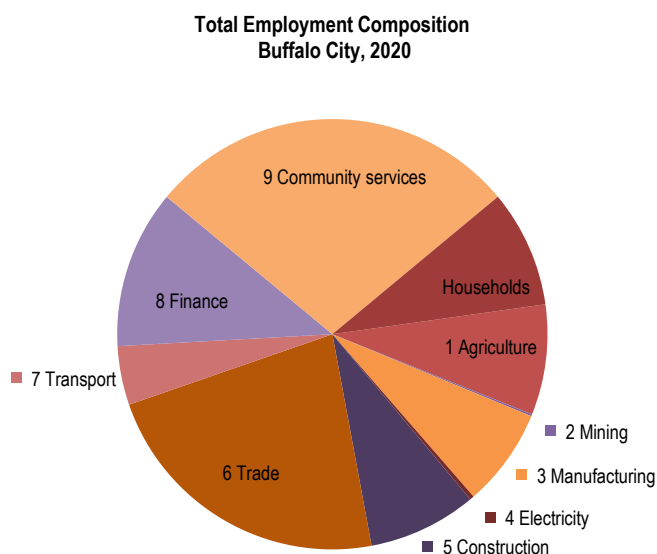
	Buffalo City	Nelson Mandela Bay	Sarah Baartman	Amatole	Chris Hani	Joe Gqabi	O.R.Tambo	Alfred Nzo	Total Eastern Cape
Agriculture	17,600	9,680	29,000	8,520	10,200	7,480	5,740	3,820	92,120
Mining	315	481	36	63	140	89	214	72	1,410
Manufacturing	15,700	67,100	13,800	5,570	5,070	2,820	4,760	2,670	117,500
Electricity	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
Total	213,000	411,000	154,000	123,000	123,000	67,700	168,000	81,600	1,340,215

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

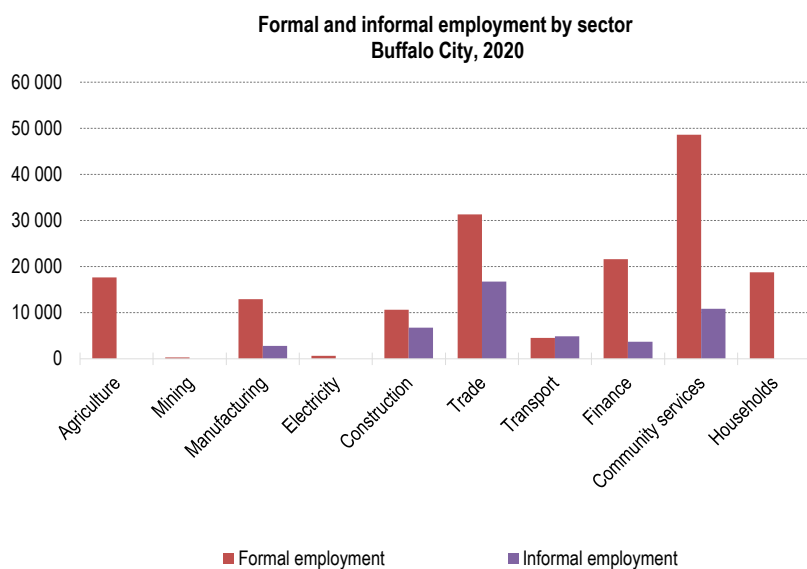
6.15 Formal and Informal employment

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
Agriculture	17,600	N/A
Mining	315	N/A
Manufacturing	12,900	2,800
Electricity	673	N/A
Construction	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
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Average Annual growth

2010-2020	8.06%	7.31%	4.10%	
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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%.

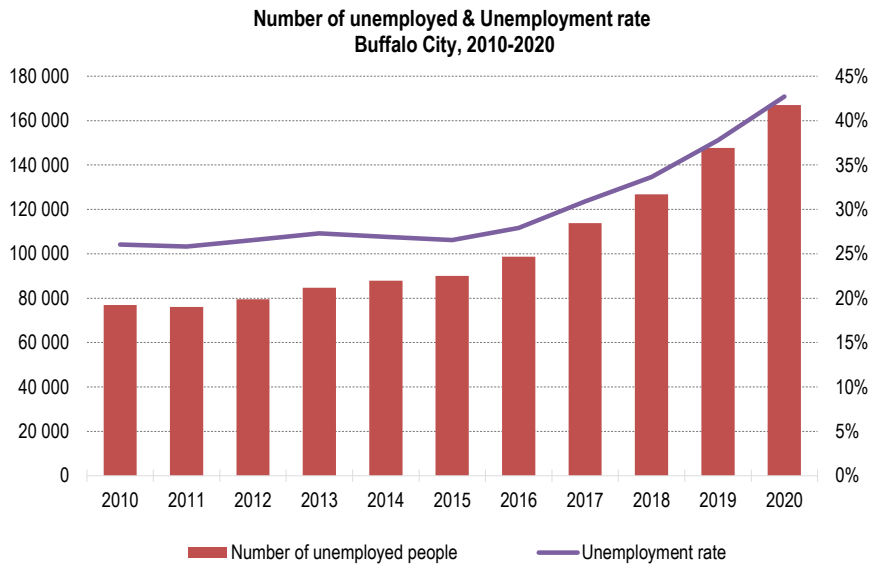
TABLE 35. Unemployment rate (official definition) - Buffalo City, Eastern Cape and National Total, 2010-2020 [Percentage]

	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.

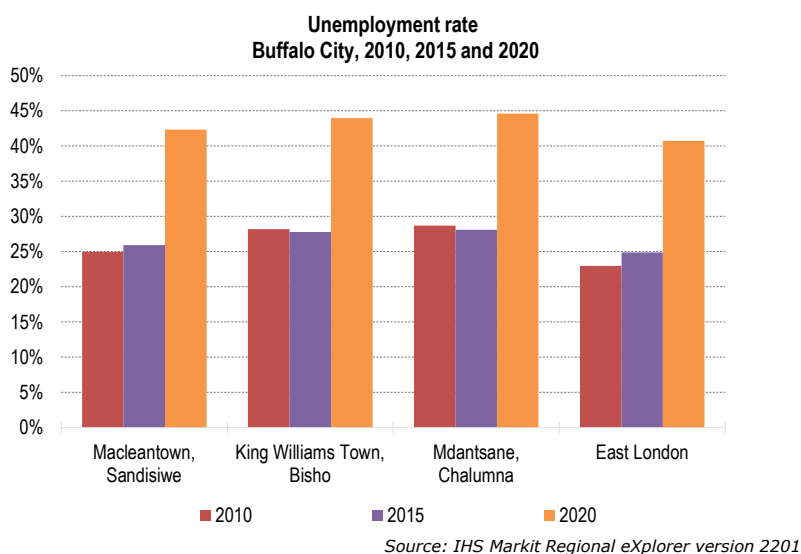
CHART 42. Unemployment and unemployment rate (official definition) - Buffalo City Metropolitan Municipality, 2010-2020 [number percentage]



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.

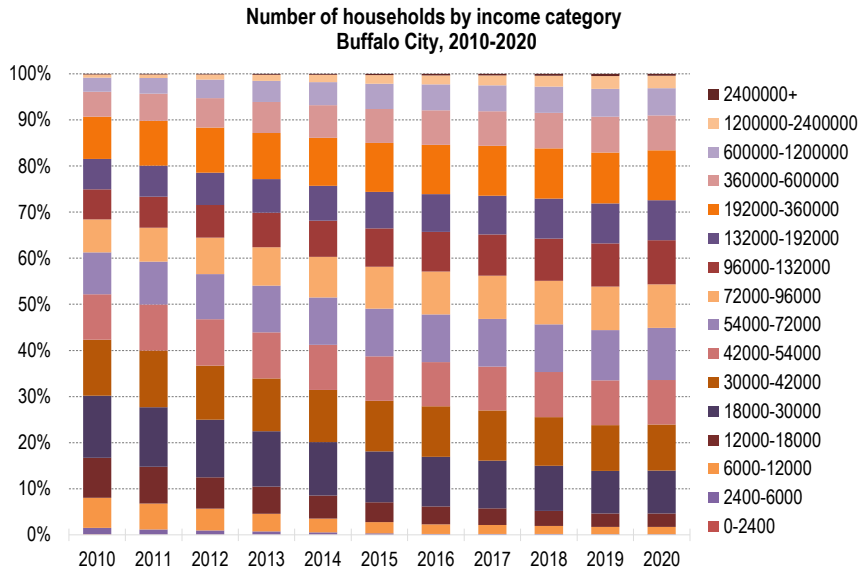
TABLE 36. Households by income category - Buffalo City, Eastern Cape and National Total, 2020 [Number Percentage]

	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%
Total	255,000	1,830,000	16,500,000	13.9%	1.55%

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

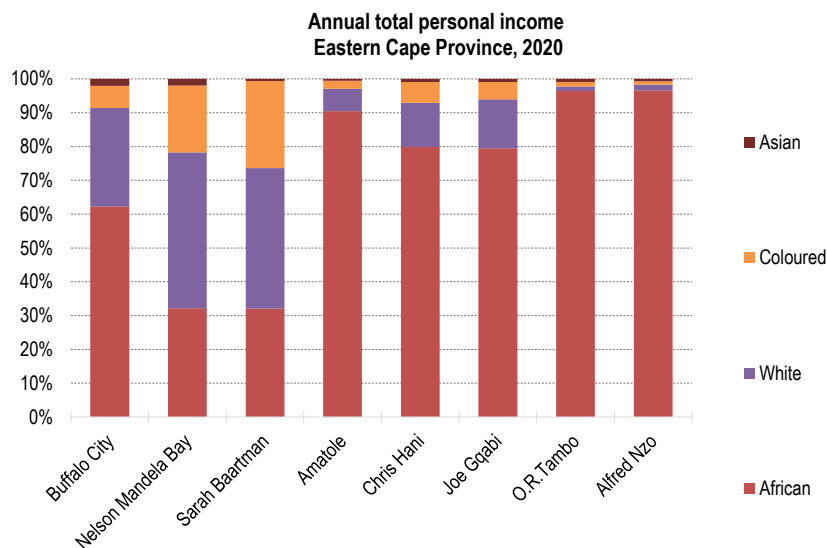
**Average Annual growth
2010-2020**

6.34%	6.89%	6.50%
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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]

	Macleantown, Sandisiwe	King Williams Town, Bisho	Mdantsane, Chalumna	East London
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				
2010-2020	6.33%	6.35%	6.34%	6.34%

Source: IHS Markit Regional eXplorer version 2201

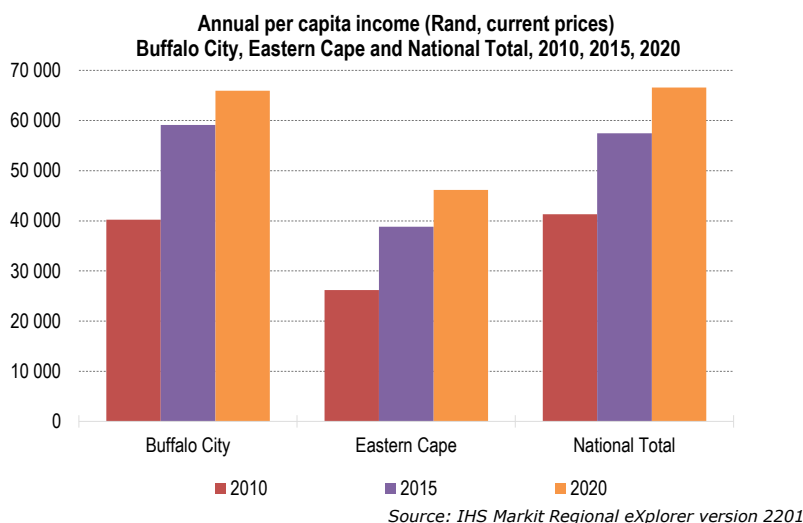
When looking at the annual total personal income for the regions within Eastern Cape Province it can be seen that the East London Sub-metro Region had the highest total personal income with R 21.3 billion which increased from R 11.5 billion recorded in 2010. It can be seen that the Macleantown, Sandisiwe 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]



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]

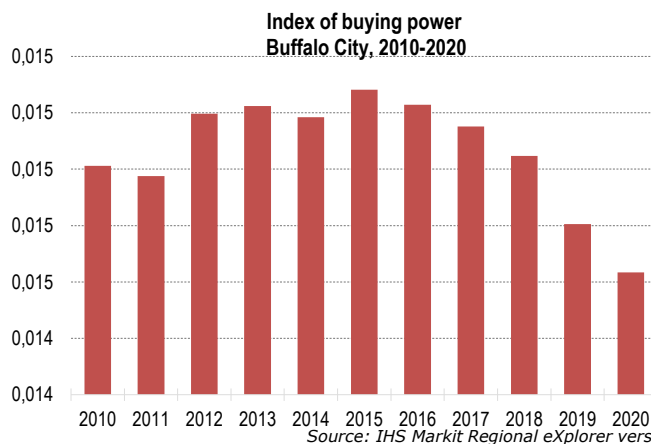
	Buffalo City	Eastern Cape	National Total
Population	891,146	7,333,763	59,646,053
Population - share of national total	1.5%	12.3%	100.0%
Income	58,763	338,731	3,970,503
Income - share of national total	1.5%	8.5%	100.0%
Retail	15,098,587	88,189,936	1,063,415,000
Retail - share of national total	1.4%	8.3%	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]



Source: IHS Markit Regional eXplorer version 2201

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.

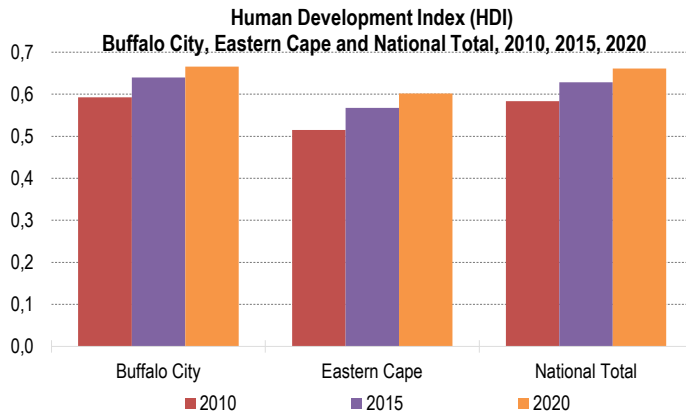
Another indicator that is widely used is the number (or percentage) of people living in poverty. Poverty is defined as the deprivation of those things that determine the quality of life, including food, clothing, shelter and safe drinking water. More than that, other "intangibles" is also included such 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.

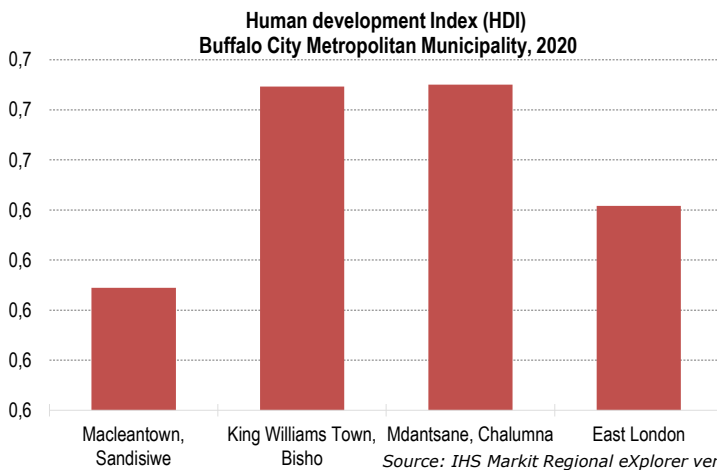
CHART 49. Human Development Index (HDI) - Buffalo City, Eastern Cape and National Total, 2010, 2015, 2020 [Number]



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

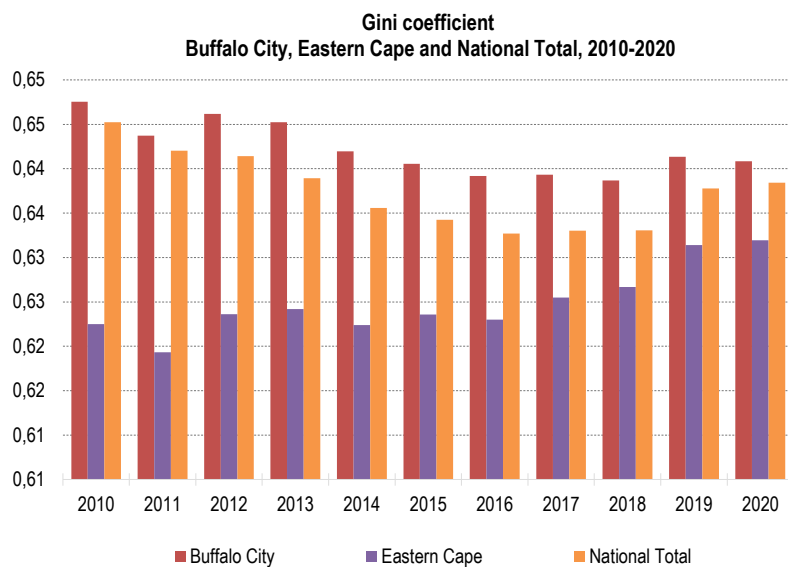
In terms of the HDI for each the regions within the Buffalo City Metropolitan Municipality, Mdantsane, Chalumna Sub-metro Region has the highest HDI, with an index value of 0.69. The lowest can be observed in the Macleantown, Sandisiwe Sub-metro Region with an index value of 0.609.

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

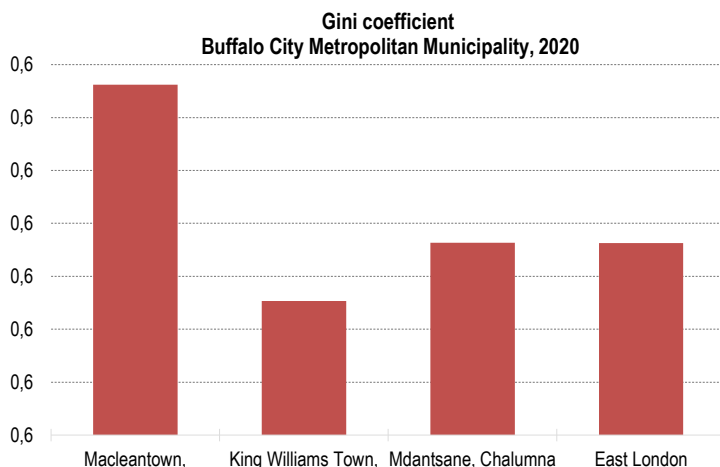
Average Annual growth

2010-2020	-0.04%	-0.29%	0.04%	0.09%
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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 to 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

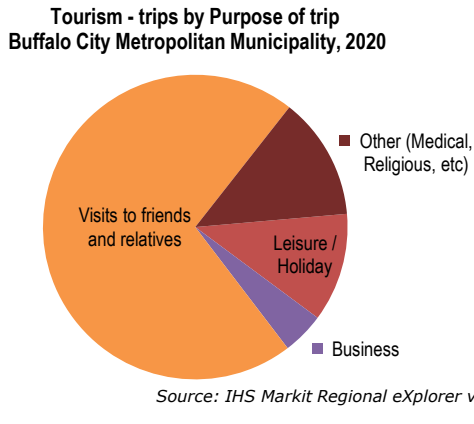
Average Annual growth

2010-2020	-17.51%	-15.72%	-15.57%	-11.76%	-15.44%
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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]



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.

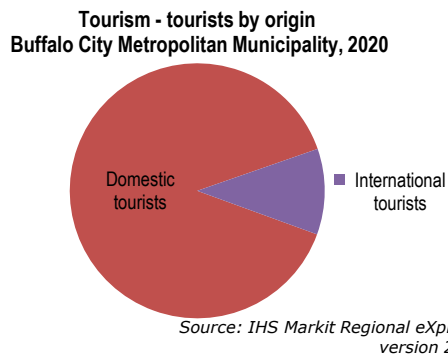
TABLE 42. Total number of trips by origin tourists - Buffalo City Metropolitan Municipality, 2010-2020 [Number]

	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	-16.00%	-8.07%	-15.44%

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]



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.

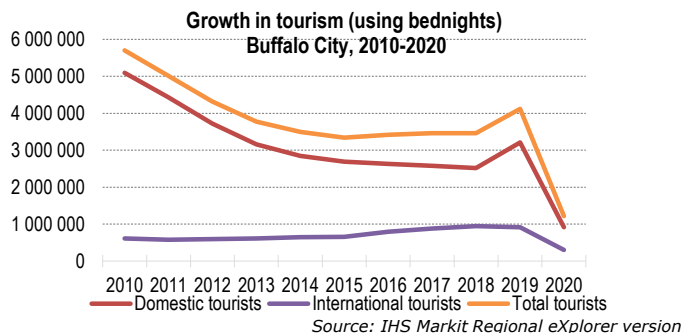
TABLE 43. Bednights by origin of tourist - Buffalo City Metropolitan Municipality, 2010-2020 [Number]

	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	Buffalo City	Eastern Cape	National Total
	-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]

	Buffalo City	Eastern Cape	National Total
2010	5.7%	6.0%	6.1%
2011	5.4%	5.5%	5.8%
2012	5.8%	6.0%	6.2%
2013	5.7%	5.9%	6.2%
2014	5.9%	6.1%	6.4%
2015	5.2%	5.4%	5.8%
2016	5.7%	5.9%	6.2%
2017	5.5%	5.7%	6.0%
2018	5.0%	5.2%	5.7%
2019	5.0%	5.2%	5.7%
2020	1.4%	1.6%	1.7%

Source: IHS Markit Regional eExplorer 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]

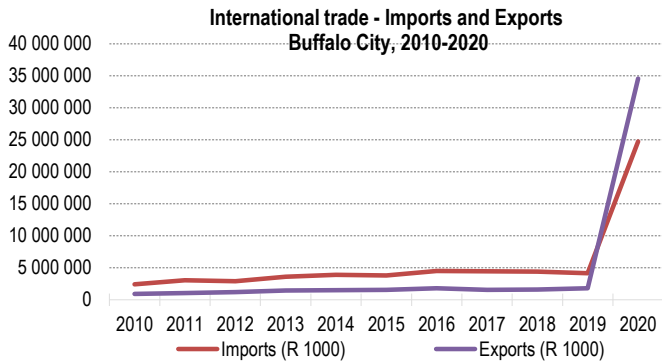
	Buffalo City	Eastern Cape	National Total
Exports (R 1000)	34,569,855	92,643,509	1,394,345,999
Imports (R 1000)	24,744,230	73,918,938	1,109,458,999
Total Trade (R 1000)	59,314,084	166,562,447	2,503,804,998
Trade Balance (R 1000)	9,825,625	18,724,570	284,887,001
Exports as % of GDP	41.3%	21.9%	25.3%
Total trade as % of GDP	70.8%	39.3%	45.3%
Regional share - Exports	2.5%	6.6%	100.0%
Regional share - Imports	2.2%	6.7%	100.0%
Regional share - Total Trade	2.4%	6.7%	100.0%

Source: IHS Markit Regional eExplorer 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.

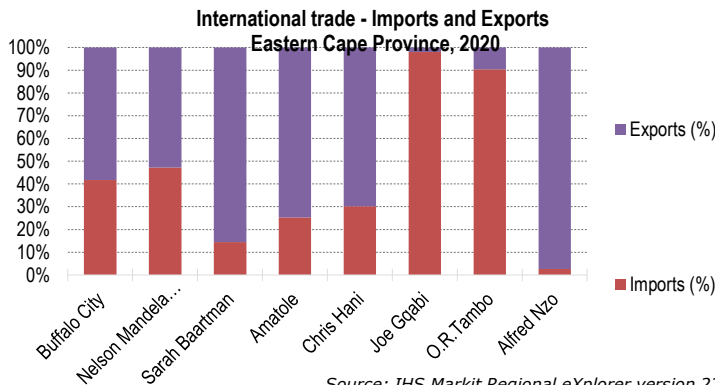
CHART 56. Import and Exports in Buffalo City Metropolitan Municipality, 2010-2020 [R 1000]



Source: IHS Markit Regional Explorer version 2201

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]



Source: IHS Markit Regional Explorer version 2201

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*

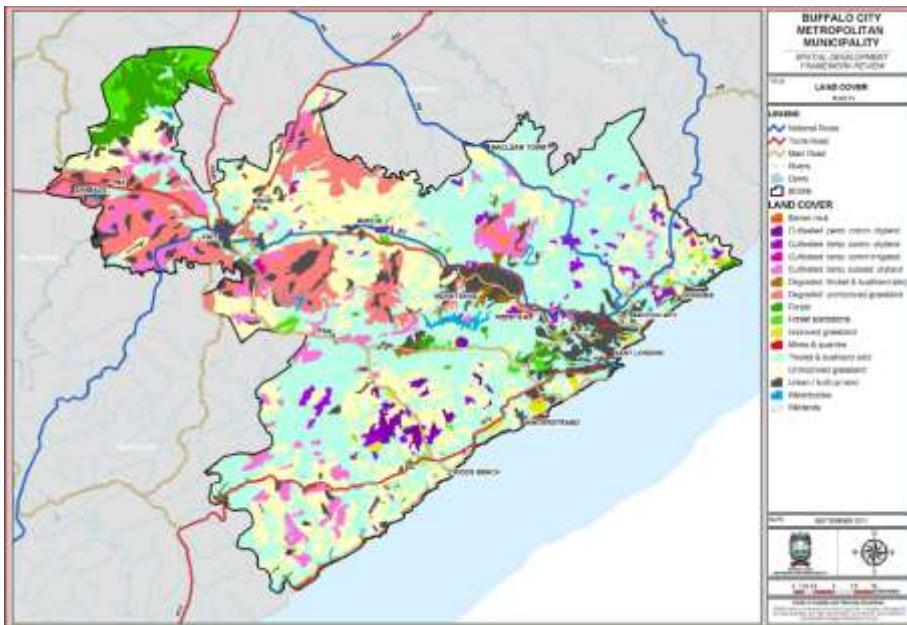


Figure 36: Plan E.1 Land Cover Plan showing Agricultural and Urban areas

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.

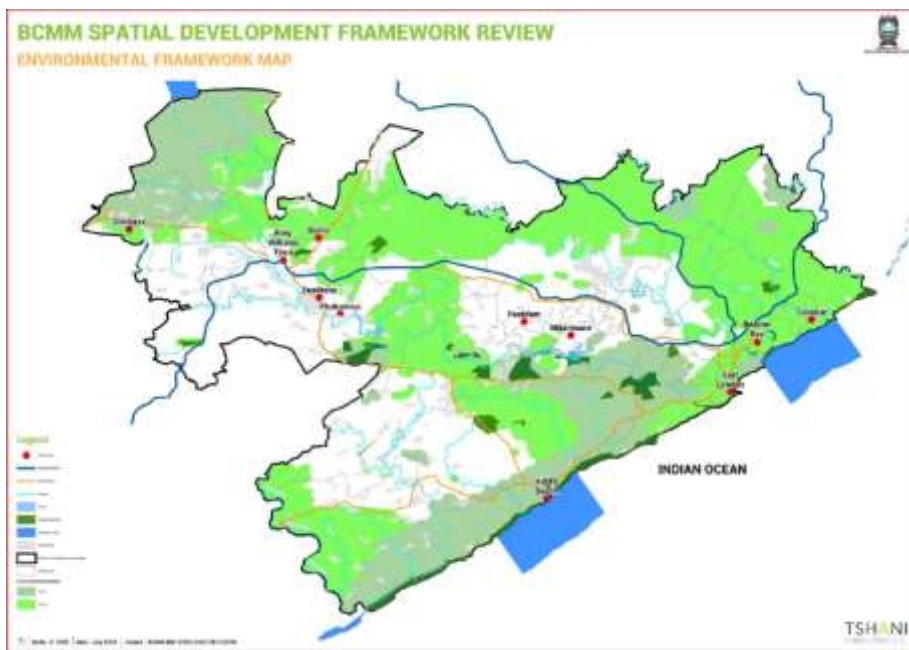


Figure 37: Plan E.2 Biodiversity and Environmentally sensitive areas

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.

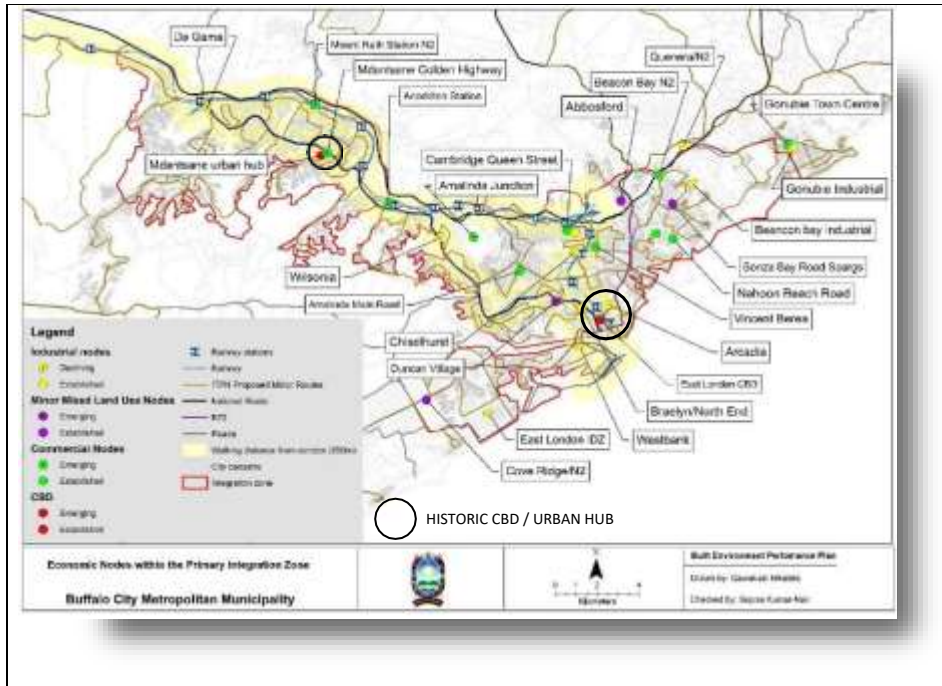


Figure 38: Plan E.3 BCMM Development Nodes

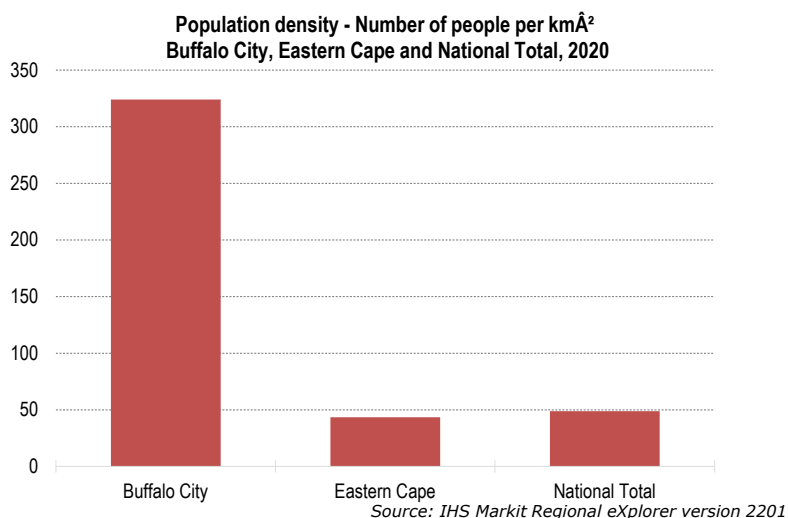
TABLE NO. 1: NODES	
NODE TYPE	AREA/DESCRIPTION OF LOCALITY
PRIMARY NODES:	
Central Business Districts (CBDs)	<ul style="list-style-type: none"> East London Qonce (previously known as KWT) Mdantsane Dimbaza
	<ul style="list-style-type: none"> Mount Ruth Station Arnoldton Station Amalinda Junction
LOCAL NODES	
Minor Mixed Land Use Nodes (Existing)	<ul style="list-style-type: none"> Meisies Halt Bonza Bay Road (Sparg's Centre) Ndende (Duncan Village) Golden Highway (Mdantsane) Berlin town centre Zwelitsha town centre
Minor Mixed Land Use Nodes (Potential)	<ul style="list-style-type: none"> Quenera Brakfontein Chester Road Cove Ridge

TABLE NO. 1: NODES	
NODE TYPE	AREA/DESCRIPTION OF LOCALITY
PRIMARY NODES:	
	<ul style="list-style-type: none"> ▪ Nahoon Valley ▪ Mdantsane Station ▪ Mtsotso Station ▪ Needs Camp ▪ Zone CC (Mdantsane) ▪ Fort Jackson Station ▪ Ndevana ▪ Phakamisa Junction
Administrative Node	<ul style="list-style-type: none"> ▪ Bhisho
Commercial Nodes	<ul style="list-style-type: none"> ▪ Vincent Park ▪ Beacon Bay Retail Park/The Hub
Industrial Node	<ul style="list-style-type: none"> ▪ East London IDZ ▪ North end ▪ Fort Jackson ▪ Berlin ▪ Qonce (previously known as KWT) ▪ Zweelitsha
Coastal Nodes	<ul style="list-style-type: none"> ▪ Kidd's Beach ▪ Sunrise-on-Sea
Rural Service Centre (Existing)	<ul style="list-style-type: none"> ▪ Crossways ▪ St Luke's (Newlands) ▪ Kidd's Beach Interchange
Rural Service Centre (Potential)	<ul style="list-style-type: none"> ▪ Khwetyana Intersection (Newlands) ▪ Kuni Village ▪ Upper eJojweni Village (Tyolomnqa) ▪ Drayini Village (Yellowwoods)

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
Buffalo City	286.99	290.32	293.74	297.25	300.87	304.64	308.42	312.35	316.20	320.11	324.02
Nelson Mandela Bay	589.45	599.45	609.50	619.41	629.20	638.95	648.37	657.74	666.71	675.50	684.13
Sarah Baartman	7.72	7.86	8.00	8.15	8.29	8.43	8.57	8.70	8.84	8.97	9.10
Amatole	41.34	41.13	40.92	40.80	40.75	40.77	40.84	40.99	41.18	41.41	41.68
Chris Hani	22.38	22.45	22.53	22.63	22.77	22.93	23.10	23.30	23.51	23.74	23.96
Joe Gqabi	13.81	13.90	14.00	14.12	14.25	14.40	14.55	14.72	14.88	15.05	15.22
O.R.Tambo	114.44	115.46	116.44	117.50	118.67	119.94	121.21	122.56	123.96	125.36	126.76
Alfred Nzo	75.92	76.44	76.95	77.56	78.25	79.00	79.77	80.61	81.47	82.32	83.16

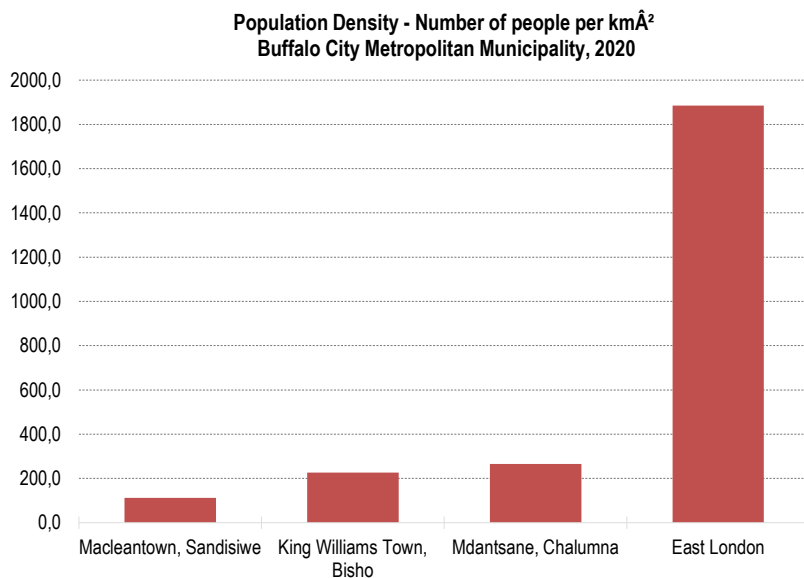
Source: IHS Markit Regional eXplorer version 2201

In 2020, Buffalo City Metropolitan Municipality had a population density of 324 per square kilometre and it ranked highest amongst its piers. 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.

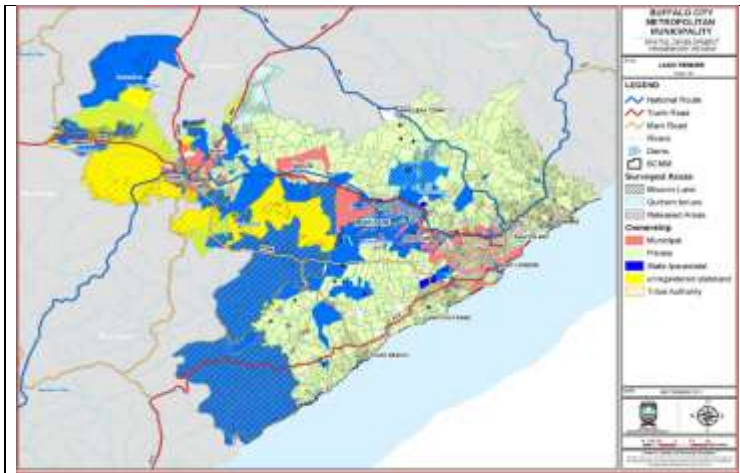


Figure 39: Plan E.4 BCMM Land tenure and ownership patterns

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.

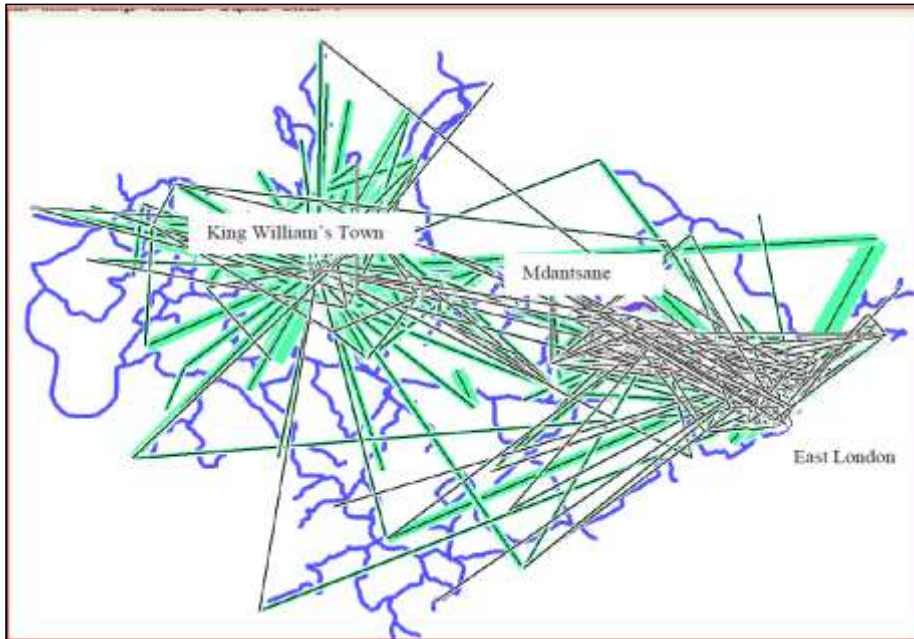


Figure 40: Plan E.6 BCMM Transport movement patterns

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:

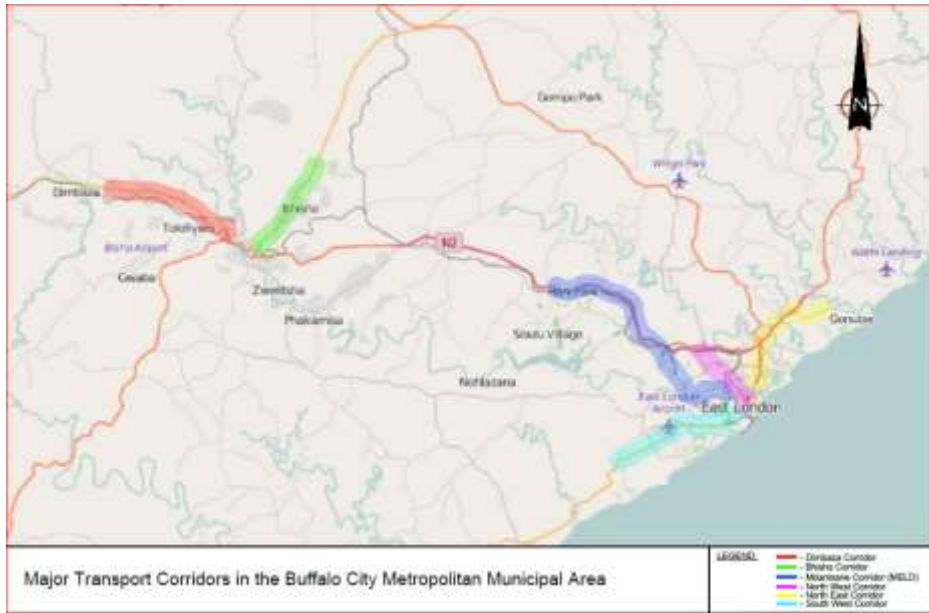


Figure 41: Plan E.7 BCMM Transport Corridors

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 Mdantsane 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

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: Safety and Security

3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2023/2024 IDP Review Process:

Council Priority 1: Build a transformed and resilient economy.

Current State:

- ✓ The Covid-19 pandemic deepened an economic crisis that already existed with an already highly constrained fiscal space made worse by a series of ratings downgrades; Crime, grime, and non-enforcement of by-laws is a major investment constraint.
- ✓ Ease of setting up and operating businesses in South Africa is still a challenge for many investors and had, in fact worsened over the years.
- ✓ The granting of approvals to set up and operate new facilities, access to utilities such as electricity and water, the cost and consistent availability of these utilities, as well as the general cost of doing business has a negative impact on the attractiveness of our location.
- ✓ Non-fiscal incentives had since inception, been the saving grace of the ELIDZ in the absence of a strong and effective fiscal incentives basket. This is because the non-fiscal incentives helped to reduce the cost of setting up and doing business in the ELIDZ and became something that immediately became attractive for investors.
- ✓ These incentives included funding of investor buildings, land and building rental rates, rent holidays, reduced electricity and other utility tariffs, which were credited with having enabled the competitiveness of the ELIDZ.
- ✓ There is opportunity for BCMM AND ELIDZ co-create locational specific incentives that could assist in counteracting some of the locational disadvantages and creating a distinct advantage for investors that locate in the city.
- ✓ Recently the city has entered into a partnership with the World Bank to develop a Smart City Strategy. The objectives of the Smart City Strategy are to:
- ✓ Address Buffalo City Metropolitan Municipality's service delivery challenges, inefficiencies and lack of integration through digitizing government in order to achieve outcomes such as cheaper and cleaner energy, improved safety and security, improved management of assets, improved delivery of basic services, reduced wastage and corruption, improved infrastructure longevity, improved customer satisfaction, reduced costs of doing business, improved revenue management and ultimately improved long-term city sustainability.
- ✓ Improving regional economic competitiveness and firm level productivity through innovation and enhanced capabilities in ICT infrastructure and services.
- ✓ Promoting digital access, closing the digital divide, and ensuring 4IR benefits flow to entrepreneurs and citizens in townships and other marginalized residential spaces.
- ✓ The City experienced de-industrialization and subsequently massive job-shedding over the past couple of decades. Mostly affected were industrial areas that were in closer or in some of the major townships such as Mdantsane, Ilitha, Dimbaza, etc.
- ✓ The City has a limited export base. Very few large exporters are capitalising on the existence of the Port infrastructure as well as Air Freight. There is a need to assist SMMEs access international markets and deal with barriers including non-tariff barriers. Local companies have also not been able to tap into or access national export incentives due to various reasons. The plan is to assess their export readiness status and implement suitable interventions.
- ✓ The Metro has limited capacity to provide all-round support to existing and potential investors. As such, Buffalo City entered into a partnership with the Border-Kei Chamber of Business under the name Invest Buffalo City.

Council Priority 1: Build a transformed and resilient economy.

- ✓ The Tourism Industry is slowly recovering from the effects of COVID-19 pandemic. Those businesses that managed to survive are struggling to operate or to make major investment to their businesses. This is prevalent in the lack of maintenance in some of the properties and facilities. Many businesses have reduced their staff compliment resulting into many people losing their jobs. The current economic conditions throughout the globe are also a concern as many people do not have disposable income to spend. This results into a reduced demand for tourism product. The cut in budget allocated for tourism due to fiscal constraints limits the ability of the institution to invest in tourism development and promotion. BCMM as a destination is affected by issues of connectivity as currently there are only two airlines flying to East London from other regional hubs.
- ✓ The City is experiencing high levels of unemployment which are unprecedented, particularly among the youth. The City also has a couple of Universities, TVET Colleges and other institutions of higher learning and therefore has a huge contingent of unemployed graduates. Most require experiential learning to improve chances of employability including self-employment.
- ✓ Most farmers in Buffalo City are operating on a subsistence level and require serious intervention and support to reach commercial levels. As a result, even the Buffalo City Fresh Produce Market receives the bulk of its fresh produce from outside the province. This results in huge cash leakages. Buffalo City has vast arable and grazing lands which are lying fallow in rural areas which either belong to communities or the state. This represents a huge opportunity for horticulture and livestock farming. The challenge is lack of infrastructure as agriculture has evolved and requires mechanization for advanced, efficient and competitive production. To mitigate against climate change, production under tunnels (hydroponics) is being supported.
- ✓ No universal access to agriculture infrastructure and support services. There is a need to centralize to strengthen resource mobilisation and sharing.
- ✓ Existing strategy was only developed in 2006. A lot has changed, and the strategy needs to be updated.

Anticipated Outcomes:

- ✓ Buffalo City will 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. The city has to groom, attract and encourage people who are capable of growing economic activities and enterprises, and retain such people through a competitively priced, high quality coastal lifestyle.
- ✓ The BCMM's ability to sustain current levels of fixed investment in the city is unlikely given the reductions in own revenue, reduced grant transfers from National Treasury, and less investment from the private sector (arising from reduced business confidence).
- ✓ Cooperatives, micro and small businesses and township industries thriving.
- ✓ Revive and grow the tourism industry of Buffalo City.

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.

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE 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.

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.

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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.

Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> ▪ Constitution of the Republic of South Africa, 1996 ▪ Municipal Systems Act ▪ Provincial Growth and Development Strategy ▪ National Small Business Act of 1996 - provides for the guidelines for organs of state to promote the development of small business ▪ Construction Development Board Act No 38 of 2000 ▪ Cooperatives Act No 14 of 2005 as Amended – provides for the registration, formation of cooperatives, Advisory Board, the winding up of cooperatives ▪ Broad-Based Black Economic Empowerment (BBBEE) Strategy 	<ul style="list-style-type: none"> ▪ 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”. ▪ 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 coaching, incubation and financing to sustain the businesses and co- operatives. ▪ 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. ▪ The draft Cooperative Development Strategy
Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> ▪ 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"> - SEK Mqhayi High School – Ward 48 - Ebenezer Majombozi High School – Ward 7 - Bisho High School - Ward 43 - ZK Mathews - Ward 41 - Hector Peterson – Ward 35 - Qhasana Senior Secondary School – Potsdam 	<ul style="list-style-type: none"> ▪ Access to Markets for SMMEs and Cooperatives (domestic & foreign, public procurement – localization) ▪ 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) ▪ Regulatory Environment (Red Tape or over-regulation) ▪ High Cost of Doing Business as there is still too much red tape or over regulations that hinder businesses ▪ Lack of supportive economic infrastructure (street traders/informal sector, manufacturing, etc.)

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> ▪ Coca-Cola Bizniz in box in Wards 7, 41 & 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. ▪ 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. ▪ 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. ▪ Development of an informal trader's by-law in All wards: Development of an informal trader's by-law to regulate the sector. | <ul style="list-style-type: none"> ▪ Poor business acumen and business management skills (e.g., financial management) ▪ Lack of access to appropriate technology ▪ Lack of support towards Intellectual Property (IP) Development (Product Development – Aloe, Traditional Medicines, Local recipes, etc.) ▪ Poor business acumen and business management skills |
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Current State

- 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)
- 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 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.

Action Plans

- Training / Capacity building
- Teen entrepreneur programme
- Coca-Cola partnership programme
- Equipment and machinery for SMMEs/ Cooperatives
- Roll out of hawker stalls
- Youth Work Readiness Programme
- Supplier Development Programme
- Women in Business Programme
- Buffalo City Fashion Show
- Incubation Hub / Ihub
- Seminars
- SMME Fund

KFA 2: Trade and Investment Promotion

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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	Link to BCMM Strategies, Sector Plan(s) 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.	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
<ul style="list-style-type: none"> ▪ 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. ▪ 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. ▪ 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. ▪ 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. 	<ul style="list-style-type: none"> ▪ De-investment or capital flight ▪ Slow turnaround times on municipal or government approvals ▪ Skills shortage (artisans) ▪ Poor image of the City as an investment destination ▪ Limited diversification of BC economy ▪ High cost of doing business ▪ Energy Security has a negative impact in terms of attracting new investors (unreliable supply)

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- 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.

Current State	Action Plans
<ul style="list-style-type: none"> ▪ 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 ▪ 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 <ul style="list-style-type: none"> ○ Huge opportunities to deepen auto supply chain (2nd and 3rd tier suppliers) – East London supplier park highly 	<ul style="list-style-type: none"> ▪ 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

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.
- Customer Satisfaction survey is going to be done through WSU and UFH

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 been adopted by Council
- 5-year booklet has not been commissioned due to lack of budget.

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.

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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

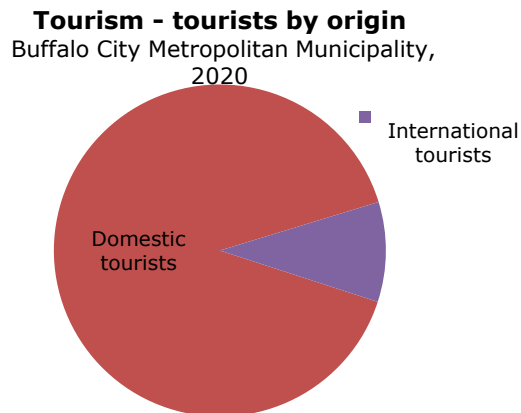
The suburbs with the highest contribution to the municipality's total number of tourism accommodation establishments were Beacon Bay, Gonubie and Quigney. The highest concentration of beds in the municipality are in Quigney.

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]



Source: IHS Markit Regional eXplorer

Purpose of visit

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

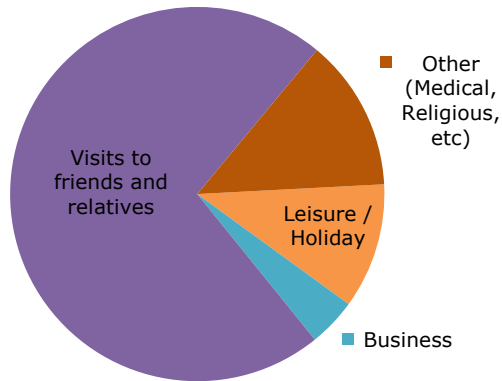
The main purpose for an overnight trip is grouped into these categories:

- 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]

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

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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
- 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	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ 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	Challenges

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> ▪ 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 under review. An amount of R35 000 000 has been spent supporting a number of events over a four-year period. ▪ 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. ▪ Development of the Tourism Sector Growth Strategy which was adopted by council in 2018. | <ul style="list-style-type: none"> ▪ 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. ▪ Lack of competence, non – compliance and knowledge of available resources to revive the industry by the tourism products ▪ Potential of growth in the cruise liner tourism ▪ Safety and security ▪ Lack of cleanliness of the city |
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Current State

- 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.
- Major decrease in income generated by the tourism sector from tourism activities.
- Approximately 50% loss of employment opportunities for people employed in the sector.
- Closure of 65 tourism accommodation establishments resulting into reduced number of beds in the city.
- 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
- Main source markets for domestic markets are Gauteng, Western Cape, Free state and KZN

Action Plans

- Implement campaigns to address seasonality.
- Focus on domestic tourism to increase the number of visitors in our city especially post Covid 19.
- Brand exposure in order to align programmes to those of our partners.
- Improve the use of digital marketing platforms (social media, website, etc.) to increase awareness and brand exposure.
- Focus on revival of the tourism industry through regular engagements with the tourism industry stakeholders.
- Visibility in all tourism marketing platforms created by the tourism industry locally, provincially, nationally and internationally.

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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| <ul style="list-style-type: none"> Buffalo City has significant competitive advantage in tourism assets – beaches, unspoilt nature, and cultural heritage Tourism sector was steadily growing pre-COVID with 38% increase in in-bound air passengers into BCM in 2019. | <ul style="list-style-type: none"> Implement tourism sector specific training programmes, workshops, awareness in order to support tourism SMMEs to comply with tourism protocols and regulations. Development of tourism routes. Development of key tourism infrastructure/attractions. Hosting of major business tourism event (MICE): |
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KFA 5: Job Readiness & Training (External)

Challenges

- High unemployment levels, specifically amongst youth (including graduates)
- Limited skills offerings (low artisan skills)
- Skills Mismatch (excess supply in certain areas where there is low demand) – re-training
- Lack of experiential training
- 55% of population (20yrs & older) – less than matric, 4% - no schooling

Current State

- Learning Interventions (Graduates)
- Artisans Training
- Community Works Programme

Action Plans

- Roll-out more Learning Interventions in partnership with key stakeholders including SETAs (Learnerships, Internships, Apprenticeships, etc.)
- Expand reach & facilitate partnerships
- Upskilling Re-orientation towards entrepreneurship

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

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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	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ 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
<ul style="list-style-type: none"> ▪ Hydroponics project in Wards 7 and 38: Construction of hydroponics tunnels for vegetable production to the value of R 18 000 000. ▪ 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. ▪ 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. ▪ Cropping: Support farmers with maize production inputs to the value of R 4 000 000. ▪ 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. 	<ul style="list-style-type: none"> ▪ Agriculture is for subsistence farming not for commercialisation ▪ Shrinking of agricultural contribution into the economy ▪ Outdated Integrated Agricultural Strategy ▪ High crime rate in the agricultural sector ▪ Lack of agro-processing industries ▪ Vast tracts of unused land in the rural areas ▪ Lack of interest by youth ▪ Lack of commitment amongst among various agricultural stakeholders ▪ Lack of infrastructure ▪ Outdated Technology ▪ Only 32% percent of BC population practice farming and largely on a subsistence basis ▪ Limited Commercial Agricultural Production (low volumes of production, limited agro-processing, limited agricultural exports) ▪ Lack of diversification on commodities produced ▪ Climate Change (global warming) affecting Agricultural Sector (Mitigation Measures) [Dry-land production] ▪ Limited youth involvement in Agriculture ▪ Fragmentation in the provision of support to communities and emerging farmers (low impact) – Need Agricultural Revolution ▪ Lack of incentives (new developments)

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	<ul style="list-style-type: none"> ▪ Lack of basic infrastructure (irrigation, dipping tanks, fencing of arable and grazing lands, semi-processing facilities, testing facilities, etc.
Current State <ul style="list-style-type: none"> ▪ 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 ▪ 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 	Action Plans <ul style="list-style-type: none"> ▪ 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

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

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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 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

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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	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> ▪ 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) 	<ul style="list-style-type: none"> ▪ 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	Challenges
<ul style="list-style-type: none"> ▪ 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 commemorate the life of Dr Rubusana to the value of R945 000. ▪ 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. ▪ 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: <ul style="list-style-type: none"> ▪ Supporting artists to participate in both national and international platforms in order to showcase their talent; and ▪ Hosting of skills development programmes. 	<ul style="list-style-type: none"> ▪ 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 ▪ Vandalization of heritage sites and resources ▪ Safety and security issues which impact negatively ▪ Lack of cleanliness of the heritage sites ▪ Limited proper signage to heritage sites ▪ No budget towards artist support programmes ▪ No budget available to host art, culture and heritage events ▪ Formation of tourism heritage routes ▪ Non grading of heritage sites by grading institutions or entities.
Current State	Action Plans
<ul style="list-style-type: none"> ▪ Total loss of income to artists due to total shutdown of economic activities. ▪ Lack of knowledge and compliance to access funding that was available in other spheres of government. ▪ Lack of structured relations and cooperation between Inter – governmental departments. ▪ Non-availability of an Standard Operating Procedure for the film industry in the City. 	<ul style="list-style-type: none"> ▪ Hosting of virtual programmes (virtual art exhibition) ▪ Increased partnerships for ease of access ▪ Develop formal policy for film making ▪ Partner with relevant stakeholder to achieve targeted goals

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- Non-availability of grant funding to support arts initiatives.
- Lack of a coherent Arts, Culture and Heritage Strategy for the City.

Council Priority 2: Safety, Security & Emergency Services

Current State:

- ✓ Currently Emergency Services Dept does not respond to structural fire related calls within the legislated fire response times due to various factors which are being addressed to improve the response times, fire stations are in need of upgrades & refurbishment. The state of the fire stations has led to bad publicity and low staff morale. The once nationally recognised Fire Training Centre requires budget to bring it back up to certification standards. Disaster Management is currently operating with very limited staff and office space which is hampering the effective management and functions of the department, which wishes to adopt a proactive, rather than reactive approach in terms of the Disaster Management Framework.
- ✓ The Constitution of the Republic of South Africa asserts the rights of all citizens to be safe, and secure and with access to efficient emergency services. Government, at all levels is required to fulfil these rights. The level of crime in Buffalo City Metro Municipality relating to essential infrastructure, used to provide or distribute basic services to the public, especially involving both ferrous and non-ferrous metal, is unacceptably high. It poses a risk to, among others, public safety, electricity supplies, provision of water, communications and transportation and has a negative impact on Buffalo City Metro's economy, society and infrastructure.
- ✓ Essential infrastructure-related offences are becoming increasingly more organized and are often committed by armed and dangerous criminal groups.
- ✓ Cases of vandalism of essential infrastructure has spiked in Buffalo City - where more than +- 484 cases were reported to the police recently. However, that does not include cases that are not reported. In Buffalo City Metro, reported cases more than doubled as the cases rose more than 76%, rising from 146 in the 2020/21 financial year to 258 in the 2021/22 financial year.
- ✓ The Solid Waste and Environmental Management Directorate is exposed to incidents of theft and vandalism, resulting to loss of assets and inventory (machinery, tools, infrastructure, fleet, cables, diesel etc) thus affecting operations and service delivery negatively.

Anticipated Outcomes:

Council Priority 2: Safety, Security & Emergency Services

- ✓ A well-managed, efficient, effective and proactive Emergency Services - responding to emergencies timeously and efficiently, well capacitated and operating optimally to render Emergency Services throughout the Metro
- ✓ The future direction is that the community will feel safe and enjoy a community life free of fear. An effective safety and security management approach necessitates multi-stakeholder, multi-faceted methods, which include advocacy orientation as well as punitive measures implementation. (NDP: 2020). The proposed integrated approach has the following elements: - the safety plan, support of community-based safety programmes, improved planning, design management of facilities, effective street lighting programmes, an integrated close circuit television system, in identified crime hot spots, integrated emergency services and mainstreaming of safety matters into the government programmes.
- ✓ Customer satisfaction is improved through the enabler of an effective information and knowledge management system.
- ✓ Improved safety and security of Solid Waste and Environmental Management (SWEM) Directorate assets and inventory.

Council Priority 3: Community Development.

Current State:

- ✓ Development of NU3 Community Hall: At BSC stage
- ✓ Development of Gesini Community Hall: At BSC stage
- ✓ Upgrade and Refurbishment of Community halls: Contractor has been appointed and the project is 90% complete

Anticipated Outcomes:

- ✓ Development of the NU3 Community Hall: Once the contractor has been appointed, project will commence to the next stage within the 2023/2024 financial year.

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:

- 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 Laden)
- Mayoral 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

<p>Challenges</p> <ul style="list-style-type: none"> ▪ 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)
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Current State	Action Plans
<ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ 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.

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	Challenges
<ul style="list-style-type: none"> ▪ 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 ▪ 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 	<ul style="list-style-type: none"> ▪ 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, water-front development, family-oriented entertainment & tourist attractions, limited adventure offerings, recreation places – Ebuhlanti, etc.

<p>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</p> <ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ 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)
<p>Current State</p> <ul style="list-style-type: none"> ▪ The demand for sports and recreation facilities seems to be growing from communities. ▪ 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. 	<p>Action Plans</p> <ul style="list-style-type: none"> ▪ Upgrading of Sports Facilities ▪ Upgrading of Beaches Facilities ▪ Upgrading of Swimming Pools ▪ Upgrading of the Zoo ▪ Upgrading of the Aquarium ▪ Upgrading of the Coastal Nature Reserves

- The impact of vandalism and theft on these facilities is very high, and the cost of repairs is rising as a result of this.

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.
- Book donations were received in the approximate value of R200 000,00.
- The launch of the Mayoral Library Legacy Project on 11 November 2016 at the NU 10 Hall in Mdantsane.
- The partnership agreement with Harambee Youth Employment Accelerator Project at Central Library in order to

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.
- Lack of mobile libraries to deliver library services to the rural areas where no library services exist.
- 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

<p>bring work readiness programmes and to deal with many social issues affecting the youth of Buffalo City.</p> <ul style="list-style-type: none"> ▪ The partnership with Takalani Sesame and Lego Foundation for the introduction and promotion of Early Childhood Development programmes and initiatives. ▪ The opening of a new Library Depot at the NU 5 Rental Office in Mdantsane on 18 March 2019. ▪ 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. ▪ The South African Library for the Blind in conjunction with the Provincial Department of Sport, Recreation, Arts & Culture have donated a Mini-Library for the Blind to service the Visually impaired community of Buffalo City. ▪ The Provincial Department of Sport, Recreation, Arts & 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 	<p>reasonable steps to secure its properties. Insufficient funding has been allocated in the budget.</p>
<p>Current State</p>	<p>Action Plans</p>
<p><u>Libraries</u></p> <ul style="list-style-type: none"> ▪ 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. <p><u>Halls</u></p> <ul style="list-style-type: none"> ▪ 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 	<p><u>Libraries</u></p> <ul style="list-style-type: none"> ▪ Container Library Project – Greenfields Library – Completion <p>Anticipated further projects within the Libraries are:</p> <ul style="list-style-type: none"> • 2 X Container Libraries (Inland Region) • Refurbishment of Public Libraries (East London Central Library & Berlin Library) • Procurement of Mobile Libraries (4x Mobile Buses) <p><u>Halls</u></p> <ul style="list-style-type: none"> • Development of Community Halls - Nompumelelo Hall • Development of Gesini Hall • Development of NU3 Community Halls • Upgrade and refurbishment of community Halls

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.

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 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)

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

- 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

petroleum gas, petroleum products, fire detection, dangerous goods and National Building Regulations.

Disaster Management
Disaster Management By-law

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

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.
- 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

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- Drought 2019-2020
- 230 Rural Settlements
- 154 Informal Settlements
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- 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 forwards the relevant information to the South African Social Security Agency, BCMM 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.
- 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 due to 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.

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

- Constitution of the Republic of South Africa
- National Road Traffic Act, 1996, No. 93 of 1996
- National Road Safety Act, No. 9 of 1972
- Criminal Procedure Act 51 of 1977
- National Land Transportation Act 5 of 2009
- Municipal Systems Act 117 of 1998

Link to BCMM Strategies, Sector Plan(s) and Policies

- Traffic Safety Plan
- Roads Master Plan
- Parking Meters By-Law
- SAPS Strategic Plan
- Operations
- Law Enforcement Traffic Control

<ul style="list-style-type: none"> ▪ The Protection of Personal Information Act (PoPI Act) 	<ul style="list-style-type: none"> ▪ Impoundment of vehicles ▪ Addressing verbal and written complaints ▪ Execution of Directives issued by National Department of Transport ▪ SLA between BCMM & NDOT ▪ Crime Prevention Strategy
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Challenges

<ul style="list-style-type: none"> ▪ 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 not-conducive for the staff working and the public who frequent the stations.

Progress & Achievements 2016 to date

Public Safety: Traffic Services

<ul style="list-style-type: none"> ▪ 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 2nd 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 18th of January 2022 where he commented that: <i>"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</i>
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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 2nd 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 2nd 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 me 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 4th 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 4th 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 “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 1st of February 2022 launched the pilot project for “ONLINE PRE-BOOKING” for leaner 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 dos o 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"> ▪ 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 	<ul style="list-style-type: none"> ▪ Establishment and Implementation of a 24hour shift. Thus, enabling Traffic Services to run 24/7.

jurisdiction as well provide additional auxiliary services to the metro.

- 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.
- 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.
- 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.
- 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.

SERVICE STATISTICS FOR TRAFFIC SERVICES-

Axillary Services:

	Statistics
Testing of Roadworthiness	483

- 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.
- Implementation of a tactical radio network communication system to render more effective and efficient services.
- Providing officers with additional equipment, namely bullet proof vests, breathalysers, additional vehicles.
- Skilling current staff.
- 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).
- 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.
- Procurement of an additional EBAT unit and provide training.
- 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

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: Inconsiderate driving Overtaking Traffic signal violations Safety belts Unlicensed Vehicles Handling cell phone whilst driving overloading Other moving offence	22509
Defects on vehicles Windscreen, Steering wheel, brakes, tyres, front/rear lamps 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

- 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 6th 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

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' licenses, 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.

Strategic Outcome

2

A
GREEN
CITY



SITUATIONAL ANALYSIS

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 (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 15: Beaches
		KFA 16: Parks and Open Spaces.
		KFA 17: Vegetation Control and Biodiversity
		KFA 18: Municipal and Environmental Health
		KFA 19: Solid Waste Management

3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2023/2024 IDP Review Process:

Council Priority 4: Solid Waste and Environmental Management (Climate Change).

Current State:

- ✓ Upgrade and Refurbishment of Community halls: Contractor has been appointed and the project is 90% complete
- ✓ BCMM has a climate change strategy that is currently due for review in 2023/2024 FY.
- ✓ The City has forged a partnership with CSIR with the intention of aligning the reviewal process of the climate change strategy as embedded in the Metro view project outcomes. The city is currently implementing climate change adaptation and mitigation programs to counter act the effects of climate change.
- ✓ The City's Integrated Environmental Management Plan is also under review

Council Priority 4: Solid Waste and Environmental Management (Climate Change).

- ✓ BCMM is implementing an Air Quality Management Plan and intends to strengthen atmospheric emission compliance. The city has three (3) Air monitoring stations and is in the process of procuring a station for Midland Region. The purpose of the stations is to monitor the quality of air including atmospheric emissions within the jurisdiction of the City.
- ✓ The City has a Coastal Management Programme that is due for review. The infrastructure within Beach areas and Coastal Nature Reserves is ageing and currently undergoing upgrading & refurbishments.
- ✓ The Estuaries of the City's coastline are faced with major pollution issues due to upstream activities and matters of non-compliance along the rivers leading to the estuaries.
- ✓ The City is currently facing a challenge in relation to adequate fleet and machinery for grass cutting and vegetation control. Furthermore, the problem has been compounded by the continuous threat of theft and vandalism. Grass cutting equipment is in short supply and those that are available are not operational due to delayed repairs and maintenance.
- ✓ BCMM is implementing and developing sector plans which seek to promote biodiversity conservation and ecosystem restoration programmes. On the other hand, the City has been maintaining boardwalks in Nature Reserves on a regular basis in order to ensure easy access for sightseeing even though they are exposed to vandalism incidents resulting to the need for continuous maintenance and refurbishments.
- ✓ Municipal Health Services is currently faced with a tremendous shortage of staff in terms of the National Norms and Standards. On the other hand, the MHS staff in the Midland Region are experiencing a dire need for office accommodation, this compromises the delivery of services to the communities. The refurbishment of NU6 project has been earmarked as a project for this current financial year. (Insert a narrative aligning to the projects)
- ✓ BCMM is faced with the challenge of non-compliance in relation to waste management facilities (landfills and garden transfer stations) and is currently in the process of addressing this status quo.
- ✓ The City has established 3 Garden Transfer Stations and intends to extend the coverage of these facilities throughout the City in order to maximise waste management services.
- ✓ The city has established 4 Buy Back Centres in the Coastal Region, a plan is underway to establish further Buy Back Centres in the other 2 regions
- ✓ The City has developed Waste Minimization, Recycling, Awareness and Separation of Waste Programme
- ✓ The city has forged partnerships with BKCOB, BCMDA and other government sector departments in an effort to enhance waste management operations through EPWP and PEP.
- ✓ The city is running a hazardous waste pilot project in partnership with DFFE and Swedish environment protection Agency.
- ✓ The City is in the process of reviewing its waste management By-Laws.
- ✓ The City is currently facing a challenge in relation to adequate fleet and machinery for Solid Waste operations. Furthermore, the problem has been compounded by the continuous threat of theft and vandalism. Fleet for Solid Waste is inadequate and those that are available are sometimes not operational due to delayed repairs and maintenance.
- ✓ The City has established 3 Garden Transfer Stations and intends to extend the coverage of these facilities throughout the City in order to maximise waste management services.
- ✓ The city has established 4 Buy Back Centres in the Coastal Region, a plan is underway to establish further Buy Back Centres in the other 2 regions
- ✓ BCMM is faced with the challenge of non-compliance in relation to waste management facilities (landfills and garden transfer stations) and is currently in the process of addressing this status quo.
- ✓ The City has a Coastal Management Programme that is due for review. The infrastructure within Beach areas and Coastal Nature Reserves is ageing and currently undergoing upgrading & refurbishments.
- ✓ The Estuaries of the City's coastline are faced with major pollution issues due to upstream activities and matters of non-compliance along the rivers leading to the estuaries

Anticipated Outcomes:

- ✓ Reviewed and implemented environmental management & climate change strategic planning tools.
- ✓ Carbon footprint and air pollution reduced.
- ✓ Reviewed and implemented Coastal Management Programme.
- ✓ Refurbished beach infrastructure.

Council Priority 4: Solid Waste and Environmental Management (Climate Change).

- ✓ Improved grass cutting and vegetation control operations.
- ✓ Improved biodiversity conservation, ecosystem management and nature reserve infrastructure.
- ✓ Refurbished Municipal Health Services offices in NU 6.
- ✓ Improved compliance of Waste Management Facilities in line with the National Environmental Management Waste Act requirements.
- ✓ Reduction of illegal dumping sites and improved waste management services.
- ✓ Improved waste recycling, re-use and reduction initiatives.
- ✓ Reduced quantities of waste disposed into waste facilities.
- ✓ Improved community involvement in waste management programmes.
- ✓ Improved Waste management operations (Cleanliness) and aesthetics of the city through normal operations and community-based programmes.
- ✓ Household hazardous waste management program implemented.
- ✓ Reduced contraventions of waste management prescripts.
- ✓ Improved Solid Waste operations.

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 &

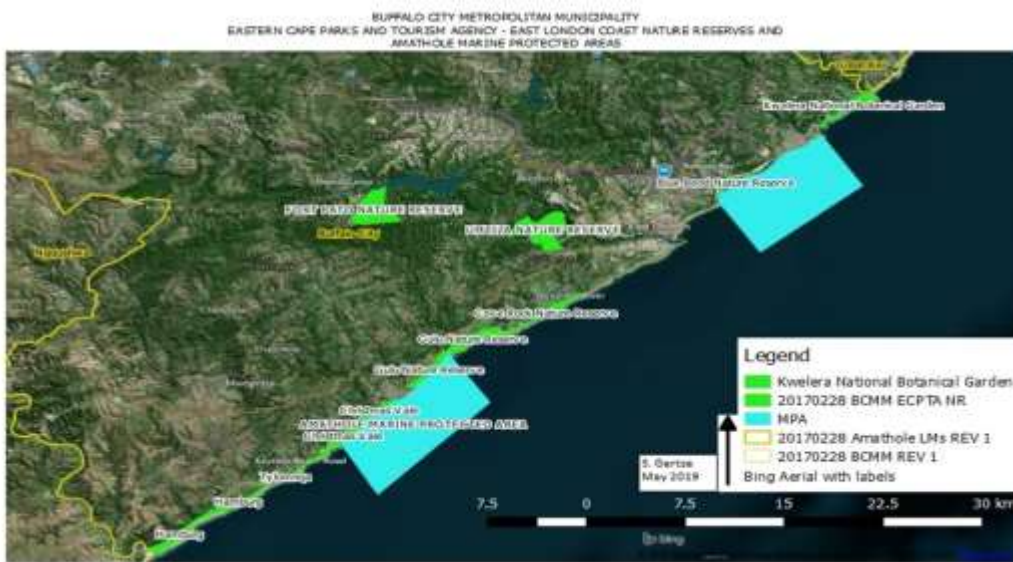
STRATEGIC OUTCOME (SO2): A GREEN CITY

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 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 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.



STRATEGIC OUTCOME (SO2): A GREEN CITY

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: Kwelerha, Gqunube, Nahoon, Buffalo, Gxulu, Tyolomnqa and Keiskamma. All our water sources in our environment depend on biodiversity for their cleanliness and general usefulness.

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.

STRATEGIC OUTCOME (SO2): A GREEN CITY

- 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
- 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

STRATEGIC OUTCOME (SO2): A GREEN CITY

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 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

STRATEGIC OUTCOME (SO2): A GREEN CITY

- 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
- National Framework for Air Quality Management in the Republic of South Africa, 2012
- National Water Act No. 36 of 1998
- National Ambient Air Quality Standards No. 1210 of 2009.
- National Dust Control Regulations No. R827 of 1 November 2013

Link to BCMM Strategies, Sector Plan(s) and Policies

- BCMM Air Quality Management Plan
- BCMM Air Quality By-Laws
- BCMM Air Quality Assurance and Quality Control System

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.

STRATEGIC OUTCOME (SO2): A GREEN CITY	
<ul style="list-style-type: none"> 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	
<ul style="list-style-type: none"> 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	Action Plans
<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> Improve air quality; 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 	<ul style="list-style-type: none"> Implementation of the Ambient Air Quality goals as recommended and adopted by BCMM. Upgrading of air quality monitoring stations equipment
<p><i>KFA 15: Beaches (to be included in final IDP)</i></p> <p><i>KFA 16: Parks and Open Spaces</i></p>	
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	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> NEMA (National Environmental Management Act) NEMBA (National Environmental Management Biodiversity Act) 	<ul style="list-style-type: none"> Municipal Open Spaces System (under review)
Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Vandalism and theft Increased levels of illegal dumping
Current State	Action Plans

STRATEGIC OUTCOME (SO2): A GREEN CITY

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| <ul style="list-style-type: none"> ▪ 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. | <ul style="list-style-type: none"> ▪ 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 17: 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 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.

STRATEGIC OUTCOME (SO2): A GREEN CITY

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.

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

STRATEGIC OUTCOME (SO2): A GREEN CITY

' .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
<ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ 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)
- Increased levels of illegal dumping

Current State	Action Plans
<ul style="list-style-type: none"> ▪ There's currently a very high demand for bush clearing as it contributes to the increase of crime and illegal dumping ▪ A total of 62 100 m² of vegetation control (bush clearing and noxious weed eradication) was done across the 3 regions of BCMM during the last financial. 	<ul style="list-style-type: none"> ▪ Wetland Rehabilitation Phase 2: Clearing of Alien Invasive plants in John Dube Wetland and NU 1.

KFA 18: 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"> ▪ National Health Act (NHA), 2003 (Act 61 of 2003) ▪ National Environmental Management Act (NEMA), 1998 (107 of 1998) 	<ul style="list-style-type: none"> ▪ Municipal Health Services Plan ▪ Municipal Health By-laws. ▪ Environmental legislation. ▪ Environmental Management By-laws.

STRATEGIC OUTCOME (SO2): A GREEN CITY

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

- 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.
- 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, 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.

Action Plans

- Taking of Drinking Water Samples to measure compliance with SANS 241 (Drinking Water Quality Standards)
- Taking of Food Samples to measure compliance with Compliance with FCD's Act & its Regulations
- Taking of Food Samples to measure compliance with Compliance with FCD's Act & its Regulations
- Inspection of Food Premises for Compliance with Regulations, GN No. R638 (Regulation Governing Hygiene of Food Premises, Transport of Food & Related Matters
- 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 19: 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

STRATEGIC OUTCOME (SO2): A GREEN CITY

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

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

STRATEGIC OUTCOME (SO2): A GREEN CITY

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.

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.

STRATEGIC OUTCOME (SO2): A GREEN CITY

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% completion, outstanding currently is the provision of Bulk containers.
- Work-study on Refuse Removal has been completed in the Coastal Region, a refuse removal schedule has been developed and currently at consultation stage.
- Review of Refuse Removal schedule at both Midland and Inland Regions has been completed and is already being implemented.
- Acquisition and installation of Eight Hundred and Fifty (850) Street Litter Bins in strategic points across the Metro has been successfully implemented.
- 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

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

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.

Current State

- 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.
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- Acquisition and installation of Eight Hundred and Fifty (850) Street Litter Bins in strategic points across the Metro has been successfully implemented.
- 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.

Action Plans

- Implement Waste diversion from disposal towards waste beneficiation and waste economy.
- To Develop Waste to energy projects.
- Implement Separation of waste at source programmes.
- Implement Recycling projects including the establishment of buy-back centres, drop-off points, transfer stations and formalisation of Waste Pickers.
- Establish community-based waste management service provision.
- To facilitate implementation of the household hazardous waste pilot project
- To facilitate the Construction of Cell 5 & Cell 6 at Roundhill landfill site.
- To facilitate the Construction of cells and upgrading of King William's Town landfill site.
- To facilitate Acquisition of chipping machines for garden transfer stations
- To facilitate Acquisition of refuse compactor trucks, LDV's and 4 Ton trucks
- To facilitate Acquisition of plant & machinery for landfill sites and garden transfer stations
- 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



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
		KFA 20: Roads and Storm water Infrastructure

Strategic Outcomes	Strategic Objectives	Key Focus Areas
STRATEGIC OUTCOME 3 (SO3): A connected city	To maintain a world class logistics network	KFA 21. ICT
		KFA 22: Transport Planning and Operations
		KFA 23: Energy Supply Efficiency

3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2021/2026 IDP Process:

Council Priority 5: Infrastructure and Service Delivery.

Current State:

- ✓ High Electricity losses and illegal connections
- ✓ Water shortages
- ✓ Still significant backlog in roads maintenance work
- ✓ IPTN) grant withdrawn.
- ✓ East London port will receive R4.3-billion from Transnet National Port Authority's (TNPA) over next seven years
- ✓ ACSA's Capital Projects (Code C Aircraft Stand, Departure Lounge Expansion, Multi-Storey Parkade and Precinct Plan) deferred due to the impact of Covid-19
- ✓ Public and private digitisation initiatives to be integrated with Smart City Strategy

Anticipated Outcomes:

- ✓ The metro has high-quality and competitively priced connections to ICT, electricity and transport networks that stimulate and support the transitioning of the economic landscape.
- ✓ High quality, dependable infrastructure enhanced with integrated Smart City solutions that promote and enable green technology and synergies, provides the city with a competitive edge.
- ✓ All stakeholders understand the social and economic value of different infrastructure investment options, prioritize, support and mobilize alternative funding streams for investing in strategic infrastructure. The City Infrastructure Delivery Management System is fully aligned with the delivery mechanisms of all spheres of government and detailed scenario planning assists all entities to improve on efficiencies with design and delivery of strategic infrastructure

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

[KFA 20: 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.

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

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.

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	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ Roads Master Plan 2018/19 ▪ Stormwater master plan 2009/10 ▪ BCMM pavement management standards
Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> ▪ 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. <ul style="list-style-type: none"> ▪ 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. <ul style="list-style-type: none"> ▪ 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 <ul style="list-style-type: none"> ▪ 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. <ul style="list-style-type: none"> ▪ 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. <ul style="list-style-type: none"> ▪ Start Date: April 2013 ▪ End Date: October 2016 ▪ Cost: R 150 581 826.72 	<p>ROADS PROBLEM STATEMENT</p> <p>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.</p> <p>STORM WATER PROBLEM STATEMENT</p> <p>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).</p>

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- 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
- 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 un-surfaced 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 ±70 Bridge Structures, ±21 000 manholes, kerb inlets, headwalls and ±610 km of pipe.

Action Plans

- Road improvement in the new wards has been extended to address the priority hot spots in the last few years.

KFA 21: 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

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

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:

- 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

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- Digital and High-end skilling (Digital Skills Hub with Harambee, ELIDZ Science Park and MBSA’s Learning Academy)
- Master Data Management

KFA 22: 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.

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

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

	<p>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.</p> <ul style="list-style-type: none"> • Public Transport Plan – this plan assists the City in planning for public transport services and their various systems. • Business Plan & 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.
<p>Progress & Achievements 2016 to date</p>	<p>Challenges</p>
<ul style="list-style-type: none"> • Construction of Pedestrian Bridges Programme (R 12.909 million) <ul style="list-style-type: none"> ▪ Cambridge Township in Ward 16 - Completed 2020 ▪ Siya in Ward 8 - Completed 2020 ▪ Matanzima in Ward 6 - Completed 2020 ▪ Sithembiso SSS in Ward 14 ▪ Scenery Park (2No.) in Ward 5 • Sleeper Site Road in Ward 47: <ul style="list-style-type: none"> ▪ 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 ▪ 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 • Upgrading of Qumza Highway Phase 7 – 1&2 (2.48km) in Wards 17,20,21,30 & 48: Construction completed as end August 2020. Cost - R 268 million • 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 • Review of the Comprehensive Integrated Transport Plan for All Wards: Draft report 	<ul style="list-style-type: none"> • 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. • 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.

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

completed during the month of August 2020.
Final approval by Council anticipated. Cost - R
2 million

Current State

- 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.
- 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 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 density 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 23: 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

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

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

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%)

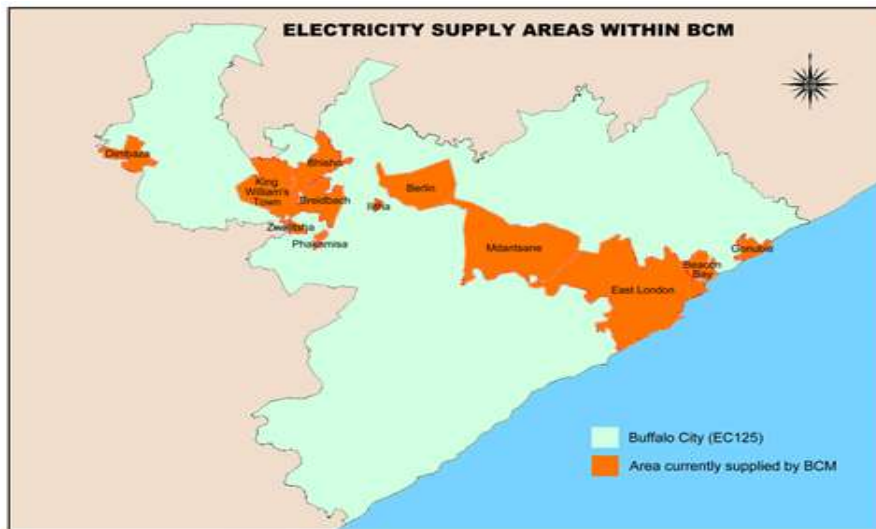


Figure 42: Electrical Supply Areas within BCM

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.

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- Hyro-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 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

Challenges

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ 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, Stonydrift and Progress, though impact is for the greater city: Cost – R25, 000,000 ▪ SCADA (4IR) in throughout the Midland Area (Mdantsane) Installation of monitoring equipment for control and network visibility. Cost – R27, 000,000 ▪ MV & LV Network in All Wards, Replacement, refurbishment of Medium Voltage & Low Voltage lines. Cost – R19, 000,000 | <ul style="list-style-type: none"> ▪ 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: <ul style="list-style-type: none"> ▪ theft and vandalism of the electrical infrastructure. This has become a major issue over the last two years 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. ▪ the theft of electricity from meter tampering and illegal connections. ▪ 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. ▪ 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. ▪ 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. ▪ 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. ▪ For BCMM to become an investment destination, BCMM should consider the following: <ul style="list-style-type: none"> ▪ 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) ▪ The new energy sources should also be used to reduce electricity tariffs |
|--|---|

Current State

- Electricity and Energy services mandate is to provide sustainable electricity and energy to all BCMM authorized electricity consumers in a reliable and safe manner.

Action Plans

- Accelerating green transition
- Conversion of ELIDZ into an UNIDO approved eco-industrial park (rated No1 in SA)

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- The license issued to BCMM requires the electricity department to comply with NRS 047 Quality of service and NRS 048 Quality of supply.
- 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.
- 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.
- BCMM has planned IPP (Thezi Langa)
- Berlin Green Hub (extension of ELIDZ, photovoltaic, solar panel production for all government buildings and RDP houses)
- Energy Storage Systems (Bushveld Energy and Platinum Fuel Cells) – planning to set up a Vanadium Redox Flow Battery 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

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 (SO4): A Spatially Transformed city	To develop and maintain world class infrastructure and utilities	KFA 24: Water and waste water
		KFA 25: Spatial and Urban Planning
		KFA 26: Sustainable Human Settlements
		KFA 27: Built Environment Management
		KFA 28: Urban, Rural and Township Regeneration
		KFA 29: Property Management and Land Use
		KFA 30: Cemeteries and Crematoria

3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2023/2024 IDP Review:

Council Priority 6: Transform the spatial form of the city

Current State:

- ✓ Land Area: Buffalo City's land area is approximately 2,515km², with 68km of coastline.
- ✓ The Land Cover plan 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% Economic Positioning of land cover in the municipality is degraded.
 - ✦ The urban or built-up residential land covers about 7.8% of land cover
 - ✦ 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 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.
 - ✦ 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.
 - ✦ Within the generalised spatial landscape of the above areas, one finds diverse and complex urban and rural situations.
- ✓ Just over 10% Economic Positioning of land cover in the municipality is degraded.
- ✓ The urban or built-up residential land covers about 7.8% of land cover
- ✓ 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 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.
- ✓ 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.
- ✓ Within the generalised spatial landscape of the above areas, one finds diverse and complex urban and rural situations.
- ✓ SUSTAINABLE HUMAN SETTLEMENTS: Challenges include the unreasonably high prices private landowners demand for parcels of land which the city is interested in for building houses; consolidated policy position together with National and Provincial Human Settlements to strengthen the position of metro is required. Several options need to be considered, including land swaps with agriculture industry. Availability of bulk infrastructure inhibits the pace at which housing can be delivered.
- ✓ Recently the city has entered into a partnership with the World Bank to develop a Smart City Strategy. The objectives of the Smart City Strategy are to:
 - ✦ Address Buffalo City Metropolitan Municipality's service delivery challenges, inefficiencies and lack of integration through digitizing government in order to achieve outcomes such as cheaper and cleaner energy, improved safety and security, improved management of assets, improved delivery of basic services, reduced wastage and corruption, improved infrastructure longevity, improved customer satisfaction, reduced costs of doing business, improved revenue management and ultimately improved long-term city sustainability.
 - ✦ Improving regional economic competitiveness and firm level productivity through innovation and enhanced capabilities in ICT infrastructure and services.
 - ✦ Promoting digital access, closing the digital divide, and ensuring 4IR benefits flow to entrepreneurs and citizens in townships and other marginalized residential spaces.

Anticipated Outcomes:

Council Priority 6: Transform the spatial form of the city

- ✓ Buffalo City will 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. The city has to groom, attract and encourage people who are capable of growing economic activities and enterprises, and retain such people through a competitively priced, high quality coastal lifestyle.
- ✓ The BCMM's ability to sustain current levels of fixed investment in the city is unlikely given the reductions in own revenue, reduced grant transfers from National Treasury, and less investment from the private sector (arising from reduced business confidence).
- ✓ Cooperatives, micro and small businesses and township industries thriving.
- ✓ Settlements can sustain itself through the strategic location within the vicinity of industrial and economic opportunities for employment. Social facilities are part of the design of new settlements in consultation with other spheres responsible for delivery of social, health, education, safety and other services - they are involved from the onset. Services are intentionally integrated through the planning and design phases, taking due consideration of the location of appropriate land parcels, land use restrictions, etc.
- ✓ One customer care centre that meets all service delivery complaints needs of customers

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

KFA 24: Water and waste water

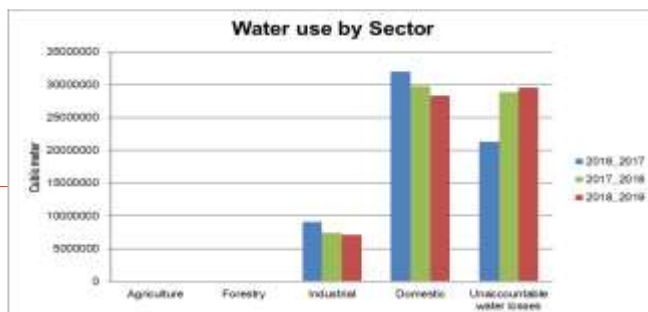
The Water Services Authority is responsible for the planning, design, construction, operations and maintenance of all water and sanitation services.

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.
- 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.

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- 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 15MI/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 12MI/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 NEMAct. 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 Macleanantown, Sandisiwe Sub-Metro Region with a total of 12 100 or a share of 6.24% of the total flush toilets within BCMM.
- 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.

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
- Feasibility study on alternative sources of water

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

Water

- 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.
- 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.

[KFA 25: 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.

Alignment with the National and Provincial Plans and Policies

Link to BCMM Strategies, Sector Plan(s) and Policies

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ 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”. ▪ National Development Plan: “Strong and efficient spatial planning system, well integrated across the spheres of government”. ▪ Eastern Cape Provincial Development Plan (20230): Goal 2 – An enabling infrastructure network ▪ Integrated Urban Development Framework: The overall objective of the IUDF is to create efficient urban spaces by: <ul style="list-style-type: none"> ○ 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 | <ul style="list-style-type: none"> ▪ 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). |
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Progress & Achievements 2016 to date

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- 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 Iliitha 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.

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

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- 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 26: 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
- Duncan Village Re-development Initiative (DVRTI) – 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).

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- 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

- 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.
- Mdantsane Cluster 1 in Ward 12: 1459 Units and, Associated Services. An amount of R 150m spent to date, 1039 units completed to date.
- 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.
- 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).
- Peelton Cluster in Ward 43: Provision of 2174 Top Structures to 4 Peelton Clusters. For recently award cluster 1 and cluster 3 undergoing final procurement.

Challenges

- Unutilised NHNR/Waiting list during project implementation.
- Allocation and Relocation policy not being implemented.
- 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.
- A major challenge for the Metro has been the shortage of well-located and affordable land for housing provision.
- Illegal invasion of houses during construction phase
- Allocation of houses for non-qualifiers
- Bulk Infrastructure non availability further cause delays in developing land earmarked for housing development

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- 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.
- National Government Awards - Best Performing Metro of the year award in 2018/19 financial year

Current State

Duncan Village Redevelopment Initiative

- Housing development in Duncan Village has started but progress is very slow.
- There is a challenge of mushrooming of informal structures and land unavailability in Duncan Village.

Subsidised housing units

- 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.
- In 2018/19 financial year, there was illegal occupation of about 300 houses at Ndancama & Fynboss 1&2. The matter was taken to Court which later ruled in favour of BCMM to evict non-project beneficiaries.

Formal sites serviced

- Human Settlements Directorate is doing well in terms of providing services like roads, water and sanitation to individual sites.
- 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.

Beneficiary Registration

- 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.
- 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

Action Plans

- Verification and Installation of Bulk Services at D-Hostel and Gompo Site
- The award of major infrastructure contracts that are under procurement.
- Conclusion of the accredited Service Providers reservation process in terms of Municipal Finance Management Act Regulation section 14 .
- The award of major infrastructure contracts will accelerate the pace of work on the provision of serviced sites.
- The upgrading of informal settlements through provision of incremental services is amongst our top priorities.
- Register all people looking for housing opportunities on National Housing Needs Register (NHNR).
- 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.
- Review Allocation and Relocation Policy.

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

captured on the system they will wait on the system until strategic well-located land and budget is available from 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 27: 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”.

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)

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

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 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

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.

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- The MELD Corridor (Central) Programme
- Mdantsane Urban Hub Programme
- West Bank Economic Corridor (Port – MBSA – ELIDZ – Airport).
- Bhisho-Qonce-Zwelitsha Corridor

KFA 28: 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

- National Development Plan: building a capable and developmental state: Improve relations between national, provincial and local government
- Integrated Urban Development Framework: 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

Link to BCMM Strategies, Sector Plan(s) and Policies

- **Buffalo City Metropolitan Municipality SDF, 2013:** 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.

Progress & Achievements 2016 to date

- The Urban and Rural Nodes Regeneration Strategy is set to be developed during the 2019/2010 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.
- 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.
- Moreover, focus will be on provision of quality services to the people with a view to generally improving their

Challenges

- 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.
- 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.
- The Urban and Rural Nodes Regeneration Strategy will then incorporate the two components, that is Urban and Rural Nodes.

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

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.

Current State

- 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.

Action Plans

- To develop an all-inclusive Township Regeneration Strategy to harness development and deliver quality services to improve the quality of life in the townships.
- The Buffalo City Metropolitan Municipality (BCMM) is working towards regenerating the CBD of East London & KWT by making movement by vehicle and pedestrianization a friendly priority.
- Ongoing coordination and pipelining of multi-sector and multi-funding projects (BCMM, Province, SOE's and Other) within Catalytic Programme Areas of the city.
- Ongoing development of urban management initiatives within Catalytic Programme Areas of the city.
- 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.

KFA 29: 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

- Government Immovable Asset Management Act 97 of 2007
- Deeds Registries Act No. 47 Of 1937
- Expropriation Act No. 63 of 1975
- Upgrading of Land Tenure Rights Act No. 112 of 1991
- Restitution of Land Rights Act No. 22 of 1994
- Constitution of The Republic of South Africa No. 108 of 1996
- Housing Act No. 107 of 1997
- Prevention of Illegal Eviction from Unlawful Occupation Of Land Act No. 19 of 1998
- Municipal Finance Management Act No. 56 Of 2003
- Construction Industry Development Board Act No. 38 of 2000)
- Occupational Health and Safety Act No. 85 of 1993)
- National Building Regulations and Building Standards Act No. 103 of 1977

Link to BCMM Strategies, Sector Plan(s) and Policies

- 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.
- 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.
- 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.
- 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.

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ National Heritage Resources Act No. 25 of 1999 | <ul style="list-style-type: none"> ▪ 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. <ul style="list-style-type: none"> ▪ 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

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- 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
 - 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 30: 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 31: Risk Management
		KFA 32: Stakeholder Participation & Customer Relations
		KFA 33: Intergovernmental Relations (IGR) and International Relations (IR)
		KFA 34: Communications (Internal and External)
		KFA 35: Corporate Marketing (Branding)
		KFA 36: Revenue Management
		KFA 37: Expenditure and Supply Chain Management
		KFA 38: Budget and Treasury
		KFA 39: Corporate Asset Management
		KFA 40: Internal Human Capital and Skills Development
KFA 41: Gender, Elderly, Youth and Disabled (Vulnerable Groups)		

Strategic Outcomes	Strategic Objectives	Key Focus Areas
		KFA 42: Performance Management and Monitoring and Evaluation
		KFA 43: Fleet Management
		KFA 44: Employee Performance Management
		KFA 45: Human Resources Management
		KFA 46: Internal Audit

3. STRATEGIC PRIORITIES

The following strategic priorities applicable to this Strategic Outcome have been identified during the 2023/2024 IDP Review Process:

Council Priority 7: Improve Administrative governance, instill positive performance culture, achieve good audit outcomes and enhance collaboration with the private sector and other government spheres.

Current State:

- ✓ Outdated Communications Policy.
- ✓ Communications strategy needs review.
- ✓ IGR Framework and Terms of Reference is under review.
- ✓ International Relations Strategy Review.
- ✓ The current state of M&E is driven by segmented departmental cultures, with no uniformed standards not premised on project culture. Lack of support from Line departments in reliving the monitoring and evaluation discipline. The concept proposal is registered with ICT, currently drafting scope to involve the end users (all Line Departments), syndication with the line departments to formalise inputs. Business continuity measures on tracking Council and Mayoral priorities on quarterly basis- quarterly milestone tracking regime.
- ✓ Outdated Youth development strategy
- ✓ Inability of metro to report on disaggregated data regarding participation and beneficiation of vulnerable groups in the metro processes.
- ✓ Functional Metro AIDS Council meeting quarterly providing a platform for development partners, civil society, chapter 9 institutions and government to synergise and report on their funded programmes in line with the Provincial HIV/AIDS, TB and STI Implementing Plan 2030.
- ✓ Metro needs to establish a Rapid Response Team Forum for GBV&F providing a platform for development partners, civil society, chapter 9 institutions and government to synergise and report on their funded programmes in line with the National Strategic Plan GBV & F 2020.
- ✓ Change management strategy EPMS Policy, manual performance management system: Existing PMS Policy for review. Pending Service Provider appointment.

Council Priority 7: Improve Administrative governance, instill positive performance culture, achieve good audit outcomes and enhance collaboration with the private sector and other government spheres.

- ✓ Existing Employment Equity Plan expires on the 30th of June 2023.
- ✓ Infrastructure Skills Development Grant Internship Program near completion and getting ready for new in-take.
- ✓ Workplace Skills Plan 22/23 roll-out WSP 23/24 development.
- ✓ Electronic Performance Management and Development. Organisational Culture Change Management: Service Provider Procurement at BEC. Manual PMS roll-out currently.

Anticipated Outcomes:

- ✓ To encourage open, honest and accountable two-way dialogue between BCM and all stakeholders.
- ✓ To strengthen and improve internal and external communication.
- ✓ To build and protect BCMM's corporate identity.
- ✓ To ensure a well-functioning "intergovernmental relations system" between the Buffalo City Metropolitan Municipality (BCMM) and National and Provincial Government through established structures, mechanisms and processes for joint planning, budgeting and implementation of government programmes and projects, ensuring a credible and realistic IDP and One Plan, and improving the lives of the citizens by promptly resolving governance and service delivery challenges.
- ✓ To ensure current and new international relations agreements and engagements are structured, well-coordinated and impactful to attract investment, projects and capacity building programmes for Buffalo City Metropolitan Municipality (BCMM).
- ✓ Clean audit outcomes for the city.
- ✓ An institutionalised M&E practice / culture, training, highly skilled and capacitated staff.
- ✓ The youth are well integrated, coordinated, organised and have impactful youthful programmes in BCMM.
- ✓ Ensure credible and accurate vulnerable group performance information within all HODs' Performance Plans.
- ✓ Increased coordinated efforts addressing HIV and the drivers thereof including GBV&F within the metro.
- ✓ Increased coordinated efforts addressing GBV & F and drivers thereof within in the metro.
- ✓ Promote a culture of good performance management, highly productive employees, automated performance management system.
- ✓ Full ERP system.
- ✓ Improvement on collection rate, long term financial strategy.
- ✓ Sustainable Financial Planning.
- ✓ Implementation of a full cost reflective tariff model.
- ✓ Informed and well capacitated BCMM citizenry in matters of Public Participation.
- ✓ Synchronised approach and objective participation by BCMM stakeholders and political formations on public participation programmes.
- ✓ A Metro that grows with people and implement the basics for its citizenry.
- ✓ Credible and accurate performance information reports.
- ✓ Positive performance culture.
- ✓ An Integrated PMS approach.
- ✓ Employee PMS and Organisational Culture Change Management: Updated Policy. Manual and electronic PMS integrated system.
- ✓ Successive Plan to be developed and implemented as from 01 July 2023.3.10WSP22/23 Annual Report. WSP 23/24 successfully submitted.
- ✓ Service Provider appointed, e-PMS installed, operational in July/2023.

Council Priority 8: Financial Resilience - Strengthen the metro's financial resilience through implementing a credible billing system, protecting, securing and maintaining our revenue generation assets, closely monitoring the implementation of the city's Revenue Enhancement Strategy, develop and adopt a Long-term Financial Model and Long-term Financial Strategy and implement cost-reflective tariffs.

Current State:

- ✓ 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.
- ✓ BCMM's revenue reduced (with the billing collection rate going down).
- ✓ 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.
- ✓ The Metro's operating expenditure budget is growing at a high rate, one of the main contributing factors is the growth of employee costs.
- ✓ 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.
- ✓ 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.
- ✓ 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.
- ✓ Rates and tariffs have been increasing at around double the rate of inflation. This increased own revenue has funded new capex (mostly road and township infrastructure), but the opportunity cost of this has been increased administered costs for existing business and property owners. Buffalo City is not the most expensive city in South Africa to live and do business, but it is certainly not among the cheapest, and is currently ranked number 5 on administered costs (rates and tariffs).
- ✓ The application of the revaluation method to account for depreciation of the municipal assets is posing a significant/ material decrease in the value of BCMM assets, without equivalent rehabilitation / upgrading of assets.
- ✓ Development of a Long-Term Financial Model (LTFM) and Long-Term Financial Strategy (LTFS) to assist in the sustainability / financial health position of the Metro
- ✓ Review and implementation of Cost-Reflective tariffs that will drive institutional sustainability

Anticipated Outcomes:

Council Priority 8: Financial Resilience - Strengthen the metro's financial resilience through implementing a credible billing system, protecting, securing and maintaining our revenue generation assets, closely monitoring the implementation of the city's Revenue Enhancement Strategy, develop and adopt a Long-term Financial Model and Long-term Financial Strategy and implement cost-reflective tariffs.

- ✓ Seek alternate sources of revenue to supplement the existing revenue streams (Initiate alternative financing options for Capital Infrastructure) - R4 billion. Specification to appoint a panel of experts to assist the City source loan funding, land financing, Bonds, Grant funding and PPP has been developed and it's currently at BSC stage.
- ✓ Developing solutions to address growing debt impairment, as well as to address systems and capacity challenges in revenue management.
- ✓ Identify new source of funding, e.g. Municipal Bonds.
- ✓ Review property management billing scheme - we are not billing 100%.
- ✓ Correct billing issues, fluctuation of bills from month to month reflects challenges with the billing system.
- ✓ Optimise consultations on prepaid water, especially in rural areas.
- ✓ Adhere to cost containment measures.
- ✓ Development of a Long-Term Financial Model (LTFM) and Long-Term Financial Strategy (LTFS) to assist in the sustainability / financial health position of the Metro.

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

KFA 31: 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
- 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

- Municipal Finance Management Act 56 of 2003
- King IV Report on Corporate Governance
- Public Sector Risk management framework
- COSO framework
- ISO 3100

Link to BCMM Strategies, Sector Plan(s) and Policies

- Enterprise Risk Management Policy

Challenges

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

- 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

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.

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.
- Progress report on resolution of cases is tabled to both the risk management committee and Audit committee.

Action Plans

- Implementation of the Enterprise risk management strategy
- Fraud Risk Assessment and resolution of whistle blowing cases

KFA 32: 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".

STRATEGIC OUTCOME (SO5): A WELL GOVERNED 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.
Tools	Example
Public meeting or imbizo	Informing the community of council decisions, community rights and duties, municipal affairs etc. 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.

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

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

- 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 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.
- 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;

Link to BCMM Strategies, Sector Plan(s) and Policies

- 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

<ul style="list-style-type: none"> ▪ 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. ▪ 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. ▪ 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. ▪ 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. ▪ The Municipal Property Rates Act 6 of 2004 stipulates that a municipality must extensively consult with its citizens before it adopts its rates policy. 	
<p>Progress & Achievements 2016 to date</p>	<p>Challenges</p>
<ul style="list-style-type: none"> ▪ The Metro is in the process of establishing new Ward Committees to play a meaningful role in the development of their communities. ▪ 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. ▪ Civic Education: To empower communities with knowledge so that they can effectively participate in governance and to encourage the community to organise themselves and be more effective in promoting local democracy and local development. 	<ul style="list-style-type: none"> ▪ Party political challenges prevalent in communities affecting Ward Committee elections. ▪ Poor attendance and participation by Government Departments in Ward Based COVID-19 Rapid Response Task Teams. ▪ The project has no funding since the beginning of the COVID-19 pandemic.
<p>Current State</p>	<p>Action Plans</p>
<ul style="list-style-type: none"> ▪ 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. 	<ul style="list-style-type: none"> ▪ 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

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- 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.

democratic processes by conducting one civic education programme in each quarter

KFA 33: 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.

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.

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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.

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

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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"> ▪ 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. ▪ 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. ▪ The Local Government Municipal Finance Management Act 56 of 2003 ▪ The White Paper on Local Government of March 1998 ▪ 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 purposes of the policy to the extent that it informs the manner in which high-level inter-governmental agreements are concluded. ▪ 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"> - It mirrors their long relationship with the international community - It reflects the rich tapestry of their international heritage - It demonstrates their desire to live in harmony with their neighbours 	<ul style="list-style-type: none"> ▪ Metro Growth & 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 ▪ 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. ▪ Draft BCMM International Relations Policy

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<ul style="list-style-type: none"> - It signals their intent to contribute creatively to Africa's future - It beckons them to international service so that their country may fulfill its calling as a responsible global player - It summons all South Africans to think beyond the immediate, to reach towards the challenges of the approaching century. <ul style="list-style-type: none"> ▪ 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. ▪ 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. 	
<p>Progress & Achievements 2016 to date</p> <ul style="list-style-type: none"> ▪ 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) ▪ 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 ▪ 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 ▪ Jinhua Homestay Project: The project is aimed at young people to promote cultural interaction, tolerance and understanding but 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 ▪ 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 	<p>Challenges</p> <p><u>International Relations</u></p> <ul style="list-style-type: none"> ▪ 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. <p><u>Intergovernmental Relations</u></p> <ul style="list-style-type: none"> ▪ 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. 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

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- BCMM guided by the South African Foreign Policy, Provincial IR Strategy and the BCMM IR Framework.
- Assessment of 2016/2021 IDP and consequent Annual Reviews were to be found credible by EC Provincial Government during IDP Assessments.
- 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.
- 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

shared and non-credible data and less synergy between government spheres.

Current State

- 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.
- The Covid-Pandemic saw sister cities providing support to Buffalo City Metro through the donation of masks and offering medical advice and support.
- 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.
- Provincial Government has approximately 8 international partnerships international relations across the globe.
- BCMM has 4 international partnerships in Germany, China, and Sweden (new).
- BCMM participates in a number of international platforms, conferences, exhibitions, shows etc.

Action Plans

- Review of the IGR framework
- Implementation of the DDM to support an integrated and responsive IDP.
- Support to the Ward-based Response Task Teams
- Government Calendar

KFA 34: 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 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.

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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.
- 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.

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- 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
- 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

Challenges

Internal Communication

- In many instances staff members do not understand the inner workings of government and/or its programmes.
- 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

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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

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

Current State

- Communications policy and strategy needs to be reviewed, in order to align with the new term of office
- Implementation of an action plan towards an effective communication internally and externally
- 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

Action Plans

- Review of the Communications policy.
- Implementation of the current Communications Strategy action plan.
- Implementation of the brand review process plan

KFA 35: Corporate Marketing (Branding)

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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.

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.

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- 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.

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.)

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- Corporate Stationery
- Corporate marketing material, Video
- Corporate Gifts

Strategies and Plans Developed

- Communications policy
- Communications strategy
- Communications action plan

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.
 - 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.
 - 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

Link to BCMM Strategies, Sector Plan(s) and Policies

- Metro Growth & Development Strategy (vision 2030)
- 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.
- To promote sound financial and administrative management
- Communications Strategy (February 2019)
- Signage Bylaw
- Tourism Master plan
- BCMM Communications Policy

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY	
<ul style="list-style-type: none"> ▪ Local Government Communication System (LGCS) Guidelines for Municipal Communication ▪ SONA, SOPA, SOCA 	
Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> ▪ Review of Communication strategy ▪ Creation of corporate identity manual ▪ Implementation of communication innovations 	<ul style="list-style-type: none"> ▪ Non-registration of the current logo ▪ Current logo is outdated and has too many colours which hinder application ▪ Outsourcing of design function ▪ Inadequate tools of trade to match current technological trends ▪ Insufficient budget ▪ Negative media publicity that affects the brand negatively ▪ Accurate, safe and interactive website
Current State	Action Plans
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	<ul style="list-style-type: none"> ▪ Implementation of the brand review process plan ▪ Submission of process plan to Council structures for adoption ▪ Rolling out of the new corporate identity
KFA 36: Revenue Management	
<p>The municipality's revenue strategy is built around the following key components:</p> <ul style="list-style-type: none"> • 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. 	
Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> • Municipal Finance Management Act 56 of 2003 	<ul style="list-style-type: none"> • Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city
Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> • 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"> ▪ GV2013 – valid June 2014 to June 2018 and, ▪ GV2017 – valid July 2018 to June 2022. 	<ul style="list-style-type: none"> • Non-achievement of the targeted collection rate • Continued implementation of the Punitive water tariff, which increases the debt book and affects the collection rate. • The suspension of full credit control action during COVID-19 pandemic has contributed to the decline in collection rate.

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<ul style="list-style-type: none"> 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 & R146 755 426.79 – electricity smart meters. 	
<p>Current State</p> <ul style="list-style-type: none"> Not all Indigent debtors have registered to be able to benefit from free basic electricity services. 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. Manually reading of meters poses a risk on accuracy and completeness of the readings. BCMM raise interims due to non-reading of meters 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. Continuous decline in collection rate and increase in debtors. 	<p>Action Plans</p> <ul style="list-style-type: none"> 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. Blockings/disconnections of non-paying consumers in terms of the Credit Control Policy is in place and continued to be enforced. Implementation of the Meter Reading System is in place to ensure that manual reading is reduced. Furthermore, the implementation of Smart Meter Reading System is continuing which will reduce the human interaction with the reading. Both Systems are to ensure that interims are reduced by all means. Enforce implementation of the Cost Containment Policy and promote Credit Control Policy Enhance the revenue collection measures. Implementation of Revenue Enhancement Strategy in order to improve the revenue generation.
<p>KFA 37: Expenditure and Supply Chain Management</p>	
<p>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.</p> <p>The SCM department is constituted in line with the SCM system and comprises of: -</p> <ol style="list-style-type: none"> Demand Management and Supplier Development Section Acquisitions Section (Buying and contracts) Logistics, Warehouse and Disposal Sections Risk and Compliance Management Section and Contracts Performance Management Section 	
<p>Alignment with the National and Provincial Plans and Policies</p> <ul style="list-style-type: none"> Municipal Finance Management Act 56 of 2003 	<p>Link to BCMM Strategies, Sector Plan(s) and Policies</p> <ul style="list-style-type: none"> Supply Chain Management Policy
<p>Progress & Achievements 2016 to date</p> <ul style="list-style-type: none"> Reviewal of the SCM Policy by Council in May 2019. Continuous identification and reporting of irregular and unauthorized expenditure Rolling out the E-Procurement System to improve procurement of goods and services. 	<p>Challenges</p> <ul style="list-style-type: none"> 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.

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- Implementation of the Electronic Document Management System (EDMS) to access bid documents and contracts through the EDMS system
- Implementation of Internal Controls on Formal Written Quotations (Informal Tenders) to improve turnaround times on the Quotation System.
- 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.
- Implemented host to host for both payment of supplier and salaries
- Timeous submission of annual financial statements to the Office of the Auditor General

- Weak institutional contracts management (role clarification between unit and departments) exacerbated by lack of automated system – resulting in irregular and unauthorized expenditure.
- No centralised storage place or facility for SCM documents resulting in potential risk of loss of information.
- Lack of the necessary skills set with SCM Unit increase risk of Procurement Related Litigations against the City.
- There are no controls or mechanisms to demonstrate Supplier rotation on the Manual System.
- Manual processes still being used for example Contract register are not automated which was another Audit General finding.
- Difficulty to maintain the 30 days payment period at year end due to late submission of invoices
- There is resistance by staff to implement e-procurement system due to not having the required set of skills and not embracing change
- The e-procurement system is driven by the system owner and lacks the necessary drive from the users’ perspective
- There is no automated system that tracks expiry of contracts to inform user departments that their contracts have expired
- Non-compliance with processes and procedures by departments resulting in delays to processing payments (e.g.: creditors not paid within 30 days)
- No expenditure management policy

Current State

- Implementation of the Electronic Document Management System (EDMS) back-scanning is done.
- E- Procurement system has been implemented and is running.
- Implementation of automated contract management module in progress and at an advance stage of completion and full utilisation.

Action Plans

- Full implementation of the Electronic Document Management System (EDMS) back-scanning.
- Continuous training of officials informed by the skills gap analysis.
- Funding and filling critical vacant posts.
- Policy Development.
- 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 38: Budget and Treasury

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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 where this is feasible.
- Impact assessment of changes in policies, responsibilities, priorities and events.

Alignment with the National and Provincial Plans 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
- 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)

Link to BCMM Strategies, Sector Plan(s) and Policies

- 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

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).

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

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- 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.

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 39: 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.

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.

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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.

Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> • MFMA, Act no. 56 of 2003 • GRAP framework • mSCOA regulations 	<ul style="list-style-type: none"> • Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city • Movable Asset Management Policy • Immovable Asset Management Policy • Disposal of immovable capital assets by the municipality and its entities

Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • Non-availability of the already developed fully integrated ERP system from the open market. • Staff shortages due to the moratorium placed on some positions in the approved organogram and budget constraints to new posts. • Non-availability of the required office space to accommodate the entire Corporate Asset Management Department • Ever changing operating environment due to the changes in the regulated mSCOA environment • Changes in GRAP reporting environment

Current State	Action Plans
<ul style="list-style-type: none"> • Non-availability of the already fully developed fully integrated ERP system from the open market. • Staff shortages due to the moratorium placed on some positions in the approved organogram and budget constraints to new posts. • Non-availability of the required office space to accommodate the entire Corporate Asset Management Department • Ever changing operating environment due to the changes in the regulated mSCOA environment • Changes in GRAP reporting environment. 	<ul style="list-style-type: none"> • Develop the procured system to integrate with other departments. • Provide funding for the vacant posts. • Look office space and/or prioritise the use of Reserve bank building. • Provide more training for both GRAP and mSCOA to get more knowledge about new developments

[KFA 40: 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 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

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY	
<ul style="list-style-type: none"> • 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"> ▪ The Labour Relations Act (LRA), Act 66 of 1995 ▪ Employment Equity Act, No 55 of 1998 ▪ Skills Development Act, No 97 of 1998 ▪ SAQA Act, No 58 of 1995 ▪ National Skills Development Strategy III 	<ul style="list-style-type: none"> ▪ Metro Growth & 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. ▪ Local Government Sector Skills Plan ▪ Qualification recognition policy (To be Reviewed) ▪ Progression grading policy to be reviewed. ▪ Scarce Skill Remuneration Policy ▪ Employee Performance Policy (To be reviewed) ▪ Employee/Staff Provisioning ▪ Employment Relations ▪ Scarce Skills Policy (To be reviewed) ▪ HRD Policy
Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> ▪ Skills Audit: Skills Audit of SCM staff and Skills Audit of Built Environment. Done with GTAC assistance and In-house capacity. ▪ 23 ISDG interns towards professional registration in 2019/2020 ▪ 20 interns on scarce skills appointed on job training. ▪ 18 OTP apprentices in automotive fields completed in February 2020. ▪ Draft WSP 2020/2021 ready for approval ▪ Partnership with NSG renewed. ▪ Expenditure targets met for the past three quarters. 	<ul style="list-style-type: none"> ▪ Covid-19 lockdown resulting in non-completion of skills auditing for SCM and Built Environment. ▪ GTAC is currently assisting the Municipality with the skills assessment for the Built Environment. ▪ Non-alignment of capacitation to job functions but will be addressed through competency framework. ▪ Ad hoc Training requirements. Non-compliance with Workplace Skills Plan
Current State	Action Plans
<ul style="list-style-type: none"> ▪ 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. ▪ The programme was also availed to aspirant senior officials for career advancement as well as talent pool creation. ▪ 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. ▪ WSP for 2020/2021 is in draft will be submitted as final WSP by 31 May 2020 	<ul style="list-style-type: none"> ▪ Almost all affected staff have acquired the prescribed competencies/ unit standards the remaining few staff are enrolled on the programme. ▪ Six monthly progress report on development of affected municipal officials will continue to be submitted to National Treasury. ▪ New staff affected by the regulations and requiring acquisition of the prescribed unit standards within 18 months will also be developed accordingly. ▪ Prepare competency framework and skills audit for input into the WSP 2020/2021. ▪ EE & Training Committee to be arranged for WSP approval prior to submission. ▪ Training Implementation plan flowing from the WSP 2020/2021 to be drawn up after WSP submission and circulation.

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

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| <ul style="list-style-type: none"> ▪ BCMM has a policy on recruitment and selection which promotes consideration of previously disadvantaged people with disabilities. ▪ BCMM strives to attract and retain employees falling under scarce skills, scarce skills policy and Talent Retention and Management Strategy are in place. ▪ 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. ▪ 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. | <ul style="list-style-type: none"> ▪ Capacitation initiatives to be rolled out for identified people with disabilities with performance problems. ▪ Review scarce skill remuneration beneficiaries and scarce skills policy. ▪ Continue payment of professional registration for scarce skills beneficiaries. ▪ Prioritise scarce skills beneficiaries on training and bursaries. ▪ MBSA partnership regarding core skills such as leadership and management training to be actioned. ▪ ISDG project to continue in liason with National Treasury and in accordance with a business plan submitted by BCMM. ▪ Continue induction programme improvement. ▪ Review of Bursary scheme to align to the latest scarce skills within Local Government Sector. |
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KFA 41: 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
 - 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

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- 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 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:

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY	
	<ul style="list-style-type: none"> ▪ 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 42: Performance Management and Monitoring and Evaluation	
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	
Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
<ul style="list-style-type: none"> • 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) 	<ul style="list-style-type: none"> ▪ 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	
<ul style="list-style-type: none"> • 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 • 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"> • The Directorate is currently reviewing the BCMM PMS Framework to ensure alignment with MGDS and other policies that have an impact on PMS. 	<ul style="list-style-type: none"> • Finalising designing of customised integrated electronic PMS (for both Institutional and Individual electronic PMS)

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

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| <ul style="list-style-type: none"> • Assessment of HOD's performance is currently being done manually. • Quarterly reports and Annual Performance reports are being developed manually. • PMS unit is currently having two permanent PMS coordinators appointed and two interns whereas there are three (3) positions. • 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. • 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. • All these challenges made the City to realise that our system require immediate capacitation. • The OPMS Unit bravely absorbed much of these growing developmental reforms but struggling to come to grips with the mounting complex and professional demands. • 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. • 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. | <ul style="list-style-type: none"> • Auditing of the design and functionality of the electronic PMS system (Requesting BCMM Internal Audit) • Conducting change management workshops for HOD's, GM's, PM's and other KPI custodians • Roll-out of the transition from manual to electronic PMS (using phase in approach) • Facilitate the appointment of three permanent PMS coordinators to build capacity within PMS unit • It is recommended that the city appoints a consultant to do the following: • Technically advise on revision of the Performance Management Policy Framework that will embrace all these developmental reforms and review the Institution Standard Operating Procedure • Technically advise on development of technical indicator definitions institution wide • Review the technical systems descriptions for 2020/21 and 2021/22 |
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KFA 43: 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

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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"> ▪ Recapitalization of fleet using National Treasury contract RT 57. ▪ MFMA ▪ National Road Traffic Act 	<ul style="list-style-type: none"> ▪ Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city ▪ BCMM fleet management policy ▪ BCMM Supply Chain Management Policy
Progress & Achievements 2016 to date	Challenges
<ul style="list-style-type: none"> ▪ 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 ▪ 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. ▪ 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. ▪ Procurement of 12 x 1 Ton LDVs to assist various departments. ▪ Procurement of 3 Single Cab 4x4 LDVs to assist departments servicing rural areas 	<ul style="list-style-type: none"> ▪ Budget shortfall to address request from all the various departments. ▪ Due to increased number of vehicles, there is inadequate workshop space ▪ Staff shortage due to moratorium on filling funded vacant posts. ▪ A total of 135 units (vehicles, trucks, yellow plant, tractors and trailers) are absolute and therefore deregistered to be sold on auction
Current State	Action Plans
<ul style="list-style-type: none"> • There is still a huge demand for vehicles especially yellow plant. • Replacement value and acquiring the new vehicles & yellow Plant is estimated at R 300 M. • There is not enough space at the Mechanical Workshop & overnight secured parking space for BCMM vehicles. • A request for bigger piece of land to address space shortage was submitted to spatial planning • Shortage of mechanics vs the number of vehicles. • Partly addressed by procuring new vehicles with service plan for 120 000 km or 5 years. 	

KFA 44: 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.

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.

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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.

Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
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| <ul style="list-style-type: none"> ▪ 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) ▪ Skills Development Act, Act 97 of 1998 | <ul style="list-style-type: none"> ▪ Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city. ▪ Buffalo City Employee Performance Management & Development Policy ▪ Buffalo City Employee Performance Management & Development Framework |
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Progress & Achievements 2016 to date	Challenges
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| <ul style="list-style-type: none"> ▪ EPMS Policy and EPMS framework is in place ▪ Workshops were conducted to staff on EPMS ▪ Roadshows to promote performance culture ongoing ▪ PMS intervention Plan ongoing ▪ Marketing and communication are ongoing ▪ Culture change management has been introduced. ▪ Monitoring of performance at lower-level employees in ongoing ▪ Heads of Departments are taking ownership of the system ▪ Rewards system on good performance approved by TM ▪ Interim Performance Initiative: Staff Recognition and Acknowledgement "Annual Mayoral Best Employee Awards" Draft Framework | <ul style="list-style-type: none"> ▪ 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. |
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Current State	Action Plans
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| <ul style="list-style-type: none"> ▪ 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. ▪ Municipality partnership with MBSA has been cancelled and project is now out on tender – Change Management. ▪ Budget for the implementation and roll-out of Organisational Culture Change management and electronic performance management system has been approved for the next 3 years and the tender is on final stages at Bid Evaluation Committee. | <ul style="list-style-type: none"> ▪ Rewards system on good performance to be implemented and to be aligned with the electronic performance management system. ▪ Rewards system to be workshopped to all staff prior its implementation. ▪ Rewards System Policy to be developed. ▪ Appointment of a Service Provider to roll out the Organisational Culture Change Management Project. ▪ Tender on Organisational culture change and behavioural management and Electronic Employee Performance management system has been advertised. |
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KFA 45: 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

Current State

Action Plans

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Turn-over Rate			
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%

The above figure for 2021/22 represents the turn-over rate as at January 2022.

Continuous efforts are underway for the filling of vacant funded posts and currently adverts are placed once a month.

The turnaround time for Recruitment process has also been improved from three months to one month.

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 & Environmental Management has been appointed, and the recruitment process for the Head of Directorate of Sport, Recreation and Community Development is underway.

Employee Relations

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.

The Collective Agreement on Disciplinary Procedure and Code has been concluded and is still in operation.

Recruitment and Selection

- 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.
- 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 & Code
- Finalisation of the successive plan for implementation as from 01 July 2021.

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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 46: 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

- 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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(Auditor-General South Africa, “AGSA”), Provincial COGTA, as 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.

- 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.
- 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.
- 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.
- 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.

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.

Current State

- 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.
- 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.

Action Plans

- Implementation of risk-based Internal Audit Plan – ongoing, still impeded to some extent by capacity constraints that are being attended to.
- 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.
- 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.
- 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,

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	observed increased discussions around combined assurance from all levels, training planned for Top Management during the last quarter of the 2021/22 financial year.

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 4th 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 Regions 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 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. Bhisho/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".

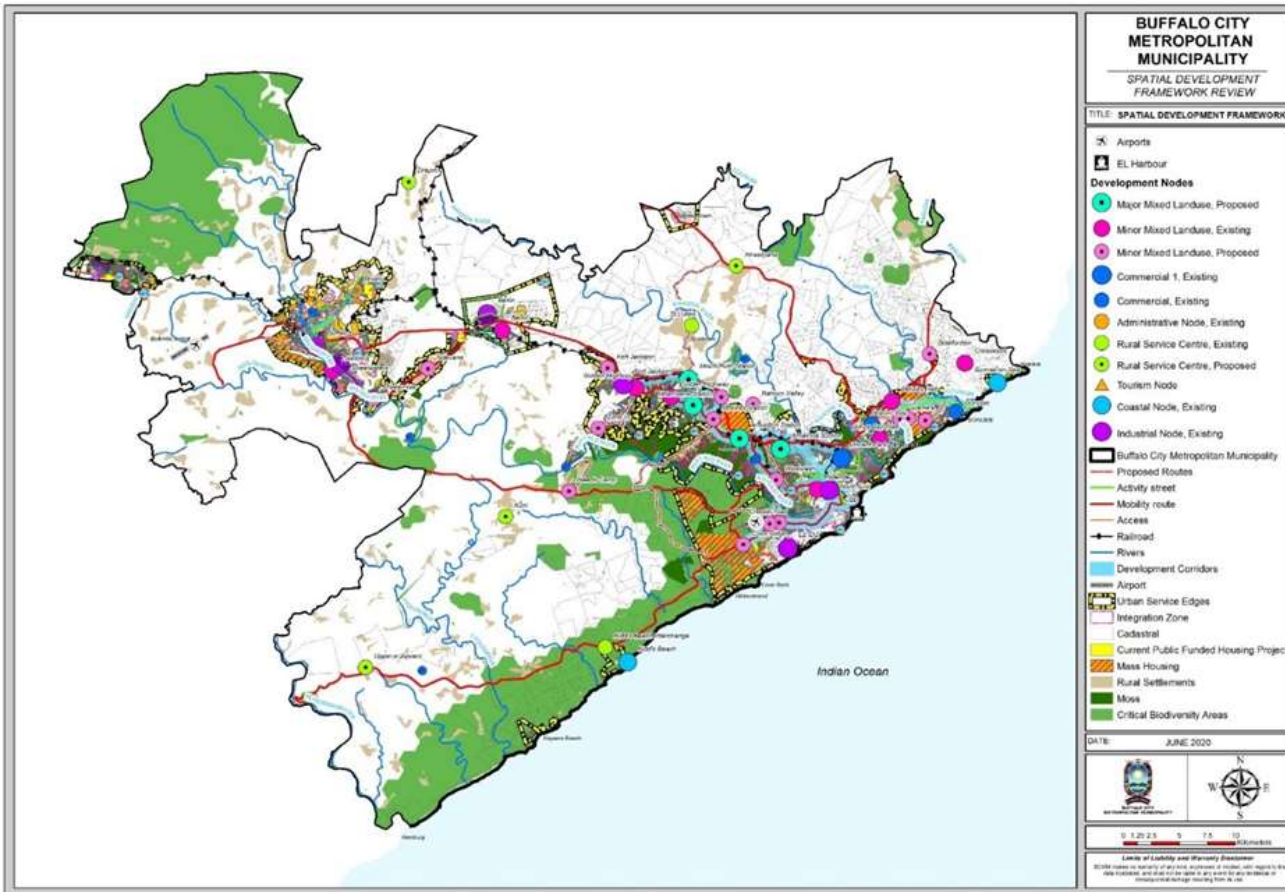


Figure 43: Development Nodes (SDF Review)

SECTION D – ONE PLAN: Three Spheres Service Delivery Budget, Programmes and Projects

1 INTRODUCTION

The DDM, or District Development Model, is an operational model used for the improvement of Cooperative Governance. The aim of which is to build a capable and ethical Developmental State. A method in which the three different spheres of government: local; provincial; and national, work in unison with one another, where there is a higher performance and accountability for service delivery and developmental outcomes to be not only coherent, but also effective. An “All of Government and Society Approach”. The DDM influences Spatialisation and Reprioritisation of Government Planning, Budgeting, Implementation and Reporting. The District Development Model articulates outcomes and commitments agreed upon as a “One Plan”, or Intergovernmental Plan. This is in relation to each space or sphere over short, medium and long-term.

The two interrelated processes, spatialisation and reprioritisation, implements the DDM. Spatialisation refers to the process of translating development priorities and objectives into spatial locations, i.e. metropolitan areas. Reprioritisation refers to the process of reviewing and changing plans and budgets to realise the desire and integrated impacts. The DDM will be implemented through these two processes and affixed to the 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 Buffalo City Metropolitan One Plan vision is; “A well-governed, connected, green and smart metropolitan port city region built on sustainable physical infrastructure, cohesive partnerships and a diverse people who are safe.”

1.1 District/Metro Development Model Intent

The motivation for selecting the scale of district/metro spaces is pronounced as being a Practical Working Scale for the Whole of Government because district and Local Municipality, Metro plans (Growth and Development Strategies, IDPs, SDFs, etc) developed with the involvement of communities and stakeholders, as well as local institutions, are the key informants for the DDM. District and metropolitan areas are close enough to the ground to ensure that the whole of government is responsive to the needs of communities and the different local economic potentials and opportunities of different areas. Converging at this level is practical and economical enough for national and provincial departments and entities to focus their efforts. This scale also enables a more strategic regional development approach for government going beyond administrative boundaries of district or local municipalities and focusing on functional economic areas, environmental resource areas and catchments, regional spatial structuring and connectivity, and regional bulk infrastructure investment.

1.2 One Plan

The primary tool to realize the strategic objectives of the DDM. It outlines a rationale for moving from the current situation of operating in silos, toward a desired future of three-sphere joint, long-, medium- and short-term strategising, planning, and budgeting. The One Plan provides a justification for identified interventions and commitments. It challenges, synthesizes, aligns, infuses, and brings different priorities together in a single Strategic Framework. It provides a clearer perspective in one place on what needs to be achieved and how each role player contributes. It is strategic and not comprehensive. The One Plan enables a rationale and justification for projects/actions/interventions, budgeting and spending according to spatial and place making logic and outcomes. The One Plan Theory of Change outcomes-led approach is embedded in the logical rationale expressed in accordance with commonly agreed priorities in the metro. The DDM Theory of Change uses the six transformative strategies to help move from a less desirable, and overtly problematic situation, to one that is more functional within the context of the district/metro. The Theory of Change includes the following. 1. Current Situation; 2. Desired Future; 3. Strategies/Interventions; and 4. Implementation Commitments

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

With the introduction of the District Development Model, the metro has had to reflect on the participation of national and provincial government in the planning processes. The Revised IDP Guidelines for municipalities, 2020 clearly indicates that the main purpose of national and provincial participation is to ensure that sector priorities are reflected, and development actions are aligned to contribute to the achievement of national development objectives.

In adjusting to the changing policy environment in respect of intergovernmental relations and transversal planning, some of the most relevant proposed amendments to the BCMM IGR Review Framework relate to changes to the institutional arrangements to facilitate and coordinate between and among the three spheres of government.

The metro's IDP Process Plan conforms to the refined approach to joint intergovernmental planning, budgeting and implementing.

In implementing the DDM, the following can be reported:

- After a series of planning sessions between all three spheres the first version One Plan was submitted as part of the 2021/2026 IDP.
- After Council adoption of the IDP/One Plan, the technical gap analysis by EC-COGTA revealed shortcomings and the plan was further refined.
- After corrections and improvements were made, the One Plan was consulted with the public and presented to the Outgoing Council.

- The One Plan was then presented to Incoming Council in January 2022.
- The One Plan National Quality Assurance Panel (NQAP) assessed the Buffalo City Metropolitan One Plan and shared the results of the assessment with the city in March 2022.
- To bridge the gaps from the assessment BCMM has held a number of IGR Joint Planning Sessions, including a Three-Spheres Technical Planning Session held on 9 September 2022 with other spheres to:
 - spatially align and verify projects and budgets
 - align investments made by all spheres with the Provincial Spatial Development Framework, and BCMM's Spatial Development Framework and Catalytic Programmes;
 - converge all implementation commitments with the Six Transformational Areas of the DDM.
- The last updated One Plan has been submitted to EC-CoGTA (responsible for Process Management) and EC-Office of the Premier (responsible for Content).
- All efforts have been made, during the IDP Review Process, to engage all relevant institutions partaking in the long-term development and growth of the city, mainly to strengthen our three-spherical collaborations, internal transversal cooperation and the quality of the One Plan content.

3 SUMMARY OF DIAGNOSTIC ANALYSIS

The following is a diagnostic summary on each transformational area, which informs the vision setting, strategies and implementation commitments for the Buffalo City Metropolitan One Plan:

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
1. DEMOGRAPHIC CHANGE & PEOPLE DEVELOPMENT		
POPULATION		
Population, 2020	787 551	<ul style="list-style-type: none"> ▪ Buffalo City's people remain some of the poorest communities in the country with a disturbingly high dependency on social grants. ▪ Unemployment is rife, particularly among young people
Share of Eastern Cape Population, 2020	11.9%	
Female Population, 2020	48.2%	
Male Population, 2020	51.8%	
People of Working Age, 2020	538 000	
Labour Force, 2020	328 000	
Not Economically Active, 2020	211 000	
Unemployment rate, 2020	33,7% (Increase by 6,3 percentage point to 33,7 percentage in Q1:2022 compared to Q1:2015)	
Youth Unemployment rate 15-34 yrs, 2020	45.10%	
EDUCATION		
Percentage of persons aged 7 to 24 years who attended educational	83.7%	

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
1. DEMOGRAPHIC CHANGE & PEOPLE DEVELOPMENT		
institutions by metropolitan areas, 2021		
No schooling	4.00%	
Matric	31.00%	
Higher education	13.70%	
HUMAN DEVELOPMENT		
Mean Age of sexual debut	12.8yrs	<ul style="list-style-type: none"> In 2021 Individual grant receipt was highest in Buffalo City and the receipt of one or more social grants was most common for households in Buffalo City (62,2%) 18,9 % of Buffalo City households had experienced inadequate or severely inadequate access to food during the preceding year. 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.
Mean Age of Substance use	7yrs	
Mean Age of first pregnancy	15yrs	
Female-Headed Households	45.30%	
Child-headed Homes	809	
Inequality (Gini coefficient)	0.638	
Human Development Index (HDI)		
Percentage of households and individuals who have benefited from social grants, 2003–2021	<ul style="list-style-type: none"> Households: Increased from 30,8% in 2003 to 52,4% in 2020 then decreasing in 2021 Individuals: Increased steadily from 12,8% in 2003 to approximately 31% between 2017 and 2019 before increasing to 35,7% in 2021 (highest compared to other metropolitan cities) 	
Percentage distribution of main source of household income by metropolitan area, 2021	41% (highest compared to other metropolitan cities)	
Percentage of households experiencing food adequacy or inadequacy by metropolitan areas, 2021	Food access inadequate: 10.1% Food access severely inadequate: 8.8%	
CRIME		
Number of households that experienced specified types of crime during the past 12 months, 2020/21	Housebreaking/Burglary: 8294 Damage of dwellings: 3092 Home Robbery: 2332 Assault: 2260 Theft of motor vehicle: 1464	<ul style="list-style-type: none"> Rising levels of crime
GENDER-BASED VIOLENCE AND FEMICIDE (GBV+F)		<ul style="list-style-type: none"> Within the BCMM IDP and Performance Management System there is an absence of documented institutional mainstreaming of the vulnerable groups or evidence of gender based or biased budgeting. The metro is unable to holistically and empirically report on transversal mainstreaming in respect of its efforts to reduce

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
1. DEMOGRAPHIC CHANGE & PEOPLE DEVELOPMENT		
		<p>marginalization of vulnerability within its core business mandate as well as the participation and beneficiation of women, children & youth, persons with disability and the aged within metro planning, budgeting and service delivery processes.</p> <ul style="list-style-type: none"> The inclusion of mandatory and shared vulnerability reducing indicators and targets which are local government specific would address the drivers of GBV and Femicide.
HEALTH		
Delivery 10-19 years in facility rate, 2019/20	10, 2% (a reduction from 11,3%)	<ul style="list-style-type: none"> 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 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. The number of patients remaining on HIV treatment is an area of concern. 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 3rd quarter of 2020/21, the number of still births in the metro was 74. The Regional and Tertiary Hospitals reported 29 and 36 respectively.
Termination of pregnancy under 20 years rate, 2019/20	10% (reduction from 12.1%)	

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
BUSINESS CONFIDENCE		<p>There has been a massive decline in business confidence and economic activity in South Africa and similar trends can be observed in Buffalo City.</p> <p>Implications for Buffalo City</p> <ul style="list-style-type: none"> 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

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
		<p>relative significance for the BCM economy, although risk remains high given state of fiscal distress.</p> <ul style="list-style-type: none"> ▪ 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.
INVESTMENT RETENTION AND PROMOTION		<ul style="list-style-type: none"> ▪ Rates and tariffs have been increasing at around double the rate of inflation. This increased own revenue has funded new capex (mostly road and township infrastructure), but the opportunity cost of this has been increased administered costs for existing business and property owners. Buffalo City is not the most expensive city in South Africa to live and do business, but it is certainly not among the cheapest, and is currently ranked number 5 on administered costs (rates and tariffs). ▪ The fact that it has other cost disadvantages (costs of logistics, distance from markets etc), makes this more impactful than it would be in a city like Johannesburg or Ethekwini. These escalating administered costs, together with the fact that the city has underperformed on the basics (waste management and the maintenance of assets, facilities and beaches), has detracted from the MGDS intent of building a relatively inexpensive coastal lifestyle city of natural beauty that attracts and retain a creative class of innovators and entrepreneurs. ▪ This needs to be addressed through a deliberate effort to reduce administered costs. ▪ BCMM should target becoming one of the top three cheapest metros in terms of administered costs by 2025 and should target being the cheapest SA city to business in by 2030. This should be accompanied by an improved quality of service offerings, increasing the Value for Money (VfM) of rates and tariffs. ▪ This would significantly contribute to its investment proposition which will over time grow its rates base and financial sustainability prospects. This will make debt

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
		<p>cheaper and both debt and investment more available (for example through city bonds such as Smart Bonds, Green Bonds etc). The trade-off is less revenue in the immediate term, with an obvious impact on new CAPEX. This balance between short- and long-term goals requires careful balancing in consultation with National Treasury.</p> <ul style="list-style-type: none"> ▪ The other area for improvement is reducing red-tape. BCMM has regressed on the Sub-National Costs of Doing Business between 2015 and 2018.
GROSS DOMESTIC PRODUCT		<ul style="list-style-type: none"> ▪ For South Africa, a defining feature of the past decade is slow or stagnant national economic growth. ▪ Between 2011 and 2019, South Africa's gross domestic product (GDP) grew by an average of just 1.3% per year, compared to 4.2% in the years leading up to the 2008 global financial crisis. ▪ The COVID-19 pandemic dealt a further blow to South Africa's already limping economy, which contracted by 6.4% in 2020 and then grew by 4.9% in 2021 (the most rapid growth in 14 years). Yet, despite bouncing back in 2021, the economy remains smaller than it was pre-2020. (https://tradingeconomics.com/south-africa/gdp-growthhttps://tradingeconomics.com/south-africa/gdp-growth) ▪ Buffalo City contracted by 7% in 2020. Construction, manufacturing, trade, tourism, finance and business services have been the sectors most impacted by COVID-19 in the city. ▪ Small family-owned businesses have been heavily affected, many of which have closed and are unlikely to open again. ▪ The BCMM's ability to sustain current levels of fixed investment in the city is unlikely given the reductions in own revenue, reduced grant transfers from National Treasury, and less investment from the private sector (arising from reduced business confidence).
TOURISM		<ul style="list-style-type: none"> ▪ 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). ▪ 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

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
		<p>annual growth rate of -14.31% from 5.7 million in 2010 to 1.22 million in 2020.</p> <ul style="list-style-type: none"> 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%.
INDEX OF BUYING POWER		
IBP index value	0.015 relative to South Africa as a whole	<ul style="list-style-type: none"> 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%.
GVA GROWTH AND GDP		
Largest contributor to Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2020	Community Services Sector – R 23.7 billion or 31.5%	<ul style="list-style-type: none"> 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.
INTERNATIONAL TRADE		
Merchandise exports and imports - Buffalo City, Eastern Cape and National Total, 2020 [R 1000, current prices], 2020	R34.6 billion and 2.48% share of total national exports	<ul style="list-style-type: none"> 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. The COVID pandemic had a devastating impact on the global economy, with multiple lockdowns and restrictions on international travel severely disrupting economic activity, markets and trade.
ELIDZ		
KEY CHALLENGES AND CONSTRAINTS		
Ease of Setting up and Operating Business:		
<ul style="list-style-type: none"> Ease of setting up and operating businesses in South Africa is still a challenge for many investors and had, in fact worsened over the years. 		

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
<ul style="list-style-type: none"> ▪ The granting of approvals to set up and operate new facilities, access to utilities such as electricity and water, the cost and consistent availability of these utilities, as well as the general cost of doing business has a negative impact on the attractiveness of our location. ▪ Non-fiscal incentives had since inception, been the saving grace of the ELIDZ in the absence of a strong and effective fiscal incentives basket. This is because the non-fiscal incentives helped to reduce the cost of setting up and doing business in the ELIDZ and became something that immediately became attractive for investors. ▪ These incentives included funding of investor buildings, land and building rental rates, rent holidays, reduced electricity and other utility tariffs, which were credited with having enabled the competitiveness of the ELIDZ. ▪ There is opportunity for BCMM AND ELIDZ co-create locational specific incentives that could assist in counteracting some of the locational disadvantages and creating a distinct advantage for investors that locate in the city. <p>Enabling Infrastructure:</p> <ul style="list-style-type: none"> ▪ LOGISTICS INFRASTRUCTURE: Overwhelming dissatisfaction about logistics infrastructure that supports the ELIDZ and logistics infrastructure is one of the key deterrents for investment into the Buffalo City Region and the ELIDZ and had, in fact, led to the loss of significant investment for the ELIDZ. ▪ The existence of an under-capacitated port which had not been upgraded to accommodate new size vessels in more than 50 years, is a major contributor. This essentially weakened the ELIDZ's positioning as a back-of-port IDZ. Upgrading of the logistics infrastructure and particularly the port, is the main lever that should be pulled to improve the comparative advantage of the ELIDZ and to increase the attractiveness of the location. ▪ SOCIAL INFRASTRUCTURE: Mixed views about social infrastructure adequacy around the ELIDZ and while there is appreciation of good quality schools, hospitals and recreational centres, it is felt that this is not on par with some of the locations that the ELIDZ was competing with. ▪ Strong call to action for social infrastructure such as housing, recreational and shopping facilities to be available inside, or in close proximity to, the IDZ precinct, as this is a common element of the SEZ value proposition for many international SEZs. ▪ IN-ZONE INFRASTRUCTURE: When it came to in-zone infrastructure there was a unanimous view that the ELIDZ's investment into in-zone infrastructure enabled strong attractiveness of the zone and was on par with the best globally. The study found that infrastructure was a fundamental contributor to the distinctiveness of the ELIDZ's value proposition. The study further found that one of the biggest advantages was the reliability of its electricity supply despite the constant threats and inconvenience of load shedding in South Africa (the load curtailment arrangements). ▪ INFRASTRUCTURE FOR TECHNOLOGY ADVANCEMENT OF INDUSTRIES. The use of technology in manufacturing and industrial processes has elevated the importance of digital connectivity of industries. In line with this, digital connectivity infrastructure is a critical enabler for industry and could be an advantage to the city. ▪ The zone's efforts to invest in a data centre and offer their clients reliable internet connectivity and telephony, was identified as a step in the right direction and forward-looking. The ELIDZ's focus on green buildings and alternative energy generation and usage was further found to be an emerging strength. <p>The Renewable Energy Sector:</p> <ul style="list-style-type: none"> ▪ The ELIDZ is currently under immense pressure to allow for renewable energy generation to take place within the zone. Tenant wish to place solar PV on their rooftops and they would need to wheel this power to alternative consumers when not consuming the energy themselves. The ELIDZ needs BCMM to have an approved wheeling tariff in place to allow this mechanism enabled. ▪ The ELIDZ would also like to request net metering options for generation that takes place in Berlin but consumption occurring on the West Bank within the ELIDZ itself. A net metering solution in this regard may allow for Berlin to be developed with renewables. <p>Rates and Incentives Request:</p>		

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2. ECONOMIC POSITIONING		
<ul style="list-style-type: none"> ▪ The ELIDZ currently has a request which has been submitted to BCMM for consideration relating to certain rates discounts and a request to explore further incentives which BCMM could offer qualifying IDZ tenants. ▪ The following has been specifically requested: <ul style="list-style-type: none"> ○ A rebate at a flat rate of 26% to be applied to the ELIDZ property ○ All public service infrastructure (PSO) and property valued at R50 000 or lower to be exempted ○ New developments to qualify for a phased discount at; 65% in year 1, 55% year 2, 45% year3, 35% year 4, 25% year 5 and 10% year 6 ○ Bulk water to be discounted by 25% ○ Electricity wheeling fee to be revised to 1% ○ Sewerage to be discounted by 26% 		
KEY OPPORTUNITIES IDENTIFIED		
<ul style="list-style-type: none"> ▪ AQUACULTURE - PILOT: The ELIDZ through one of its investors, King Fish Enterprise, is piloting new technology for the sector, which will lead to increased production efficiencies and improved success rate of investors in this sector. The pilot, which was started 18 months ago has seen significant success, great production yield and expansion of the facility that is housed in Zone 1 A of ELIDZ. ▪ RENEWABLE ENERGY - POSITION: Setting up of the first renewable energy generation plant in the ELIDZ's Berlin Precinct is currently in progress ENERGY STORAGE: An energy storage facility is currently being constructed in Zone 1 A of the ELIDZ. ▪ GENERAL MANUFACTURING - BLACK INDUSTRIALIST DEVELOPMENT: ELIDZ has identified various common challenges that have contributed to the failure of these black industrialists on the SEZ platform. Moreover, the impact of the Covid 19 pandemic has also had negative effects on small business in the country and recovery is likely to be slow in the absence of suitable government support and incentives. The ELIDZ's approach to the general manufacturing sector will, therefore, seek to augment its support levels to these black industrialists to ensure improved success. It will also look at key legislative interventions that could enable cross continental trade and improved access to market opportunities, and particularly through government procurement. 		

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2 SPATIAL RESTRUCTURING & ENVIRONMENTAL MANAGEMENT		
GEOGRAPHICAL SIZE		
Area	2515 km ²	<ul style="list-style-type: none"> ▪ Land Area: Buffalo City's land area is approximately 2,515km², with 68km of coastline ▪ The Land Cover plan illustrates that: <ul style="list-style-type: none"> ○ 41.2% of the Municipal land cover is Thicket and bushland. ○ Approximately 9% is cultivated on a semi-commercial/subsistence basis. ○ Just over 10% Economic Positioning of land cover in the municipality is degraded. ○ The urban or built-up residential land covers about 7.8% of land cover ○ The land cover pattern is largely determined by topographical and climatic factors. However past political engineering, current tenure arrangements and
Coastline	68 km	
SPATIAL FORM		

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		<p>population densities have impacted on the type of land cover.</p> <ul style="list-style-type: none"> ▪ 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 ▪ 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. ▪ Within the generalised spatial landscape of the above areas, one finds diverse and complex urban and rural situations.
LAND OWNERSHIP PATTERNS		<ul style="list-style-type: none"> ▪ 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.
MOVEMENT PATTERNS		<ul style="list-style-type: none"> ▪ 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. <p>The BCMM Transport Register which was completed in February 2018 identified the following trends in transport modal splits for work related trips.</p> <ul style="list-style-type: none"> ▪ 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 Integrated Public Transport Network (IPTN) grant from National Treasury has been withdrawn. This is an area that requires particular attention, given the transport burden faced by the poor and working class in the city, and the complex trade-offs

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		<p>that require to be brokered among diverse interests in the transport sector.</p> <ul style="list-style-type: none"> PRASA is investing R 483 472 028 over the 2022/2023 – 2024/2025 MTEF towards the upgrading of a number of train stations located in Buffalo City
SPATIAL REFORM		
		<ul style="list-style-type: none"> Peri-Urban development mushrooming along main corridors Beyond where urban level of services can be feasibly provided Prelim findings: 3000 in 2007 to 40000 formal houses in 2022 (Component Study by Umhlaba for the Buffalo City Water Services Master Plan by Mariswe) Middle income housing Tribal Land and Government Land is being targeted Reasons: Lack of controls resulting in land invasion; Quick access to main roads; Lifestyle choices/avoid paying rates Zero contribution to the revenue of the Metro Basic services expected - rural road upgrades Dependency on neighboring areas for access to amenities and services: <ul style="list-style-type: none"> retail & commercial facilities education and health care facilities social and community amenities Six (6) Mass Integrated Human Settlements with Total Estimated Residential Yield of 150693: <ul style="list-style-type: none"> West Bank - 71340 Quenera - 26595 Arnoldton/ Reeston North - 25695 Ginsberg Extension - 14910 Bhisho Precinct - 6144 Amalinda Junction - 6009 Mass Housing approach is intended to: <ul style="list-style-type: none"> accommodate a range of socio-economic groups in a range of housing types in a fully Integrated Human Settlement. be developed at high density and can include social housing flats, high rise RDP, Gap housing, plots for self-build housing, managed land settlement. include business sites and community facilities
DENSIFICATION		
Average number of people per square km, 2020	324	<ul style="list-style-type: none"> 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) there are more people living per square kilometre in Buffalo City Metropolitan Municipality than in South Africa. 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.

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3 INFRASTRUCTURE ENGINEERING		
WATER & SANITATION INFRASTRUCTURE		
Wastewater Pump Stations	103	<ul style="list-style-type: none"> ▪ 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 2021/2022 financial year.
Combined Asset Value	R 12 billion	
Total storage capacity	250MI	
Number of management zones	45 (urban)	
Sewer Conveyance	2 400km	
Wastewater Works	15	
ROADS & TRANSPORTATION NETWORKS		
Provincial Roads	472km surfaced roads and 1083 km of gravel roads	<ul style="list-style-type: none"> ▪ There is 472km of surfaced and 1083km of Gravel provincial roads located within the BCMM area. Most of which are Arterial or access Roads. ▪ Many of these roads have a significant impact on the municipality as they are the main roads that provide access to the various urban and rural areas of the Metro. ▪ The residents are rightfully upset about the condition of the roads and are not interested in which road authority the road

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		<p>falls under. They are demanding that the road gets maintained, and the municipality is the first port of call for claims, complaints etc from the residents.</p> <ul style="list-style-type: none"> ▪ These complaints are forwarded to the Department of Transport, however there is little to no action as they have very little budget allocated for maintenance and upgrade of roads in this region. ▪ Provincial Gravel Roads within Buffalo City Metropolitan area are generally in a very poor condition due to lack of maintenance. Many of the Roads have been either damaged or completely washed away by heavy rains. Many culvert crossings are blocked, damaged or virtually impassable. ▪ The following highlight some of the critical roads which have a significant negative impact on the operations and development of the Metro in order of priority. <ul style="list-style-type: none"> ○ Buffalo Pass MR00504 ○ Quenera Lagoon Rd: DR02721 ○ Old Gonubie Rd: MR00686 ○ Cove Rock Access Rd: MR00503 ○ MR00216 ○ Sunrise On Sea Rd and Kwelera Rd (DR02728 and DR02730) ○ Schaffli Rd (DR02730) ○ Voortrekker Rd / Old King Rd (R102) ○ Mount Coke Rd (MR00520) ▪ Key road projects such as the Settlers Way Expansion are going well and remain on track ▪ Harbour Arterial Road which will open up new industrial land for development on the West bank in planning stage ▪ Budget shortfalls have restricted progress on other key roads (NW Expressway, Beacon Bay-Gonubie, etc.) ▪ Flooding damage has necessitated huge increase in roads maintenance work (potholes) but still significant backlog
BCMM Roads Network	<p>Surfaced roads network: ± 1680km</p> <p>Gravel roads network: ± 1640km</p>	<ul style="list-style-type: none"> ▪ The Buffalo City Metropolitan Municipality (BCMM) roads network consists of Approximately 3320 km of surfaced and gravel roads network, with an estimated replacement cost of R 9,4 Billion. ▪ The surfaced roads network which includes Asphalt, Concrete and Block Paved Roads consists of approximately 1680km of roads with an estimated replacement cost of R 7 Billion and a Gravel roads network of approximately 1640km with an estimated replacement cost of R 2,4 Billion. ▪ Required Annual resurfacing Budget – R 500 Million ▪ Current Annual Roads maintenance Budget – R 98 Million ▪ During December 2021 and January 2022, there has been excessive rainfall events recorded which according to available information exceeded a 1:100 year rainfall event. This abnormal rainfall has resulted in extensive damage to roads and stormwater infrastructure throughout the metro.

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		<ul style="list-style-type: none"> ○ Stormwater infrastructure damage ○ Roads damage ○ Accelerated deterioration of existing road and stormwater infrastructure. ▪ Many of these damaged areas are in need of urgent attention due to the hazard that it poses to the public. ▪ The estimated value of the urgent rehabilitation and repair works that needs to be undertaken is R 1500 000 000.00
Bridges & Storm water	Bridge Structures: ± 20 300 (manholes, kerb inlets and headwalls) Storm water pipes and culverts: More than of 600km	<ul style="list-style-type: none"> ▪ The existing infrastructure consists of ± 70 Bridge Structures, ± 20 300 (manholes, kerb inlets and headwalls) and more than of 600km of storm water pipes and culverts within the Metro. Much of this infrastructure is very old and undersized 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).
LOGISTICS NETWORK (PORT, RAIL, AIRPORT, ICT)		
King Phalo Airport	Distance from city centre: 8,7km via R72 Operators: FA, SA8, MN, JE Annual passenger throughput capacity: 1 200 000 Annual Aircraft landings (post Covid): 26 543 Runway: 11/29 - 1 939 (Main) 06/24 - 1 585 (Ultimate Phase) Annual throughput Capacity: 5 000 000	<ul style="list-style-type: none"> ▪ Airports Company South Africa (ACSA) has listed the expansion of the departure lounge as a proposed project, but the issue of the longer runway is still not in ACSA's plans or budgets. The longer runway is critical for freight ▪ The ELIDZ is planning to establish cold and fresh produce storage facilities alongside the airport, which will stimulate agricultural demand which will benefit the entire east of the province. Automotive suppliers are also making a strong case for air-borne freight ▪ South Africa has experienced stagnant growth since 2012 because the country has failed to diversify towards enhanced export competitiveness based on productivity and innovation. As is happening elsewhere in the world, especially the Indian Ocean Rim countries, a major contributor to future growth will be coastal cities with SEZs. This is the reason why the NDP (chapter 7) identifies Buffalo City as one of the country's 5 growth nodes. ▪ The East London Port management team working with local stakeholders has developed a plan for port widening and deepening to allow larger new age vessels to dock. Also included is the development of a multipurpose container terminal on the west bank of the port. The essence of the Buffalo City case is that the country and Transnet need to shift from commodities exports as their core source of growth
King Phalo Airport Annual Passenger Volume	Financial Year 18/19: 840 225 19/20: 916 192 20/21: 315 792 21/22: 643 437 Kind Phalo Airport traffic declined by 66% of	

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	<p>forecasted Traffic for the year FY20/21, but has seen a 70% improvement in traffic for 21/22</p>	<ul style="list-style-type: none"> ▪ Also, part of the proposition is the upgrade of the rail link to Johannesburg which will be a key ingredient to the business case for the container terminal. ▪ Transnet National Port Authority's (TNPA) will inject R9.1-billion into its three Eastern Cape ports over the next seven years; East London port will receive R4.3-billion ▪ Airports South Africa's Capital projects, including the Code C Aircraft Stand, Departure Lounge Expansion, Multi-Storey Parkade and Precinct Plan were deferred due to the impact of Covid-19 on the business. However, there are signs of recovery ▪ A Traffic forecast is underway and will be concluded soon. The outcomes thereof will guide the prioritisation of projects. ▪ At the start of the previous term of Council (2016/2021), BCMM was actively rolling out a fibre network, which does require to generate revenue to pay for the investment (recognized as a utility). At the same time, BCMM experienced serious internal ICT challenges, which in the main have started to stabilise. BCMM offices are now all connected to the fibre network. However, the city is not utilizing integrated systems and data, and is still highly manual compromising data integrity. ▪ There are a number of innovative ICT and digitization initiatives happening in the Buffalo City space, however these public and private initiatives are happening outside of a coherent Smart City strategy and require to be better integrated to promote synergies and unlock further potential ▪ Recently the city has entered into a partnership with the World Bank to develop a Smart City Strategy. The objectives of the Smart City Strategy are to: ▪ Address Buffalo City Metropolitan Municipality's service delivery challenges, inefficiencies and lack of integration through digitizing government in order to achieve outcomes such as cheaper and cleaner energy, improved safety and security, improved management of assets, improved delivery of basic services, reduced wastage and corruption, improved infrastructure longevity, improved customer satisfaction, reduced costs of doing business, improved revenue management and ultimately improved long-term city sustainability; ▪ Improving regional economic competitiveness and firm level productivity through innovation and enhanced capabilities in ICT infrastructure and services. Currently there are several public sector and private sector initiatives underway, or at an advanced planning stage, to develop these capabilities. These include the development of stable, high speed data platforms (such as the undersea cable, fibre and 5G networks), data centres, data recovery facilities, digital skills facilities, Artificial Intelligence and other 4IR capabilities, and dedicated purpose-built facilities for research and innovation

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		<p>(such as the ELIDZ Science and Technology Park). The BCMM, the ELIDZ and the dtic are also working on a proposal for a Digital Hub. In a number of cases, synergies and linkages need to be facilitated to optimize value. There also needs to be a more deliberate and coordinated effort to apply these new capabilities to strengthen regional and industry competitiveness in support of jobs and growth. This would include the more obvious industries such as global business services (GBS), film, and the like, but should also include other industries like automotive, agro-industry and tourism to see how digital applications, AI, and related capabilities can improve competitiveness and ultimately the investment value proposition of the city.</p> <ul style="list-style-type: none"> ▪ Promoting digital access, closing the digital divide, and ensuring 4IR benefits flow to entrepreneurs and citizens in townships and other marginalized residential spaces. This includes the roll-out of broadband and wifi infrastructure, and enabling free connectivity for poor residents, initially focusing on hotspots in the city. Already this has started with BCMM and private firms such as Think wifi installing free wifi hotspots. Already a proposal for a digital skills hub has been developed (together with Harambee), which requires to be better linked to demand-side plans (around digitizing government, digital ambassadors linked to free-wifi roll-out etc). With the right enablers, this initiative can be put to scale with real impact. ▪ Running alongside – feeding in and feeding off - the Smart City Strategy is the proposal to develop a Digital Hub. This is a partnership between the BCMM, the ELIDZ, and the dtic, and which also includes key role-players such as MBSA. It is envisaged that the Digital Hub will provide a destination for both global companies and local start-ups to provide a range of IOT, AI, Big Data and other 4IR innovations and services in support of (1) making local and provincial government smarter and more efficient; (2) enabling key industries in the local economy to become more competitive; and (3) making the local economy more inclusive through ensuring youth have access to digital skills, access to ICT products and services, and opportunities to develop their own ICT products and services. In this sense, the Digital Hub will enable both the transition of the ELIDZ into a Smart IDZ, and the transition of Buffalo City into a Smart City. ▪ The West Bank is now conceptualized as a smart logistics hub, built around the export-oriented automotive sector, and which integrates the port, the airport, the ELIDZ and MBSA. This is critically important because currently national government focuses primarily on Gqeberha/NMB as an automotive hub. Failure to realize the strategic intent of the smart logistics hub could place the city at risk of losing MBSA and ELIDZ investment. Success could see this investment

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		double or triple by 2035. The challenge going forward is to convince national government and key SOCS like Transnet of the potential of East London as an export manufacturing hub anchored around the automotive sector.

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4 INTEGRATED SERVICES PROVISION		
INTEGRATED HUMAN SETTLEMENTS / HOUSING DELIVERY		<ul style="list-style-type: none"> A major challenge for the Metro has been the shortage of well-located and affordable land for housing provision. The BCMM level 2 housing accreditation business plan submitted to the MEC for Local Government in accordance with the Revised Municipal Accreditation Framework of 2017 was not approved by the Provincial Department of Human Settlements. By accelerating the approval of the Revised Municipal Accreditation Framework of 2017, it will be the first critical stage towards bringing the accreditation programme back to the sector agenda.
Rural Settlements	230	
Informal Settlements	154	
ENERGY & ELECTRICITY		
		<ul style="list-style-type: none"> High Electricity losses and the related matter of illegal connections Serious concerns over BCMMs electricity supply infrastructure and capacity to accommodate future industrialization and population growth, particularly to meet human settlement needs in the West Bank/ Reeston/ Amalinda which have been targeted for increased densification in the SDF Concerns about secure electricity supply to accommodate the significant industrial expansion of MBSA and the ELIDZ BCMM imports all electrical energy from Eskom. BCMM reduced consumption by 10% In 2010 BCMM's Council took a decision to explore alternative energies The need to reduce reliance on Eskom is priority BCMM has vast potential within the city to reduce reliance on external energy <p>In terms of the electricity backlog, the backlog is due to three main reasons:</p> <ul style="list-style-type: none"> 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

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		<p>completion of houses during the year. Electrification the completed houses are usually completed within the next year.</p> <ul style="list-style-type: none"> ▪ 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.
PUBLIC FACILITIES		
Primary Health Care (HPC) facilities	79	<ul style="list-style-type: none"> ▪ Communities, predominantly from rural settlements, repeatedly request for the construction of new health facilities and faster Emergency Medical Services response time. ▪ There is intra-provincial migration with people choosing to live in the metros, in the non-metro towns (and their peripheries)
Clinics	74	
Community Health Centre	5	
District Hospital	2	

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EMS Station	3	<p>and along transport corridors. Deep rural areas are depopulating. These urbanisation trends pose significant challenges for the District Health Office 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 Health Department has seen high levels of lost to follow up on TB and HIV treatment due to these migration patterns.</p> <ul style="list-style-type: none"> ▪ 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.
Mobile Service	33	
Provincial Tertiary Hospital	1	
Regional Hospital	1	
Satellite Clinics	5	
Specialised Hospitals	3	
WATER & SANITATION		
Total population supplied (Urban)	498 000	<ul style="list-style-type: none"> ▪ 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 ▪ 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 catchment 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.
Number of properties (Urb)	144 000	
Number of water connections (Urban)	124 000	
Flat rate consumers (Urban)	20 000	
Number of sewer connections	144 000	
Water Reticulation	3 555km	
Average annual consumption	60million m3	
Non-revenue Water	36%	
Effluent Treated per day	120 million m3	
Households that reported water interruptions by metropolitan area, 2021	20%	
Households with access to improved sanitation by metropolitan area, 2021	99.2%	
WASTE MANAGEMENT / REFUSE REMOVAL		
Distribution of household refuse removal by metropolitan areas, 2021	65.9%	<ul style="list-style-type: none"> ▪ BCMM is currently addressing compliance issues of the Beacon Bay garden transfer station

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
4 INTEGRATED SERVICES PROVISION		
Permitted General Leachate Based (GLB+) landfill sites permitted to accept non-hazardous waste	<ul style="list-style-type: none"> King Williams Town Roundhill Landfill Site 	<ul style="list-style-type: none"> There is one (1) privately owned garden transfer station situated at Gonubie and also servicing the Gonubie community The city has no hazardous waste landfill site, however a pilot project is underway to develop means of dealing with hazardous waste within the City.
Registered garden transfer stations	<ul style="list-style-type: none"> Kaysers Beach Kidds Beach 	
Buy Back Centres	<ul style="list-style-type: none"> Southernwood - operational EL CBD - operational Settlersway - not operational yet Quigney - not operational yet 	
Daily refuse removal services	<ul style="list-style-type: none"> Seventeen (17) areas in the Coastal region Nine (9) areas in the Midland region Twelve (12) areas in the Inland region 	
FREE BASIC SERVICES	10% growth in number of indigent households requiring free basic services	<ul style="list-style-type: none"> 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. Number of indigent households requiring free basic services grew by at least 10%
LIQUOR SALES & MANUFACTURING REGULATION		
Licensed Liquor Traders	On/off Consumption - 653 On Consumption - 240 Off Consumption - 162 Micro Manufacturing - 2	<ul style="list-style-type: none"> BCMM holds a liquor trading bylaw (2013). Under such bylaw, temporary departure applications were permitted. The ECLB has received the outcomes (100) thereof in August 2022. It is commendable that most applications for on and on/off consumption and on/off consumption were refused. <p>Proposed Areas of Collaboration with BCMM</p> <ul style="list-style-type: none"> Building and business regulations
Non-renewed Liquor Licences	On/Off Consumption- 44 Off Consumption - 11 On Consumption - 9 Micro Manufacturing - 0	

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
4 INTEGRATED SERVICES PROVISION		
		<ul style="list-style-type: none"> ▪ Compliance Enforcement ▪ Complaints management ▪ Bylaw enforcement and review thereof ▪ Encourage participation by liquor traders' associations in the IDP forums ▪ Liquor Traders Development Programmes ▪ Liquor Abuse Awareness Programmes ▪ Determination of fines for non-compliance with legislation revised / harsher penalties – e.g., selling liquor to underage person, no option of a fine.

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
5 GOVERNANCE & FINANCIAL MANAGEMENT		
MUNICIPAL FINANCIAL PLANNING (BUDGETING)		
Surplus, 2020/21	R662 million	<ul style="list-style-type: none"> ▪ 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).
MUNICIPAL FINANCIAL MANAGEMENT (EXPENDITURE)		
		<ul style="list-style-type: none"> ▪ 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: <ul style="list-style-type: none"> ○ 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 increases the debt impairment on an annual basis, which impacts the financial health of the metro from a financial performance perspective.

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA										
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES								
5 GOVERNANCE & FINANCIAL MANAGEMENT										
		<ul style="list-style-type: none"> ○ The continued increase in employee related cost and overtime. ▪ 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. 								
REVENUE MANAGEMENT										
Percentage revenue increases were in Buffalo City between 2016/17 and 2020/21) Financial Years, 2022	8.8%	<ul style="list-style-type: none"> ▪ Buffalo City Metro reported the highest increase in revenue between the 2016/17 and 2020/21 financial years compared to other metropolitan municipalities. ▪ 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 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. ▪ 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. 								
Total Debtors Book as at 31 October 2022	R 5 833 270 529	<table border="1"> <tr> <td>Total debtors book</td> <td>R 5 833 270 529</td> </tr> <tr> <td>Total debtors – Government</td> <td>R 164 114 571</td> </tr> <tr> <td>Total debtors – Business</td> <td>R 1 821 851 473</td> </tr> <tr> <td>Total debtors – Households</td> <td>R 3 847 304 485</td> </tr> </table>	Total debtors book	R 5 833 270 529	Total debtors – Government	R 164 114 571	Total debtors – Business	R 1 821 851 473	Total debtors – Households	R 3 847 304 485
Total debtors book	R 5 833 270 529									
Total debtors – Government	R 164 114 571									
Total debtors – Business	R 1 821 851 473									
Total debtors – Households	R 3 847 304 485									
UNFUNDED MANDATES										
Number of unfunded mandates performed by the metro	2 – Library Function and Construction of housing top structures	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								

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA

KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
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5 GOVERNANCE & FINANCIAL MANAGEMENT

		<p>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.</p> <p>Listed below is how these unfunded or underfunded mandates affect the budget and tariffs:</p> <ul style="list-style-type: none"> 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.
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AUDIT OUTCOMES

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

Overall Opinion	2018/19	2019/20	2020/21	Reason
	Qualified	Qualified	Qualified	
Overall Progress	🔴	🔴	🔴	
Qualification Paragraphs				
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
Emphasis of matter paragraphs				
Irregular expenditure incurred	R213.3 million	R229 million	Impracticable to determine	
Electricity Losses	R302.1 million	295.1 million	368.2 million	
As a percentage (%)	21.65	19.35	22.8	
Water Losses	R158.2 million	R126.1 million	R125.5 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.				

- In 2020/2021 the City obtained a qualified audit opinion on its Annual Financial statements resulting from:
 - 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 irregular expenditure which was disclosed at R2.6 billion in the 2020/2021 Annual Financial Statements is resulting from:

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA																						
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES																				
5 GOVERNANCE & FINANCIAL MANAGEMENT																						
<ul style="list-style-type: none"> ○ 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: <ul style="list-style-type: none"> ✓ Missing documentation. ✓ 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. 																						
HUMAN RESOURCE CAPACITY																						
Vacancy Rate, 2020/2021	9.03%	<ul style="list-style-type: none"> ▪ The figure for 2021/22 below represents the turn-over rate as at January 2022. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Details</th> <th colspan="2">Turn-over Rate</th> </tr> <tr> <th>Total Appointments as of beginning of Financial Year</th> <th>Terminations during Financial Year</th> </tr> <tr> <th></th> <th>No.</th> <th>No.</th> </tr> </thead> <tbody> <tr> <td>Year 2018/2019</td> <td style="text-align: center;">5116</td> <td></td> </tr> <tr> <td>2019/2020</td> <td style="text-align: center;">5641</td> <td></td> </tr> <tr> <td>2020/2021</td> <td style="text-align: center;">5663</td> <td></td> </tr> <tr> <td>2021/2022 (Jan 2022)</td> <td style="text-align: center;">5552</td> <td></td> </tr> </tbody> </table>	Details	Turn-over Rate		Total Appointments as of beginning of Financial Year	Terminations during Financial Year		No.	No.	Year 2018/2019	5116		2019/2020	5641		2020/2021	5663		2021/2022 (Jan 2022)	5552	
Details	Turn-over Rate																					
	Total Appointments as of beginning of Financial Year	Terminations during Financial Year																				
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Year 2018/2019	5116																					
2019/2020	5641																					
2020/2021	5663																					
2021/2022 (Jan 2022)	5552																					
Turnover Rate, 2022	2.6%																					
INTERGOVERNMENTAL RELATIONS																						
Number of IGR meetings held	26	<p>The Buffalo City Metropolitan Municipality held the following IGR Sessions:</p> <ul style="list-style-type: none"> • 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 																				

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES

5 GOVERNANCE & FINANCIAL MANAGEMENT		
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		<ul style="list-style-type: none"> • BCMM Political IGR Forum - 8 March 2022 • External IDP/Budget/PMS Representative Forum - 23 March 2022 • BCMM IGR Core Group - 1 April 2022 • IGR Core Group - 30 May 2022 • BCMM Councillors Workshop - 23 June 2022 • BCMM Political IGR Forum - 24 June 2022 • BCMM Draft IDP, Budget, PMS, External Rep Forum - 16 August 2022 • Briefing on DDM - 17 August 2022 • BCMM Technical IGR Forum - 19 August 2022 • BCMM Three Sphere Joint Planning Session - 09 September 2022 • BCMM One Plan Review Session - 26 October 2022 • BCMM One Plan Review - 04 November 2022 <p>In 2021 BCMM saw the need to review the IGR Framework and the Terms of Reference due to:</p> <ul style="list-style-type: none"> • 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 <p>The review is also necessary because of the following:</p> <ul style="list-style-type: none"> • 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 <p>BCMM 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.</p>
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PUBLIC PARTICIPATION	
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The Public Participation Mechanisms are as follows:

Tools	Example
BCMM Public Participation Strategy	There is an approved Public Participation Strategy adopted by Council in 2011 to provide for mechanism in the affairs of the Municipality and to clarify roles and responsibilities of all the role players and inter Metropolitan Municipality is in the process of reviewing the current strategy and the reviewed strategy Afrikaans thereafter. The Public Participation Strategy demonstrate community involvement in the IDP

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
5 GOVERNANCE & FINANCIAL MANAGEMENT		
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 participate 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.	
Public meeting or imbizo	Informing the community of council decisions, community rights and duties, municipal affairs etc. 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.	

4 ARTICULATION OF THE OVERALL STRATEGIC FOCUS OF THE ONE PLAN

4.1 Vision Statement

The Buffalo City Metropolitan One Plan is guided by the following long-term 2050 vision which was jointly developed by all relevant stakeholders:

“A well-governed, connected, green and smart metropolitan port city region built on sustainable physical infrastructure,

cohesive partnerships and a diverse people who are safe, healthy and educated.”

4.2 High Impact Transformational Areas of the One Plan

Our collective vision is directed by SIX High Impact Transformational Focus Areas:



Figure 44: Six (6) High Impact Transformational Areas

- **People Development and Demographics:** The process of understanding the current population profile and development dynamics and by which a desired demographic profile and radical improvement in the quality of life of the people is achieved through skills development and the following 5 transformations discussed below (economic positioning, spatial restructuring and environmental sustainability, infrastructure engineering, housing and services provisioning, and governance and management).
- **Economic Positioning:** The process by which a competitive edge is created that enables domestic and foreign investment attraction and job creation on the basis of an inclusive and transformed economy. The economic positioning informs the spatial restructuring and has to be sustained through protecting, nurturing and harnessing natural environment and resources.
- **Spatial Restructuring and Environmental Sustainability:** The process by which a transformed, efficient and environmentally sustainable spatial development pattern and form is created to support a competitive local economy and integrated sustainable human settlements. Spatial restructuring informs infrastructure investment in terms of quantum as well as location and layout of infrastructure networks.
- **Infrastructure Engineering:** The process by which infrastructure planning and investment especially bulk infrastructure installation occurs in order to support the transforming spatial pattern and form, meet the needs

of a competitive and inclusive local economy and integrated human settlements, and ensure demand for housing and services is met in a sustainable way over the long-term.

- **Integrated Services Provisioning:** The process by which integrated human settlement, municipal and community services are delivered in partnership with communities so as to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. This also requires holistic household level service delivery in the context of a social wage and improved jobs and livelihoods.
- **Governance and Financial Management:** The process by which leadership and management is exercised that planning, budgeting, procurement, delivery, financial and performance management takes place in an effective, efficient, accountable and transparent manner. It also includes spatial governance, that is, the process by which the spatial transformation goals are achieved through assessing and directing land development and undertaking effective land use management and release of municipal/public land.

4.3 Situating the Transformational Focus Areas within the Buffalo City context

The Buffalo City One Plan partners contextualize these Transformational Focus Areas which form part of the strategic elements driving the One Plan in the following manner:

People Development and Demographics

Vision Statement:

The city is a place, thriving with robust civic spirit. This will be promoted through encouraging diverse communities to work together, to address the common challenges, whilst appreciating cosmopolitanism and preservation of a sense of place.

Strategic Objective:

To fundamentally and radically improve the Quality of Life and overall well-being of people living in Buffalo City with the emphasis on vulnerable and marginalised groups.

Desired Future:

BCMM has to support nation building efforts, aimed at eliminating discrimination and marginalisation, (based on disability, gender and sexual orientation, etc.) as well as barriers obstructing the achievement of equal opportunities. The future direction is that the community will feel safe and enjoy a community life free of fear. An effective safety and security management approach necessitates multi-stakeholder, multi-faceted methods, which include advocacy orientation as well as punitive measures implementation. (NDP: 2020). The proposed integrated approach has the following elements: - the safety plan, support of community-based safety programmes, improved planning, design management of facilities, effective street lighting programmes, an integrated close circuit television system, in identified crime hot spots, integrated emergency services and mainstreaming of safety matters into the government programmes. Customer satisfaction is improved through the enabler of an effective information and knowledge management system.

Economic Positioning

Vision Statement:

Buffalo City is an innovative and productive city, with rapid and inclusive economic growth, and falling unemployment.

Strategic Objective:

To define the Strategic Role of Buffalo City in the National Economy and build a Resilient and Transformed regional Economy. We wish to promote inclusive and sustainable economic growth, job creation and export trade

Desired Future:

Buffalo City will 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. The city has to groom,

attract and encourage people who are capable of growing economic activities and enterprises, and retain such people through a competitively priced, high quality coastal lifestyle.

Spatial Restructuring & Environmental Sustainability

Vision Statement:

Buffalo City is a well-planned, compact and efficient space economy. It is a green city that is environmentally sustainable where all citizens and future generations benefit optimally from the city's abundant natural assets.

Strategic Objective:

To transform the city's spatial form and manage Buffalo City's environmental assets as a firm base for the creation of integrated sustainable human settlements and economic progress.

Desired Future:

Our focus as a city is to collaborate in 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 housing development close to economic nodes where people can find work, and developing transit-oriented corridors between economic nodes and marginalized residential areas.

Infrastructure Engineering

Vision Statement:

Buffalo City has high-quality and competitively priced connections to ICT, electricity and transport networks that stimulate and support the transitioning of the economic landscape. High quality, dependable infrastructure enhanced with integrated Smart City solutions that promote and enable green technology and synergies, provides the city with a competitive edge.

Strategic Objective:

To build and maintain strategic infrastructure. We need to mobilise, target, align and manage investment in infrastructure in a sustainable way that is supporting the economic positioning and transformed spatial structure.

Desired Future:

All stakeholders understand the social and economic value of different infrastructure investment options, prioritize, support and mobilize alternative funding streams for investing in strategic infrastructure. The City Infrastructure Delivery Management System is fully aligned with the delivery mechanisms of all spheres of government and detailed scenario planning assists all entities to improve on efficiencies with design and delivery of strategic infrastructure.

Integrated Services Provisioning

Vision Statement:

All the people of Buffalo City receive safe, affordable, reliable and sustainable services which are consistent with acceptable norms, standards and Standard Operating Procedures in a seamless manner from all three spheres of government.

Strategic Objective:

To enable Buffalo City residents to experience reliable, cost effective, viable, sustainable and seamless provisioning of services in functioning places.

Desired Future:

All government entities deliver services that are of a high quality, accessible and consistently strive towards ensuring value for money. The systematic and prioritised elimination of basic service delivery backlogs ensure that people have access to socio-economic opportunities, good services and public amenities.

Governance & Financial Management

Vision Statement:

The city flourishes under a stable and capable leadership who is supported by residents and stakeholders who trust in the value of their participation in decision-making processes regarding the development of their areas and city. Services are delivered effectively

and efficiently with minimum disruptions, investment is leveraged from the public and private sectors, and financial sustainability is achieved and retained.

Strategic Objective:

To enhance the performance of all three spheres of government working alongside communities and stakeholders towards achieving their common developmental impact in Buffalo City.

Desired Future: The intergovernmental delivery system ensures that the metro is supported with knowledge, technical assistance and access to sufficient resources to accelerate service delivery and the growth of the city. Ethical and prudent management of the city's resources create an environment conducive for excellent performance and the instilling of a culture of accountability and transparency.

5 ARTICULATION OF THE OVERALL STRATEGIC FOCUS OF THE ONE PLAN

5.1 Regional Spatial Mapping

5.1.1 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 5 below.

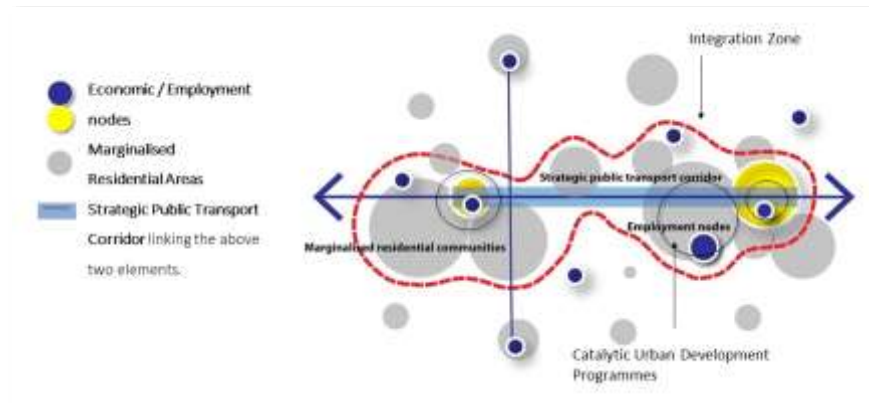


Figure 45: Spatial Targeting Structuring Elements: Public Transport Corridors and Nodes (Source: BCMM BEPP 2019-2020)

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.

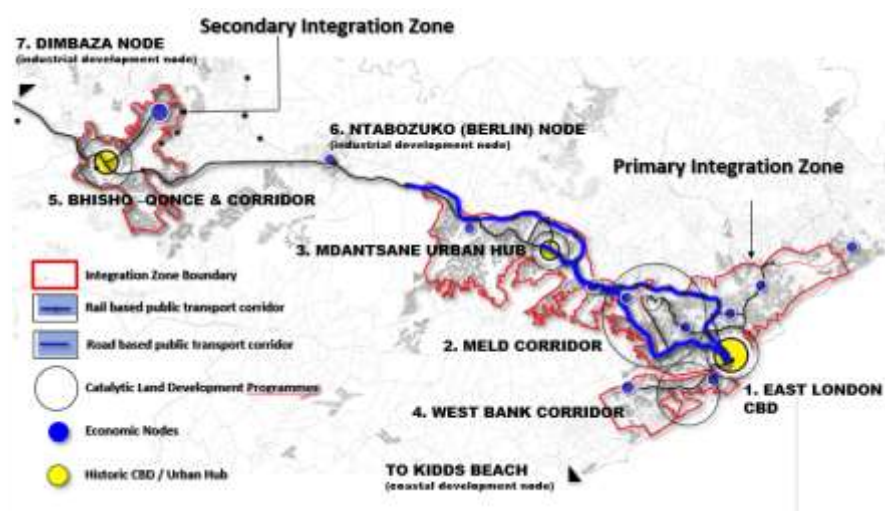


Figure 46: BCMM Urban Network Strategy (Source: BCMM BEPP 2022-23)

5.1.2 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).

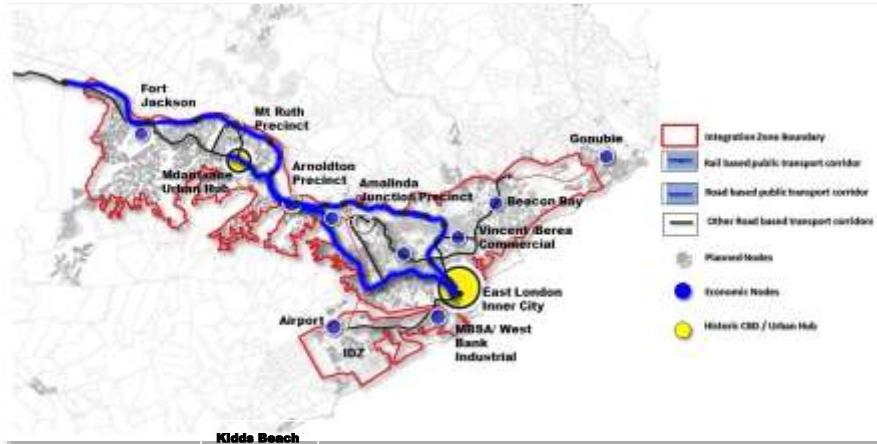


Figure 47: Spatial Targeting: Nodes & Corridors within Primary Integration Zone (Source: BCMM BEPP 2019-20)

- 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

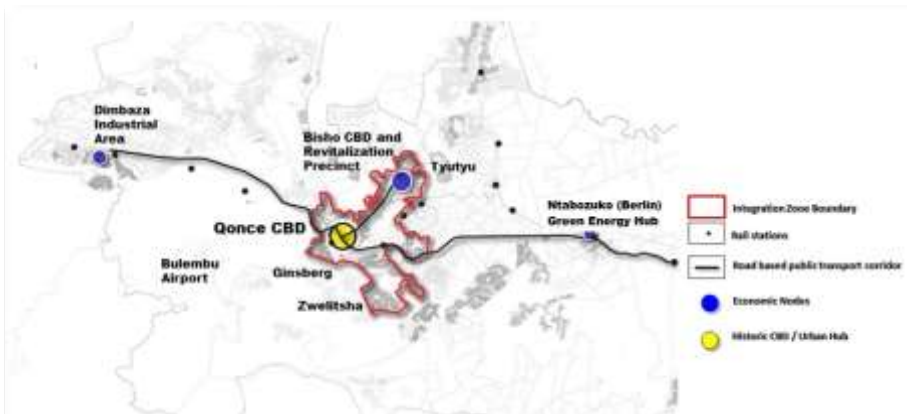


Figure 48: Spatial Targeting: Secondary Integration Zone (Source: BCMM BEPP 2019-20)

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)

Anticipated inter-governmental and other SOE developments in the East London CBD and Inner City include:

- Development of the East London Railway Station Precinct. It is envisaged that a multi-stakeholder partnership project initiated between PRASA, BCMM, BCMDA (in view of the Sleeper Site Development) and National Treasury through a registered PPP process could unlock land value as well serve to improve integrated public transport and NMT facilities in the CBD and broader inner-city precinct.
- Development of social and gap housing infill within well-located inner-city areas.
- Attraction of public-partnership projects and investment which could serve to enhance the use, management and maintenance of strategic and shared public spaces as well as heritage buildings and sites in the CBD. Including shared spaces surrounding the two university campuses of WSU and UFH. This would serve to enhance the quality, value and investor confidence in the broader area.

Estimated Current Total Programme Value inclusive of multiple stakeholders: R 2 729 157 000,00

BCMM Administered Programme Budget 2023/24: R59 100 000,00 (Own funds, Grants, and Loans)

Further projects that fall within this programme and budgetary details thereof are found below.



Figure 49: Current and planned projects within the East London CBD Urban Development Programme (Source: BCMM Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME

The Intergovernmental Project Pipeline contains details of catalytic projects planned and budgeted for through the IGR Pipeline.

CATALYTIC PROGRAMMES: 2023/24 FINAL DRAFT BUDGET

1. EAST LONDON CBD AND INNER-CITY REGENERATION PROGRAMME RESOURCING:

EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME

Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/2024) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Sleeper Site Road	R 213,000	R 900		R 15,000 (USDG)		
City to Sea Boulevard	R 255,000	No funds allocated				
Court Crescent Implementation and development of interpretive boards on the Esplanade (BCMDA)	R 90,000	R 30,100				
Public Realm Upgrades and Greening(PPPSG)	TBD			R 2,000 (PPPSG)		
Orient Theatre Upgrade (Planned)	TBD	R 1,500				
Refurbishment of the Aquarium	R 200,000	R 600				
Upgrade of Ubuhlanti Park (Marina Glen B) & Little Mauritius	R 30,000	BCMDA processes underway				
Development of Marina Glen	1,443,000	BCMDA processes underway				
Development of Sea View Terrace	R 267,000	BCMDA processes underway				
Development of the Sleeper Site	TBD	BCMDA processes underway				
Upgrading of the Zoo		R 900				
East London Station Development: Railway Station Precinct (PRASA)	R 133,897					PRASA
Rehabilitation of Latimer's Landing (TRANSNET - East Bank)	TBD					TRANSNET
Rehabilitation of Signal Hill (TRANSNET - East Bank)	TBD					TRANSNET

Table 11: East London CBD and Inner-City Catalytic Programme Intergovernmental Project Pipeline

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

1. EAST LONDON CBD AND INNER-CITY REGENERATION PROGRAMME: BUDGET 2023/24

EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME

Project Name	Project Type (Description)	Project Status	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26
Sleeper Site Road	New Road to unlock the Sleeper Site Development	Construction Stage	R 24 000 000,00	R 15 000 000,00	R 15 671 995,00
City to Sea Boulevard	New multi-use boulevard on Moore Street East London	Planning Stage			
Court Crescent Implementation (BCMDA)	Public Space Upgrade on the East London Beachfront	Implementation Stage: Contractor on site	R30 100 000,00	R9 000 000,00	R0 (project will be completed)
Public Realm Upgrades and Greening (PPPSG)	Integrated Design Framework for Public Space Upgrades in the East London CBD and Inner-City area	Planning Stage	R 2 000 000,00	R 1 500 000,00	R 1 500 000,00
Orient Theatre Upgrade	Structural Engineering upgrades to the Orient Theatre	Construction Stage	R1 500 000,00	R 500 000,00	-
Refurbishment of the Aquarium Upgrade of Ubuhlanti Park (Marina Glen B) & Little Mauritius (BCMDA)	Upgrade enhance the esplanade precinct	Planning stage	R 600 000,00	R700 000,00	-
Development of Marina Glen A and Sea View Terrace (BCMDA)	Development of publicly owned vacant land parcels on the East London Beachfront	Planning Stage / Turnkey / BOT	N/A	To be informed by current work	To be informed by current work

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.

This is the area straddling the main transportation routes (roads and railway) and which link the townships of Mdantsane and other previously disadvantaged areas to East London's Central Business District. Key projects include the upgrade of the public transport system and connectivity between settlements within this node. The Duncan Village Redevelopment and development of future nodes such as the Amalinda Junction and development around the railway stations of Arnoldton and Mount Ruth on the MELD Corridor fall within this programme.

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.

Estimated Current Total Programme Value inclusive of multiple stakeholders: R1 751 938 810,00
 BCMM Administered Programme Budget 2023/24: (Own funds, Grants and Loans): R156 279 510,00

Anticipated inter-governmental and other SOE developments in the MELD CLDP include:

- Attraction of new mixed-use developments as well as social/gap housing in close proximity to both the rail and road public transport corridors.
- The development of public facilities and amenities such as clinics, schools, parks and police stations within newly established residential areas in the corridor viz. Reeston and Duncan Village.
- Attraction of public-partnership projects and investment which could serve to enhance the use, management and maintenance of strategic and shared public spaces in key commercial nodes such as the Amalinda node.

Details of current and planned projects within the MELD Corridor Urban Development Programme are found below:

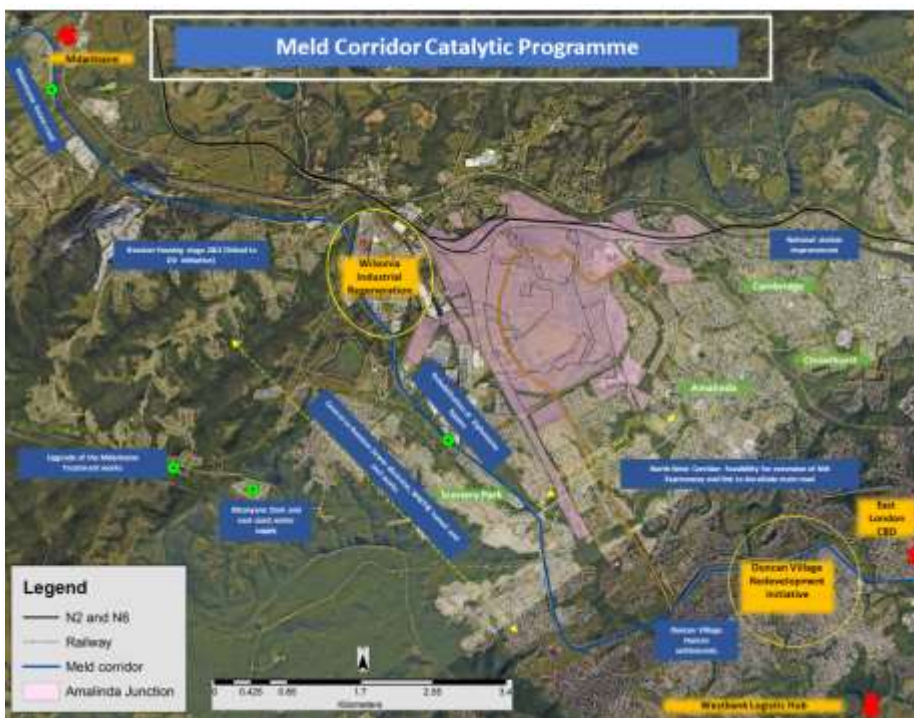


Figure 50: BCMM: Current and planned projects within the MELD Corridor Urban Development Programme (Source: BCMM Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: MELD CORRIDOR CATALYTIC PROGRAMME

The Intergovernmental Project Pipeline contains details of catalytic projects planned and budgeted for through the IGR Pipeline.

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET

2 . MELD CORRIDOR CENTRAL PROGRAMME RESOURCING: FINAL BUDGET 2023/24

MELD CORRIDOR CATALYTIC PROGRAMME

Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Mdantsane Access Road	R580,000	R 11, 034				
Duncan Village Redevelopment Initiative: Human Settlements	TBD			R 19,788 (ISUPG)	R 6,500 (HSDG)	
Duncan Village Tourism Route Development: Phase 1 Mozonyana and Dr Rubusana Gravesites landscaping and Eco-Park Development	R16,000	Preparatory work being done by the BCMDA				
Reeston Housing Stage 2&3 (linked to DV Initiative)	TBD			R 18,000 (USDG)	R 5,000 (HSDG)	
Central to Reeston Sewer Diversion, WWTW Tunnel and Civil Works	R 500,000	No funds allocated				
Rehabilitation of Ziphunzana Bypass	R 5,000	Project Complete				
North-West Corridor: Feasibility for extension of NW Expressway and link to Amalinda Main Road.	R 800,000	Funding allocated in 2024/25				
National Station Improvement Programme	R 50,883	PRASA				
Upgrade of the Mdantsane Treatment Works		Funding allocated in 2024/25				
Umzonyana Dam and East Coast Water Supply				R 30,000 (USDG)		

Table 12: MELD Corridor Catalytic Programme Intergovernmental Project Pipeline

**CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF:
PRIMARY INTEGRATION ZONE**

2. MELD CORRIDOR CENTRAL PROGRAMME: FINAL BUDGET 2023/24

MELD CORRIDOR PROGRAMME

Project Name	Project Type (Description)	Project Status	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26
Upgrading of the Public Transport Corridor from East London to Mdantsane: Qumza Highway Phase 7	Phase 2 - Dualization of Qumza Highway from Mdantsane Mall to NU12 intersection.	Construction Stage	R66 082 040.00	R20 000 000.00	R20 895 993.00
	Phase 1 - Dualization of Qumza Highway from NU12 intersection to the Sasol Intersection in Fort Jackson.				
Mdantsane Access Road	Widening of the Mdantsane Access Road from Vergenceg to Mdantsane Gate	Conceptual and Preliminary Design Stage	R 11 034 470	Projected to be completed by 2023/2024 Fin Yr	Projected to be completed by 2023/2024 Fin Yr
Duncan Village Redevelopment Initiative (DVRi): Duncan Village proper	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 522 400.00
DVRi: Duncan Village Competition Site		Implementation stage	R3 000 000.00	R3 000 000.00	R 3 044 798.00
DVRi: C Section and Triangular Site		Implementation stage	R3 500 000.00	R3 500 000.00	R 3 612 793.00
DVRi: D Hostel		Implementation stage	R19 163 320.00	R16 163 320.00	R 19 887 397.00
Reeston Housing linked to DVRi relocations	Phase 3, Stage 2	Implementation Stage	R 23 000 000.00	R5 000 000.00	R5 000 000.00

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

2. MELD CORRIDOR CENTRAL PROGRAMME: FINAL BUDGET 2023/24

MELD CORRIDOR PROGRAMME					
Project Name	Project Type (Description)	Project Status	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26
Central to Reeston Sewer Diversion, WWTW Tunnel and Civil Works	Diversion of Sewage from Central to Reeston Wastewater Treatment Works	Finalisation of the reviewed tender document expected.	No funds allocated		
Upgrading of the Mdantsane Wastewater Treatment Works	Upgrade of the Mdantsane Treatment works.	Construction	No funds allocated	R 11 278 248.00	R 11 783 590.00
Umzomyana Dam and East Coast Water Supply Upgrade	Water supply coastal and midlands area	Implementation	R30 000 000.00	R 18 127 604.00	R18 939 714.00
Rehabilitation of the Ziphunzana Bypass	Rehabilitation	Planned Implementation	(Project Complete)		
North-West Corridor	Dual carriage way road from the Amalinda Main Road (SPCA) to Ziphunzana Bypass near Traffic Department	Preliminary Design Stage	Funds allocated from 2024/2025	R 8 957 810.00	R 9 359 117.00

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.

Anticipated inter-governmental and SOE developments in the Mdantsane Urban Hub include:

- Upgrade of the Provincial Road at the Mount Ruth Interchange aligned to the planned upgrade of Billie Road.

- The proposed Government Precinct that the National Department of Public Works anticipated bringing to the Mdantsane Urban Hub will provide much needed employment to the citizens of Mdantsane.
- Refurbishment of the ECDC commercial complex will create many benefits to citizens as well as enhancing the attractiveness of the hub for further investment.
- The development of the Taxi Rank and Shopping Centre at the Urban Hub (Highway) is needed urgently.
- The facilitation of a public-private partnership registered through the National Treasury may expedite the development of this partnership project.

Estimated Current Total Programme Value inclusive of multiple stakeholders: R1 813 927 317,00
BCMM Administered Programme Budget 2023/24: R 94 188 040,00 (Own funds, Grants and Loans)

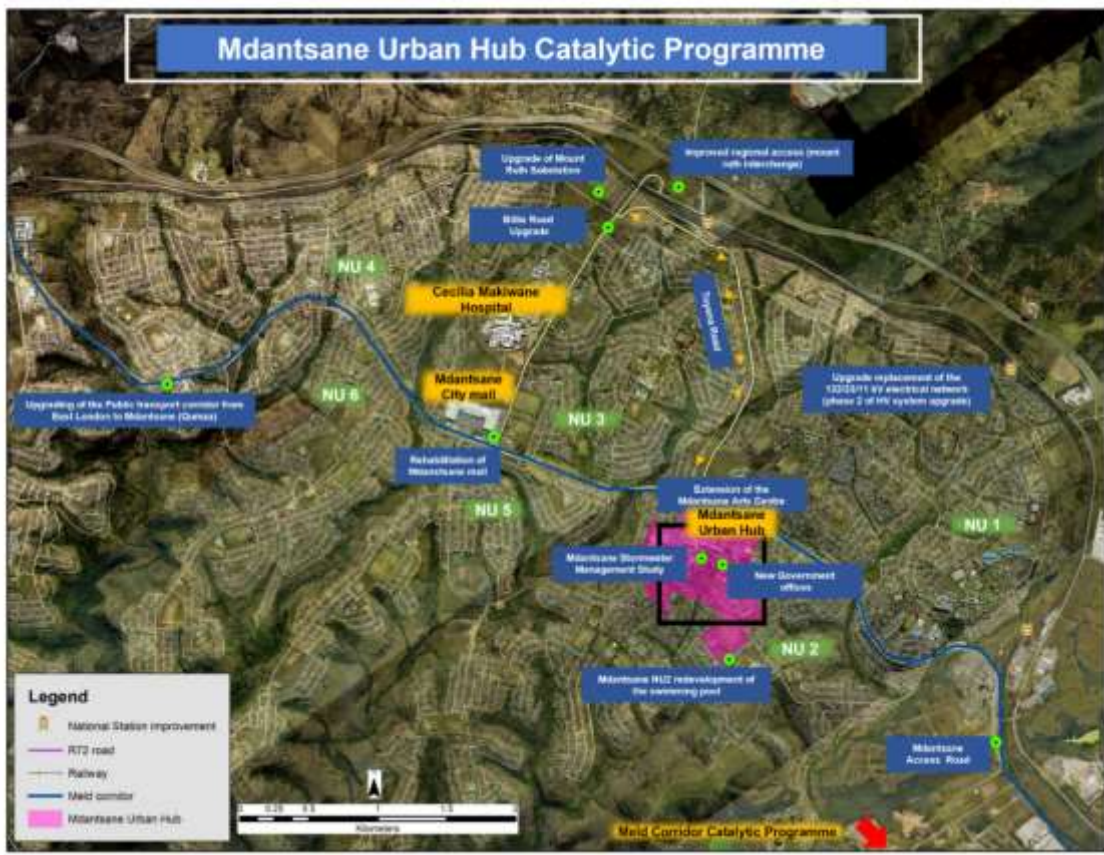


Figure F51: BCMM: Current and planned projects within the Mdantsane Urban Hub Urban Development Programme. (Source: BCMM Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: MDANTSANE URBAN HUB CATALYTIC PROGRAMME

The Intergovernmental Project Pipeline contains details of catalytic projects planned and budgeted for through the IGR Pipeline.

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET

3. MDANTSANE URBAN HUB PROGRAMME RESOURCING

MDANTSANE URBAN HUB CATALYTIC PROGRAMME						
Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Upgrading of the Public Transport Corridor from East London to Mdantsane (Qumza)	R 213,000	R 5,000		R61, 082 (USDG)		
Improved Regional Access (Mt Ruth Interchange)	R 68,403	IGR prioritisation required				
Billie Road Upgrade & Toyana Road pedestrian link to station	R73, 832			R19, 581 (NDPG)		
Extension/ Upgrade of Mdantsane Arts Centre	R 4,000	R 1,000		R5, 000 (USDG)		
Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool	TBD					
Rehabilitation of Mdantsane Mall	R43,000					ECDC
Mdantsane Stormwater Management Study	R1,500			R2,525 (PPPSG)		

**CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF:
PRIMARY INTEGRATION ZONE**

3. MDANTSANE URBAN HUB PROGRAMME: FINAL 2023/24 BUDGET

MDANTSANE URBAN HUB CATALYTIC PROGRAMME					
Project Name	Project Type (Description)	Project Status	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26
Qumza Highway	Upgrading of the Public Transport Corridor: Phase 7, Phase 1 & 2	Construction Stage	R66 082 040,00	R20 000 000,00	R20 895 000,00
Toyana Road Pedestrian link to Station and Billie Road Upgrade	Pedestrianization and landscaping of the Toyana Road to enhance NMT and pedestrian movement from Mount Ruth Train station to the Mdantsane 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.	R19 581 000,00	R23 000 000,00	R20 000 000,00
Improved Regional Access	New direct link from the N2 to the Mdantsane Urban Hub	Concept Designs in place, IGR Prioritisation required	No funding allocated	No funding allocated	No funding allocated
Extension of Mdantsane Arts Centre	Extension of Mdantsane Arts Centre to accommodate more art forms.	Planning Stage	R6 000 000,00	R5 000 000,00	R5 223 998,00
Redevelopment of Mdantsane Sport Precinct NU2 Swimming Pool	Earthworks and Refurbishment of the NU2 swimming pool, filtration system and buildings	Not Complete	Additional budget being sought to complete the project.	Additional budget being sought to complete the project.	Additional budget being sought to complete the project.
Mdantsane Stormwater	Stormwater management study	Planning	R2 525 000,00	R2 500 000,00	R2 500 000,00

Table 13: Mdantsane Urban Hub Catalytic Programme Intergovernmental Project Pipeline

West Bank Economic Corridor and Logistics Hub

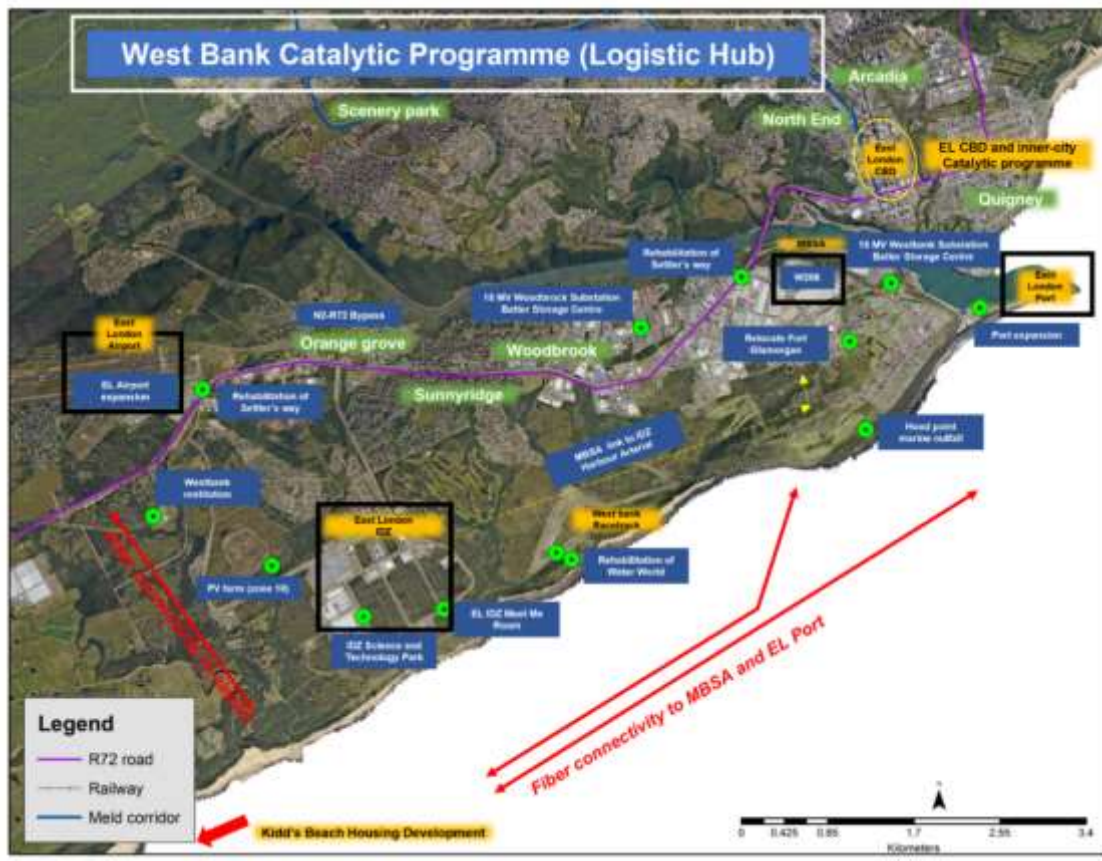


Figure F52: BCMM: Current and planned projects within the West Bank Economic Corridor Programme. (Source: BCMM Final BEPP 2022-23)

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

Anticipated inter-governmental and SOE developments in the West Bank CLDP include:

The Westbank Economic Development Corridor identifies these infrastructure projects to serve the massive growth projected for the area over the next few years –

- East London Port Expansion- widening and deepening of the Port which will build on opportunities associated with having a top performing exporter, a river-port, back-of port industrial land with a Special Economic Zone (SEZ).
- ELIDZ- The global business services sector is a high growth industry for the ELIDZ with more than 15 000 jobs expected to be created by 2027 (BPESA, GBS Masterplan). Potential Developments are:
 - International Sea Cable
 - Science and Technology Park
 - Photovoltaic Farm
 - Fort Glamorgan Prison Proposed land swap to free up land for industrial use.
- MBSA-W207 C-Class potentially to be developed from 2028-2035
- King Phalo Airport Expansion Plan.
- West Restitution housing project - the development of public facilities and amenities such as clinics, schools, parks and police station are anticipated.
- Development of mixed-use developments along the planned Harbour Arterial route

IMBAZA NODE

(industrial development node) *Estimated Current Total Programme*

Value inclusive of multiple stakeholders: R1 251 472 649,00

BCMM Administered Programme Budget 2023/24: R76 378 261,00

(Own funds, Grants and Loans)

Estimated Current Total Programme Value inclusive of multiple stakeholders: R1 252 472 649,00

BCMM Administered Programme Budget 2023/24: R76 378 261,00 (Own funds, Grants and Loans)

INTERGOVERNMENTAL PROJECT PIPELINE: WEST BANK ECONOMIC CORRIDOR AND LOGISTICS HUB

The Intergovernmental Project Pipeline contains details of catalytic projects planned and budgeted for through the IGR Pipeline.

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET

4. WEST BANK ECONOMIC CORRIDOR PROGRAMME RESOURCING:

WEST BANK ECONOMIC CORRIDOR AND LOGISTICS HUB						
Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Water World (Water Park): BCMDA	R 103, 000	R15, 349				
Hood Point Marine Outfall	R 270, 000			R4,000 (USDG)		
Rehabilitation of Settlers Way	R428, 000		Projection to complete in 23/24 Fin Yr			
West Bank Restitution – Housing 2000 Units	192,185			R51,550 (USDG) R6,500 (HSDG)		
Harbour Arterial	R348, 548			R2,579 (PPPSG)		
15 MV Woodbrook Substation Battery Storage Centre	R777, 606. Funding to be allocated following feasibility study					
15MV Westbank Substation Battery Storage Centre	R757, 191 Funding to be allocated following feasibility study					

Table 14: West Bank Economic Corridor and Logistics Hub Intergovernmental Project Pipeline

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET

4. WEST BANK ECONOMIC CORRIDOR PROGRAMME RESOURCING: FINAL BUDGET

WEST BANK ECONOMIC CORRIDOR AND LOGISTICS HUB						
Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Relocate Fort Glamorgam Prison	TBA					(EL IDZ)
PV Farm (ZONE 18)	TBA					(EL IDZ)
Science and Technology Park	R325 000 000					(EL IDZ)
International Sea Cable/ Meet me Room Data Centre	R175 000 000					(EL IDZ)
KING PHALO AIRPORT: Lounge Expansion	R72,000					(ACSA) Project deferred to complete masterplan
N2-R72 Bypass	R450,000 PROJECT NOT INITIATED. IGR PRIORITISATION REQUIRED					SANRAL
Port of East London: Extend Main Breakwater and Deepen Entrance	R 1 500,000					TRANSNET (Funding request will be made to CAPIC to execute detailed designs)

Table 15: West Bank Economic Corridor and Logistics Hub Intergovernmental Project Pipeline

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

4. WEST BANK LOGISTICS HUB: 2023/24 FINAL BUDGET

WEST BANK ECONOMIC CORRIDOR & LOGISTICS HUB					
Project Name	Project Type (Description)	Project Status	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26
Water World (Water Park): BCMDA	Upgrading of Recreational Facility	Construction	R15 349 163,00	R9 000 000,00	R25 000 000,00
West Bank Restitution – Housing 2000 Units	Infrastructure and housing	Procurement to appoint contractor to start with Phase 1 of 1000 Units, including implementation of HSDG funding of top structures.	R58 050 000,00	R 46 924 463,00	R 48 735 464,00
Hood Point Marine Sewer	Extension of Marine Outfall Sewer	Procurement of Service Provider to develop Maintenance Master Plan	R 400 000,00	R4 000 000,00	R4 179 199,00
Rehabilitation of Settlers Way	Expansion of 4 lanes to 6	Construction Stage	Project will be completed in the 2022/2023		
Harbour Arterial (PPPSG)	This road will enable the unblocking of freight and heavy vehicular traffic on the N2 by allowing direct connectivity between the IDZ and MBSA as well as the Port.	Feasibility stage	R2 579 098,00	R2 980 000,00	R2 896 000 ,00

Qonce – Bhisho – Zwelitsha Corridor

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

Anticipated inter-governmental and SOE developments in the Bhisho-Qonce-Zwelitsha CLDP include:

- Attraction of new mixed-use developments as well as social/gap housing in close proximity to the public transport corridor.
- Attraction of public-partnership projects and investment which could serve to enhance the use, management and maintenance of strategic and shared public spaces in the Qonce CBD.

Estimated Current Total Programme Value inclusive of multiple stakeholders: R1 300 000 000,00

**BCMM Administered Programme Budget 2022/23: R 35 100 000,00
(Own funds, Grants and Loans)**

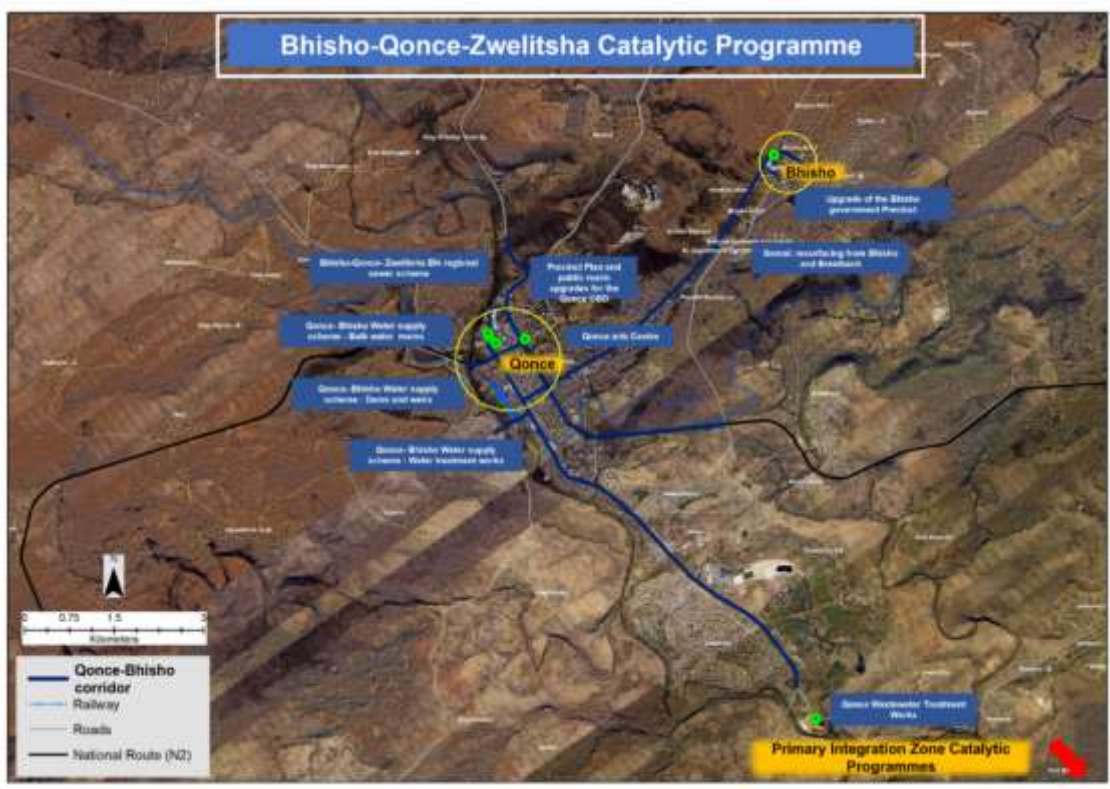


Figure 53: BCMM: Current and planned projects within the Qonce (previously known as KWT) / Bhisho Urban Development Programme. (Source: Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: BHISHO- QONCE (KWT)- ZWELITSHA CORRIDOR

The Intergovernmental Project Pipeline contains details of catalytic projects planned and budgeted for through the IGR Pipeline.

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET						
5. BHISHO QONCE (KING WILLIAMS TOWN) CORRIDOR PROGRAMME RESOURCING:						
BHISHO- QONCE (KWT)- ZWELITSHA CORRIDOR						
Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Precinct Plan and Public Realm Upgrades for the Qonce (KWT) CBD.	R3,000			R2,000 (PPPSG)		
Tourism Development as part of the East London-Duncan Village-Mdantsane-Ntabozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Tourism Route and Public Art Strategy Development	Preparatory work underway by the BCMDA					
Qonce (KWT) Business Improvement District Initiative – Upgrade of Taylor Street	BCMDA processes underway					
Integrated Development of the Victoria Grounds	BCMDA processes underway					
Bhisho – Qonce (KWT) - Zwelitsha Bulk Regional Sewer Scheme and Waste Water Treatment Works	R 700,000			R 20,000 (USDG)		
(Kei Road) Qonce-Bhisho Water Supply Scheme: Bulk Water Mains	R 700,000			R 5,000 (USDG)		
Qonce Art Centre	TBD	R 1,800				
Construction of Waste Cell at Qonce Landfill site	TBC			R6,300 (USDG)		
Bhisho Government Precinct	TBC				Prov-DPW	
SANRAL: Resurfacing from Bhisho & Breidbach						R508,000 (SANRAL-TBC)

Table 16: Bhisho-Qonce (KWT)-Zwelitsha Corridor Intergovernmental Project Pipeline

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

5. BHISHO- QONCE (KWT) - ZWELITSHA CORRIDOR: 2023/24 FINAL BUDGET

BHISHO- QONCE (KING WILLIAM'S TOWN)- ZWELITSHA CORRIDOR					
Project Name	Project Type (Description)	Project Status	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26
Bhisho- Qonce (KWT) & Zwelitsha Bulk Regional Sewer Scheme-Phase 2	Infrastructure	Phase 2 construction	R20 000 000,00	R20 000 000,00	R 20 895 993,00
Zwelitsha Waste Water Treatment Works	Infrastructure	Construction	No funding	No funding	No funding
Qonce (KWT) and Bhisho Water Supply: Bulk Mains	Infrastructure	Construction	R5 000 000,00	R5 000 000,00	R 5 223 998
Qonce (KWT) and Bhisho Water Supply: Treatment Works	Infrastructure	Design and tender documentation	Funding deferred to 2024/25	R 9 000 000,00	R 9 403 197,00
Qonce (KWT) and Bhisho Water Supply: Dams and Weirs	Infrastructure	Design and tender documentation stage	Funding deferred to 2024/25	R7 000 000,00	R 7 313 597,00
Qonce Art Centre	Infrastructure	Planning	R1 800 000,00	-	
Auto Hub Incubator	Project to benefit SMMEs in the Taxi Service Industry	Conceptualization Stage	To be informed by current work	To be informed by current work	
Precinct Plan and Public Realm Upgrades for the KWT CBD.	Precinct Plan	Planning Phase	R2 000 000,00	R1 500 000,00	R 1 500 000,00
Construction of Waste Cells at Qonce (KWT) Landfill site	Construction	Construction	R6 300 000,00	R6 300 000,00	R 6 582 238,00

Ntabozuko (Berlin) Node Resourcing

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-fule waste to energy programme.

Anticipated inter-governmental and SOE developments in the Ntabozuko node include:

- Development of the Berlin / Ntabozuko Green Energy Hub potentially through the facilitation of a public-private partnership with anticipated support from the National Treasury PPP unit

Estimated Current Total Programme Value inclusive of multiple stakeholders: TBD

**BCMM Administered Programme Budget 2023/24: R 17 187 900,00
(Own funds, Grants and Loans)**

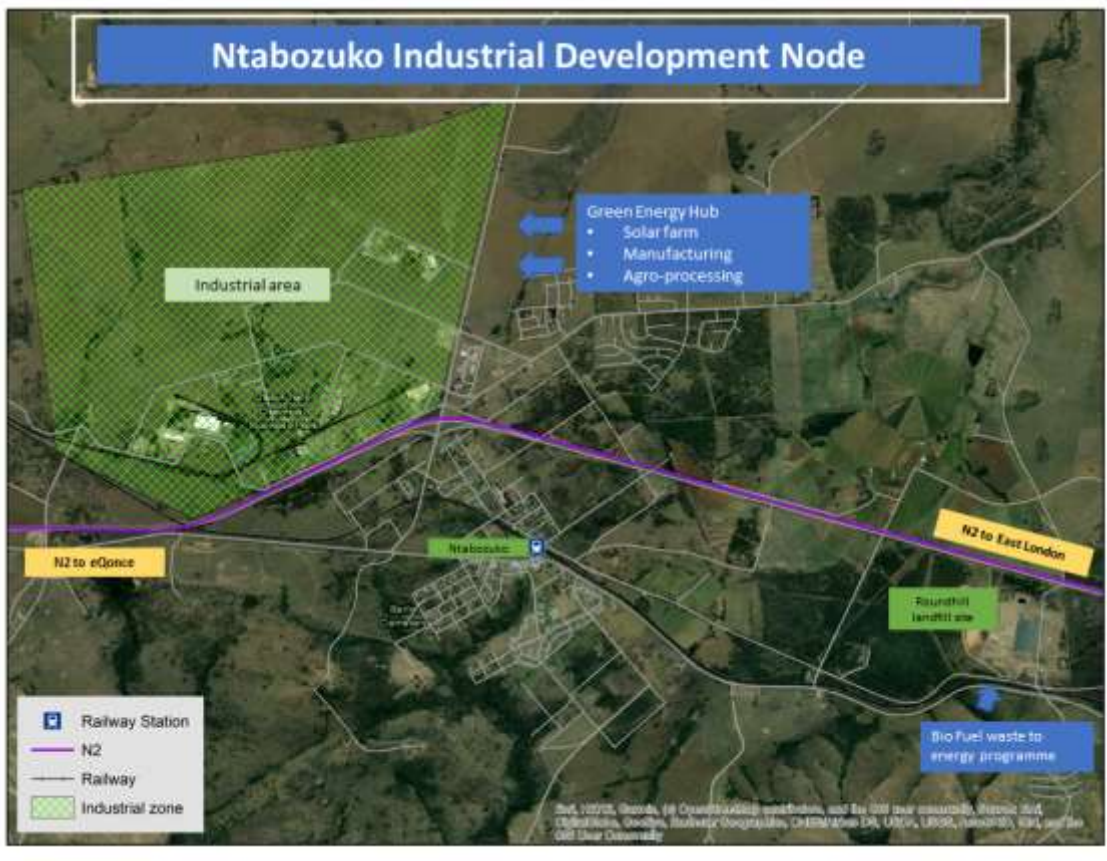


Figure 54: BCMM: Current and planned projects within the Ntabozuko Industrial Development Node (Source: Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: NTABOZUKO (BERLIN) NODE RESOURCING

The Intergovernmental Project Pipeline contains details of catalytic projects planned and budgeted for through the IGR Pipeline.

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET						
6. NTABOZUKO (BERLIN) NODE RESOURCING:						
NTABOZUKO NODE						
Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Berlin Solar Farm	TBC					IDZ
Agro-processing	TBC					Eastern Cape Rural Development Agency
Bio-fuel Waste to Energy programme (linked to the Landfill site)	TBC	No funding allocated				
Roundhill Landfill Site: Construction of Cell 5 & 8	TBC	Funding in 2024/25				
Ntabozuko Tourism Development as part of the East London-Duncan Village-Mdantsane-Ntabozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Tourism Route Development	TBC	Preparatory work underway by the BCMDA				
New Berlin Fire Station	TBC	R12. 187				
Berlin-Lingelitsha Phase 1: Water	TBC			R5,000 (ISUP)		

Table 17: Ntabozuko (Berlin) Node Resourcing Intergovernmental Project Pipeline

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET

6. NTABOZUKO (BERLIN) NODE RESOURCING:

NTABOZUKO NODE						
Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Berlin Solar Farm	TBC					IDZ
Agro-processing	TBC					Eastern Cape Rural Development Agency
Bio-fuel Waste to Energy programme (linked to the Landfill site)	TBC	No funding allocated				
Roundhill Landfill Site: Construction of Cell 5 & 6	TBC	Funding in 2024/25				
Ntabozuko Tourism Development as part of the East London-Duncan Village-Mdantsane-Ntabozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Tourism Route Development	TBC	Preparatory work underway by the BCMDA				
New Berlin Fire Station	TBC	R12, 187				
Berlin-Lingelitsha Phase 1: Water	TBC			R5,000 (ISUP)		

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTRF: PRIMARY INTEGRATION ZONE

6. NTABOZUKO (BERLIN) NODE: 2023/24 FINAL BUDGET

NTABOZUKO (BERLIN) NODE					
Project Name	Project Type (Description)	Project Status	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26
Bio-fuel Waste to Energy programme (linked to the Landfill site)	Development of Waste to Energy projects	Planning	No funding allocated	No funding allocated	No funding allocated
Roundhill Landfill Site:	Construction of Cell 5 & 6	Planning	Funding in 2024/25	R 2 000 000,00	R 2 000 000,00
New Berlin Fire Station	Construction of new facility	Construction	R12 187 900,00	R 2 00 000,00	-
Berlin-Lingelitsha Phase 1: Water	Water infrastructure	Construction	R5 000 000,00	R5 000 000,00	R5 223 998,00

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.

Estimated Current Total Programme Value inclusive of multiple stakeholders: TBD

**BCMM Administered Programme Budget 2023/24: R 2 500 000,00
(Own funds, Grants and Loans)**

Inter-governmental and SOE developments in the Dimbaza node include:

- ECDC: Revitalisation of the Dimbaza Industrial Park: Development of SMME start-ups
- Development of incentive schemes for potential investors



Figure 55: Current and planned projects within the Dimbaza Industrial Development Node (Source: Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: DIMBAZA NODE RESOURCING

The Intergovernmental Project Pipeline contains details of catalytic projects planned and budgeted for through the IGR Pipeline.

CATALYTIC PROGRAMMES: 2023/24 FINAL BUDGET						
7. DIMBAZA NODE RESOURCING:						
DIMBAZA NODE						
Catalytic Projects & Mega Projects	Total Value (R'000)	Own (2023/24) (R'000)	Loan (2023/24) (R'000)	Grant (2023/24) (R'000)	Province (2023/24) (R'000)	SOE (2023/24) (R'000)
Dimbaza Industrial Park Revitalisation Project						
- Development of SMME start-ups	TBC			USDG R2.500		ECDC & DTI
- Development of incentive schemes for potential investors						
Dimbaza Tourism development as part of the East London-Duncan Village-Mdantsane-Ntobozuko-Zwelitsha-Qonce-Bhisho-Dimbaza Tourism Route Development	TBD	Preparatory work underway by the BCMDA				
Upgrading of the Dimbaza Waste Water Treatment Works	TBC	Funding allocated in 2024/25				

Table 18: Dimbaza Node Resourcing Intergovernmental Project Pipeline

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE					
7. DIMBAZA NODE: 2022/23 FINAL BUDGET					
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	Funding allocated in 2024/25	R 5 000 000,00	R5 223 998,00
Dimbaza Industrial Park Revitalisation	Dimbaza has been identified as one of the industrial areas for revitalisation	TBC	R2 500 000,00	-	-

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: -

Project	Project Cost X1000
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
Total	R7 636 648

Table 19: BFI Programme Requirements

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
Security of Electricity Supply Sub-programme		
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
		R1 968 648 100 26%

Table 20: BFI Security of Electricity Supply Sub-programme

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 3rd 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:

Roads and Transport Corridor Sub-programme		
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	
		R3 735 000 000 49%

Table 21: BFI Roads and Transport Corridor Sub-programme

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:

Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme

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	
	R1 933 000 000	25%

Table 22: Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme

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)

Treatment Works	Current Annual Average Outflow (million m ³ /a)	Potential Annual Average Reclaimed Water (million m ³ /a)
Reeston ¹ (Flows from WWTWs with predominantly domestic influent.)	0.35	0.28
West Bank (Flows from WWTWs with predominantly industrial influent.)	6.51	5.21

Table 23: Coastal WWTW's Return Flows

¹ 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	
		R1 968 648	26%						
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

Project	Phase	Project Cost ('000)	Rem 2020	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
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
		R3 735 000	49%						
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
		R1 933 000	25%						
BFI Programme Total		R7 636 648	R41 000	R553 000	R1 814 000	R1 728 000	R1 337 798	R1 388 600	R744 250

Project	Phase	Project Cost ('000)	Rem 2020	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
BCMM Contribution (15%)		(R1 104 547)							
BFI Request Total		R6 532 101							

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.

For 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.

SUMMARY OF ONE PLAN

VISION 2050							
“A well-governed, connected, green and smart metropolitan port city region built on sustainable physical infrastructure, cohesive partnerships and a diverse people who are safe, healthy and educated.”							
TOTAL	① People Development	② Economic Positioning	③ Spatial Restructuring & Environmenta	④ Infrastructure Engineering	⑤ Integrated Services Provisioning	⑥ Governance and Financial Management	
Transformation Focal Areas	6	X	X	X	X	X	X
Strategies	32	9	5	5	4	4	5
Projects	566	221	97	24	188	32	4
Implementation Commitments	100	53	22	12	9	2	4
Catalytic Projects Profiled							
East London CBD and Inner-City Regeneration Programme	<ul style="list-style-type: none"> Estimated Current Total Programme Value inclusive of multiple stakeholders: R 2 541 897 000,00 BCMM Administered Programme Budget 2022/23: R59 940 000,00 (Own funds, Grants and Loans) 						
MELD Corridor Central Programme	<ul style="list-style-type: none"> Estimated Current Total Programme Value inclusive of multiple stakeholders: R2 148 883 000,00 BCMM Administered Programme Budget 2022/23: (Own funds, Grants and Loans): R553 224 000,00 						
Mdantsane Urban Hub Catalytic Programme	<ul style="list-style-type: none"> Estimated Current Total Programme Value inclusive of multiple stakeholders: R1 770 735 000,00 BCMM Administered Programme Budget 2022/23: R 47 995 723,00 (Own funds, Grants and Loans) 						
West Bank Economic Corridor and Logistics Hub	<ul style="list-style-type: none"> Estimated Current Total Programme Value inclusive of multiple stakeholders: R1 421 533 000,00 BCMM Administered Programme Budget 2022/23: R228 510 931,00 (Own funds, Grants and Loans) 						
Qonce – Bhisho – Zwelitsha Corridor	<ul style="list-style-type: none"> Estimated Current Total Programme Value inclusive of multiple stakeholders: R1 403 000 000,00 BCMM Administered Programme Budget 2022/23: R 137 308 000,00 (Own funds, Grants and Loans) 						
Ntabozuko (Berlin) Node Resourcing	<ul style="list-style-type: none"> Estimated Current Total Programme Value inclusive of multiple stakeholders: TBC BCMM Administered Programme Budget 2022/23: R 9 000 000,00 (Own funds, Grants and Loans) 						

VISION 2050

“A well-governed, connected, green and smart metropolitan port city region built on sustainable physical infrastructure, cohesive partnerships and a diverse people who are safe, healthy and educated.”

	TOTAL	① People Development	② Economic Positioning	③ Spatial Restructuring & Environmenta	④ Infrastructure Engineering	⑤ Integrated Services Provisioning	⑥ Governance and Financial Management
Dimbaza Node							

- Estimated Current Total Programme Value inclusive of multiple stakeholders: TBC
- BCMM Administered Programme Budget 2022/23: R 8 500 000,00 (Own funds, Grants and Loans)

SECTION E: DEVELOPMENT OBJECTIVES, STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS 2021 – 2026 (to be revised for 2023/2024)

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 56: 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 57: 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"> • Evaluate, amend and adopt a Process Plan to develop/ review the IDP. • Undertake the overall management and coordination of the planning process which includes ensuring that: <ul style="list-style-type: none"> - All relevant stakeholders are appropriately involved. - Appropriate mechanisms and procedures for public consultation and participation are applied.

Role Player	Roles and Responsibilities
	<ul style="list-style-type: none"> • The planning process is related to the real burning issues in the municipality, is a strategic and implementation orientation process. • Adopt and approve the IDP/Review. • Final decision making. • Approval of the reviewed IDP documentation. • Adjust the IDP in accordance with the MEC for Local Governments proposals • Ensure that the annual business plans and Municipal budgets are linked to and based on the IDP.
Mayor	<ul style="list-style-type: none"> • Decide on the process plan. • Overall management, coordination and monitoring of the process and drafting of the IDP/review documentation, or delegate this function. • Consider, adopt and approve the process plan. • Provide strategic input for IDP/ Review.
Councillors	<ul style="list-style-type: none"> • Link the planning process to their constituencies and/ or wards. • Be responsible for organising public consultation and participation. • Monitor the implementation of the IDP with respect to the particular wards. • Ensure the annual business plans and municipal budget are linked to and based on the IDP.
Speaker	<ul style="list-style-type: none"> • Overall monitoring of the public participation process
IDP Manager	<ul style="list-style-type: none"> • Preparations and finalisation of the Process Plan. • Be responsible for overall management, coordinating and monitoring of the process and drafting the IDP/Review. • Responsible for the day-to-day management of the planning process, ensuring that all relevant actors are appropriately involved. • Ensure that the process is participatory, strategic and implementation orientated and is aligned with sector planning requirements. • Ensure that amendments and proper documentation of the draft IDP/ Review are to the satisfaction of the IDP proposal.
Directors and Officials	<ul style="list-style-type: none"> • Prepare selected Sector Plans. • Provide relevant technical, sector and financial information for analysis and determining priority issues. • Contribute technical expertise in the consideration and finalization of strategies and identification of projects. • Provide departmental, operation and capital budgetary information. • Responsible for the preparation of project proposals, the integration of projects and sector programmes after strategic in areas of expertise.

Role Player	Roles and Responsibilities
Local Communities, Residents and Stakeholders	<ul style="list-style-type: none"> • 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"> - Analyse issues, determine priorities and provide input. - Keep their constituencies informed on IDP activities and their outcomes. - Discuss and comment on the draft IDP. - Check that annual business plans and budget are based on and linked to the IDP. - Monitor performance on the implementation of the IDP.
District Municipality	<ul style="list-style-type: none"> • 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). • Fulfil a coordination and facilitation role by: <ul style="list-style-type: none"> - Ensuring alignment of the IDP's of the municipalities in the district council area.. - Ensuring alignment between the district and local planning. - Facilitation of alignment of IDP's with other spheres of government and sector departments - Preparation of joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists. -
Provincial Government: Department of Local Government	<ul style="list-style-type: none"> • Ensure horizontal alignment of the IDP of the District Municipalities within the province. • 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"> - Guiding the provincial sector departments participation in and their required contribution to the municipal IDP process and; - Guiding them in assessing draft IDP's and aligning their sector programs and budgets with the IDP's • Efficient financial management of Provincial IDP grants. • Monitor the progress of the IDP processes. • Facilitate resolution of disputes related to IDP. • Assist municipalities in the IDP drafting process where required. • Coordinate and manage the MEC's assessment of IDP's
Sector Departments	<ul style="list-style-type: none"> • Contribute relevant information on the provincial sector departments plans, programs, budgets, objectives, strategies and projects in a concise and accessible manner.

Role Player

Roles and Responsibilities

- Contribute sector expertise and technical knowledge to the formulation of municipal strategies and projects.
- Engage in a process of alignment with District Municipalities
- 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
STRATEGIC OUTCOME 1: INNOVATIVE AND PRODUCTIVE CITY											
NATIONAL PRESCRIBED INDICATORS											
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
BCMM INDICATORS											
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)											
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
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)											
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
					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

STRATEGIC OUTCOME 2: A GREEN CITY

NATIONAL PRESCRIBED INDICATORS

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	Metropolitan Air Quality Index (MAQI) GHG emissions per capita	KFA 13	ENV1.11	Percentage of atmospheric emission licenses (AELs) processed within guideline timeframes	100%	100%	100%	100%	100%	100%
Environment	To Promote an environmentally friendly city	Number of days where PM2.5 levels exceeded guideline levels Percentage of households experiencing a problem with noise pollution	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%
Waste Economy	To Promote an environmentally friendly city	Percentage of households with basic refuse removal services or better Tonnes of municipal solid waste sent to landfill per capita	KFA 18	ENV 3.11	Percentage of known informal settlements receiving integrated waste handling services	100%	100%	100%	100%	100%	100%
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
BCMM INDICATORS											
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
STRATEGIC OUTCOME 3: A CONNECTED CITY											
NATIONAL PRESCRIBED INDICATORS											

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 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/BCMM 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
BCMM INDICATORS											
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)

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
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	Q1 - R 1 074 731 .49 Q2 - R 4,095,060.94 Q3- R 6,070,559.41 Q4- R4, 317, 535.46	R10,000,00 0.00 (Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter)	R10,000,00 0.00 (Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter)	R10,000,00 0.00 (Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter)	R10,000,00 0.00 (Quarterly salary bill of suspended officials must not exceed R10, 000, 000.00 per quarter)	R10,000,00 0.00 (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 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)											
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	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-convened 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)											
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	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	KFA3 7	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	KFA 41	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	KFA 46	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	KFA 30	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	KFA3 7	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	KFA3 7	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	KFA37	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	KFA37	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	KFA37	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)											
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 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	KFA3 7	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	KFA3 7	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:	

No.	KFA No.	Additional indicators from National Treasury, Circular 88 for reporting only	Total number/ %
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:	
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/ %
		STRATEGIC OUTCOME 2: A GREEN CITY	
ENV4.11	KFA 16	Percentage of biodiversity priority area within the metro	
		STRATEGIC OUTCOME 3: A CONNECTED CITY	
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	
		STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY	
TR1.12	KFA 21	Number of operational public transport access points added	
		STRATEGIC OUTCOME 5: A WELL GOVERNED CITY	
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 2023/2024 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 for ensure 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. Continue to implement the SMART metering 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. 2023/24 MTREF Capital & Operating Budget Estimates

The total consolidated budget (capital and operating) for the 2023/24 MTREF period is growing from R10.1 billion in the 2022/23 to R10.64 billion in the 2023/24 financial year, it further grows to R11.29 billion and R12.13 billion in the 2024/25 and 2025/2026 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 2026.

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: 2022/2023 to 2025/2026 Budget Assumptions

DESCRIPTION	2022/2023	2023/2024	2024/2025	2025/2026
National Treasury Headline Inflation Forecasts	4.80%	5.30%	4.90%	4.70%
Salaries	4.80%	5.40%	4.90%	4.70%
Electricity Purchases	7.47%	18.65%	12.74%	12.74%
Water Purchases	5.78%	9.86%	9.86%	9.86%
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	R824.16	R878.07	R936.18	R997.53
Equitable Share Allocation	R1 045 448 000	R1 138 058 000	R1 226 701 000	R1 313 633 000
Bad Debt Provision	19.50%	19.50%	17.50%	15.00%
Property Rates	4.80%	0.00%	4.90%	4.70%
Refuse Tariff	4.80%	5.30%	4.90%	4.70%
Sewerage Tariff	4.80%	5.30%	4.90%	4.70%
Electricity Tariff	7.47%	18.65%	12.74%	12.74%
Water Tariff	6.78%	9.86%	9.86%	9.86%
Fire Levy	4.80%	5.30%	4.90%	4.70%
Sundry Income	4.80%	5.30%	4.90%	4.70%

2.2 Conditional Grants allocation

BCMM has been allocated the following conditional grants for the 2023/2024 MTREF

Grant allocation	2023/2024 DORA ALLOCATION	2024/2025 DORA ALLOCATION	2025/2026 DORA ALLOCATION
Neighbourhood Development Partnership Grant - Public Employment Programme (PEP)	21 000 000	0	0
Neighbourhood Development Partnership Grant (Capital)	19 581 000	23 000 000	20 000 000
Infrastructure Skills Development Grant	11 000 000	12 000 000	12 500 000
Local Government Financial Management Grant	1 000 000	1 000 000	1 138 000
Expanded Public Works Programme Integrated	6 093 000	0	0
Programme and Project Preparation Support Grant	18 908 000	19 298 000	19 696 000
Informal Settlements Upgrading Partnership Grant: Municipalities	294 556 000	307 785 000	321 573 000
Urban Settlements Development Grant	518 034 000	541 299 000	565 549 000
TOTAL DORA FUNDING	890 172 000	904 382 000	940 456 000

In the 2021/2022 financial year, BCMM had spent 94% of the allocated conditional grants.

Funding/Grant	2021/2022 Approved Budget	YTD Exp	Variance	% Expenditure vs. Budget
Finance Management Grant	1 000 000	999 979	21	100%
Energy Efficiency Demand Side Management Grant	9 000 000	8 997 172	2 828	100%
Infrastructure Skills Development Grant	10 500 000	8 314 419	2 185 581	79%
Urban Settlement Development Grant	499 705 000	477 909 657	21 795 343	96%
Neighbourhood Development Partnership Grant	33 580 999	15 386 814	18 194 185	46%
Informal Settlement Upgrading Partnership Grant	238 258 000	234 788 927	3 469 073	99%
Expanded Public Works Programme Grant	7 300 000	7 299 991	9	100%
Programme and Project Preparation Support Grant (PPPSG)	8 941 000	8 940 802	198	100%
TOTAL	808 284 999	762 637 761	45 647 238	94%

2.3 Operating Budget Estimates

2.3.1 Operating Revenue Framework

In 2023/24 financial year, the City's own revenue generated by property rates and service charges is 71% of the total revenue, totalling to R6.74 billion and it increases slightly over the MTERF to R7.32 billion in the 2024/25 and to R7.97 billion in the 2025/26 financial years. Electricity service remains the largest contributor to the total revenue mix (inclusive of conditional and unconditional grants) which is 28% in the 2023/24 financial year. Electricity revenue is increasing from R2.47 billion to R2.70 billion in 2023/24, it further increases to R3.047 billion and R3.43 billion respectively in the two outer years of the 2023/24 MTERF period. Property rates are the second largest own revenue source with 23% contribution in the 2023/24 financial year.

Table 2: Operating Revenue by Revenue Source

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue										
Exchange Revenue										
Service charges - Electricity	1 838 105	1 940 773	2 199 541	2 549 552	2 469 552	2 469 552	2 469 552	2 694 789	3 038 105	3 425 159
Service charges - Water	709 744	1 146 063	1 255 133	849 617	849 617	849 617	849 617	933 423	1 025 496	1 126 651
Service charges - Waste Water Management	377 249	429 316	470 773	468 519	468 519	468 519	468 519	493 351	517 525	541 848
Service charges - Waste Management	335 843	353 492	387 546	385 616	385 616	385 616	385 616	406 053	425 950	445 969
Sale of Goods and Rendering of Services	39 138	103 397	109 848	138 763	138 612	138 612	138 612	145 958	153 110	160 306
Agency services	23 428	31 910	30 536	44 713	27 879	27 879	27 879	27 261	28 737	29 501
Interest earned from Receivables	122 587	118 562	176 561	121 249	201 249	201 249	201 249	211 915	222 299	232 747
Assets	70 650	41 289	33 086	30 876	30 876	30 876	30 876	23 241	24 379	25 525
Rental from Fixed Assets	22 652	24 222	21 116	21 965	21 965	21 965	21 965	23 129	24 263	25 403
Operational Revenue	-	52 796	38 298	94 413	94 564	94 564	94 564	93 580	98 490	103 797
Non-Exchange Revenue										
Property rates	1 467 400	1 591 520	1 733 914	1 958 216	1 958 216	1 958 216	1 958 216	2 208 577	2 316 796	2 425 687
Fines, penalties and forfeits	10 864	16 659	12 408	22 435	19 070	19 070	19 070	20 080	21 064	22 054
Licences or permits	12 587	12 411	12 128	19 739	16 778	16 778	16 778	17 667	18 533	19 404
Transfer and subsidies - Operational	987 005	1 248 804	1 099 887	1 446 763	1 463 800	1 463 800	1 463 800	1 466 917	1 519 532	1 616 635
Fuel Levy	547 497	593 337	652 199	719 203	719 203	719 203	719 203	741 926	779 747	819 383
Gains on disposal of Assets	4 254	34 411	16 618	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	6 569 003	7 738 963	8 249 591	8 871 639	8 865 515	8 865 515	8 865 515	9 507 869	10 214 028	11 020 072

2.3.2 Operating Expenditure Framework

- a) **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 5.4% in 2023/24.
- b) **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 has been taken into account in compiling the City's 2022/2023 budget. A new gazetted for the remuneration of Public Office bearers has been issued to date therefore a CPI average of 5.4% has been utilised to determine the draft 2023/2024 budget for the remuneration of councillors.
- c) **The provision of debt impairment** has been determined based on an annual collection rate of 80.5% 2023/2024. The annual collection rate is expected to be at 82.5% in 2024/2025 & 85% in

2025/2026. For the 2023/24 financial year this amounts to R1.34 billion, it reduces to R1.31 billion in 2024/25, it further reduces to R1.22 million in the 2025/26 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 R609.7 million for the 2023/24 financial year and equates to 6% 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 0.12% (R11.57 million) of operating expenditure in 2023/2024.
- f) **Bulk purchases** in 2023/2024 equates to 27% 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 2023/24 financial year the City has applied a % increase as follows:
- **Transfers & grants** – In the 2023/2024 financial year this item is increasing by 0.21% from the previous year. This figure is not determined through a percentage increase because it is based on the amount of grants that have been allocated to BCMM.
 - **Operational costs** – This item is increasing by 6.81% from the 2022/2023 budgeted amount. The main reasons for this increase is the percentage increase of 5.3% that has been applied by BCMM for this item in the 2023/2024 financial year.
 - **Inventory consumed** This item is increased by 8% from the 2022/2023 budgeted amount. BCMM has applied a percentage increase of 5.3% to this item for the 2023/2024 financial year. Also contributing to this increase is percentage increase of 9.86% applied by Amatole water to water purchases.
 - **Contracted services** – This item is decreasing by 6.75%. 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 5.3% of the total Operating budget in 2023/24. 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

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Expenditure										
Employee related costs	2 206 010	2 539 080	2 536 403	2 686 871	2 608 061	2 608 061	2 608 061	2 873 445	3 012 952	3 153 837
Remuneration of councillors	64 687	63 813	64 683	70 263	70 263	70 263	70 263	74 057	77 686	81 337
Bulk purchases - electricity	1 528 586	1 631 905	1 922 255	2 160 427	2 120 427	2 120 427	2 120 427	2 515 887	2 836 411	3 197 769
Inventory consumed	339 555	327 361	369 179	314 839	267 442	267 442	267 442	290 106	314 788	342 136
Debt impairment	601 842	911 741	1 385 422	1 211 246	1 211 246	1 211 246	1 211 246	1 344 639	1 310 938	1 221 056
Depreciation and amortisation	1 710 062	1 388 864	1 569 794	614 397	614 397	614 397	614 397	609 689	814 458	1 102 777
Interest	32 564	25 757	20 684	49 361	49 361	49 361	49 361	11 570	8 969	6 557
Contracted services	682 052	641 601	595 813	977 494	977 645	977 645	977 645	911 669	941 108	999 600
Transfers and subsidies	131 019	104 708	127 078	170 553	189 856	189 856	189 856	154 826	140 000	145 126
Irrecoverable debts written off										
Operational costs	466 217	550 528	608 458	532 823	514 631	514 631	514 631	549 692	569 177	599 228
Losses on disposal of Assets										
Other Losses	13 683	22 215	1 302	82 136	82 136	82 136	82 136	90 238	99 139	108 918
Total Expenditure	7 776 276	8 207 573	9 201 071	8 870 409	8 705 465	8 705 465	8 705 465	9 425 817	10 125 626	10 958 342

2.4 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 R921 million in the 2022/23 period to R692 million in the 2023/24, it is expected to increase to R1.28 billion by 2025/26 financial year.

Table 4: Budgeted Cash Flow Statement

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	1 468 355	1 589 415	1 387 131	1 576 364	1 576 364	1 576 364	1 576 364	1 777 905	1 911 358	2 001 192
Service charges	3 180 242	3 937 345	3 351 451	3 423 909	3 343 909	3 343 909	3 343 909	3 644 731	4 130 837	4 570 194
Other revenue	78 677	(578 524)	635 265	866 859	843 698	843 698	843 698	1 008 298	1 065 063	1 125 025
Transfers and Subsidies - Operational	979 243	941 592	1 057 255	1 446 763	1 463 800	1 463 800	1 463 800	1 466 917	1 519 532	1 616 635
Transfers and Subsidies - Capital	1 010 413	1 065 032	688 929	736 015	736 038	736 038	736 038	753 406	791 348	822 540
Interest	192 171	159 852	209 646	30 876	30 876	30 876	30 876	23 241	24 379	25 525
Dividends								-	-	-
Payments										
Suppliers and employees	(4 841 629)	(5 516 951)	(6 117 694)	(6 824 853)	(6 640 605)	(6 640 605)	(6 640 605)	(7 305 093)	(7 851 261)	(8 482 826)
Finance charges	(32 564)	(25 757)	(20 684)	(49 361)	(49 361)	(49 361)	(49 361)	(11 570)	(8 969)	(6 557)
Transfers and Subsidies	(130 821)	(104 708)	(127 078)	(170 553)	(189 856)	(189 856)	(189 856)	(154 826)	(140 000)	(145 126)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 904 087	1 467 295	1 064 221	1 036 020	1 114 865	1 114 865	1 114 865	1 203 009	1 442 288	1 526 602
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	10 373	37 832	1 380					-	-	-
Decrease (increase) in non-current receivables								-	-	-
Decrease (increase) in non-current investments								-	-	-
Payments										
Capital assets	(1 654 409)	(1 679 035)	(1 468 361)	(2 086 362)	(1 396 065)	(1 396 065)	(1 396 065)	(1 215 880)	(1 159 894)	(1 168 340)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 644 036)	(1 641 203)	(1 466 981)	(2 086 362)	(1 396 065)	(1 396 065)	(1 396 065)	(1 215 880)	(1 159 894)	(1 168 340)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans				-				-	-	-
Borrowing long term/refinancing				732 614				-	-	-
Increase (decrease) in consumer deposits				8 182	8 182	8 182	8 182	6 005	4 000	4 000
Payments										
Repayment of borrowing	(57 974)	(54 396)	(45 191)	(62 833)	(62 833)	(62 833)	(62 833)	(49 141)	(30 246)	(28 814)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(57 974)	(54 396)	(45 191)	677 964	(54 650)	(54 650)	(54 650)	(43 136)	(26 246)	(24 814)
NET INCREASE/ (DECREASE) IN CASH HELD	202 078	(228 303)	(447 950)	(372 378)	(335 850)	(335 850)	(335 850)	(56 007)	256 148	333 449
Cash/cash equivalents at the year begin:	1 171 633	1 373 711	1 145 407	1 257 052	1 257 052	1 257 052	1 257 052	748 479	692 472	948 620
Cash/cash equivalents at the year end:	1 373 711	1 145 407	697 457	884 674	921 201	921 201	921 201	692 472	948 620	1 282 069

2.5 Capital Budget Estimates

The below tables reflect that the consolidated capital budget for capital programme is R1.22 billion in the 2023/24 financial year, R1.16 billion and R1.17 billion in the 2024/2025 and 2025/2026 financial years respectively.

The City's capital budget has reduced by 13% when compared to the 2022/23 adjusted budget. It then reduces by 3.9% from the 2023/2024 to 2025/2026 financial year. Further breakdown per service of the capital budget is detailed

in table 6 below. It depicts that for the 2023/224 financial year an amount of R72 million has been appropriated for the Waste Water infrastructure, R167.84 million for Roads and Storm Water, R105.21 million for Water, R101.12 million for Transport Planning, R36.5 million for waste management, R308.79 million for Human Settlements and R148.37 million for Electricity. These services represent 77% of the total capital budget for the 2023/24 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

CAPITAL BUDGET PER DIRECTORATE	DRAFT 2023/2024 CAPITAL BUDGET	DRAFT 2024/2025 CAPITAL BUDGET	DRAFT 2025/2026 CAPITAL BUDGET
EXECUTIVE SUPPORT SERVICES	500 000	500 000	500 000
CITY MANAGER'S OFFICE	600 000	500 000	500 000
CORPORATE SERVICES	10 639 875	11 650 000	1 650 000
SPATIAL PLANNING & DEVELOPMENT	134 616 510	83 457 810	87 062 259
ECONOMIC DEVELOPMENT & AGENCIES	59 100 000	43 138 554	61 824 701
FINANCE SERVICES	71 938 110	13 500 000	33 500 000
PUBLIC SAFETY & EMERGENCY SERVICES	32 187 900	15 500 000	38 500 000
HUMAN SETTLEMENTS	309 298 320	262 944 032	274 701 133
INFRASTRUCTURE SERVICES	503 915 878	605 613 375	618 340 825
DIRECTORATE OF SPORTS, RECREATION & COMMUNITY DEVELOPMENT	44 650 000	37 000 000	23 509 979
DIRECTORATE OF SOLID WASTE & ENVIRONMENTAL MANAGEMENT	42 000 000	77 570 000	26 660 792
TOTAL DRAFT CAPITAL BUDGET:BCMM	1 209 446 593	1 151 373 771	1 166 749 690
BCMDA	6 433 226	8 520 030	1 589 952
TOTAL DRAFT CAPITAL:CONSOLIDATED	1 215 879 819	1 159 893 801	1 168 339 641

Table 6: Capital Investment Programme Per Funding Source

CAPITAL BUDGET PER FUNDING	DRAFT 2023/2024 CAPITAL BUDGET	DRAFT 2024/2025 CAPITAL BUDGET	DRAFT 2025/2026 CAPITAL BUDGET
OWN FUNDING	463 907 519	370 065 772	347 389 334
TOTAL OWN FUNDING	463 907 519	370 065 772	347 389 334
URBAN SETTLEMENT DEVELOPMENT GRANT	452 592 980	475 060 828	496 119 384

INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT	279 648 320	291 617 201	304 680 924
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT	19 581 000	23 000 000	20 000 000
INFRASTRUCTURE SKILLS DEVELOPMENT GRANT	150 000	150 000	150 000
TOTAL GRANTS	751 972 300	789 828 029	820 950 307
TOTAL CAPITAL BUDGET	1 215 879 819	1 159 893 801	1 168 339 641

Table 7: Capital Investment Programme Per Service

CAPITAL BUDGET PER SERVICE	DRAFT 2023/2024 CAPITAL BUDGET	DRAFT 2024/2025 CAPITAL BUDGET	DRAFT 2025/2026 CAPITAL BUDGET
AMENITIES	45 650 000	39 770 000	26 229 979
ELECTRICITY	148 373 938	168 575 742	180 400 489
HOUSING	308 798 320	262 444 032	274 201 133
LED	59 100 000	45 138 554	56 824 701
OTHER	10 000 000	10 000 000	0
PUBLIC SAFETY	35 187 900	23 500 000	37 500 000
ROADS	167 836 625	159 231 681	139 587 625
SPATIAL PLANNING	33 000 000	17 500 000	18 171 963
SUPPORT SERVICES	93 111 211	35 670 030	46 239 952
TRANSPORT PLANNING	101 116 510	65 457 810	68 390 296
WASTE MANAGEMENT	36 500 000	65 300 000	22 940 792
WASTE WATER	72 000 000	91 278 348	116 188 299
WATER	105 205 315	176 027 604	181 664 412
TOTAL - PER SERVICE	1 215 879 819	1 159 893 801	1 168 339 641

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 2023/24 MTREF.

Table 8: Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<u>Borrowing Management</u>											
Credit Rating		A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A	A1-/A
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.2%	1.0%	0.7%	1.3%	1.3%	1.3%	1.3%	0.6%	0.4%	0.3%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.4%	1.0%	0.8%	1.3%	1.3%	1.3%	1.3%	0.6%	0.4%	0.3%
Borrowed funding of 'ow n' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	0.0%	0.0%	0.0%	54.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>											
Current Ratio	Current assets/current liabilities	1.4	1.6	1.6	1.9	2.0	2.0	2.0	1.6	1.8	2.1
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.4	1.6	(0.6)	(0.0)	0.0	0.0	0.0	(0.0)	0.1	0.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.1	1.2	1.2	1.4	1.5	1.5	1.5	1.2	1.4	1.6
<u>Revenue Management</u>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		140.9%	139.1%	107.1%	113.8%	114.1%	114.1%	114.1%	116.0%	117.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		140.9%	139.1%	107.1%	113.8%	114.1%	114.1%	114.1%	116.0%	117.1%	115.3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	17.1%	16.1%	16.0%	14.7%	14.7%	14.7%	14.7%	14.6%	14.7%	15.1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	23.7%	24.0%	24.0%	25.8%	25.8%	25.8%	25.8%	26.0%	26.8%	28.0%
<u>Creditors Management</u>											
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		93.3%	123.0%	179.1%	57.6%	55.3%	55.3%	55.3%	176.9%	125.3%	90.0%

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical	290576586	322127768	291919493	322127768	322127768	322127768	322127768	1775961095	1775961095	1775961095
	Total Volume Losses (kW) non technical										
	Total Cost of Losses (Rand '000)	271 758	322 128	220 932	376 380	376 380	376 380	376 380	264 474	298 168	336 155
	% Volume (units purchased and generated less units sold)/units purchased and generated	19.10%	22.80%	20.50%	22.80%	22.80%	22.80%	22.80%	16.74%	16.74%	16.74%
Water Distribution Losses (2)	Total Volume Losses (kℓ)	21 513	21 818	22 825	21 304	21 304	21 304	21 304	21 304	21 304	18 260
	Total Cost of Losses (Rand '000)	126145	125496	139272	129987	129987	129987	129987	129987	129987	111418
	% Volume (units purchased and generated less units sold)/units purchased and generated	36.3%	36.3%	37.5%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	30.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	33.6%	32.8%	30.7%	30.3%	29.4%	29.4%	29.4%	30.2%	29.5%	28.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34.6%	33.1%	31.5%	31.1%	30.2%	30.2%	30.2%	31.0%	30.2%	29.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5.8%	5.0%	4.9%	5.0%	5.3%	5.3%	5.3%	5.2%	5.3%	5.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	26.5%	18.3%	19.3%	7.5%	7.5%	7.5%	7.5%	6.5%	8.1%	10.1%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	30.6	30.2	87.9	94.7	94.7	94.7	122.5	174.1	188.0	202.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	21.5%	20.3%	19.6%	19.5%	19.9%	19.9%	19.9%	19.5%	19.5%	20.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	3.0	2.2	1.2	1.4	1.5	1.5	1.5	1.0	1.3	1.7

3.1.1 Borrowing management

The City has a credit rating of A1_(za) (Short Term) and A_(za) (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 2023/24 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 0.6% in 2023/24 to 0.4% in 2024/2025 and to 0.3% in 2024/2025.

3.1.2 Liquidity

Current ratio for the 2023/24 financial year is 1.6, 1.8 for 2024/2025 and 2.1 for 2025/2026. Included in the current assets is the City's debt book which has a projected collection ratio of 80.5% for 2023/24 and the recoverability of this is considered to be obtainable.

The liquid ratio for the 2023/24 financial year is 1.2:1. The City aims to maintain a consistent stock level over the MTREF period to adequately respond to emergency situations relating to service delivery considerations.

3.1.3 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 78.50% as at 28 February 2023 is expected to improve to 80.5% in the 2022/2023 financial year.

3.1.4 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.

3.1.5 Other Indicators

- i. Employee costs as a percentage of operating revenue is 30.5% in the 2023/24 financial year and slightly reduces to 29.8% 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 16.74% in 2023/24. 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 35% in 2023/2024.
- 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 2023/24 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 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. Move from a flat-rate billing system to all consumers billed according to consumption.
- v. Continue to implement the SMART metering system as opposed to a manual meter reading process.
- vi. The implementation of a General Valuation on 1 July 2023 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 verification of all accounts is ongoing to ensure that all services are raised
- ii. The verification process of the Indigent Register is ongoing.
- iii. Reduction in number of metered interim charges by obtaining actual readings.
- iv. Large power users accounts have been reviewed for completeness of billing (KVA). Results are being implemented.

- v. 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 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 loses, 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):

In line with the governance requirements to mSCOA, Buffalo City has a fully functional steering Committee with six work streams, which is sponsored by the Chief Financial Officer. In the 2022/23 Financial year the terms of reference of this steering committee were reviewed and work streams aligned as per the requirements of the different functionality assessments per business process.

The above analysis and review was conducted on the premise of the 2022/23 mSCOA audit report wherein the following was audited:-

Scope of Audit	Audit Compliance level
Governance Structure	Full Compliance
System Architecture	Low Compliance
Functionality	Moderate Compliance
User Proficiency	Full Compliance

Subsequent to the above, the metro developed a full mSCOA audit improvement plan for the year 2022/23 to 2023/24. This plan is used as a reporting mechanism to track progress on a monthly basis in the monthly mSCOA task team meeting. This task team reports progress on a quarterly basis to the mSCOA steering committee, who

in turn reports to council. The above controls are there to ensure effective, efficient and quality reporting to all stakeholders.

Attached in Annexure E is the mSCOA audit improvement plan for the 2023/24 Financial year and one will note that the City has made significant strides to ensure full compliance. At this point there are major developments driven by the work streams which will directly contribute to full automation and indirectly promote to the City support programme of improving the cost of doing business. This initiative is led by the Building Control, Valuation roll, Real Estate and Customer credit control work streams. This initiative is schedule for testing in the first quarter of 2023/24 Financial Year.

The other significant development to ensure full mSCOA compliance that will be carried out is the Asset Management business process that will ensure compliance with GRAP and CIDMS requirements.

The above initiatives reflects that the city remains full committed to promoting efficient and effective control measures to promote automation in relation to mSCOA requirements and increased service delivery to the general public we serve. The Municipal Standard Chart of Accounts (mSCOA) remains a major priority for the City in compliance with also the national government requirements.

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. The relevant policies promulgated into by-laws and gazetted. 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. Investment Cash Management Policy
- v. Indigent Support Policy
- vi. Credit Control Policy
- vii. Property rates policy
- viii. Budget Policy (Budget Management & Oversight)

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. Funding and Reserves Policy
- iii. Policy on Cost Containment measures
- iv. Tariff Policy
- v. Budget Virement Policy
- vi. Movable Asset Policy
- vii. Budget Virements Policy
- viii. Long-Term Financial Planning 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 78.50% as at 28 February 2023 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

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 2021/2022	Total Per Household 2022/2023	Tariff % Increase	Total Per Household 2023/2024	Tariff % Increase	Total Per Household 2024/2025	Tariff % Increase	Total Per Household 2025/2026
Rates	135.89	142.41	0.00%	142.41	4.90%	149.39	4.70%	156.41
Refuse	286.96	300.87	5.30%	316.82	4.90%	332.34	4.70%	347.96
Sewerage	102.03	106.93	5.30%	112.59	4.90%	118.11	4.70%	123.66
Fire Levy	60.00	62.61	5.30%	65.93	4.90%	69.16	4.70%	72.41
Total Monthly Subsidy	584.88	612.82		637.75		669.00		700.44
Electricity - 50kwh p.m	86.14	92.57	18.65%	109.84	12.74%	123.83	12.74%	139.61
Water - 6kl p.m.	111.24	118.77	9.86%	130.48	9.86%	143.35	9.86%	157.48
Total Poor Relief	782.26	824.16	6.54%	878.07	6.62%	936.18	6.55%	997.53

3.4.3 Property Rates:

The rates tariffs are projected to increase by 4.8% in the 2022/23 financial year. No tariff increase is expected in the 2023/24 financial year due to the implementation of a new general valuation roll and tariffs increases of 4.5% in 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. A new general valuation roll has been compiled and a certified roll submitted to the City Manager by 31 January 2023. The new roll will be implemented on 1 July 2023. The current 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

4. BCMM's audit opinion in 2021/2022 financial year

The Auditor General has issued a unqualified audit opinion with findings on the Annual Financial Statements for the year ended 30 June 2022.

Buffalo City Metropolitan Municipality is committed to continuous improvement and the implementation of different strategies in order to achieve a clean administration as per one of the MGDS pillars, a 'well Governed City'.

Action plans to achieve an unqualified audit with no findings:

In the development of the 2021/2022 Audit Action Plan (AAP), 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 2021/22 Audit Report and Management Report was analysed to develop the AAP. The AAP 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 AAP by the relevant departments affected. The AAP 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 AAP 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

NO.	TASK DESCRIPTION	RESPONSIBLE	COMMENCE	ESTIMATED
		PERSONS	DATE	COMPLETION DATE
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	GMS/PMS	01/07/2022	23/06/2023
2.	Analyse and clear HS010 – Orders and GRN's not invoiced per order)	GMS/PMS	01/07/2022	23/06/2023
3.	Clear suspense votes and balance control accounts / votes	ALL	01/07/2022	14/07/2023
4.	Perform stock count and process adjustments	GMS/PML	02/05/2023	14/07/2023
5.	Run June 2023 month end and year end on votes ledger	GME/PMM/CAF/S AF	30/06/2023	07/07/2023
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 2023	ALL	03/07/2023	07/07/2023
7.	Process Creditors i.r.o. 2022/2023 Financial Year	GME/PMC/MAC/P MV	03/07/2023	14/07/2023
8.	Clear all outstanding job commitments by running report JB060 (reset jobbing commitments)	GME/PMM/CAF	03/07/2023	14/07/2023
9.	Process journals for COID, Insurance, Leave Accrual and Debt Impairment Allowance	GMA/PMA/MAI/G ME/ PMP/GMR/PMR	03/07/2023	14/07/2023
10.	Process journals for external loans and balance loans register to GL	GMB/PMT/PAT	03/07/2023	14/07/2023
11.	Finalize and process all other year end journals	ALL	03/07/2023	14/07/2023
12.	Investigate income and expenditure for misallocations	ALL	03/07/2023	14/07/2023
13.	Balance Conditional Grants and Receipts to GL/BS	GMB/PMB/MBM	03/07/2022	14/07/2023
14.	Balance investment register to GL/BS	GMB/PMT/PAT	03/07/2023	14/07/2023
15.	Finalize and submit all control votes reconciliations	ALL	03/07/2023	14/07/2023

16.	Prepare summary of debtors and creditors control accounts	GME/PMM/CAF	03/07/2023	14/07/2023
17.	Submit all information to Financial Management as per memo's circulated i.r.o. the preparation of the Annual Financial Statements	ALL	03/07/2023	28/07/2023
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	ALL - Information applicable to each Department/Section	03/07/2023	28/07/2023
19.	Obtain financial statements from IDZ	GME/PMM/CAF	03/07/2023	28/07/2023
20.	Prepare capital work in progress schedule	GMA/PMA/CAA	03/07/2023	07/08/2023
21.	Process all PPE and capitalization journals	GMA/PMA/CAA	03/07/2023	07/08/2023
22.	Process all grant journals i.r.o. PPE funded ex grants	GMB/PMB/MBM	03/07/2023	07/08/2023
23.	Produce the Fixed Asset Register including all schedules, tables and appendices in respect of the AFS	GMA/PMA/CAA	03/07/2023	07/08/2023
24.	Run final general ledger trial balance	GME/PMM/CAF	08/08/2023	08/08/2023
25.	Compile Annual Financial Statements	GME/PMF	09/08/2023	15/08/2023
26.	Present AFS to City Manager and Top Management	CFO/GME/PMF	16/08/2023	17/08/2023
27.	Submit AFS to Internal Audit and Audit Committee for review	CFO/GME/PMF	18/08/2023	21/08/2023
28.	Present AFS to Audit Committee	CFO/GME/PMF	23/08/2023	24/08/2023
29.	Update Annual Financial Statements	GME/PMF	25/08/2023	28/08/2023
30.	Submit and present final AFS to Audit Committee for approval	CFO/GME/PMF	29/08/2023	29/08/2023
31.	Submit Annual Financial Statements and Audit File to Auditor General	GME/PMF	30/08/2023	30/08/2023
32.	Submit AFS and BUF BSA 2022 and BUF CAAA(PPE) 2022 forms to National and Provincial Treasury	GME/PMF	31/08/2023	31/08/2023
33.	Obtain AFS from BCMDA & prepare Consolidated AFS for BCMM	GME/PMF	01/09/2023	22/09/2023
34.	Present Consolidated AFS to City Manager for signature	CFO/GME/PMF	26/09/2023	26/09/2023
35.	Submit Consolidated AFS to Auditor-General	GME/PMF	30/09/2023	30/09/2023

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 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 R1.22 billion in the 2023/24 financial year, R1.16 billion and R1.17 billion in the 2024/25 and 2025/26 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 2023/2024 MTREF are indicated below:

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
EXECUTIVE SUPPORT SERVICES					
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
DRAFT CAPITAL BUDGET: EXECUTIVE SUPPORT SERVICES	500 000	500 000	500 000		
CITY MANAGER'S OFFICE					
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
OFFICE FURNITURE AND EQUIPMENT-EPMO	100 000	0	0	USDG	ALL WARDS
DRAFT CAPITAL BUDGET: CITY MANAGER'S OFFICE	600 000	500 000	500 000		
CORPORATE SERVICES					
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM	4 000 000	4 000 000	0	OWN FUNDS	ALL WARDS
PAY DAY ELECTRONIC ATTENDANCE SYSTEM FOR BCMM	1 989 875	0	0	OWN FUNDS	ALL WARDS
FIBRE NETWORK	1 000 000	3 000 000	0	OWN FUNDS	ALL WARDS
LTE INFRASTRUCTURE	0	1 500 000	0	OWN FUNDS	ALL WARDS
DISASTER RECOVERY ENHANCEMENT	1 000 000	1 500 000	0	OWN FUNDS	ALL WARDS
PROCUREMENT OF ICT EQUIPMENT	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
OFFICE FURNITURE AND EQUIPMENT FOR INTERNS	150 000	150 000	150 000	ISDG	ALL WARDS
WI-FI	1 000 000	0	0	OWN FUNDS	ALL WARDS
DRAFT CAPITAL BUDGET: CORPORATE SERVICES	10 639 875	11 650 000	1 650 000		
SPATIAL PLANNING & DEVELOPMENT					
AERIAL PHOTOGRAPHY AND MAPPING	2 000 000	500 000	500 000	OWN FUNDS	47
PLOTTERS	600 000	600 000	600 000	OWN FUNDS	47
SURVEY EQUIPMENT	400 000	400 000	400 000	OWN FUNDS	47
BUXTON, ELECTRICITY HOUSE AND RESERVE BANK REFURBISHMENT	1 000 000	0	0	OWN FUNDS	47
ORIENT THEATRE REFURBISHMENT	1 500 000	500 000	500 000	OWN FUNDS	47
SLEEPER SITE REFURBISHMENT	500 000	500 000	500 000	OWN FUNDS	47
EAST LONDON MECHANICAL WORKSHOPS REFURBISHMENT	1 000 000	0	0	OWN FUNDS	47
UPGRADING OF ELECTRICAL - OLD MUTUAL	1 000 000	0	0	OWN FUNDS	47
UPGRADING OF KWT PAYMENTS HALL	3 000 000	0	0	OWN FUNDS	37
LAND ACQUISITION & BUILDINGS	5 000 000	0	0	OWN FUNDS	ALL WARDS
LAND ACQUISITION	15 000 000	15 000 000	15 671 963	ISUPG	ALL WARDS
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
BRIDGE DESIGNS & IMPLEMENTATION (inland)	0	3 000 000	3 134 399	USDG	49
BRIDGE DESIGNS & IMPLEMENTATION (Midlands)	11 034 470	0	0	OWN FUNDS	14,48
GUARDRAILS	0	300 000	313 440	USDG	18,21,3,25,39,41
SLEEPER SITE ROAD	15 000 000	15 000 000	15 671 995	USDG	47
SLEEPER SITE ROAD	9 000 000	0	0	OWN FUNDS	47
GUIDANCE SIGNAGE	0	200 000	208 960	USDG	43,47
SIDEWALKS	0	1 000 000	1 044 800	USDG	12, 16, 25, 41
TRAFFIC CALMING	0	1 000 000	1 044 800	USDG	2,9,10,12,21,30,25,39,41,44
TRAFFIC SIGNALS	0	4 000 000	4 179 199	USDG	5, 9
QUMZA HIGHWAY PHASE 7 - PHASE 1 & 2	58 082 040	20 000 000	20 895 993	USDG	21, 20,48
TAXI RANK INFRAST (ROADS & ABLUTION FAC)	5 000 000	0	0	OWN FUNDS	5,27,37,39,47
TAXI RANK INFRAST (ROADS & ABLUTION FACILITIES)	3 000 000	10 000 000	10 447 996	USDG	20, 37,47
TAXI/BUS EMBAYMENTS	0	2 000 000	2 089 599	USDG	20, 27, 44
NORTH WEST CORRIDOR	0	8 957 810	9 359 117	USDG	16
TOWNSHIP REGENERATION ENABLING INFRASTRUCTURE	2 000 000	0	0	OWN FUNDS	ALL WARDS
DRAFT CAPITAL BUDGET: SPATIAL PLANNING & DEVELOPMENT	134 616 510	83 457 810	87 062 259		

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
ECONOMIC DEVELOPMENT & AGENCIES					
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	47
UPGRADING OF BUILDINGS	1 000 000	0	1 000 000	OWN FUNDS	ALL WARDS
UPGRADING OF MARKET HALL	8 000 000	5 500 000	5 746 398	USDG	4
IMPROVE ACCESS ROAD AND ROAD SIGNAGE	5 000 000	0		OWN FUNDS	32
KIWANE RESORT MAINTENANCE & UPGRADE	500 000	0	1 000 000	OWN FUNDS	32
TOURISM HUB	700 000	0	2 500 000	OWN FUNDS	41
CONSTRUCTION OF CABIN ACCOMMODATION	0	0	3 000 000	OWN FUNDS	32
INSTALLATION OF RECREATIONAL FACILITIES	1 000 000	0	2 000 000	OWN FUNDS	32
FILM STUDIO DEVELOPMENT	1 300 000	0	3 000 000	OWN FUNDS	ALL WARDS
EXTENSION OF MDANTSANE ART CENTRE	1 000 000	0	2 000 000	OWN FUNDS	42
ART CENTRE	1 800 000	0	2 000 000	OWN FUNDS	37
MDANTSANE ART CENTRE	5 000 000	5 000 000	5 000 000	USDG	42
REVITALISATION OF INDUSTRIAL AREAS	2 500 000	0	0	USDG	36,24,5
FORT JACKSON JUNCTION HUB	5 000 000	5 000 000	5 223 988	ISUPG	24
SMME INCUBATOR: SEKUNJALO TRAINING CENTRE	3 000 000	5 000 000	5 223 998	USDG	33
SMME INCUBATOR	500 000	0	500 000	OWN FUNDS	ALL WARDS
INFORMAL TRADE INFRASTRUCTURE (Hawker Stalls)	8 000 000	9 000 000	9 403 178	ISUPG	ALL WARDS
HYDROPONICS AND PACKHOUSE PROJECT	4 300 000	5 319 270	5 557 571	USDG	ALL WARDS
AGRI-VILLAGE	10 000 000	7 819 284	8 169 568	ISUPG	ALL WARDS
DRAFT CAPITAL BUDGET: ECONOMIC DEVELOPMENT & AGENCIES	59 100 000	43 138 554	61 824 701		
FINANCE SERVICES					
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
SMART METERING SOLUTIONS (ELECTRICITY)	0	0	10 000 000	OWN FUNDS	ALL WARDS
SMART METERING WATER SOLUTIONS	56 438 110	0	10 000 000	OWN FUNDS	ALL WARDS
ASSET REPLACEMENTS - INSURANCE	10 000 000	10 000 000	10 000 000	OWN FUNDS	ALL WARDS
ACQUIRE ERP SYSTEM (ASSET MANAGEMENT SYSTEM, PROCUREMENT SYSTEM, etc)	3 000 000	3 000 000	3 000 000	OWN FUNDS	ALL WARDS
CONSTRUCTION OF OFFICE ACCOMODATION -CUSTOMER CARE OFFICE- MIDLAND	2 000 000	0	0	OWN FUNDS	11, 12, 13, 14, 20, 42, 48, 50, 17, 23, 47, 46, 33
DRAFT CAPITAL BUDGET: FINANCE SERVICES	71 938 110	13 500 000	33 500 000		

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
PUBLIC SAFETY AND EMERGENCY SERVICES					
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	1 000 000	OWN FUNDS	ALL WARDS
TACTICAL RADIO NETWORK	1 500 000	1 500 000	2 000 000	OWN FUNDS	ALL WARDS
CONSTRUCTION OF NEW DISASTER MANAGEMENT CENTRE	10 000 000	2 500 000	10 000 000	OWN FUNDS	47
REFURBISHMENT OF FIRE ENGINES	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
FIRE ENGINES PROCURED	0	0	5 000 000	OWN FUNDS	ALL WARDS
FURNITURE & EQUIPMENT BERLIN FIRE STATION	0	1 000 000	2 000 000	OWN FUNDS	45
FIRE EQUIPMENT	500 000	0	1 000 000	OWN FUNDS	ALL WARDS
NEW FIRE STATION - BERLIN WARD 45	12 187 900	6 000 000	3 000 000	OWN FUNDS	45
REFURBISHMENT OF FIRE STATIONS	2 000 000	1 000 000	1 500 000	OWN FUNDS	47
LAW ENFORCEMENT VEHICLES	0	0	5 000 000	OWN FUNDS	ALL WARDS
FURNITURE & EQUIPMENT LAW ENFORCEMENT OFFICES	500 000	0	0	OWN FUNDS	47
TRAFFIC AND LAW ENFORCEMENT EQUIPMENT	0	0	1 000 000	OWN FUNDS	ALL WARDS
CLOSED CIRCUIT TELEVISION NETWORK - CCTV	2 000 000	2 000 000	2 000 000	OWN FUNDS	43,37,25,41,44,34,36, 39
BACK-UP GENERATORS	0	0	3 000 000	OWN FUNDS	ALL WARDS
REFURBISHMENT OF TRAFFIC SERVICES / LAW ENFORCEMENT BUILDINGS	2 000 000	0	1 000 000	OWN FUNDS	47
DRAFT CAPITAL BUDGET:PUBLIC SAFETY & EMERGENCY SERVICES	32 187 900	15 500 000	38 500 000		
HUMAN SETTLEMENTS					
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
AMALINDA 179 MILITARY VETERANS	0	16 000 000	16 716 794	USDG	9, 16
POTSDAM IKHWEZI BLOCK 2	3 000 000	3 000 000	3 134 393	ISUPG	24
POTSDAM NORTH KANANA	9 000 000	8 603 130	8 988 529	ISUPG	24
DUNCAN VILLAGE PROPER	500 000	500 000	522 399	ISUPG	1, 6
MDANTSANE Z 18 CC PHASE 2	0	14 000 000	14 627 195	USDG	23
CLUSTER 1	5 000 000	5 000 000	5 223 988	ISUPG	12,14,17
CLUSTER 2	10 000 000	200 000	208 960	ISUPG	11,17,20,21,30,48
DUNCAN VILL COMP/SITE	1 000 000	1 000 000	1 044 798	ISUPG	1, 6
BRAELYN EXT 10	2 000 000	5 000 000	5 223 988	ISUPG	9;10
TYUTYU PHASE 3	6 085 000	6 085 000	6 357 593	ISUPG	43
WESTBANK RESTITUTION	51 550 000	40 424 463	42 235 464	USDG	19
C SECTION AND TRIANGULAR SITE	2 000 000	2 000 000	2 089 595	ISUPG	7
D HOSTEL	16 163 320	16 163 320	16 887 396	ISUPG	2
FORD MSIMANGO	500 000	500 000	522 399	ISUPG	6
N2 ROAD RESERVE	10 000 000	10 000 000	10 447 975	ISUPG	8
HANI PARK - WATER	5 000 000	5 000 000	5 223 988	ISUPG	11
HLALANI - WATER	5 000 000	5 000 000	5 223 988	ISUPG	11
PHOLA PARK - WATER	5 000 000	5 000 000	5 223 988	ISUPG	34
BERLIN LINGELITSHA - PHASE 1 - WATER	5 000 000	5 000 000	5 223 988	ISUPG	45
ILITHA SPORTSFIELD - WATER	5 000 000	5 000 000	5 223 988	ISUPG	45

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
EMPILISWENI - WATER	5 000 000	5 000 000	5 223 988	ISUPG	20
MATSHENI PARK - WATER	5 000 000	5 000 000	5 223 988	ISUPG	29
KHAYELITSHA - WATER	5 000 000	5 000 000	5 223 988	ISUPG	24
XHWITINJA - WATER	0	8 000 000	8 358 397	USDG	36
KWATSHATUSHU - WATER	5 000 000	5 000 000	5 223 988	ISUPG	44
GINSBERG - WATER	5 000 000	5 000 000	5 223 988	ISUPG	39
SLOVO PARK - WATER	5 000 000	5 000 000	5 223 988	ISUPG	42
EKUPHUMLENI - WATER	10 000 000	7 000 000	7 313 583	ISUPG	42
ETHEMBENI - WATER	10 000 000	7 000 000	7 313 583	ISUPG	11
EAST BANK RESTITUTION - WATER	15 000 000	7 000 000	7 313 583	ISUPG	10
REESTON PHASE 3 STAGE 2	18 000 000	0	0	USDG	13
NONDULA-WATER	0	9 000 000	9 403 197	USDG	12
BOXWOOD PROJECT - SEWER	11 500 000	13 000 000	13 582 395	USDG	31
CNIP VICTIMS PROJECT: CAMBRIDGE WEST	2 500 000	2 968 119	3 101 083	ISUPG	4
REESTON PHASE 3 STAGE 3	2 000 000	0	0	USDG	13
PHAKAMISA SOUTH	2 000 000	0	0	USDG	25
ILITHA 177	10 000 000	0	0	USDG	45
DIMBAZA SHUTER HOUSES: DETAILED INFRASTRUCTURE INVESTIGATION	10 000 000	0	0	USDG	34
MZAMOMHLE: PEOPLES HOUSING PROCESS	0	1 000 000	1 044 800	USDG	27
PARKHOMES FOR DESTITUTES & GBV VICTIMS	0	1 000 000	1 044 800	USDG	27
ZIPHUNZANA BYPASS RELOCATION SITE (TRAs)	19 000 000	500 000	522 400	USDG	1
MDANTSANE ERF 81,87 &88 RELOCATION SITE UNITS	5 000 000	1 000 000	1 044 800	USDG	23
PARKHOMES FOR DESTITUTES & GBV VICTIMS	2 000 000	0	0	ISUPG	27
MDANTSANE ERF 81,87 &88 RELOCATION SITE UNITS	5 000 000	0	0	ISUPG	23
LILLYVALE ROADS	3 000 000	0	0	ISUPG	32
FYNBOSS RELOCATION SITE UNITS	0	500 000	522 400	USDG	8
HAVEN HILLS TRU	10 000 000	0	0	USDG	10
HEMINGWAYS INFORMAL SETTLEMENTS	1 000 000	1 000 000	1 044 798	ISUPG	1
SILVERTOWN	1 000 000	1 000 000	1 044 798	ISUPG	1
KWT GOLF CLUB/ SWEETWATERS (NEW)	0	19 000 000	19 851 193	USDG	44
DRAFT CAPITAL BUDGET: HUMAN SETTLEMENTS	309 298 320	262 944 032	274 701 133		
INFRASTRUCTURE SERVICES					
OFFICE OF THE DIRECTOR					
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
	500 000	500 000	500 000		
ELECTRICITY					
BULK ELEC INFRAS UPGR(RING-FENCED 4%)	110 619 947	120 575 742	130 250 183	OWN FUNDS	7,9,8,10,13,1415,17,22,27,37,42,45,46
ELECTRIFICATION PROGRAMME	0	12 000 000	12 537 596	USDG	ALL WARDS
ELECTRIFICATION - INFORMAL DWELLING AREAS - BCMM	25 000 000	30 000 000	0	ISUPG	ALL WARDS
STREET LIGHT & HIGHASTS - BCMM AREAS OF SUPPLY	10 000 000	6 000 000	37 612 710	ISUPG	ALL WARDS
TOOLS AND EQUIPMENT (SPECIALISED VEHICLES)	1 353 991	0	0	OWN FUNDS	ALL WARDS
BUILDING ALTERATIONS -BEACON BAY CIVIC CENTRE & OPERATIONS DEPOT	1 400 000	0	0	OWN FUNDS	ALL WARDS
	148 373 938	168 575 742	180 400 489		

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
ROADS					
BOWLS ROAD REHABILITATION - WARD 3	8 000 000	0		OWN FUNDS	3
CONSTRUCTION OF ROAD INFRASTRUCTURE - TOYANA ROAD	19 581 000	23 000 000	20 000 000	NDPG	14
REHABILITATION OF BCMM BRIDGES AND STORMWATER	5 000 000	2 500 000	2 611 999	USDG	ALL WARDS
REHABILITATION OF BEACONHURST DRIVE	5 000 000	4 000 000		OWN FUNDS	28
ROADS PROVISION	59 500 000	34 000 000	17 000 000	OWN FUNDS	1,2,3,4,5,6,7,8,9,12,13,16,18,19,20, 22,25,26,27,28,29,31,32,34,35,36,3
ROADS PROVISION	16 255 625	15 000 000	15 671 995	USDG	8,10,11,15,16,42
RURAL ROADS - WARD 33	1 000 000	1 000 000	1 000 000	OWN FUNDS	33
RURAL ROADS	21 500 000	40 000 000	41 791 986	USDG	17,22,24,25,26,31,32,33,34,35,36,3 8,40,43,50
UPGRADING OF MDANTSANE ROADS - CLUSTER 1	6 000 000	12 500 000	13 059 995	USDG	11,12,14,17,42
UPGRADING OF MDANTSANE ROADS - CLUSTER 2	5 500 000	12 231 681	12 779 656	USDG	11,17,20,30,48
UPGRADING OF MDANTSANE ROADS - CLUSTER 3	5 500 000	10 000 000	10 447 996	USDG	20,21,23,24
UPGRADE OF NORTH EAST EXPRESSWAY	8 000 000	0	0	OWN FUNDS	18
URBAN ROADS - WARD 35	1 500 000	0	0	OWN FUNDS	35
URBAN ROADS	5 500 000	5 000 000	5 223 998	USDG	37,39
	167 836 625	159 231 681	139 587 625		
WASTEWATER					
SANITATION FACILITIES IN INFORMAL SETTLEMENTS	0	10 000 000	10 447 975	ISUPG	ALL WARDS
BERLIN SEWERS	3 000 000	4 000 000	4 179 199	USDG	45
BISHO KWT & ZWELITSHA BULK REG SEWER SCHEME	20 000 000	20 000 000	20 895 993	USDG	25, 35, 37, 41, 44
EAST BEACH GRAVITY SEWER UPGRADE	8 000 000	8 000 000	8 000 000	OWN FUNDS	1, 2, 3, 4, 6, 7, 8, 9, 16, 18, 19, 28, 47
RENEWAL OF INFRASTRUCTURE - RETICULATION, PUMP STATIONS & TREATMENT WORKS	0	0	21 179 199	OWN FUNDS	ALL WARDS
HOOD POINT MARINE OUTF SEWER & AUXILLIARY WORKS	4 000 000	4 000 000	4 179 199	USDG	19, 31, 46
MDANTSANE SANITATION	3 000 000	0	0	USDG	11, 12, 14, 20, 21, 22, 23, 24, 30
MDANTSANE WASTEWATER TREATMENT WORKS	17 000 000	11 278 348	11 783 590	ISUPG	11, 12, 14, 20, 21, 22, 23, 24, 30
UPGRADING OF POTSDAM WASTEWATER TREATMENT WORKS	5 500 000	4 000 000	4 179 199	USDG	23
UPGRADING OF DIMBAZA WASTEWATER TREATMENT WORKS	0	5 000 000	5 223 998	USDG	34, 36
DUCATS SANITATION	3 000 000	5 000 000	5 223 998	USDG	15
NEW WEST BANK WASTEWATER TREATMENT WORKS	5 500 000	0	0	USDG	19
UPGRADING OF BERLIN WASTEWATER TREATMENT WORKS	3 000 000	0	0	USDG	45
UPGRADING OF FIRST CREEK OUTFALL SEWER	0	10 000 000	10 447 975	ISUPG	11, 12, 14, 20, 21, 22, 23, 24, 30
UPGRADING OF SECOND CREEK OUTFALL SEWER	0	10 000 000	10 447 975	ISUPG	11, 12, 14, 20, 21, 22, 23, 24, 30
	72 000 000	91 278 348	116 188 299		

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
WATER DEPT					
KWT & BHISHO INFRASTRUCTURE	5 000 000	21 000 000	21 940 792	USDG	34,37,38,39,40,41,43,44,49,35
UPGRADE WATER NETWORKS	7 155 315	10 000 000	10 447 996	USDG	26,31,32,33,36,37,38
WATER BACKLOGS	14 000 000	15 000 000	15 671 995	USDG	26,31,32,33,36,37,38,40,50
PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	5 000 000	22 700 000	20 200 000	OWN FUNDS	34,35,36,37,38,39,40,41,43,44,49
PIPE AND WATER METER REPLACEMENT IN EL	5 000 000	17 000 000	22 000 000	OWN FUNDS	1- 10,15,16,18,27,28,29,31,32,33,46,4 7,50
PIPE AND WATER METER REPLACEMENT IN MDANTSANE	13 500 000	17 200 000	15 000 000	OWN FUNDS	11,12,13,14,42,48,50,17,20,23
AMAHLEKE WATER SUPPLY	5 000 000	9 000 000	9 403 197	USDG	36,37,38
ALTERNATIVE WATER SUPPLY	0	7 000 000	7 313 583	ISUPG	ALL WARDS
RESERVOIRS EAST COAST SUPPLY	6 150 000	9 000 000	9 403 197	USDG	1- 10,15,16,18,27,28,29,31,32,33,46,4 7,50
UMZONYANA DAM AND EAST COAST WATER SUPPLY UPGRADE	25 000 000	18 127 604	18 939 714	USDG	1- 10,15,16,18,27,28,29,31,32,33,46,4 7,50
W/DEMAND MANGM - WATER CONSERV - PRV STA	7 000 000	6 000 000	6 268 798	USDG	ALL WARDS
INFORMAL SETTLEMENTS	12 400 000	24 000 000	25 075 140	ISUPG	34,35,36,37,38,39,40,41,43,44,49,1 1,12,13,14,42,48,50,17,20,231,10,1 5,16,18,27,28,29,31,32,33,46,47,50
	105 205 315	176 027 604	181 664 412		
FLEET					
BCM FLEET PLANT SPEC EQUIP & S/WASTE VEH	10 000 000	10 000 000	0	OWN FUNDS	ALL WARDS
DRAFT CAPITAL BUDGET: INFRASTRUCTURE SERVICES	503 915 878	605 613 375	618 340 825		
DIRECTORATE OF SPORTS , RECREATION & COMMUNITY DEVELOPMENT					
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
DEVELOPMENT. UPGRADE & REFURBISHMENT OF COMMUNITY HALLS & LIBRARIES					
DEVELOPMENT OF C/HALLS & FACILITIES	3 000 000	2 000 000	1 000 000	OWN FUNDS	15
DEVELOPMENT UPGRADE AND REFURBISHMENT OF COMMUNITY HALLS	6 500 000	2 500 000	2 611 999	USDG	ALL WARDS
DEVELOPMENT UPGRADE AND REFURBISHMENT OF LIBRARIES	5 500 000	2 500 000	2 611 999	USDG	ALL WARDS
DEVELOPMENT UPGRADE AND REFURBISHMENT OF LIBRARIES	0	1 000 000		OWN FUNDS	ALL WARDS
HALLS-TOOLS AND EQUIPMENT	500 000	1 000 000	1 000 000	OWN FUNDS	1,2,4,5,9,12,16,19,20,21,22,24,26,2 7,29,47,48
UPGR & REFURB EXIST C/HALLS & FACILITIES	2 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
UPGRADING OF RESORTS	0	4 000 000	0	OWN FUNDS	18,28,29,18,19

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
DEVELOPMENT, UPGRADE & REFURBISHMENT OF SPORTSFIELDS					
DEVELOPMENT, UPGRADE AND REFURBISHMENT OF SPORTS FIELDS AND STADIUMS	5 000 000	1 500 000	0	OWN FUNDS	ALL WARDS
UPGRADING OF SPORTSFIELDS	2 500 000	2 500 000	2 611 994	ISUPG	ALL WARDS
BUILDING OF MEMORIAL STONES	1 000 000	0	0	OWN FUNDS	ALL WARDS
RESTORATION OF HERITAGE SITES	1 000 000	0	0	OWN FUNDS	ALL WARDS
UPGRADING OF ZOO	1 000 000	1 100 000	0	OWN FUNDS	47
REFURBISHMENT OF AQUARIUM	700 000	800 000	0	OWN FUNDS	47
SWIMMING POOLS	1 000 000	2 000 000	0	OWN FUNDS	ALL WARDS
UPGRADING OF DEPOTS	0	600 000	0	OWN FUNDS	20,45
GRASS CUTTING EQUIPMENT	500 000	50 000	0	OWN FUNDS	ALL WARDS
DEVELOPMENT OF CEMETRIES	5 950 000	5 950 000	5 450 000	OWN FUNDS	4,5,10,13,19,43,44,24,13,37,25,41,24,14
FENCING OF CEMETERIES	3 000 000	3 000 000	3 134 393	ISUPG	14
UPGRADING OF COMMUNITY PARKS	3 000 000	3 000 000	1 500 000	OWN FUNDS	ALL WARDS
ESTABLISHMENT OF RECREATIONAL PARKS	2 000 000	2 000 000	2 089 595	ISUPG	1,5,6
DRAFT CAPITAL BUDGET: DIRECTORATE OF SPORTS , RECREATION & COMMUNITY DEVELOPMENT	44 650 000	37 000 000	23 509 979		
DIRECTORATE OF SOLID WASTE & ENVIRONMENTAL MANAGEMENT					
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
BEACHES	1 000 000	2 700 000	2 700 000	OWN FUNDS	47
REVITALISATION OF BEACH INFRASTRUCTURE	5 500 000	5 500 000	5 746 398	USDG	18,19,28,29,31,32, 46,50
BCM FLEET AND PLANT - FOR SOLID WASTE AND ENVIRONMENTAL MANAGEMENT	7 500 000	10 000 000	0	OWN FUNDS	ALL WARDS
PURCHASE OF BULK CONTAINERS WITH REMOVAL VEHICLES	2 000 000	2 000 000	0	OWN FUNDS	ALL WARDS
ACQUISITION OF REFUSE COMPACTOR TRUCKS	0	5 000 000	0	OWN FUNDS	ALL WARDS
ACQUISITION OF LDV'S AND 4 TON TRUCK	0	5 000 000	0	OWN FUNDS	ALL WARDS
TRANSFER STATION					
FENCING OF TRANSFER STATION (PALISADE FENCE)	0	1 000 000	0	OWN FUNDS	27 & 28
REFURBISHMENT OF TRANSFER STATIONS	0	300 000	0	OWN FUNDS	27 & 28
CONSTRUCTION OF WASTE CELLS AT KWT LANDFILL SITE	6 300 000	6 300 000	6 582 238	USDG	35
DEVELOPMENT OF BEACH AND NATURE RESERVES INFRASTRUCTURE	500 000	500 000	522 400	USDG	18,19,28,29,31,32, 46,50
CONSTRUCTION OF CELLS AND ANCILLARY WORKS IN THE LANDFILL SITES	1 000 000	0	0	OWN FUNDS	45
INSTALLAT OF LINERS ON CELL 5 AND CELL 6	0	2 000 000	0	OWN FUNDS	45
CONSTRUCT CELL 5 & 6 AT ROUNDHILL LANDFILL SITE	0	2 000 000	0	OWN FUNDS	45
ESTABLISHMENT OF GARDEN TRANSFER STATIONS	8 700 000	8 700 000	9 089 757	USDG	14,37
CONSTRUCTION OF TRANSFER STATIONS/ESTABLISHMENT OF BUY BACK CENTRES	0	2 000 000	1 000 000	OWN FUNDS	45
PURCHASE OF CAMBRIDGE DEPOT	5 000 000	5 000 000	0	OWN FUNDS	4
GALVANISED STREET LITTER BINS	2 500 000	2 000 000	0	OWN FUNDS	ALL WARDS
DEVELOP WASTE TO ENERGY PROJECTS	0	2 000 000	0	OWN FUNDS	45

DRAFT 2023/2024 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT CAPITAL BUDGET	2024/2025 DRAFT CAPITAL BUDGET	2025/2026 DRAFT CAPITAL BUDGET	PROGRAM FUND	WARD NO.
CONSTRUCT A HAZARDOUS WASTE CELL WITHIN THE EXISTING GENERAL LANDFILL SITE	0	2 000 000	0	OWN FUNDS	45
CONSTRUCT CELLS AND UPGRADING OF KWT LANDFILL SITE	0	2 000 000	0	OWN FUNDS	45
ACQUISITION OF CHIPPING MACHINES FOR GARDEN TRANSFER STATION	0	2 000 000	0	OWN FUNDS	45
ACQUISITION OF PLANT & MACHINERY FOR LANDFILL SITES AND GARDEN TRANSFER STATIONS	0	2 000 000	0	OWN FUNDS	45
GRASS CUTTING EQUIPMENT	500 000	50 000	0	OWN FUNDS	ALL WARDS
REFURBISHMENT OF NATURE RESERVES	0	520 000	520 000	OWN FUNDS	47
ACQUISITION OF PARKHOMES FOR NU6 DEPOT (CHANGE ROOMS)	0	1 500 000	0	OWN FUNDS	ALL WARDS
AIR MONITORING STATION	1 000 000	0	0	OWN FUNDS	ALL WARDS
ACQUISITION OF FLEET (CHERRY PICKER TRUCKS, CREW CAGE TRUCK, TIPPER TRUCK, TRACTORS, BUSH CUTTERS, TRAILERS FOR RITE ON ETC)	0	5 000 000	0	OWN FUNDS	ALL WARDS
DRAFT CAPITAL BUDGET: DIRECTORATE OF SOLID WASTE & ENVIRONMENTAL MANAGEMENT	42 000 000	77 570 000	26 660 792		
ESPLANADE BEACHFRONT UPGRADE	5 000 000	7 000 000	0	OWN FUNDS	46
COMPUTER SOFTWARE	848 000	946 496	1 100 000	OWN FUNDS	ALL WARDS
OFFICE FURN & EQUIPMENT (DIRECTORATE)	195 338	183 646	279 239	OWN FUNDS	ALL WARDS
COMPUTER EQUIPMENT	389 888	389 888	210 713	OWN FUNDS	ALL WARDS
TOTAL CAPITAL PROJECTS	1 215 879 819	1 159 893 801	1 168 339 641		

The Capital Expenditure is indicated below into the five (5) IDP Strategic Objectives:

Strategic Objective	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand										
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	73 108	116 753	95 191	84 869	47 545	47 545	64 000	75 100	91 000
A CONNECTED CITY	To maintain a world class logistics network	553 650	639 163	502 855	608 396	638 962	638 962	405 284	431 831	298 125
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	712 301	610 400	89 833	115 081	159 109	159 109	112 988	83 659	201 547
A SPATIALLY TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	108 816	56 712	508 938	1 014 152	456 373	456 373	386 830	531 155	491 668
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	99 792	168 325	211 698	263 864	94 676	94 676	246 778	38 150	86 000
Total Capital Expenditure		1 547 666	1 591 352	1 408 515	2 086 362	1 396 665	1 396 665	1 215 880	1 159 894	1 168 340

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 122 and 123 were used as guidelines in preparation of the 2023/24 MTREF budget.

Emphasis was placed on the following expenditure categories:

- **Repairs and Maintenance** 2023/24 budget is 5.3% 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 27% of the total Operating Expenditure. The amount has increased from the 2022/23 financial year to 2025/26 period escalating from R2.12 billion in 2022/2023 to R2.52 billion in 2025/2026 financial year. The increases from 2023/24 to 2025/26 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 R2.6 billion in the 2022/23 financial year to R2.9 billion in the 2023/24 financial year. The existing Salary and Wage Collective Agreement has been followed in projecting employee costs increases of 5.4% (CPI) in 2023/2024.
- 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 8% from the 2022/2023 to the 2023/2024 financial year. 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 9.86% 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% for 2023/2024, 82.5% for 2024/2025 and 85% for 2025/2026. For the 2023/24 financial year this amounts to R1.34 billion, it increases to R1.31 billion in 2024/25 and further increases to R1.22 billion in the 2025/26 financial year

Operating Revenue is indicated below into the five (5) IDP Strategic Objectives:

Strategic Objective	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	2 654 031	2 947 577	3 132 121	3 536 380	3 534 544	3 534 544	3 809 735	3 985 562	4 188 615
A SPATIALLY TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	1 390 510	2 051 817	2 098 270	1 806 210	1 841 383	1 841 383	1 989 492	2 129 376	2 300 175
A CONNECTED CITY	To maintain a world class logistics network	1 746 256	1 873 666	2 221 413	2 615 223	2 537 832	2 537 832	269 459	282 598	295 100
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	528 520	513 765	557 858	593 630	560 300	560 300	2 772 084	3 123 480	3 517 929
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	249 685	352 139	239 929	320 196	391 457	391 457	667 100	693 013	718 254
Total Revenue (excluding capital transfers and contributions)		6 569 003	7 738 963	8 249 591	8 871 639	8 865 516	8 865 516	9 507 869	10 214 028	11 020 072

The Operating Expenditure is indicated below into the five (5) IDP Strategic Objectives:

Strategic Objective	Goal	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
A WELL GOVERNED CITY	Promote Sound financial and administrative capabilities	1 113 447	1 204 720	1 370 935	1 554 178	1 527 263	1 527 263	1 642 214	1 658 470	1 664 919
A SPATIALLY TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	1 326 903	1 901 392	2 026 094	1 551 554	1 549 916	1 549 916	1 640 113	1 739 918	1 870 656
A CONNECTED CITY	To maintain a world class logistics network	3 659 239	3 434 781	3 998 471	3 839 418	3 784 547	3 784 547	4 268 868	4 781 954	5 388 367
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	827 935	789 500	881 604	837 953	815 785	815 785	848 586	881 683	914 704
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	848 751	877 180	923 967	1 087 306	1 027 954	1 027 954	1 026 035	1 063 602	1 119 696
Total Expenditure		7 776 276	8 207 573	9 201 071	8 870 409	8 705 465	8 705 465	9 425 817	10 125 626	10 958 342

The Operating Projects

The operating projects are R390.17 million in the 2023/24 financial year, R355.74 million and R378.21 million in the 2024/25 and 2025/26 financial years respectively.

DRAFT 2023/2024 MTREF BUDGET- OPERATING PROJECTS					
PER PROGRAMME/PROJECT					
ACCOUNT DESCRIPTION	2023/2024 DRAFT OPEX BUDGET	2024/2025 DRAFT OPEX BUDGET	2025/2026 DRAFT OPEX BUDGET	PROGRAM FUND	WARD NO.
EXECUTIVE SUPPORT SERVICES					
YOUTH	107 480	112 317	112 317	OWN FUNDS	ALL WARDS
DISABILITY	107 480	112 317	112 317	OWN FUNDS	ALL WARDS
HIV	107 480	112 317	112 317	OWN FUNDS	ALL WARDS
ELDERLY	107 480	112 317	112 317	OWN FUNDS	ALL WARDS
COMMEMORATION OF YOUTH MONTH	270 000	282 150	282 150	OWN FUNDS	ALL WARDS
YOUTH CENTRES	480 000	501 600	501 600	OWN FUNDS	ALL WARDS
GENDER	107 480	112 317	112 317	OWN FUNDS	ALL WARDS
YAC	1 289 760	1 347 799	1 347 799	OWN FUNDS	ALL WARDS
WARD INITIATIVES	50 000 000	50 000 000	50 000 000	OWN FUNDS	ALL WARDS
EXPANDED PUBLIC WORKS PROGRAMME	296 497	0	0	EPWP	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET: EXECUTIVE SUPPORT SERVICES	52 873 657	52 693 132	52 693 132		
CITY MANAGER					
PROJECT MANAGEMENT FUND - EPMO	15 441 020	16 238 173	16 965 637	USDG	ALL WARDS
PROJECT MANAGEMENT FUND - EPMO	13 958 980	14 000 000	14 000 000	OWN FUNDS	ALL WARDS
PRECINCT PLAN, INTERGRATED DESIGN FRAMEWORK & IMPLEMENTATION PLAN FOR PUBLIC REALM & NMT UPGRADES IN THE KING WILLIAM'S TOWN CBD	2 000 000	1 500 000	1 500 000	PPPSG	37,39
THE INVESTMENT CENTRE:CATALYTIC NODES ECONOMIC ANALYSIS AND ACTION PLAN	4 145 902	2 000 000	2 000 000	PPPSG	ALL WARDS
DIGITAL HUB PROJECT AT IDZ (PPPSG COUNTERFUNDING)					
	2 876 600	3 046 800	0	OWN FUNDS	ALL WARDS
SMART CITY PROJECT	4 384 800	4 582 116	0	OWN FUNDS	ALL WARDS
EXPANDED PUBLIC WORKS PROGRAMME	1 703 859	0	0	EPWP	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET: CITY MANAGER'S OFFICE	44 511 161	41 367 089	34 465 637		
CORPORATE SERVICES					
INFRASTRUCTURE SKILLS DEVELOPMENT GRANT	10 850 000	11 850 000	12 350 000	ISDG	ALL WARDS
CHANGE & CULTURE MANAGEMENT	1 500 000	1 000 000	0	OWN FUNDS	ALL WARDS
MASTER DATA MANAGEMENT	5 000 000	0	0	OWN FUNDS	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET : CORPORATE SERVICES	17 350 000	12 850 000	12 350 000		

DRAFT 2023/2024 MTREF BUDGET- OPERATING PROJECTS

PER PROGRAMME/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT OPEX BUDGET	2024/2025 DRAFT OPEX BUDGET	2025/2026 DRAFT OPEX BUDGET	PROGRAM FUND	WARD NO.
SPATIAL PLANNING & DEVELOPMENT					
CADASTRAL SURVEY	0	0	300 000	OWN FUNDS	ALL WARDS
CADASTRAL SURVEY	2 000 000	2 000 000	2 089 595	ISUPG	ALL WARDS
SURVEY & PLANNING	0	1 000 000	1 500 000	OWN FUNDS	ALL WARDS
OPENING OF TOWNSHIP REGISTER: OTHER TOWNSHIPS	1 500 000	1 000 000	1 044 798	ISUPG	ALL WARDS
SECURITY OF MUNICIPAL BUILDINGS	0	1 500 000	0	OWN FUNDS	ALL WARDS
FEASIBILITIES STUDIES/TOWNSHIP ESTABLISHMENT	1 571 000	934 249	976 101	ISUPG	ALL WARDS
FEASIBILITIES STUDIES/TOWNSHIP ESTABLISHMENT	0	0	800 000	OWN FUNDS	ALL WARDS
STREET NAMING	0	0	0	ISUPG	ALL WARDS
TRAFFIC IMPACT ASSESSMENT STUDIES	2 000 000	4 000 000	4 179 190	ISUPG	ALL WARDS
MDANTSANE TAXI RANK & SHOPPING CENTRE	1 500 000	1 500 000	1 500 000	PPPSG	ALL WARDS
TRANSPORT PLANS	0	0	10 000 000	OWN FUNDS	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET: SPATIAL PLANNING & DEVELOPMENT	8 571 000	11 934 249	22 389 684		
ECONOMIC DEVELOPMENT & AGENCIES					
AGRICULTURE & RURAL DEVELOPMENT SUPPORT PROGRAMME	0	0	2 600 000	OWN FUNDS	22,26,31,32,33,36,39, 40,50
AQUAPONICS	0	500 000	500 000	OWN FUNDS	7
ART CENTRES OPERATIONS	350 000	450 000	0	OWN FUNDS	ALL WARDS
CREATIVE INDUSTRY RECOVERY SUPPORT PROGRAMMES	1 300 000	500 000	500 000	OWN FUNDS	ALL WARDS
COMMEMORATION OF NATIONAL DAYS	570 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
DIPPING TANKS	0	500 000	500 000	OWN FUNDS	ALL WARDS
FENCING ARABLE LANDS	500 000	500 000	0	OWN FUNDS	ALL WARDS
FOOD SECURITY PROGRAMME	200 000	500 000	1 000 000	OWN FUNDS	22,26,31,32,33,36,39, 40,50
INVESTMENT PROMOTION	500 000	500 000	0	OWN FUNDS	ALL WARDS
LEISURE TOURISM DEVELOPMENT - INLAND	500 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
TOURISM ROUTES DEVELOPMENT	500 000	500 000	1 000 000	OWN FUNDS	ALL WARDS
EQUIPMENT FOR LIVESTOCK	300 000	500 000	0	OWN FUNDS	40,38
PIGGERY & POULTRY	300 000	500 000	0	OWN FUNDS	37
PROCURE OF SMME AND CO-OP EQUIP & MACH	500 000	500 000	1 000 000	OWN FUNDS	ALL WARDS
PRODUCTION INPUTS (VEGETABLES & POULTRY)	300 000	300 000	0	OWN FUNDS	31,33,35,38,50

DRAFT 2023/2024 MTREF BUDGET- OPERATING PROJECTS

PER PROGRAMME/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT OPEX BUDGET	2024/2025 DRAFT OPEX BUDGET	2025/2026 DRAFT OPEX BUDGET	PROGRAM FUND	WARD NO.
URBAN AGRICULTURE	500 000	500 000	0	OWN FUNDS	31,33,35,38,50
PRODUCTION INPUTS (VEGETABLES & POULTRY) - PROCUREMENT OF BROILERS	200 000	300 000	0	OWN FUNDS	31,33,35,38,50
YOUTH WORK READINESS & SKILLS DEVELOPMENT SUPPORT -TRAINING FOR YOUTH	2 000 000	0	1 000 000	OWN FUNDS	ALL WARDS
TOURISM RECOVERY SUPPORT PROGRAMME	2 000 000	500 000	1 000 000	OWN FUNDS	ALL WARDS
COMMUNITY TOURISM INFRASTRUCTURE SUPPORT PROGRAMME	0	0	500 000	OWN FUNDS	ALL WARDS
TOURISM INFORMATION CENTRES OPERATIONS	700 000	500 000	0	OWN FUNDS	ALL WARDS
FRESH PRODUCE MARKET INTERGRATED WASTE SMME & CO-OPERATIVES	1 000 000	500 000	1 000 000	OWN FUNDS	ALL WARDS
TOURISM DESTINATION MARKETING	2 000 000	500 000	500 000	OWN FUNDS	ALL WARDS
TRADE & INVESTMENT PROGRAMMES -EXPORT DEVELOPMENT	1 000 000	500 000	0	OWN FUNDS	ALL WARDS
CROPPING MACHINE	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
ECONOMIC DEVELOPMENT STRATEGIES AND STRATEGIC PLANS	2 000 000	600 000	600 000	OWN FUNDS	ALL WARDS
INVEST BUFFALO CITY	500 000	500 000	500 000	OWN FUNDS	ALL WARDS
SPAZA SHOP TOWNSHIP DEVELOPMENT	250 000	500 000	500 000	OWN FUNDS	ALL WARDS
TEEN ENTREPRENEUR	350 000	500 000	500 000	OWN FUNDS	ALL WARDS
CIRCULAR ECONOMY (WASTE ECONOMY)	0	500 000	500 000	OWN FUNDS	ALL WARDS
SCOPING DAMS	0	500 000	700 000	OWN FUNDS	ALL WARDS
IRRIGATION SCHEMES	0	500 000	800 000	OWN FUNDS	ALL WARDS
BUSINESS CENTRE OPERATIONS (3 CENTRES)	830 000	500 000	800 000	OWN FUNDS	42, 2, 35
TRADE & INVESTMENT PROGRAMMES -INVEST BUFFALO CITY	0	500 000	500 000	OWN FUNDS	ALL WARDS
URBAN FOOD SYSTEMS	6 328 286	0	0	NDPG	ALL WARDS
EXPANDED PUBLIC WORKS PROGRAMME	326 302	0	0	EPWP	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET: ECONOMIC DEVELOPMENT & AGENCIES	26 804 588	17 150 000	20 500 000		
DIRECTORATE OF FINANCE					
FMG PROGRAMME	1 000 000	1 000 000	1 138 000	FMG	ALL WARDS
IMPLEMENT COST REFFECTIVE TARIFF STRUCTURE	1 500 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
FINANCIAL SYSTEMS REVENUE	4 200 000	1 000 000	5 082 000	OWN FUNDS	ALL WARDS
INTERGRATED VOICE RESPONSE SYSTEM	2 000 000	5 000 000	5 500 000	OWN FUNDS	ALL WARDS
E-PROCUREMENT ONSITE SUPPORT	4 224 336	4 464 700	0	OWN FUNDS	ALL WARDS
OPERATIONS AND MAINTENANCE OF ENTERPRISE RESOURCE PLANNING SYSTEM					
ASSET MANAGEMENT	4 000 000	4 000 000	4 000 000	OWN FUNDS	ALL WARDS
GENERAL VALUATIONS	5 000 000	0	0	OWN FUNDS	ALL WARDS
BACKSCANNING	4 500 000	0	0	OWN FUNDS	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET: DIRECTORATE OF FINANCE	26 424 336	16 464 700	16 720 000		

DRAFT 2023/2024 MTREE BUDGET OPERATING PROJECTS

PER PROGRAMME/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT OPEX BUDGET	2024/2025 DRAFT OPEX BUDGET	2025/2026 DRAFT OPEX BUDGET	PROGRAM FUND	WARD NO.
PUBLIC SAFETY & EMERGENCY SERVICES					
EXPANDED PUBLIC WORKS PROGRAMME	267 651	0	0	EPWP	ALL WARDS
ESTABLISHMENT OF DISASTER MANAGEMENT STRUCTURES	0	0	100 000	OWN FUNDS	ALL WARDS
DEVELOPMENT OF A DISASTER RELIEF POLICY	1 000 000	1 000 000	100 000	OWN FUNDS	ALL WARDS
ROLL OUT OF SAFETY & EDUCATIONAL AWARENESS CAMPAIGNS (DM & FS)	0	0	100 000	OWN FUNDS	ALL WARDS
REVIEWAL OF FIRE SAFETY BY LAWS	0	0	100 000	OWN FUNDS	ALL WARDS
COMMUNITY SAFETY FORUMS	0	0	100 000	OWN FUNDS	ALL WARDS
ESTABLISHMENT OF METRO POLICE - HUMAN & FINANCIAL RESOURCES	0	0	2 000 000	OWN FUNDS	ALL WARDS
REVIEWAL OF CRIME PREVENTION STRATEGY	1 000 000	1 000 000	100 000	OWN FUNDS	ALL WARDS
SECURITY RISK ANALYSIS OF THE INSTITUTION	0	0	300 000	OWN FUNDS	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET: DIRECTORATE OF PUBLIC SAFETY & EMERGENCY SERVICES	2 267 651	2 000 000	2 900 000		
HUMAN SETTLEMENTS					
C SECTION AND TRIANGULAR SITE	500 000	1 500 000	1 500 000	HSDG	2
CAMBRIDGE WEST - CNIP VICTIMS 275 UNITS	12 000 000	10 000 000	15 000 000	HSDG	4
CLUSTER 1 P5	12 000 000	0	0	HSDG	
CLUSTER 2 (CHRIS HANI 3; WINNIE MANDELA; DELUXOLO VILLAGE ; SISULU VILLAGE; FRANCIS MEI; MAHLANGU VILLAGE MATHEMBA VUSO GWENTSHI) P5 - 647 UNITS	10 000 000	10 000 000	10 000 000	HSDG	11,17,20,21,30,48
MDANTSANE ZONE 18CC - P5	20 000 000	15 000 000	10 000 000	HSDG	23
PELTON PHASE 2 800 UNITS	25 000 000	20 000 000	10 000 000	HSDG	43
POTSDAM IKHWEZI BLOCK 1- P5	5 000 000	20 000 000	50 000 000	HSDG	22
POTSDAM NORTH KANANA - P5	2 000 000	2 000 000	2 000 000	HSDG	24
POTSDAM VILLAGE PHASE 1 & 2 - P5	1 000 000	1 000 000	1 000 000	HSDG	24
REESTON PHASE 3 STAGE 2 P5	20 000 000	20 000 000	5 000 000	HSDG	13
REESTON PHASE 3 STAGE 3 P5	100 000	100 000	5 000 000	HSDG	13
HAVEN HILLS AND MEKENI DEFECTIVE UNITS	500 000	500 000	500 000	HSDG	10,1
PHASE 2 STORM DAMAGED HOUSES IN RURAL AREAS	500 000	500 000	500 000	HSDG	ALL RURAL AREAS
SOCIAL FACILITATION	7 836 680	8 233 550	8 602 392	ISUPG	ALL WARDS
BENEFICIARY VERIFICATION	0	0	1 000 000	OWN FUNDS	ALL WARDS
MDANTSANE SHARING HOUSES	1 500 000	1 500 000	1 500 000	OWN FUNDS	11;12;13;14;17;20;21;22-23;24;30;42;48
DRAFT OPERATING PROJECTS BUDGET : HUMAN SETTLEMENTS	117 936 680	110 333 550	121 602 392		
INFRASTRUCTURE SERVICES					
RURAL SANITATION BACKLOG	50 000 000	50 000 000	52 239 982	USDG	31,32,33,35,36,37,38,
DEVELOPMENT OF WATER STUDIES	4 000 000	4 000 000	4 000 000	OWN FUNDS	39,40,43,49,50
WATER & SANITATION (RAINWATER HARVESTING)	4 000 000	4 000 000	4 000 000	PPPSG	ALL WARDS
HARBOUR ARTERIAL	2 579 098	2 498 000	2 896 000	PPPSG	ALL WARDS
MDANTSANE URBAN HUB STORMWATER MANAGEMENT PLAN	2 525 000	2 500 000	2 500 000	PPPSG	ALL WARDS
BCM FLEET MANAGEMENT SYSTEM - LEASE	3 000 000	3 000 000	4 000 000	OWN FUNDS	ALL WARDS
EXPANDED PUBLIC WORKS PROGRAMME	851 930	0	0	EPWP	ALL WARDS
DRAFT OPERATING PROJECTS BUDGET : INFRASTRUCTURE SERVICES	66 956 028	65 998 000	69 635 982		

DRAFT 2023/2024 MTREF BUDGET- OPERATING PROJECTS

PER PROGRAMME/PROJECT

ACCOUNT DESCRIPTION	2023/2024 DRAFT OPEX BUDGET	2024/2025 DRAFT OPEX BUDGET	2025/2026 DRAFT OPEX BUDGET	PROGRAM FUND	WARD NO.
DIRECTORATE OF SOLID WASTE & ENVIRONMENTAL MANAGEMENT					
OPERATIONS & MAINTENANCE OF WASTE CELLS	0	1 000 000	1 000 000	OWN FUNDS	11,12,14,17,20,21,22, 23,25,30,42,48
ASSESSMENT PRIOR REHABILITATION OF UNLICENSED DISPOSAL SITES/INTERGRATED WASTE MANAGEMENT PLAN (IWMP)	600 000	0	0	OWN FUNDS	ALL WARDS
WASTE MINIMISATION, RECYCLING, AWARENESS, SEPARATION & WASTE PROGRAMMES	258 000	0	0	OWN FUNDS	ALL WARDS
WASTE CO-OPERATIVES PROGRAMME	5 142 000	2 000 000	2 000 000	OWN FUNDS	ALL WARDS
SOLID WASTE COLLECTION AND DISPOSAL	858 000	2 000 000	2 000 000	PPPSG	ALL WARDS
OPERATION AND MANAGEMENT OF ROUNDHILL LANDFILL SITE	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
ENVIRONMENTAL AND MONITORING OF ALL WASTE FACILITIES	0	800 000	800 000	OWN FUNDS	ALL WARDS
WASTE MINIMISATION	0	500 000	500 000	OWN FUNDS	ALL WARDS
MANAGEMENT AND OPERATIONS OF THE WEIGHBRIDGE SYSTEM FOR ALL WASTE FACILITIES	0	500 000	500 000	OWN FUNDS	ALL WARDS
SOLID WASTE CO-OPERATIVES / COMMUNITY BASED COASTAL	0	800 000	800 000	OWN FUNDS	ALL WARDS
ILLEGAL DUMP MANAGEMENT PROGRAMME	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
IMPLEMENT SEPARATION OF WASTE AT SOURCE PROGRAMME	0	500 000	500 000	OWN FUNDS	ALL WARDS
IMPLEMENTATION OF A 2 SHIFT SYSTEM FOR REFUSE REMOVAL AND STREET SWEEPING (SUPERVISORS, DRIVERS & GENERAL WORKERS)	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
CONDUCT BATHING WATER QUALITY SAMPLING AND TESTING PROGRAMME	0	800 000	800 000	OWN FUNDS	ALL WARDS
IMPLEMENT RECYCLING PROJECTS INCLUDING THE ESTABLISHMENT OF BUY-BACK CENTRES, DROP OFF POINTS, TRANSFER STATIONS AND FORMALISATION OF WASTE PICKERS	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
REVIEW EXISTING CLIMATE CHANGE STRATEGY	200 000	100 000	100 000	OWN FUNDS	ALL WARDS
IMPLEMENT CLIMATE PROTECTION PROGRAMME	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS
REVIEW COASTAL MANAGEMENT PLAN	200 000	100 000	100 000	OWN FUNDS	ALL WARDS
IMPLEMENT ESTUARY MANAGEMENT PLANS	200 000	100 000	100 000	OWN FUNDS	ALL WARDS
CO-ORDINATE ECO SYSTEM BASED PROGRAMME (WETLANDS RESTORATION & STREAM/RIVER MANAGEMENT PROGRAMME)	0	500 000	500 000	OWN FUNDS	ALL WARDS
STRENGTHEN ENVIRONMENTAL EDUCATION AND AWARENESS PROGRAMMES	0	500 000	500 000	OWN FUNDS	ALL WARDS
REVIEW THE EXISTING INTEGRATED ENVIRONMENTAL MANAGEMENT PLAN (IEMP)	200 000	100 000	100 000	OWN FUNDS	ALL WARDS
DEVELOPMENT OF A SAND DUNE AND BEACH MANAGEMENT PLAN	200 000	400 000	400 000	OWN FUNDS	ALL WARDS
ENVIRONMENTAL MANAGEMENT PROGRAMME	0	500 000	500 000	OWN FUNDS	ALL WARDS

2022/2023 MTREF BUDGET - OPERATING PROJECTS

PER PROGRAMME / PROJECT

ACCOUNT DESCRIPTION	2022/2023 OPEX BUDGET	2023/2024 OPEX BUDGET	2024/2025 OPEX BUDGET	PROGRAM FUND	WARD NO.	REGION
DIRECTORATE OF SPORT, RECREATION & COMMUNITY DEVELOPMENT						
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
TOTAL DRAFT OPERATING PROJECTS : SPORT , RECREATION & COMMUNITY DEVELOPMENT	2,910,177	1,300,000	1,800,000			
TOTAL : OPERATING PROJECTS	384,575,840	368,066,576	347,389,722			

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 – (Filled)
- 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 No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
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%
Total	1373	124	9.03%
			T 4.1.2

Figure 58: Vacancy Rate (BCMM 2020/2021 Annual Report)

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year: 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 59: 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.

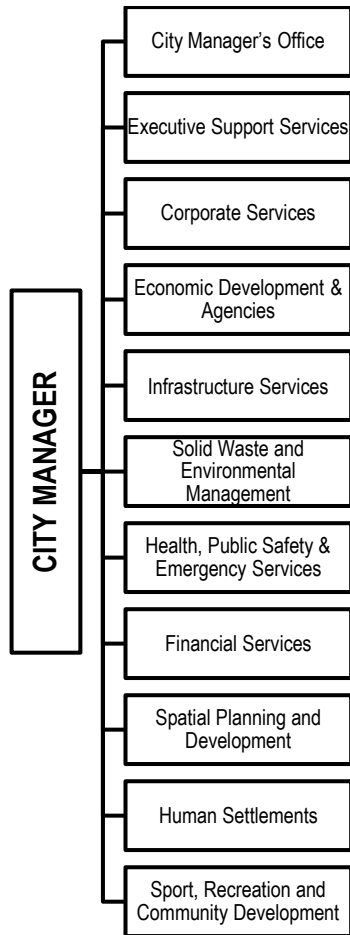
Other reasons for staff turnover are mentioned in the table below:

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 60: Reasons for staff turnover (BCMM 2020/2021 Annual Report)

Figure 61: 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 62: Organogram - City Manager's Office



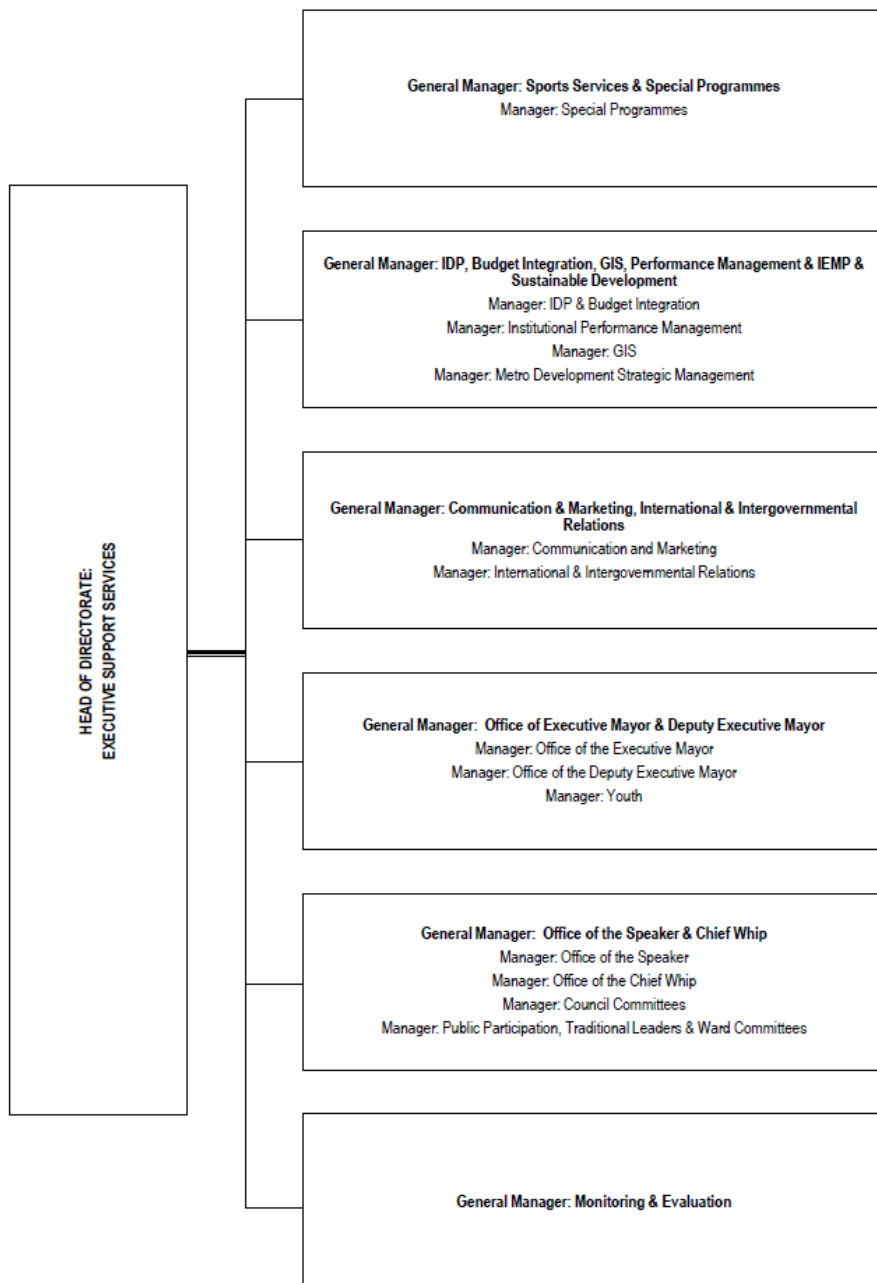
2.2 Directorate: Executive Support Services

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 63: Organogram - Executive Support Services



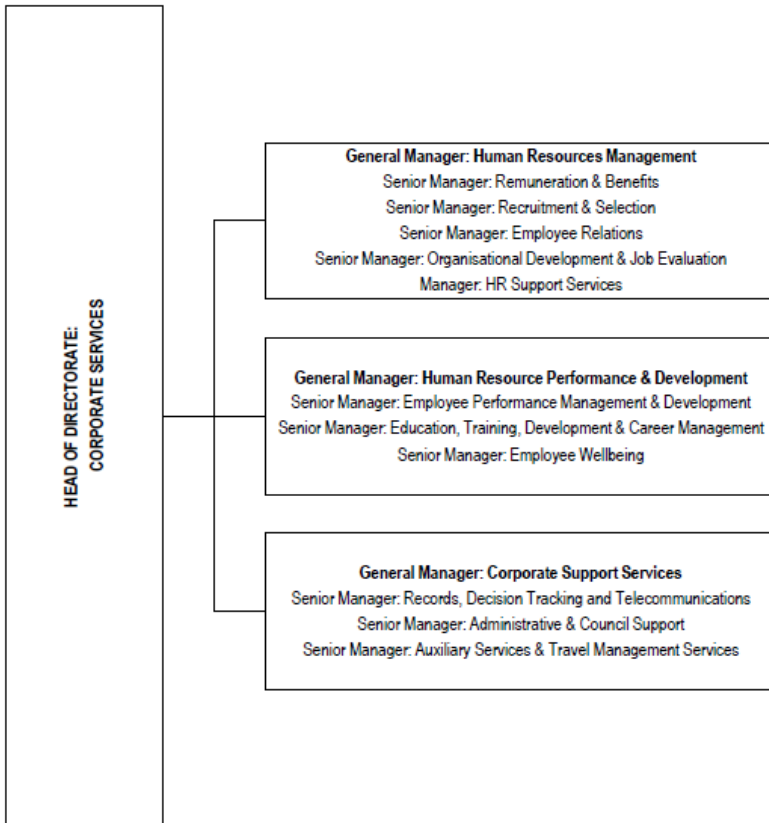
2.3 Directorate: Corporate Services

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 64: Organogram - Corporate Services



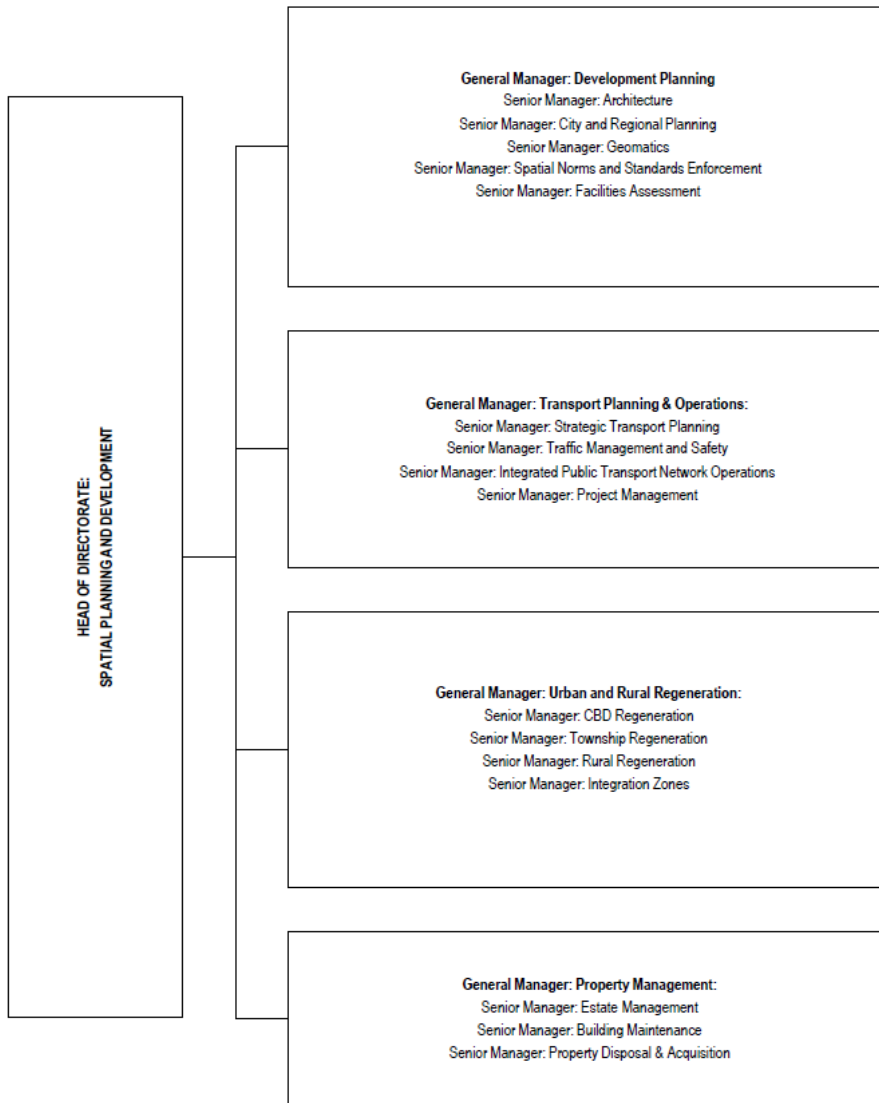
2.4 Directorate: Spatial Planning and Development

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 65: Organogram - Spatial Planning & Development



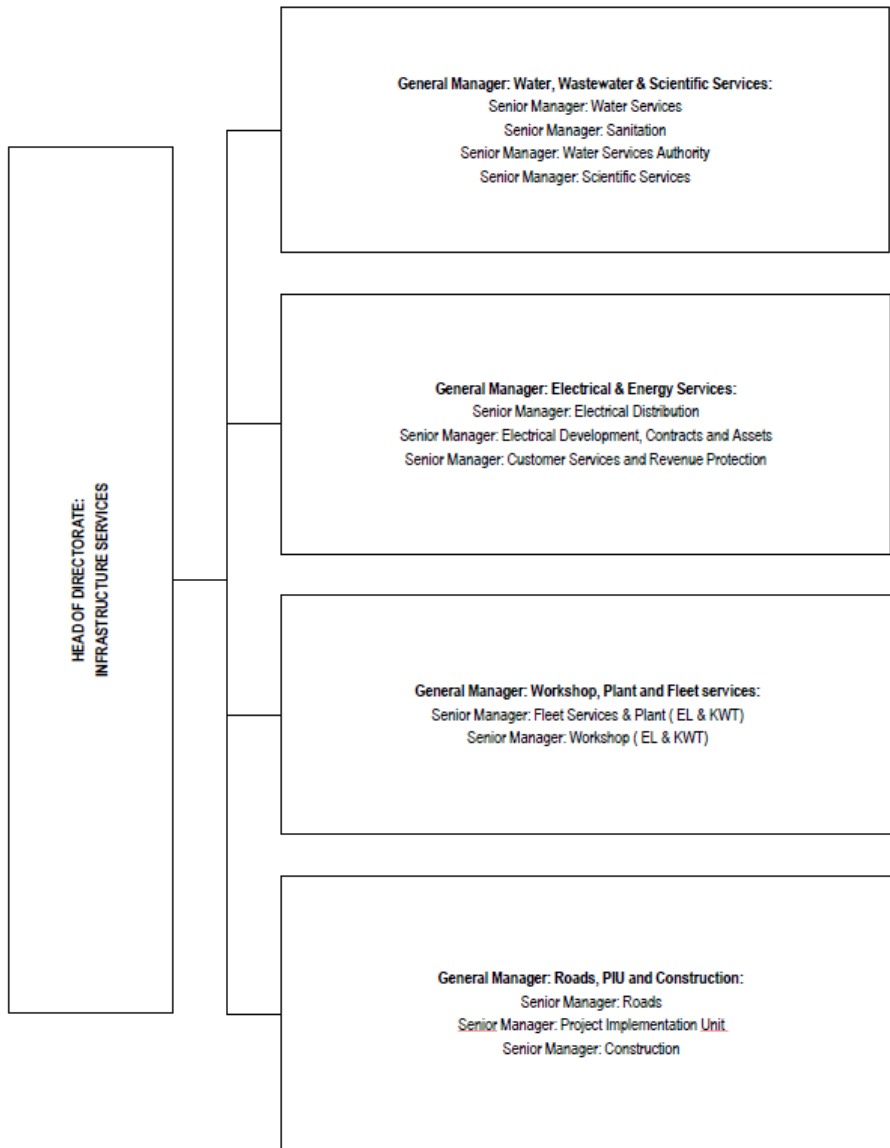
2.5 Directorate: Infrastructure Services

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 66: 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 67: Organogram - Solid Waste & Environmental Management



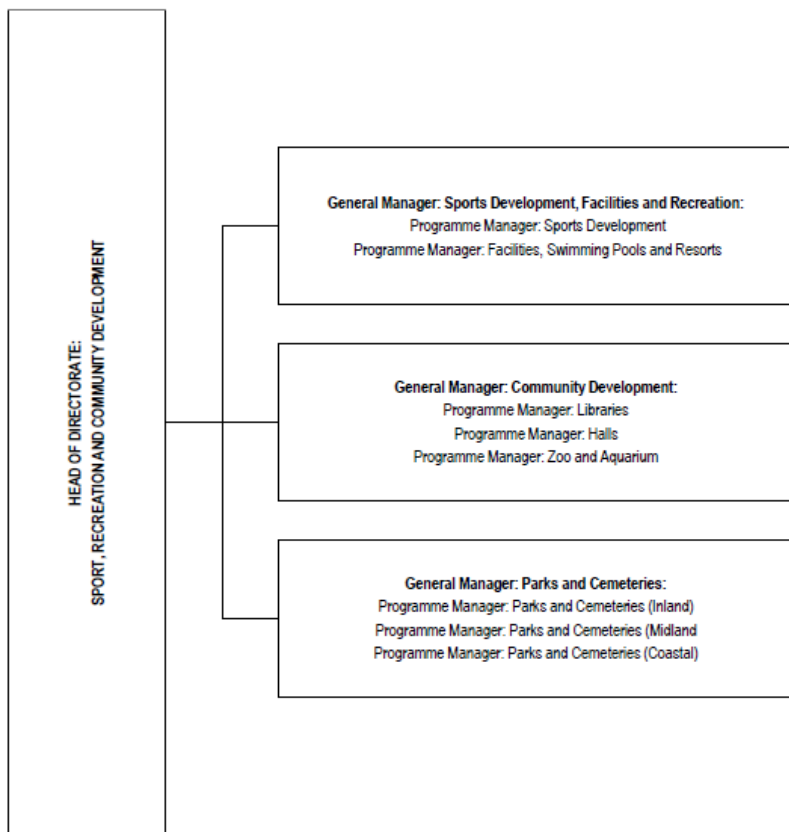
2.7 Directorate: Sport, Recreation and Community Development

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 68: Organogram - Sport, Recreation & Community Development



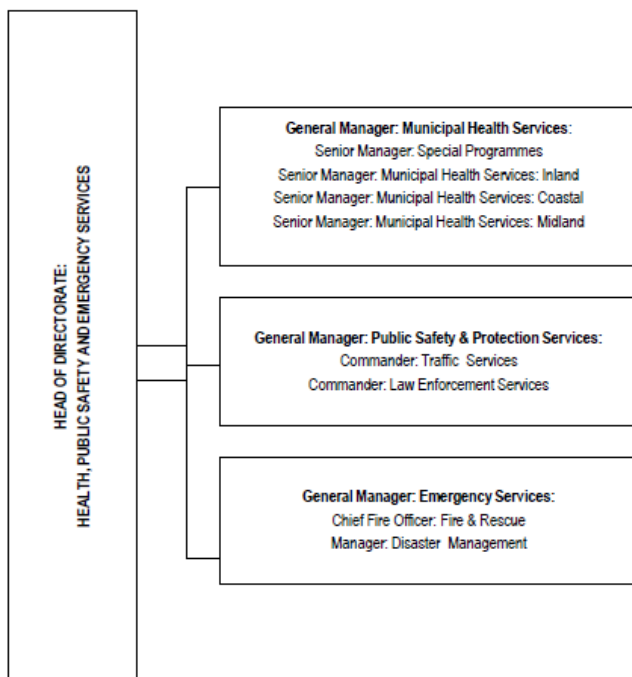
2.8 Directorate: Health, Public Safety and Emergency Services

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 69: Organogram - Health, Public Safety and Emergency Services



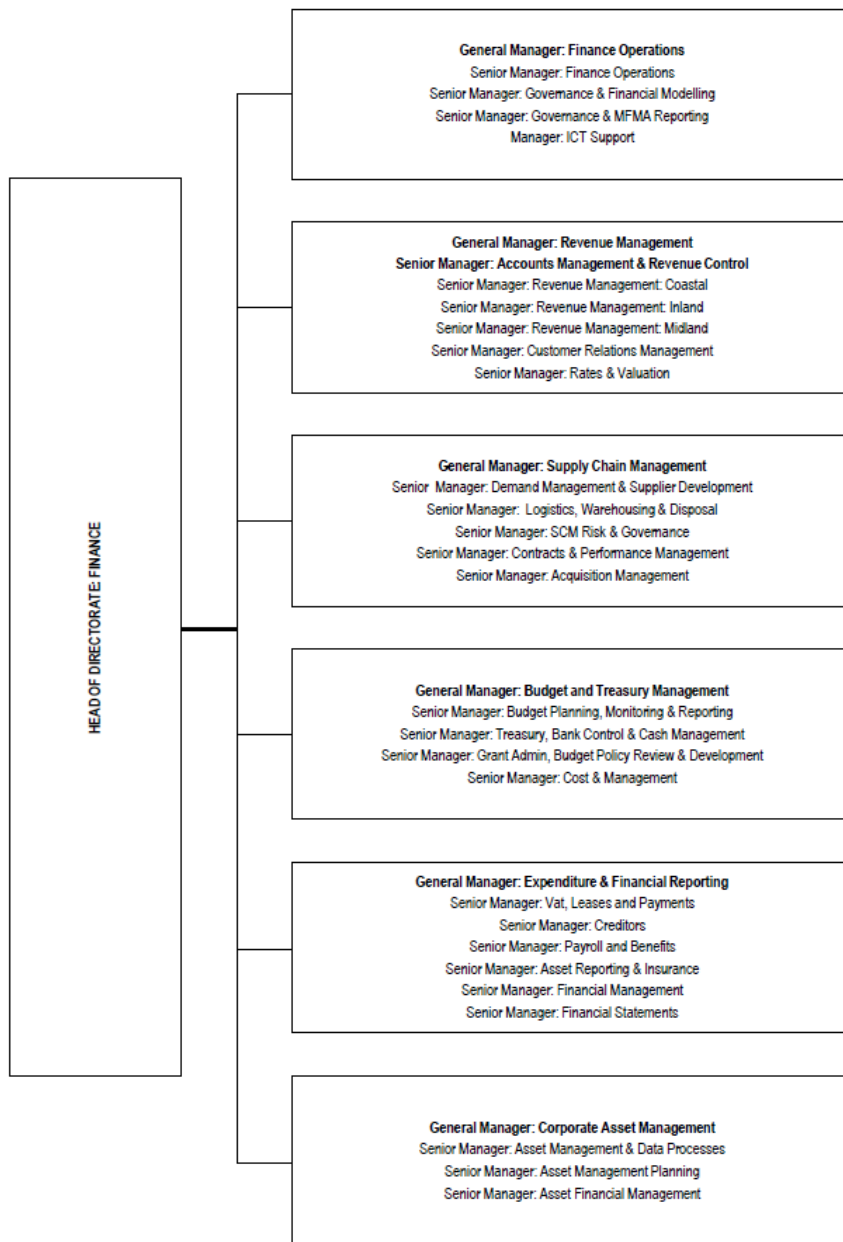
2.9 Directorate: Finance

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 70: Organogram - Finance



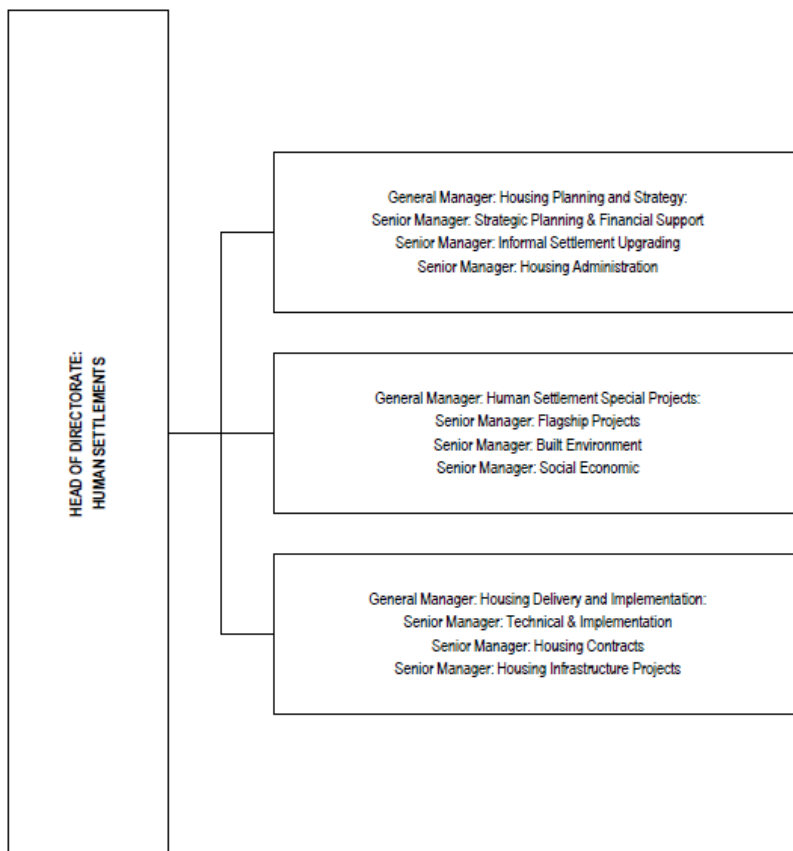
2.10 Directorate: Human Settlements

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 71: Organogram - Human Settlements



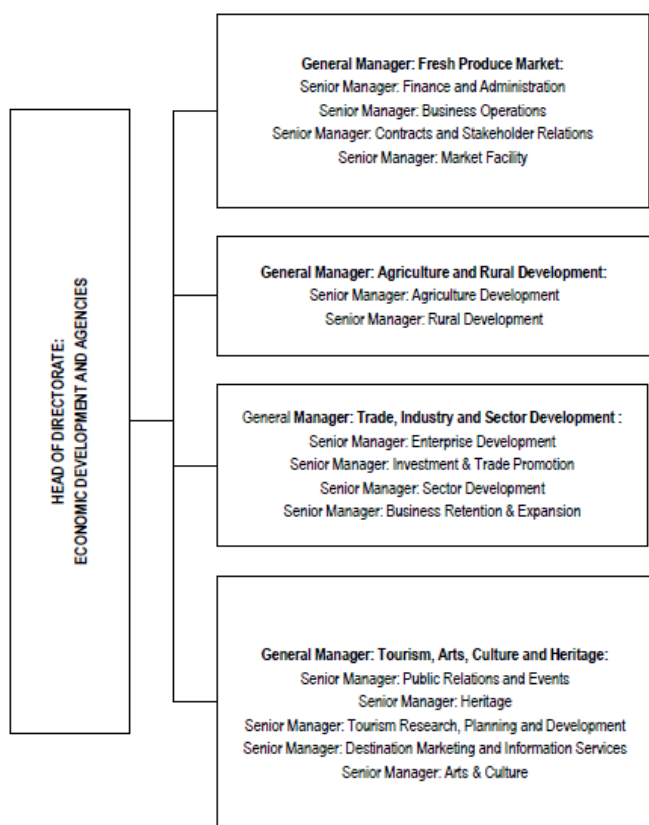
2.12 Directorate: Economic Development and Agencies

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 72: 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 Effective date 2013/05/13	BCMC 63/03	Manager: Compliance Unit
	Knowledge Management Policy	2013/08/30 Effective date 2013/09/01	BCMC234/13	Head: IKM, Research & Policy
	ICT Disaster Recovery Plan Policy	2015/11/25 Effective date 2015/11/26	BCMC 611/15	Manager: ICT
	Information and Communication Technology Security Policy	2015/11/25 Effective date 2/015/11/26	BCMC 611/15	Manager: ICT
	User Account Management Policy	2015/11/25 Effective date 2015/11/26	BCMC 611/15	Manager: ICT
EXECUTIVE SUPPORT SERVICES	Petition Management Policy	2012/05/03 Effective date 2012/06/01	BCC 122/12	Original owner-GM: Public Participation Office of the Executive Mayor
	Declaration of financial/benefits of Councilors	2009/07/27 Effective date 2009/09/01	BCC 29/09	Original owner was GM: Organizational Support. 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 Effective date 2019/07/01	BCMC 256/19	GM: Budget & Treasury Management
	Capital Infrastructure Investment Policy	2019/05/29E Effective date 2019/07/01	BCMC 256/19	CFO
	Funding and Reserves Policy	2019/05/29E Effective date 2019/07/01	BCMC 256/19	CFO
	Long Term Financial Planning Policy	2019/05/29E Effective date 2019/07/01	BCMC 256/19	CFO
	Credit Control and Debt Collection Policy	2007/05/02	BCMC 239/15	GM: Revenue Management
	Supply Chain Management Policy	2013/10/30	BCMC 458/13	GM: SCM
	Contractor Development Policy	2015/09/30	BCMC 468/15	GM: SCM
	Tariff Policy	2019/05/29E Effective date 2019/07/01	BCMC 256/19	GM: Budget & Treasury Management
	Virement Policy	2019/05/29E Effective date 2019/07/01	BCMC 256/19	GM: Budget & Treasury Management
	Property Rates Policy	2014/05/28	BCMC 239/15	GM: Revenue Management
	Indigent Policy	2014/05/28	BCMC 147/14	GM: Revenue Management
	Long Term Borrowing Policy	2019/05/29E Effective date 2019/07/01	BCMC 256/19	GM: Budget & Treasury Management
	Asset Management Policy	2015/05/29	BCMC 239/15	GM: Corporate Asset Management
	Investment and Cash Management	2019/05/29E Effective date 2019/07/01	BCMC 256/19	CFO / GM: Budget & Treasury Management
HUMAN SETTLEMENTS	Housing Allocation Policy	2014/12/11 Effective date 2014/11/19	BCMC 551/14	HOD: Human Settlements
	Housing Relocation Policy	2014/12/11 Effective date 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 Effective date 2010/08/31	GM: Organizational Support
	Grant-In-Aid Policy	2000/05/08 Effective date 2000/05/09	BCMC 124/15	GM: Organizational Support
	Loss, Theft of Municipal Property	2009/12/08 Effective date 2009/12/09	BCMC 284/15	GM: Organizational Support
	Records Management	2007/12/05 Effective date 2007/12/06	BCC 320/07	GM: Organizational Support
	Cellular Allowance Policy	2010/05/04 Effective date 2010/05/05	BCMC292/10	GM: Organisational Support
	Funeral Policy for Councilors or Freemen	2005/05/25	BCC 88/05	Was GM: Organisational Support Now: Office of Executive Mayor
Human Resources				
	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
CORPORATE SERVICES	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
CORPORATE SERVICES	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
DEVELOPMENT PLANNING	Land Administration			
	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
	Architecture			
	Outdoor Advertising Signage Policy	2010/ 08/16	BCC 211/10	GM: Development Planning
City Planning				

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	Roads			
	Provision of Roads in Informal Settlements	2006/06/01	N/A	GM: Roads
	Expanded Public Works Programme	September 2012	N/A	Manager: PIU
	Fleet Management			
	Fleet Management	February 2005	BCC 15/05	GM: Fleet Management
HEALTH AND PUBLIC SAFETY	Public Safety			
	Carrying of Firearms	1991/01/28	CL 27610	GM: Public Safety
	Environmental Health			
	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
BY-LAWS: STILL IN A PROCESS OF PUBLIC PARTICIPATION	
1.	Dilapidated Building and slightly neglected structures
2.	Disaster Management
3.	Installation of Electronic Communication Facilities
4.	Municipal Health and keeping of animals.
BY-LAWS AT STAGE OF PROCLAMATION IN THE PROVINCIAL GOVERNMENT	
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
OTHER BY-LAWS	
Fire & Rescue Services	
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"> ▪ SANS 332 Fire Detection & Alarm Systems for Hospitals

No.	Title of By-law
	<ul style="list-style-type: none"> ▪ SANS 1128-1 Firefighting equipment Part 1. Components of underground and above ground hydrant systems ▪ SANS 1128-2 Firefighting equipment Part 2. Hose couplings connectors and branch pipe & nozzle connections ▪ SANS 1253 Fire Doors and Fire Shutters ▪ SANS 10087-1 Handling storage distribution and maintenance of liquefied petroleum gas Part 1. 500 litre to 3000 litre ▪ SANS 10087-4 Handling storage Part 4. Transportation of LPG in bulk by road
Law Enforcement Services & Traffic Services	
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)
Disaster Management	
29.	Disaster Management By-Law (draft – still to be adopted & confirmed by Council)
Municipal Health Services	
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"> ▪ Adopted by Council in 2013 in terms of Minute BCMC 500/13 dated 22 November 2013. ▪ Adopted by Council on 11 December 2020 in terms of Minute VBCMC 496/20 		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 BCMC 95/14	2019/2020 not finalized because of C-19. New developments need inclusion. 2019/2020 not finalized because of C-19. Councillor Workshops conducted October 2022. Preparing final document for submission to Council for adoption	Currently under review. Estimated completion June 2022	During the COVID-19 lockdown a number of new developments have occurred. It is essential that these are incorporated into the revised policy framework. 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. The changes that have been identified are: Structures identified during COVID-19: <ul style="list-style-type: none"> • Command Council for Buffalo City. • Multi-stakeholder Command Centre • technical task teams at an operational level

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 that an	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
		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 legislation of this CITP	The BCM Public Transport Framework Plan 2005 / The Mdantsane Public Transport Framework Plan 2006 and The Public Transport Plan	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
			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 CIP	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 th June 2022	BCMM CIP 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 CIP which is a requirement of the National Land Transport Act (NLTA) (Act 5 of 2009) Section 36	25 June 2014 / BCMC 214/14 I	None	TBC	TBC
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 CIP	2005 Traffic Safety Plan was approved	<ul style="list-style-type: none"> Was updated in March 2013 Traffic Department 	2025/2026 financial year	Document still relevant

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		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	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"> Was update 25 June 2020 Traffic Engineering 		
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 Council Minute BCC 90/08	Report to Top Management February 2018 ?????	TBC	TBC
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	25 June 2014 / BCMC 214/14 H	None	TBC	TBC

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		(NLTA) (Act 5 of 2009)				
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 transport and also what are the costs associated with that system.	The National Land Transport Act (NLTA) (Act 5 of 2009)	None	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 department of Transport in 2019.	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.

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State of the Environment Report	<ul style="list-style-type: none"> To provide a baseline assessment of the main environmental issues and challenges facing the BCMM. Reports on the environmental integrity and sustainability of the BCMM. Ensures participative Greener Governance as part of the EMP. 	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
BCMM Disability Strategy	A mainstreaming tool for the inclusion and participation of persons with disability within metro processes	SA Constitution 1996 Promotion Equality & Prevention Unfair Discrimination Act 2000 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	SA Constitution 1996	2017	Last reviewed 2017	Document is reviewed as needed in line with the National and	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
	coordination role for the multi stakeholder response to HIV, TB and STIs	National HIV/Aids / TB Strategic Plan & Provincial HIV/Aids / TB and STI's Strategic Plan Eastern Cape AIDS Council Implementation Plan 2017-2022,			Provincial HIV/Aids/TB and STI's Strategic Plans	
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 amended in 2000 and 2003) Municipal Systems Act 32 of 2000 National draft policy guideline on public participation Municipal Structures Act 117 of 1998 Traditional Leadership and Governance Framework Act 41 of 2003	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
		Municipal Finance Management Act 56 of 2003 Municipal Property Rates Act 6 of 2004				
Integrated Coastal Zone Management Plan (ICZMP)	<ul style="list-style-type: none"> The plan articulates the BCMM's commitment to coastal protection and management??? To present the Coastal Zone Protection and Management Policy Framework of the BCMM that needs to be adopted and integrated into the planning and operations of all municipal service sectors. To outline a clear implementation programme for coastal zone management activities and projects, as well as the partnerships that are needed for effective implementation. 	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
Climate Change Strategy	<ul style="list-style-type: none"> Plays a vital role in addressing the Metro's social, economic and environmental needs that are as a result of Climate Change. To intensify the City's endeavors towards the implementation of Climate Change mitigation and adaptation measures. 	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.

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Environmental Education and Awareness Strategy	<ul style="list-style-type: none"> To provide realistic guidance to the effective implementation of the environmental education, training and public awareness programmes and activities within the City 	National Environmental Management Act,107 of 1998	2010	2014	2023	The review processes for this strategy has 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"> To ensure that the management of the Buffalo estuarine habitat is executed in a coordinated manner in compliance with necessary legislation is achieved. To address the ecological functioning, habitat loss and threats to the estuary 	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 established and sit quarterly. The committee consists of both internal and external stakeholders.
Nahoon Estuarine Management Plan	<ul style="list-style-type: none"> To manage the Nahoon estuary cooperatively and in a coordinated manner. To address the ecological functioning, habitat loss and threats that are facing the estuary. 	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

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						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"> The Integrated Environmental Management Plan gives guidance and determine how Buffalo City Metropolitan Municipality fulfills its responsibility with regard to the environmental management and protection of the natural environment. 	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
Reviewed Communication strategy	<ul style="list-style-type: none"> Communication strategy aims to educate and inform people living in the Metro. It also seeks to reassure people of BCMM about the commitment to effective and efficient service delivery. To open platforms for receiving feedback on departmental programmes. Change negative perceptions about the Metro. 	Promotion of Access to Information Act 2 of 2000 Promotion of Administrative Justice Amendment Act 53 of 2002	January 2019	Expired in December 2016 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	Section 11(4)(a)(ii) NEMA: Waste Act 2008	2014	2021	2027	The IWMP for 2021- 2026 has been successfully reviewed, consulted and

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	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.				(Review is also informed by any change of plans that the Metro might have within the five (5) year period)	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. Ensures participative Greener Governance.	National Management Act,107 of 1998 Air Quality Act 39 of 2005	2018	2023	To be reviewed every five years	The department is still implementing the current plan.
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	Electricity Act 41 of 1987	2015	None	2020	Document is being prepared for the update to take place in 2022/23

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	plan is to be presented over the 3, 5 and 20 year planning windows.					
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		2006	A new Economic Growth Strategy to be developed in 2023/24	
Tourism Master Plan		Tourism Act, 72 of 1993 /Tourism Act, 3 of 2014	2006	2018	To be reviewed in 2024/25	
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		2006	Due for review	
SMME Strategy		Small Business Tax Amnesty Act		2014	Due for review	
Cooperative Development Strategy		Cooperatives Act, 14 of 2005		2021	Being monitored on a quarterly basis	
Trade and Investment Strategy		Integrated National Export Strategy		2006	A new Economic Growth Strategy to be developed in 2023/24	
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	Section 12 of Water Services Act, 30 of 2004	2017	2019 not been to Council yet	2021	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

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	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.					necessary and appropriate in the interim. The department is starting a process of updating the Water Services Master Plan which will be incorporated on the WSDP next review.
Crime Prevention Strategy		Criminal Procedure Act 51 of 1977 South African Police Services Act				
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 Employment Equity Act, No 55 of 1998 Skills Development Act, No 97 of 1998 SAQA Act, No 58 of 1995 National Skills Development Strategy III			25 April 2022	Draft Workplace Skills Plan developed and will be presented to the Employment Equity and Training Steering Committee scheduled for 28 March 2023 for approval.

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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 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	The Draft HR Strategy of 2006 was not approved by Council.	The Draft HR Strategy of 2006 has not been reviewed. The Draft HR Strategy of 2006 was not approved by Council.	The draft Human Resources Management Strategy to be reviewed by 28 February 2021 The Draft HR Strategy will be reviewed in the 2023/2024 financial year to ensure alignment with the new Human resource regulations	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 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 Municipal Structures Act 117 of 1998 National Health Act, 61 of 2003	2014/2015	The plan has not been reviewed.	Funding for review 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	National Water Act, 36 of 1998				

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	needs regarding required upgrading of water and sewer infrastructure network.					
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 maintenance and upgrading of streets infrastructure.		2012/2013	2019/2020		

ANNEXURE B: IDP/Budget/PMS Process Plan followed

IDP/BUDGET/PMS PROCESS PLAN AND TIME SCHEDULE

to guide the planning, drafting,
adoption and review of the

Integrated
Development
Plan



for 1 July 2022 to 30 June 2023
(as amended for the 2nd annual IDP 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

Adopted by Council: 24 August 2022



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1 Introduction & Background

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.

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.*

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).

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 (Qonce), 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 (Qonce), 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

In accordance with the Revised IDP Guidelines issued by the National Minister of Cooperative Governance and Traditional Affairs in 2020 in terms of Section 37 of the Municipal Systems Act, the drafting of the IDP involves five (5) critical phases, namely:

- *Phase 1: Research Information Collection and Analysis;*
- *Phase 2: Vision, Objectives and Strategies;*
- *Phase 3: Development of Programmes and Projects;*
- *Phase 4: Integration and Consolidation; and*
- *Phase 5: Approval, Adoption and Publication.*

Taking due consideration of these guidelines, the Buffalo City Metropolitan Municipality's IDP process goes through the following phases during the course of a year:

Phase	Tasks	Mechanisms
Phase 1: Research Information Collection and Analysis	External analysis:	
	<ul style="list-style-type: none"> ▪ Spatial ▪ Social ▪ Economic ▪ Environmental ▪ Physical ▪ Sector and Community needs and issues 	<ul style="list-style-type: none"> ▪ Sector plans analysis and reviews ▪ Spatial Development Framework ▪ Stakeholder discussions ▪ IGR work sessions
	Compilation of area plans:	
	<ul style="list-style-type: none"> ▪ Ward profiles ▪ Services backlogs ▪ Priority issues per ward 	<ul style="list-style-type: none"> ▪ Ward committee/ ward meetings and workshops ▪ Inputs by departments
	Internal analysis:	

Phase	Tasks	Mechanisms
	<ul style="list-style-type: none"> Governance and Financial Management Critical issues / challenges Minimum service levels <p>Inter-governmental alignment:</p> <p>Align with National and Provincial Policies</p>	<ul style="list-style-type: none"> In-house exercise by departments and IDP/Budget/PMS Workstreams Performance assessment <p>In accordance with the 2022 Medium Term Expenditure Framework (MTEF) Guidelines for Provinces, in order to enhance the integration of policy alignment, planning, budgeting and implementation, provincial MTECS should be used as one of the platforms that encourage joint planning between departments, municipalities and public entities.</p>
Phase 2: Vision, Objectives and Strategies	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 taking cognizance of the need to align all plans with those of provincial and national government sector departments and entities.	<ul style="list-style-type: none"> Strategy workshops (Top Management Technical Strategic Planning Sessions, IDP/Budget/PMS Workstreams) Mayoral Lekgotla Council Lekgotla Stakeholder discussions Three-Spheres Planning Session In-house Top Management Team Session
Phase 3: Development of Programmes and Projects	Identify programmes, projects and key initiatives in alignment with Council Priorities and Mayoral Lekgotla and Council Lekgotla outcomes. These should be developed with a constant reference to the requirements of the NDP, IUDF, DDM as well as other sectoral policies. During this phase the metro should strive to get the input of other spheres of government, state entities as well as key sector players, on what the development programmes, projects or intentions are, within the city.	<ul style="list-style-type: none"> IDP/Budget Work Sessions for the purpose of Mid-year Budget Adjustments, MTREF Budget Preparation in line with Council Priorities. Internal Transversal discussions as provided for in the BCMM IGR Framework which also covers the operational system and processes for horizontal planning across the municipality. Combined IDP/SDBIP/Enterprise Risk Review Work Sessions
Phase 4: Integration and Consolidation	Assess relevancy and interdependence of the programmes and projects to ensure consistency of the identified programmes and projects with IDP Priorities, MTREF Budget, policy and legal requirements.	<ul style="list-style-type: none"> Refinement of budget in line with Cabinet approved division of revenue, MTEF Budget Assessment by National Treasury.
Phase 5: Approval, Adoption and Publication	<p>Approval of draft IDP and draft annual budget: Finalise and approve draft IDP and draft annual budget, SDF amendments</p> <p>Consultation and refinement</p> <ul style="list-style-type: none"> Make public the draft IDP and draft annual budget for comments and submissions. 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. Consult the local community and other stakeholders 	<ul style="list-style-type: none"> In house preparation of the relevant documentation and submission to Council Council Workshop In-house exercise by Chief Financial Officer and Manager: IDP/BI Public meetings & workshops IDP Representative Forum meeting

Phase	Tasks	Mechanisms
	Final adoption <ul style="list-style-type: none"> ▪ Council approves the final IDP and final annual budget 	<ul style="list-style-type: none"> ▪ In-house preparation of the relevant documentation and submission to Council
	Publication <ul style="list-style-type: none"> ▪ Publication and submission of adopted IDP to legislative authority 	<ul style="list-style-type: none"> ▪ Statutory publication and submission as per prescripts

Table 24: 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.

With the introduction of the District Development Model, the metro has had to reflect on the participation of national and provincial government in the planning processes. The Revised IDP Guidelines for municipalities, 2020 clearly indicates that the main purpose of national and provincial participation is to ensure that sector priorities are reflected, and development actions are aligned to contribute to the achievement of national development objectives.

The diagram below shows that the participation of all three spheres starts with the Preparation activities for the development or review of the Integrated Development. Given that the IDP and District Development Model Processes are linked and aligned

in the Buffalo City planning processes, the roles of all three spheres and the mechanisms they use to interact throughout the IDP process is expanded on in later sections.

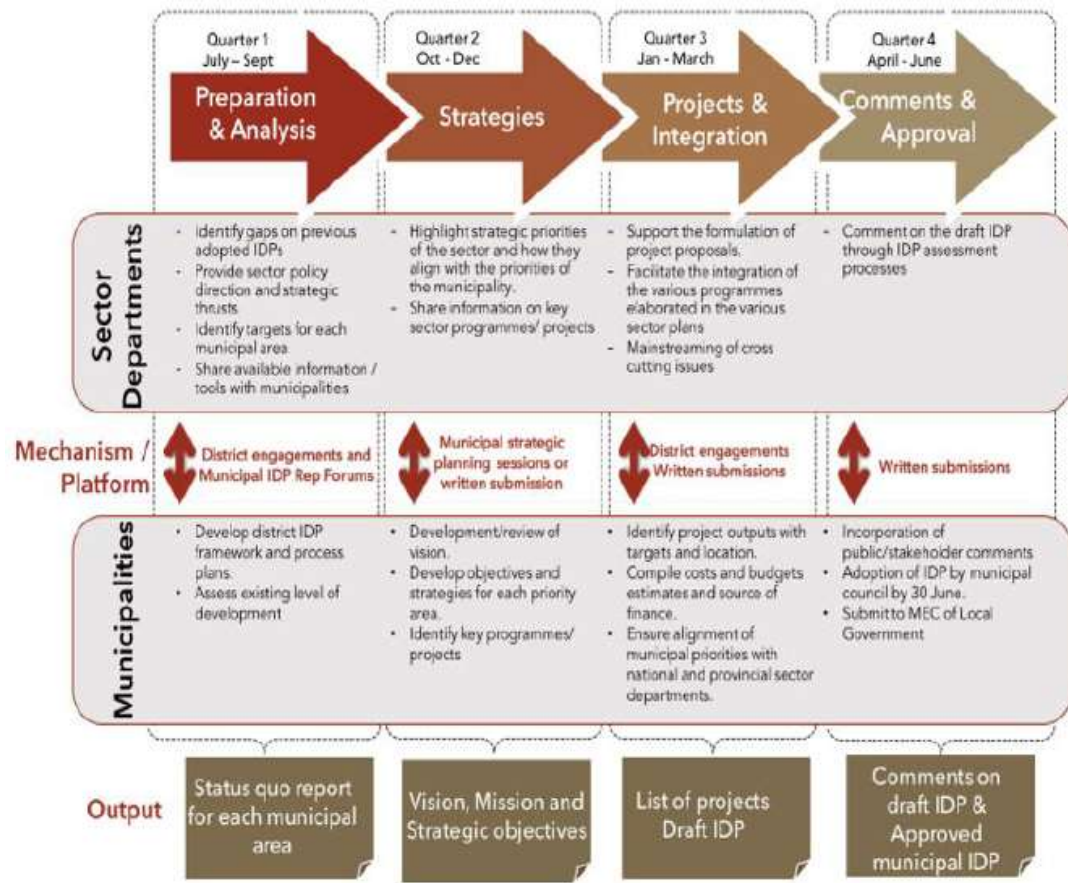


Table 25: Roles and Responsibilities of sector departments by IDP Phase

3 Compiling 5th Generation IDP (2021/26)

MFMA Budget Circular 108 of 2021 guided municipalities on how to proceed with transitional management of the development and adoption of Integrated Development Plans during the 2021 Local Government Elections.

MFMA Circular 108 of 2021 advised Councils of their obligation to ensure that the stipulations in accordance with which the IDP and Budget need to be reviewed and adopted by 30 June 2022, be complied with.

The Council of Buffalo City Metropolitan Municipality, acting in terms of Section 25(3) (a) of the Municipal Systems Act which prescribes that a newly elected council, may adopt the IDP of the previous council, adopted the 2021/2026 Integrated Development Plan and the first review thereof for the 2022/2023 period during a Council meeting held on 31 May 2022.

Key Elements addressed in this process

The following is a summary of the main activities 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 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 2 below illustrates the Municipal Accountability Cycle in South Africa and its linkage to mSCOA.

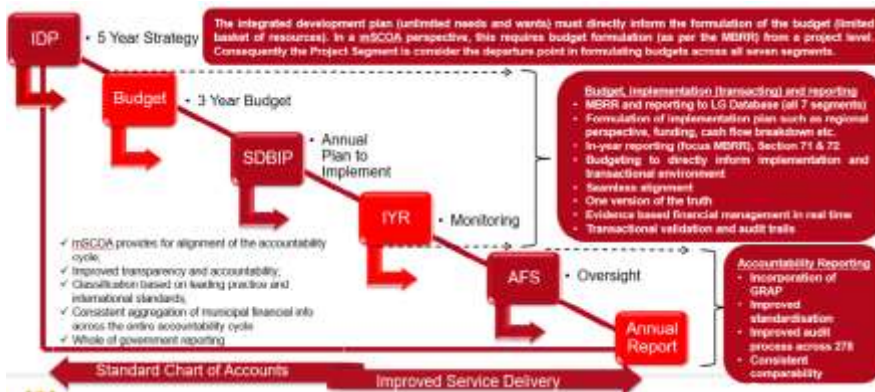


Figure 73: Local Government Financial Management Accountability Cycle and linkage with mSCOA

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-

- must review its integrated development plan-
 - annually in accordance with an assessment of its performance measurements in terms of section 41; and
 - to the extent that changing circumstances so demand; and
- 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.

*If these are minor adjustment, there is no need to formally amend the IDP.
However, where significant changes are required with budgetary implications*

(allocations or projections), this should warrant amendment of the IDP as outlined below.

Ideally a report to Council should be provided each year when the Annual Report is tabled, which should indicate areas in which the IDP needs to be amended to cater for changes in strategy, policy or where unforeseen circumstances have meant that the IDP needs material change. The annual review should not be a major one, but just an update of relevant information.

The following are some of the key questions that should be asked when reviewing the IDP:

- Are there any significant changes in budget availability?
- Are there any significant changes in the spatial layout of the area?
- Are there any significant changes within the specific municipal area that has a reasonable impact on projects, programmes or livelihoods of the community?

Amendments

Within the term of office, a municipal IDP may need to be amended when there have been significant unexpected changes within the municipality that require a reorganisation of the municipal priorities and budgets. IDP amendments should only be required under exceptional circumstances and should not be done without significant justification.

The process for amending a municipal IDP is laid out in section 3 of the Municipal Planning and Performance Management Regulations, 2001, and is similar to that of adopting a new IDP:

Review	
Council to review the IDP based on: <ul style="list-style-type: none"> ▪ Assessment of performance measures ▪ Demand based on changing circumstances 	Annually
Amendment (if required)	
a) A council member or committee introduces a proposal to amend the IDP	If / when required
b) A memo detailing the reasons to amend	
c) Give reasonable notice to members of council	
d) Publish proposed amendment for 21 days	
e) Consultations between the district and locals	
f) Council adopt the IDP	

Table 26: Process to amend IDP (Revised IDP Guidelines for municipalities, 2020)

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

Since the release of the 2001 IDP guideline, there have been significant policy and legislative changes guiding development in South Africa. The primary policy developments include the following:

- The National Development Plan (2012)
- The Back to Basics Programme for municipalities (2014)
- The Integrated Urban Development Framework (2016)
- The Development of Built Environment Performance Plans by metropolitan municipalities
- The District Development Model (2019)

Some of the important legislative developments include:

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

On the international front, important development include the following"

- The African Union launched Africa 2063 in 2014
- The Sustainable Development Goals replaced the Millenium Development Goals
- National Urban Agenda
- The Paris Accord Addressing Climate Change

The Revised IDP Guidelines, therefor, advises that:

- All municipalities are expected to develop and implement IDPs in the context of the National Development Plan (NDP), Integrated Urban Development Framework (IUDF) and other policy imperatives.
- For municipalities to develop credible IDP, national and provincial departments must meaningfully engage with the local development planning process.
- Other development agents in municipal spaces such as government entitites, traditional leadership, mining companies and others should participate and enrich the local development planning process.

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:

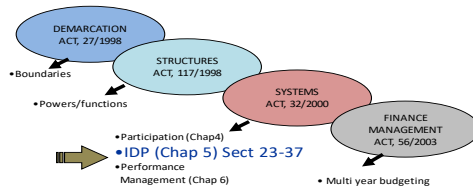


Figure 74: Municipal Legislative Background

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

BCMM established a set of organisational arrangements in order to institutionalise the participation process of all stakeholders, effectively manage outputs, and give affected parties access to contribute to the decision-making process. The metro is continuously considering existing arrangements, use and adapt them if necessary, and try to 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.

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; and
- 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
Local Municipality	<ul style="list-style-type: none"> ▪ Prepare and adopt the IDP Process Plan and Budget Time Schedule. ▪ Undertake the overall management and co-ordination of the IDP process which includes ensuring that: <ul style="list-style-type: none"> - all relevant role-players are appropriately involved; - appropriate mechanisms and procedures for community participation are applied; - events are undertaken in accordance with the approved time schedule; - the IDP relates to the real burning issues in the municipality; and - the sector planning requirements are satisfied. ▪ Prepare and adopt the IDP. ▪ Adjust the IDP in accordance with the MEC's proposal.

Role Player	Roles and Responsibilities
	<ul style="list-style-type: none"> ▪ Ensure that the annual business plans, budget and performance management system are linked to and based on the IDP.
Provincial Government	<ul style="list-style-type: none"> ▪ Ensure horizontal alignment of the IDPs of the local municipalities within the province. ▪ 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"> - guiding the provincial sector departments' participation in and coordinate the required contribution to the municipal IDP process; - guiding them in assessing draft IDPs and aligning their sector programmes and budgets with the IDPs ▪ Efficient financial management of provincial IDP grants. ▪ Monitor the progress of the IDP processes. ▪ Facilitate resolution of disputes related to IDP. ▪ Assist municipalities in the IDP drafting process where required. ▪ Organise IDP-related training where required. ▪ Co-ordinate and manage the MEC's assessment of IDPs.
National Government	<ul style="list-style-type: none"> ▪ NT assessment of IDP, Budget, SDBIP and BEPP

Table 27: Roles and Responsibilities within Government



Figure 75: 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	Systems Act Section 2(b) - A municipality consists of - (i) the political structures and administration of the municipality; and (ii) the community of the municipality
POLITICAL STRUCTURES	Structures Act Section 56(2) - Functions and powers of executive mayors The executive mayor must – (a) identify the needs of the municipality; (b) review and evaluate those needs in order of priority; (c) recommend to the municipal council strategies, programmes and services to address priority needs through the integrated development plan , and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and (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. Systems Act Section 30 - Management of drafting process The executive mayor of a municipality must, in accordance with section 29- (a) manage the drafting of the municipality's integrated development plan; (b) assign responsibilities in this regard to the municipal manager; and (c) submit the draft plan to the municipal council for adoption by the council.

ROLE PLAYERS	LEGISLATED FUNCTIONS
ADMINISTRATION	<p>Systems Act Section 55(1) - 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> <ul style="list-style-type: none"> (a) the formation and development of an economical, effective, efficient and accountable administration- <ul style="list-style-type: none"> (i) equipped to carry out the task of implementing the municipality's integrated development plan in accordance with Chapter 5; (ii) operating in accordance with the municipality's performance management system in accordance with Chapter 6; and (iii) responsive to the needs of the local community to participate in the affairs of the municipality; (b) the management of the municipality's administration in accordance with this Act and other legislation applicable to the municipality; (c) the implementation of the municipality's integrated development plan, and the monitoring of progress with implementation of the plan
COMMUNITY	<p>Systems Act Section 29(1) - 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"> (b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for - <ul style="list-style-type: none"> (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.

Figure 76: Roles and responsibilities - Municipality and stakeholders

The table below indicates the roles and responsibilities of the different role players.

STRUCTURE	COMPOSITION AND RESPONSIBILITY
The Executive Mayor of Buffalo City Metropolitan Municipality	<p>The Executive Mayor of Buffalo City Metro has the ultimate responsibility for the preparation and implementation of the IDP, Budget & Performance Management. In his/her executive capacity the Executive Mayor has to:</p> <ul style="list-style-type: none"> • 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.
Buffalo City Municipal Council	<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"> • Consider and adopt the IDP Process Plan & time schedule for the preparation, tabling & approval of the annual budget; • Consider and adopt the IDP and annual Budget; • Ensure the municipal budget is coordinated with and based on the IDP; • Adopt a Performance Management System (PMS) • Monitor progress, re. IDP implementation

STRUCTURE	COMPOSITION AND RESPONSIBILITY
Ward Councillors; Ward Committees; Community Development Workers & Traditional Leaders	<p>Ward Councillors/ CDW's & Traditional Leaders are the major link between the municipal government and the residents. Their role and responsibilities are to:</p> <ul style="list-style-type: none"> • Form a link between municipal governance and the community; • Link the planning process to their constituencies and/or wards; • Ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate; • Facilitate public consultation and participation within their wards. • Provide feedback to their communities on the adopted IDP and Budget and SDBIP
Strategic Development Portfolio Committee	<p>The Strategic Development Portfolio Committee will provide general political guidance over the IDP/Budget & 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"> • HOD: Executive Support Services • GM: IDP/Budget Integration/PMS & GIS; • Senior Manager IDP/Budget Integration • Other relevant officials.
Budget Steering Committee	<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>
City Manager and HODs	<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"> • Ensuring understanding of the importance of integrated planning • Ensuring quality distribution of information related to IDP/Budget processes • Ensuring timeous dissemination of good quality information for all matters related to IDP/Budget processes
IDP Steering Committee / Top Management	<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"> • Provide technical oversight and support to the IDP/ Budget review and its implementation; • Consider and advise on IDP/ Budget content and process; • Ensure inter-directorate co-operation, co-ordination, communication and strategic thinking to address priority issues • Ensure sector and spatial co-ordination and alignment • Ensure IDP & budget linkage • Ensure Performance Management is linked to the IDP • Ensure the organisation is oriented to implement the IDP • Ensure timeframes set for the review are met.
Directorates & Departments	<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>

STRUCTURE	COMPOSITION AND RESPONSIBILITY
IDP/Budget Work Streams	<ul style="list-style-type: none"> • Provide technical / sector expertise and information, throughout the IDP Budget process; and • Ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked and aligned with and satisfies sector planning requirements. <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"> • Assist with the identification of key issues, the development of objectives, strategies, indicators and programmes, projects & budgets for the relevant themes • Ensure inter-sectoral co-operation, communication and strategic thinking to address priority issues • Consider & incorporate the cross-cutting issues – e.g. HIV/ AIDS, climate change, poverty, gender, youth, elderly and disabled • Monitor progress on the implementation of the IDP
Representative Forum and Community Stakeholders	<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 & 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"> • represents the interests of their constituents in the IDP process; • provide an organisational mechanism for discussion and consensus-building between the different stakeholders and the Municipal Government; • monitor the performance of the planning, implementation and review process; • ensures an efficient flow of information to and from stakeholder groups.
Public Consultation/ Imbizo Preparation Committee	<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"> • GM IDP/PMS/GIS & IEMP • GM Public Participation & Special Programmes • GM Development Co-operation and Communication • GM Budget & Treasury • GM Organisational Support • GM Public Safety • GM Community Services <p>The purpose of the Committee is to provide technical guidance and ensure the administrative co-ordination of key public consultations and imbizos.</p>
IDP/BI, PM, Budget Integration, GIS & IEMP Department	<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 Performance Management System and monitor the implementation of the IDP, including:</p> <ul style="list-style-type: none"> • preparing the Process Plan for the development of the IDP; • undertaking the overall management and co-ordination of the planning and review process under consideration of time, resources and people; and • 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

Table 28: Roles and Responsibilities of role players

7 Transversal Planning

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.

Integrated Planning across departments (intra-municipal), inter-sphere and intersectoral

The Revised IDP Guidelines for Municipalities, 2020 indicates that the sectors that need to be seamlessly integrated include

- housing delivery – The Housing Act, No.107 of 1997, Housing Chapters required to be part of the IDP through the National Housing Code (2009)
- transport – National Land Transport Act, No.5 of 2009
- water services – Water Services Act, No.108 of 1997
- electricity
- waste management
- disaster management
- climate change – Climate Change Bill, 2018
- economic development, etc.- Local Economic Development and Inclusive Economic Development (Integrated Urban Development Framework, 2016)

While legislation makes little specific requirements of how planning across municipal departments should occur, it does deal with what integrated, cohesive planning should cover. This is in part through the Municipal Systems Act, which details what the IDP must address, and partly through sector legislation indicating requirements for sector plans.

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.

7.1.1 District 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.

The logic of the District Development Model is illustrated in the following figure:

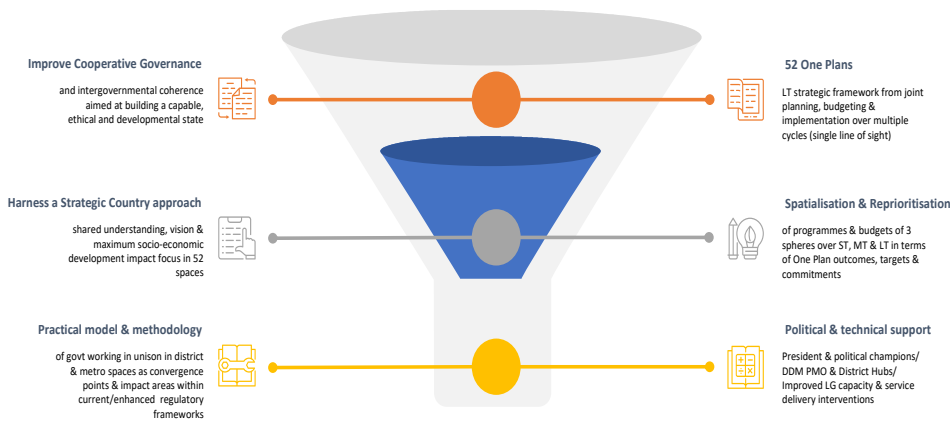


Figure 77: Logic of the DDM

7.1.2 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.

The One Plan is the primary tool to realize the strategic objectives of the DDM. The One Plan is a Visionary and Transformative framework in relation to each district and metropolitan space. Which outlines a rationale for moving from the current situation of operating in silos, toward a desired future of three-sphere joint, long-, medium- and short-term strategizing, planning, and budgeting. The One Plan also provides a justification for identified interventions and commitments, that have a direct correlation to achieving predetermined outcomes.

The development and approval of the One Plan involves a series of collaborative intergovernmental planning sessions by all three spheres of government reflecting on existing plans, profiles, research, evidence and solutions in relation to each of the 52 district and metro spaces. The process of developing the One Plan is incorporated with the IDP Process.

7.1.3 [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.

7.1.4 [Relationship between the ONE PLAN, MGDS and IDP](#)

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:

- c) *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*
- d) *binds the municipality in the exercise of its executive authority*

7.1.5 [Metro-Specific Guidelines](#)

The Metro-Specific Guidelines are used as a guideline for the review of the 5th 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:

- | | |
|--|--|
| 1. Outcomes-led Planning | 2. Integrated Planning |
| 3. Planning Inter-governmentally | 4. Planning with the public |
| 5. Planning and strategy-led budgeting | 6. Prioritizing programmes and projects in integrated development planning |
| 7. Monitoring and reporting on implementation | 8. Annual reviews of integrated development planning |
| 9. Assessing the integrated development planning process | 10. |

Table 29: Metro-Specific IDP Guidelines - 9 Focus Areas

BCMM uses the Metro-Specific IDP Guidelines and Revised IDP Guidelines for Municipalities, 2020 as complementary guidelines to the District Development Model and One Plan Guidelines in designing the IDP Process Plan.

Integrated planning across departments (intra-municipal), inter-sphere and intersectoral 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 into 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.

A reasonable response is in designing an operational system and processes that emphasize and action the horizontal planning, across the municipality.

Clarifying IDP timelines in relation to other plans, strategies and framework

7.1.6 [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.

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.

7.1.7 ["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.

7.1.8 [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.

7.1.9 [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.

7.1.10 [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 strategy².

7.1.11 [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.

Reconfiguring the mechanisms for transversal planning and service delivery

Buffalo City Metropolitan Municipality's Draft Intergovernmental Relations Framework Review captures the context and intent of reconfiguring the IGR systems in line with the renewed emphasis on transversal planning as follows:

“To enable a performance orientated and responsive Metro, interdepartmental coordination within the Metro requires strengthening and all municipal employees need a better understanding of municipal responsibilities across functions.

*The **Buffalo City Metropolitan Municipality Intergovernmental Relations Framework Review**, therefore, provides an opportunity for the Metro and its stakeholders to assess and strengthen mechanisms, processes and procedures for cooperation, collaboration and engagement, for improved alignment, coordination and discharging of responsibilities across all spheres, thereby enabling a realistic development of the Integrated Development Plan and One Plan for the Metro. All integrated actions will lead to accelerated socio-economic growth and development, infrastructure planning and expansion, environmental protection and management, improved service delivery and quality of services to*

local communities and business, thereby enabling a well-functioning and responsive state at the local level.”

The following diagram illustrates BCMM's logical arrangement of the integrated three spheres delivery logic within the long, medium and short-term planning, implementation, monitoring, evaluation, research and learning instruments.

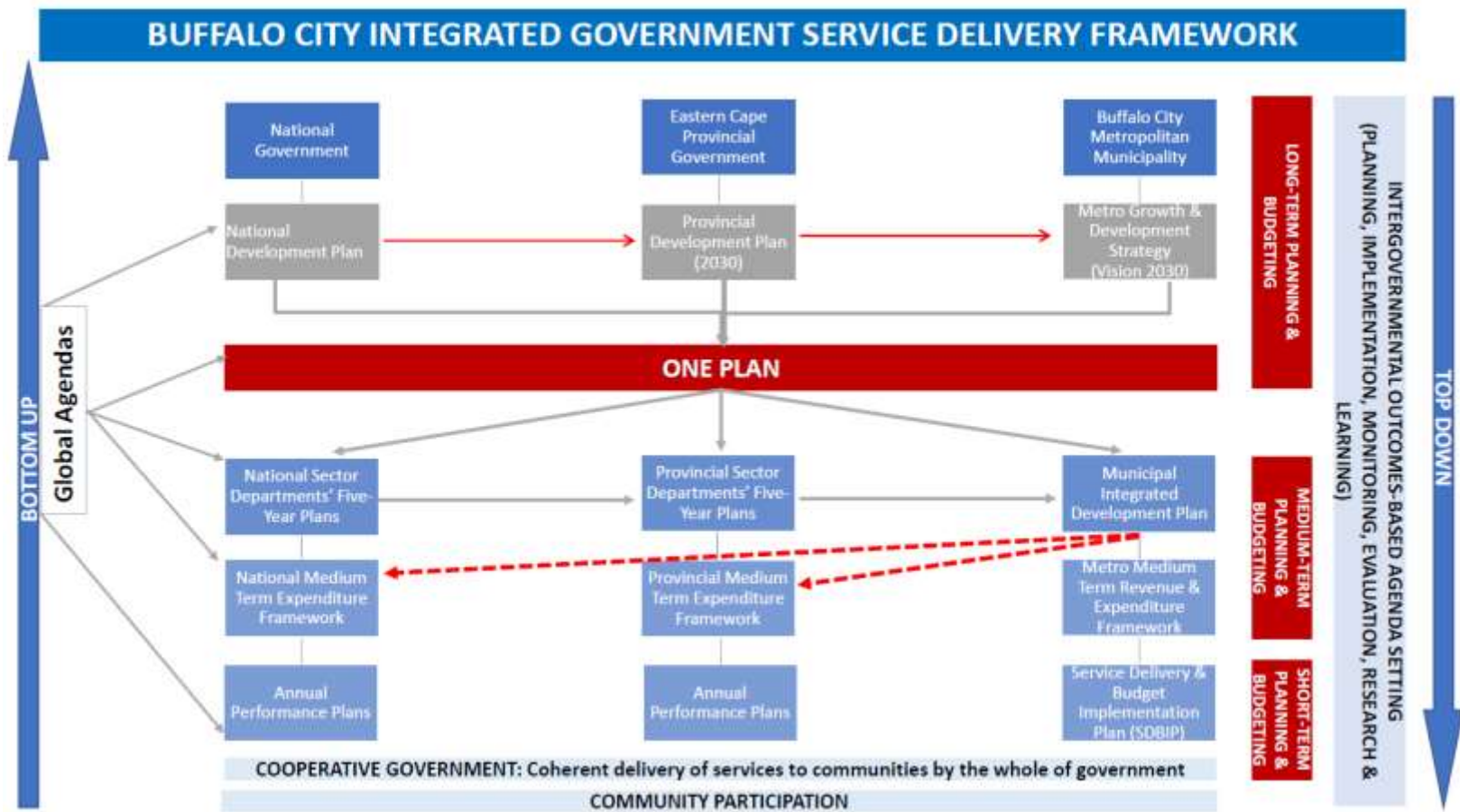


Figure 78: Buffalo City Integrated Government Service Delivery Framework (draft BCMM IGR Framework Review, 2022)

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.

BCMM INTERNAL TRANSVERSAL GOVERNANCE MODEL: Whole Organisational Planning

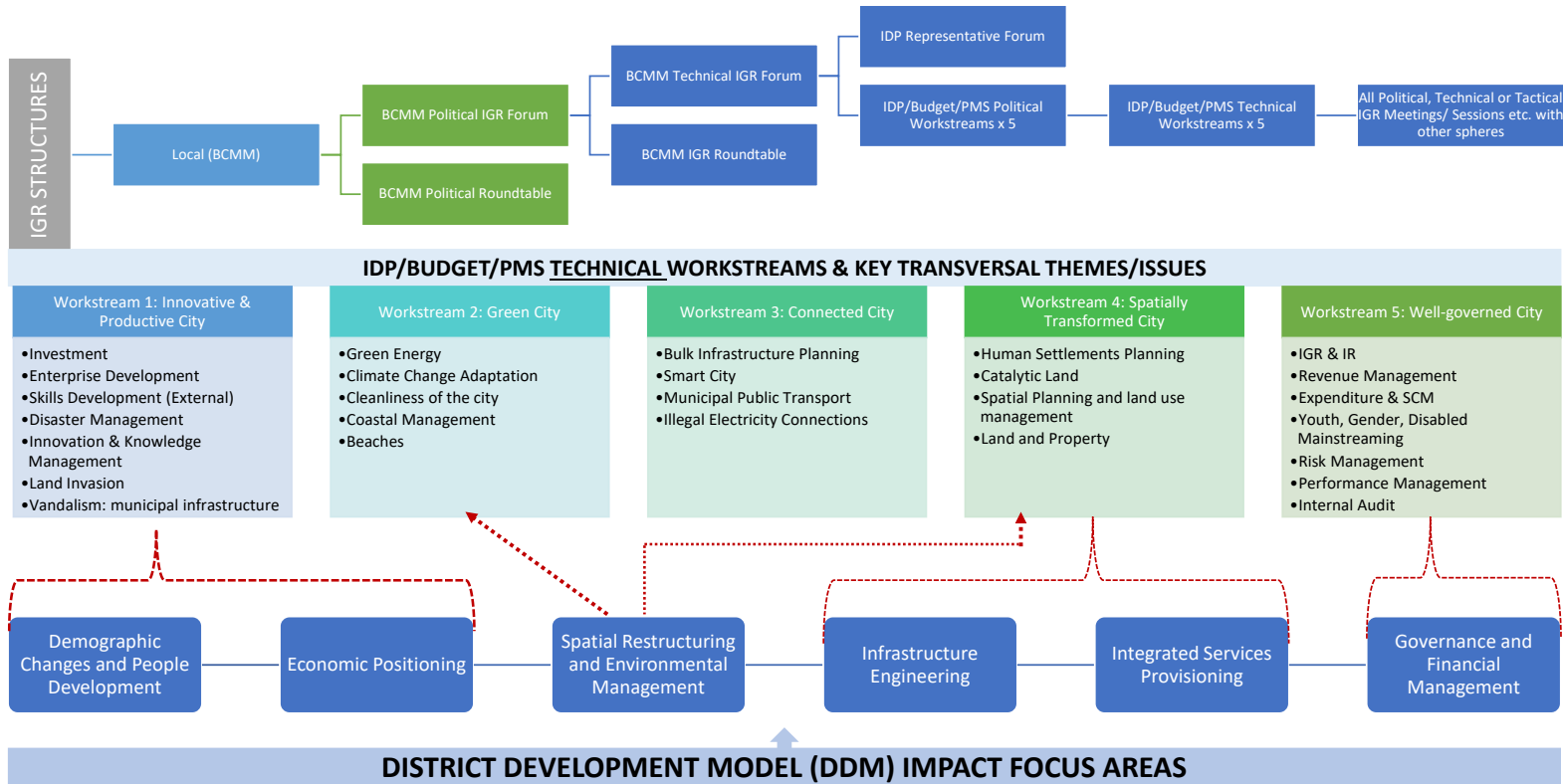


Figure 79: BCMM Internal Transversal Governance Model

8 IDP Content

Legally required *Section* content of a five-year IDP

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.*

9 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
Requirement for sector planning to be incorporated into IDP	Spatial planning requirements	Department of Rural Development and Land Reform	Development Facilitation Act, No 67 of 1995
	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
	LED	Department of Cooperative Governance and Traditional Affairs	Municipal Systems Act, No 32 of 2000

CATEGORY OF REQUIREMENT	SECTOR REQUIREMENT	NATIONAL DEPARTMENT	LEGISLATION/POLICY
Requirement that IDP complies with	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
	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
Value adding contribution	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
Performance Management	Developmental local government Sustainable Development and Environmental Awareness	Department of Provincial and Local Government	White Paper on Local Government, 1998
	Global Partnership responding to world's main development challenges	Department of Environmental Affairs	Local Agenda 21
	The continent's strategic framework that aims to deliver on its goal for inclusive and sustainable development	Department of Social Development	Sustainable Development Goals
National policy	Regulations in terms of the Spatial Planning and Land Use Management Act (March 2015)	Office of the Presidency	Agenda 2063: The Africa we want
	National Development Planning Imperatives	Department of Planning, Monitoring and Evaluation (DPME)	Municipal Planning and Performance Management Regulations (Aug 2001) Municipal Budget and Reporting Regulations (April 2009) National Development Plan (2012) Medium-Term Strategic Framework: 2019 – 2024 Government's 12 Outcomes Back to Basics – Serving our Communities Better Integrated Urban Development Framework (IUDF)
Provincial policy	Provincial Government Development Planning Imperatives	Department of the Premier	Provincial Spatial Development Plan EC Vision 2030 Plan

Table 30: Legal Requirements

10 Amendment of IDP Process Plan

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 Organisational 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 – 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

A = Top Management	B = Strategic Development Portfolio Committee	C = Budget Steering Committee	D = Council	E = Provincial COGTA
F = Provincial Legislature	G = MEC for Local Government	H = Provincial Dept. of Human Settlements	I = Auditor General	J = 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	IPMS	Organisational Performance Management System
EPMO	Enterprise Project Management Office	SDBIP	Service Delivery and Budget Implementation Plan

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
JUL – AUG: Preparing for the IDP, Budget and Performance Management Process			
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) 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.	A, B and C 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.	A consider 2022/2023 First Adjustment Budget & the 2021/2022 Fourth Adjustment budget and recommend these being approved by Council	MBRR - Reg 23(5)	BTO
5.	External IDP/Budget/PMS Representative Forum meeting to consult External Stakeholders on the Draft IDP/Budget/PMS Process Plan and Time Schedule and the Buffalo City Metropolitan One Plan	MSA - Sec 9(1)(b)(i) & (ii)	IDP/BI
6.	Council: <ul style="list-style-type: none"> Approve IDP/Budget/PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year), the 2022/2023 First adjustment budget (to be tabled before 25 August 2022) and the 2021/2022 Fourth Adjustment budget. <p>AND</p> <ul style="list-style-type: none"> Note SDBIP approved by Executive Mayor and performance agreements signed by Municipal Manager and Managers directly accountable to the Municipal Manager to D for notification 	MSA - Sec 28 MFMA - Sec 21(1)(b) MFMA - Sec 28(2)(e) 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 MFMA - Sec 1(1)(b)	IDP/BI
8.	Submit to National & Provincial Treasury as well as to the other transferring officers the 2022/2023 First Adjustment Budget & the 2021/2022 Fourth Adjustment budget within ten working days	MBRR - Reg 24	BTO
9.	Publicise the 2022/2023 First Adjustment Budget & the 2021/2022 Fourth Adjustment budget in the Local Newspaper and on the BCMM Website within ten working days	MSA – Sec 21A MBRR - Reg 25	BTO
10.	Submit Draft APR, AR and AFS for previous financial year to I	MSA - Sec 21, 21A, 28(3) MSA – Sec 46 MFMA - Sec 126	BTO, IPMS

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
11.	Submit 4 th Quarter Performance Report to D within 30 days of the end of the quarter	MFMA - Sec 52(d)	BTO, IPMS
12.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to D	MFMA - Sec 52(d)	BTO, IPMS
13.	Submit SDBIP approved by Executive Mayor and performance agreements signed by Municipal Manager and Managers directly accountable to the Municipal Manager to D for notification	MBRR - Reg 31(c)	IPMS
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, 28(3)	IDP/BI

SEPT – OCT:

PHASE 1: Research Information Collection and Analysis

Key Outputs:

- An assessment of existing levels of development within the municipality, including service backlogs, problem areas, opportunities and strengths as well as key risk areas.
- An identification of the priority problem areas to be addressed. This should include information on the causes of priority issues/problems.
- Identification of the key projects and programmes of other spheres of government, state entities and the private sector which are currently underway or are planned for the municipality.
- Information on available resources.

Approach:

- Current data is compared to available data of previous years in order to understand different trends.
- Stakeholder and community participation is very critical in this phase and will provide vital information on the main problems faced within the municipality. Consultation should begin at a neighbourhood or ward level and in addition, can also be done on a more focused basis around sectors or specific interest groups.
- This phase allows for the application of gender planning, which stems from the recognition that different groups of women and men have different needs, different levels of access and control over resources, and different opportunities and constraints.
- The metro will use this phase to identify the positive aspects about the municipality, its unique features, areas of potential and opportunity. These are vital in developing strategies to use these for greatest benefit of the municipality and country.
- It is also important to determine the priority issues because the municipality will not have sufficient resources to address all the issues identified by different segments of the community.

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
16.	Conduct IDP/Budget/PMS Workstreams to: <ul style="list-style-type: none"> • Prepare a draft Situational Analysis Report for the Top Management Technical Planning Session; and • 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 • Discuss IGR Framework Review – Transversal planning institutional arrangements (REF: ONE PLAN) 	MSA - Sec 21, 21A, 28(3) MSA – Sec 26(b)	IDP/BI, Office of City Manager
17.	Conduct an IDP Technical Planning Session (also known as Top Management Technical Planning Session) to: <ul style="list-style-type: none"> • Reflect on progress made with implementation of strategic priorities during preceding financial years; and • Review SITUATIONAL ANALYSIS of the metro that inform priority choices • Discuss IGR Framework Review – Transversal planning institutional arrangements (REF: ONE PLAN) 	MSA – Sec 26(b)	IDP/BI, Office of City Manager
18.	Conduct Technical Transversal Planning Sessions led by HoDs, GMs and SMs as per function (e.g. Disaster Management Forum) to: <ul style="list-style-type: none"> • Compile and report on consolidated narrative and data on the planned investment footprint of other spheres in the metro space for reporting to BCMM Political and Technical IGR Fora. REF: ONE PLAN	N/A	IDP/BI, IGR
19.	Political IGR Forum to consult Political IGR Forum on revised and updated One Plan REF: ONE PLAN	IGR Framework Act – Sec 30	IDP/BI, IGR
20.	Conduct Top Management meeting to consider Ward Priorities and Mayoral Imbizo Report as updated by Senior Management	Chapter 4 MSA	IDP/BI, Office of the City Manager
21.	Ward Public Meetings to collect ward community needs from the broader public and stakeholders in the wards through: <ul style="list-style-type: none"> • Ward Public Meetings, or • Ward Needs Surveys, or • Collecting community needs at Mayoral Imbizos 	Chapter 4 MSA	Public Participation

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
22.	Ward Priorities Sessions with Ward Committees: <ul style="list-style-type: none"> Ward Councillors, together with Ward Committees compile/review ward profiles and ward priorities. 	Chapter 4 MSA	Public Participation, IDP/BI
23.	Conduct three Pre-Mayoral Imbizo Sessions to consult Councillors to verify content for the Executive Mayoral Imbizos, including the status report on 2016/2021 Ward Priorities	N/A	IDP/BI, Office of Executive Mayor
24.	Executive Mayoral Imbizo to interact with ward communities, listen to needs and concerns and provide feedback on approved programmes and projects for 2023/2024	MSA – Sec (29)(1)(b)(i) & (ii)	Office of the Executive Mayor
25.	Submit 1 st Quarter Performance Report to D	MFMA - Sec 52(d)	BTO, IPMS
26.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to D	MFMA - Sec 52(d)	BTO, IPMS
27.	Submit draft Annual Report to A	MBRR - Reg 31(c)	IPMS
OCT – DEC:			
PHASE 2: Vision, Objectives and Strategies			
<ul style="list-style-type: none"> This phase is closely linked to Phase 2 above and involves the identification of programmes and projects that the municipality intends to undertake in the five-year period. These should be developed with a constant reference to the requirements of the NDP, IUDF, DDM as well as other sectoral policies. During this phase the municipality should strive to get the input of other spheres of government, state entities, as well as key private sector players on what their development programmes, projects or intentions are, within the municipality. Once the broad programmes and projects have been identified, they should be articulated into detail such as: the nature of the programme / project, its location, duration, its cost and the source of funding. In addition, this should provide targets and indicators which can be used to measure the impact of the programme or project. The development of projects should respond to priority issues raised in consultation. They should also take into consideration the projects and initiatives by other organs of state. <p>During Phase 3, Sector Departments must:</p> <ul style="list-style-type: none"> Support the formulation of project proposals Facilitate the integration of the various programmes elaborated in the various sector plans Mainstreaming of cross cutting issues 			
28.	External IDP/Budget/PMS Representative Forum to consult external stakeholders on revised and updated One Plan REF: ONE PLAN	MSA - Chapter 5 IGR Framework Act - Sec 30	IDP/BI, IGR

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
29.	Political IGR Forum: <ul style="list-style-type: none"> All three spheres reflect on information available at all levels, joint metro spatial analysis, progress on previous commitments, confirm/change strategic direction of development in line with PGDS-NSDP Consider and recommend updated One Plan for approval by Council REF: ONE PLAN	IGR Framework Act, Sec 30	IGR
30.	Council considers the update One Plan for approval	IGR Framework Act, Sec 30	IDP/BI, IGR
31.	Three Spheres Joint Planning Sessions between metro and provincial and national government departments and State-owned Enterprises REF: ONE PLAN	MSA - Chapter 5 IGR Framework Act - Sec 30	IDP/BI
32.	Compile consolidated narrative and data on the planned investment footprint of other spheres in the metro space	N/A	IDP/BI
33.	IDP/Budget/PMS Technical Workstreams: <ul style="list-style-type: none"> Prepare for Mayoral and Council Lekgotla, including refinement of Ward Priorities Report (2016/2021) before presenting to Mayoral and Council Lekgotla 	N/A	IDP/BI
34.	Councillors submit Ward Priorities to IDP Department: <ul style="list-style-type: none"> Ward priorities must be signed off by Ward Committees and Ward Councillors Evidence of community meetings where ward priorities were discussed must be annexed to the submission (agenda, minutes, attendance registers). 	Chapter 4 MSA	IDP/BI
35.	Mayoral Lekgotla Session to review strategic objectives for service delivery and development	N/A	IDP/BI, Office of Executive Mayor
36.	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	N/A	IDP/BI, Office of Speaker
37.	Budget Workshops with all directorates	N/A	BTO
JAN – FEB: PHASE 3: Development of Programmes and Projects			

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
	<ul style="list-style-type: none"> This phase is closely linked to Phase 2 above and involves the identification of programmes and projects that the municipality intends to undertake in the five-year period. These should be developed with a constant reference to the requirements of the NDP, IUDF, DDM as well as other sectoral policies. During this phase the municipality should strive to get the input of other spheres of government, state entities, as well as key private sector players on what their development programmes, projects or intentions are, within the municipality. Once the broad programmes and projects have been identified, they should be articulated into detail such as: the nature of the programme / project, its location, duration, its cost and the source of funding. In addition, this should provide targets and indicators which can be used to measure the impact of the programme or project. The development of projects should respond to priority issues raised in consultation. They should also take into consideration the projects and initiatives by other organs of state. <p>During Phase 3, Sector Departments must:</p> <ul style="list-style-type: none"> Support the formulation of project proposals Facilitate the integration of the various programmes elaborated in the various sector plans Mainstreaming of cross cutting issues 		
38.	B review and update the IDP Vision, Mission and Strategic Objectives for recommendation to D	N/A	IDP/BI
39.	Submit 2 nd Quarter Performance Report to D within 30 days of the end of the quarter	MSA Section 34 MFMA - Sec 52(d) MBRR - Reg 29	
40.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to D	MBRR - Reg 34	BTO, IPMS
41.	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) MFMA - Sec 72(1)(b), Sec 52(d) MBRR - Reg 35	BTO, IPMS
42.	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
43.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the Statement of Financial Performance and the Implementation of the 2022/2023 budget for the second quarter & Mid-year budget and Performance assessment report ended 31 December 2022 to Council	MSA - Sec 21, 21A, 28(3) MBRR - Reg 34	BTO, IPMS
44.	Publicise the Mid-Year Budget and Performance Reports in the local newspaper	MSA - Sec 21, 21A, 28(3)	BTO, IPMS

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
45.	<p>Council:</p> <ul style="list-style-type: none"> To table and adopt the Statement of Financial Performance and the Implementation of the 2022/2023 budget for the second quarter & Mid-year budget and Performance assessment report ended 31 December 2022 To consider Municipal entity's proposed budget, priorities and objectives for 2023/2024 and proposed budget adjustments for 2022/2023 To table the Draft AR within 7 months after the end of the financial year to which the report relates 	<p>MFMA - Section 72(1)(b), Section 52(d)</p> <p>MBRR - Reg 35</p> <p>MFMA - Sec 75 (2) MSA - Sec 21(b)</p> <p>MFMA - Sec 127</p>	BTO, IPMS
46.	Make public the Mid-Year Budget and Performance Reports in the local newspaper and on municipal website	MFMA - Section 75 (2) MSA - Sec 21(b)	BTO, IPMS
47.	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	MFMA - Section 127(5)(b)	IPMS
48.	Publicise draft AR and notify the public and other stakeholders to render written comments on the Draft AR	MFMA – Sec 127(5)(b) MFMA – Sec 127 (5)(a) MSA – Sec 21A	IPMS
49.	Work sessions to do costing of prioritised projects and programmes for CAPEX and OPEX 2023/2026 MTREF Budget	N/A	BTO
50.	<p>IDP Technical Work Sessions (per directorate):</p> <ul style="list-style-type: none"> To review 2022/2023 service delivery key performance indicators and targets after adjustments budget Set Key Performance Indicators and Targets for the draft Revised 2023/2024 IDP and SDBIP To align IDP, Budget, Risk and performance indicators 	<p>MSA - Sec 26, Ch 6</p> <p>MFMA – Sec 53(1)(c)(ii)</p> <p>MFMA - Sec 54</p>	IDP, BTO, IPMS, Risk Management
51.	Ward IDP Sessions to discuss progress made with Ward Priorities, Mayoral Imbizo Issues with Councillors	N/A	IDP/BI
52.	BCMM Technical IGR Forum Workshop to align municipal priorities with the plans of national and provincial sector departments and state entities	MSA - Chapter 5	IDP/BI, IGR
53.	Consult A on Draft Revised SDBIP	MFMA - Sec 54	IPMS
54.	Submit Draft Revised SDBIP to D	MFMA - Sec 54(1)(c)	IPMS
55.	Publicise the revised SDBIP within 10 working days after adoption in the Local Newspaper and BCMM Website	MFMA - Sec 54(3) MSA - Sec 21A	IPMS

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
56.	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	N/A	IPMS
FEB: PHASE 4: Integration and Consolidation			
<ul style="list-style-type: none"> ▪ Once the programmes and projects have been articulated, there is a need to step back and assess the relevance and interdependence of the programmes and projects. ▪ During this phase intensive consultations should take place, this includes engaging with communities and organized civil societies through workshops, meeting and other available methods ▪ This phase is an opportunity for the municipality to harmonise the programmes and projects in terms of content, location and timing in order to arrive at consolidated and integrated strategy. Here it is vital for the municipality to ensure that the programmes and projects being implemented by 'external' non-municipal role player are harmonised with the municipality's own programmes, and to ensure that they gain maximum benefit from each other. <p>During Phase 4, Sector Departments must:</p> <ul style="list-style-type: none"> ▪ Support the formulation of project proposals ▪ Facilitate the integration of the various programmes elaborated in the various sector plans ▪ Mainstreaming of cross cutting issues ▪ <u>Mechanism:</u> Metro engagements or written submissions ▪ <u>Output:</u> List of Projects, Draft IDP 			
57.	Incorporate improvements as recommended by the MEC for Local Government in the IDP document	MSA - Sec 31 and 32	IDP/BI
58.	Integrate and align sector plans with the IDP	N/A	IDP/BI
59.	Integrate and align operational strategies with the IDP	N/A	IDP/BI
60.	Top Management to consider 2022/2023 Mid-year Adjustment Budget	MFMA - Sec 28 MBRR - Part 4	BTO
61.	Budget Steering Committee to consider 2022/2023 Mid-year Adjustment Budget	MFMA - Sec 28 MBRR - Part 4	BTO
62.	Council Workshop on the 2022/2023 Mid-year Adjustments Budget	MFMA - Sec 28	BTO

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
		MBRR - Part 4	
63.	Council to consider and adopt 2022/2023 Mid-year Adjustments Budget	MFMA - Sec 28 MBRR - Part 4	BTO
64.	Submit the 2022/2023 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 MSA – Sec 21A	
65.	National Treasury Mid-year Budget and Performance Assessment Review	MSA - Chapter 5	BTO, IDP/BI
66.	Integrate Ward Priorities with IDP, MTREF Budget and Performance Management System	N/A	EPMO, IDP/BI
MAR:			
PHASE 5: Approval, Adoption and Publication			
<ul style="list-style-type: none"> ▪ Before the approval of the IDP, the municipality must give an opportunity to the public to comment on the draft. The municipality is required to publish the draft IDP for public comments for at least 21 days. ▪ This period provides an opportunity for the municipality to engage key stakeholders including sector departments, traditional leaders and the business sector to solicit inputs on the draft IDP together with the draft budget. ▪ Municipalities are expected to consider all comments and inputs received and to revise the IDP where necessary. <p>During Phase 5 Sector Departments must:</p> <ul style="list-style-type: none"> ▪ Comment on the draft IDP through IDP assessment processes 			
Approval of draft IDP			
67.	IDP Technical Planning Session (Also known as Top Management Technical Planning Session) to: <ul style="list-style-type: none"> • Consider and recommend the draft IDP, MTREF Budget and SDBIP • Consult on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders 	N/A	IDP/BI, Office of the City Manager
68.	Consultation meetings with B and C to: <ul style="list-style-type: none"> • Consider and recommend the draft IDP, MTREF Budget and SDBIP • Consult on proposed consultations with councillors on IDP/Budget Roadshows and other engagements with stakeholders 	MFMA - Sec 16(2) MSA - Sec 25 MBRR - Part 3	IDP/BI, IPMS, BTO

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
69.	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) MFMA - Sec 21 MSA - Sec 25 MBRR - Part 3	IDP/BI, IPMS, BTO
70.	External IDP/Budget/PMS Representative Forum and BCMM Technical IGR Forum (combined) to give inputs on the draft IDP, MTREF Budget and SDBIP	MSA - Sec 29(1)(b)(i) & (ii)	IDP, IPMS, BTO
71.	Council: <ul style="list-style-type: none"> To approve the draft IDP, MTREF Budget and draft policies (at least 90 days before the start of the budget year) 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. 	MFMA - Sec 16(2) MSA - Sec 25 MBRR - Part 3 MFMA - Sec 129 MSA - Sec 26(e), 34 SPLUMA Sec 20 (2) MFMA - Sec 127	IDP, BTO, EDA, BCMDA
APR – MAY:			
PHASE 5: Approval, Adoption and Publication			
Consultation and refinement			
72.	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) MSA - Sec 25 MBRR - Part 3 MFMA - Sec 22(a) MSA - Sec 21A MPPMR - Reg 15(3) MPRA – Sec 4(2) DORA Regulations	IDP, BTO
73.	Submit to National & Provincial Treasury, as well as to the other transferring officers' copies of the Draft IDP, Tabled MTREF Budget and draft policies	MFMA - Sec 22(a) MSA - Sec 21A MPPMR - Reg 15(3) MPRA – Sec 4(2) DORA Regulations	IDP, BTO
74.	Submit Oversight Report and Annual Report for approval to D	MFMA - Sec 22(a) MSA - Sec 21A MPPMR - Reg 15(3)	MPAC, IPMS

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
		MPRA – Sec 4(2) DORA Regulations	
75.	Place OR and AR on the municipal website within five (5) days after approval by Council	MFMA - Sec 127 MFMA - Sec 129(3)	IPMS
76.	Make available OR and AR at all municipal offices and libraries for information	MFMA - Sec 127 MFMA - Sec 129(3)	IPMS
77.	Submit the Annual Report and Oversight Report to the provincial legislature as per circular	MFMA - Sec 129	IPMS
78.	IDP/Budget Roadshow (4 wards per day for 20 days) <ul style="list-style-type: none"> Conduct IDP/Budget Road Show to consult the Draft IDP, Tabled MTREF Budget and draft policies 	MFMA - Sec 22(a) MSA - Sec 21A, Sec 29(1)(b)(i) & (ii) MPPMR - Reg 15(3)	IDP/BI, BTO
79.	Sector-based Engagements (Roundtables, Summits, Workshops, etc.) <ul style="list-style-type: none"> To consult sector stakeholders (e.g. Women, Youth, Business) on the Draft IDP, Tabled MTREF Budget and draft policies 	MFMA - Sec 22(a) MSA - Sec 21A, Sec 29(1)(b)(i) & (ii) MPPMR - Reg 15(3)	Portfolio Heads and relevant HoDs
80.	Submit 3 rd Quarter Performance Report to D within 30 days of the end of the quarter	MFMA - Sec 52(d)	IPMS
81.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to D	MFMA - Sec 52(d)	IPMS
82.	Municipal Budget and Benchmark Engagement by National Treasury to assess BCMM draft MTREF Budget	MBRR - Reg 31(c)	BTO
APR – MAY:			
PHASE 5: Approval, Adoption and Publication			
Final Adoption			
83.	A and 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, IPMS
84.	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
85.	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) MSA - Sec 25 MBRR - Part 3	IDP/BI, BTO

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
86.	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)	MFMA - Sec 16(2) MSA - Sec 25 MBRR - Part 3	IDP/BI, BTO, IPMS
APR – MAY:			
PHASE 5: Approval, Adoption and Publication			
Publication			
87.	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 MFMA - Sec 22 and 75 MSA - Sec 21A and 21B	IDP/BI, BTO
88.	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
89.	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) MBRR - Reg 20	BTO
90.	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 MSA - Sec 25(4)(a)(b)	IDP/BI, BTO

The following figure is a graphic presentation of the process flow of key activities throughout the IDP Process:

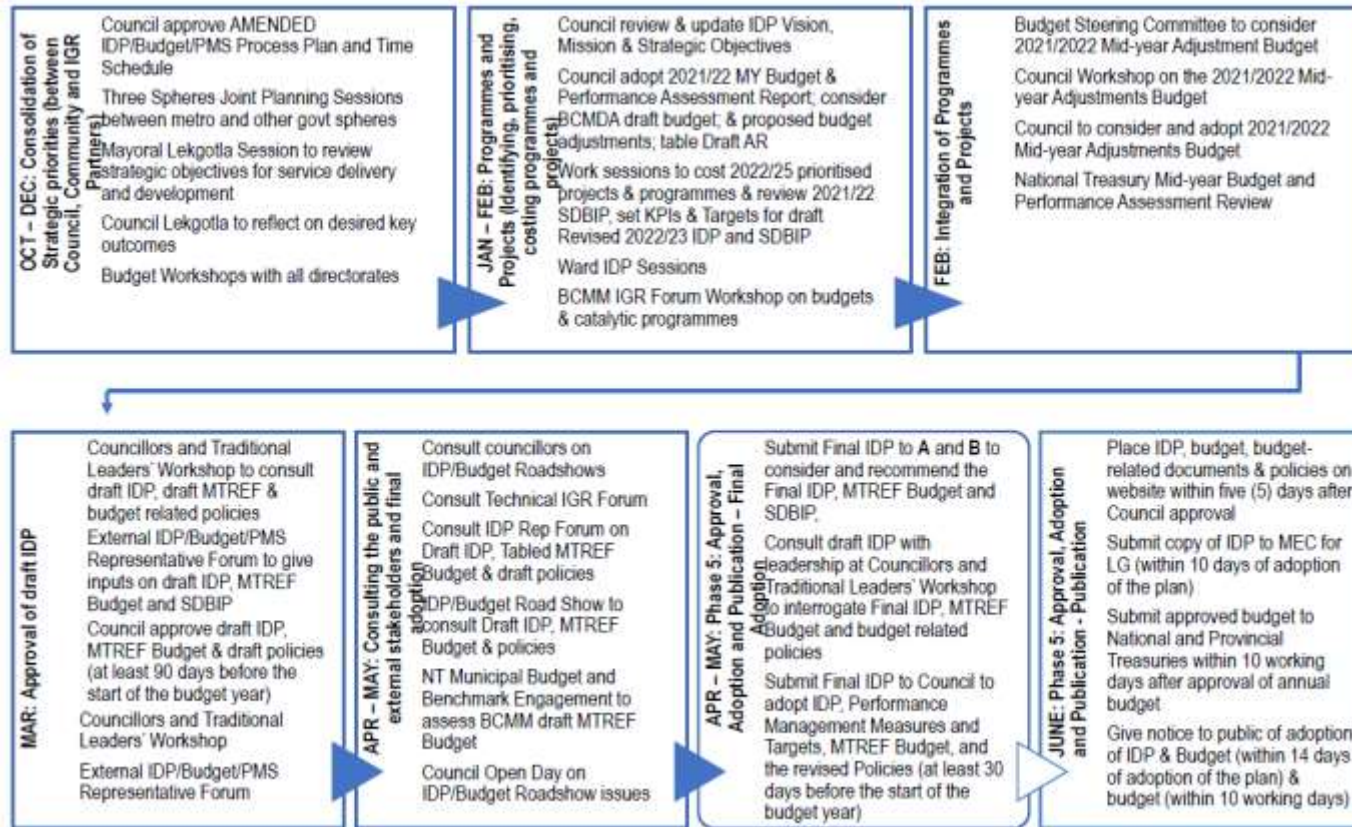


Figure 80: IDP Process Flow

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/Budget Roadshows and Mayoral Imbizo meetings convened by the municipality as part of the participatory democracy outreach agenda.

The following table reflects the development priorities identified by communities and stakeholders residing in the fifty (50) wards of the metro, under the leadership and guidance of the Ward Councillors. Ward Committees played an important role in supporting the Ward Councillors and providing insight into the state of development in the wards. This happened through broader community meetings and Ward Committee meetings held during September to December 2022 as part of the IDP Review Process.

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
1	Roads and Bridges	Brealyn and Duncan Village	Municipality	Roads Rehabilitation and resurfacing is undertaken annually. Roads are identified in consultation with the ward councillor and are prioritised in line with the available budget. Bridge rehabilitation has been undertaken. Additional structures are identified according to condition surveys and the available Budget.
1	Community Hall	Pefferville and Duncan Village	Municipality	There are currently two halls that exist for this Ward being Parkside Hall and Gompo Hall within the 10km radius
1	Recreational Park and Sports field	Brealyn, Stoney Drift, Pefferville and Duncan Village	Municipality	Basic maintenance by Sports Facilities staff is being done if and when required by the community.
1	Clinic	Braelyn	Municipality	To be escalated to IGR Forum
1	High mast light	Braelyn and Pefferville	Municipality	High mast, within BCMM area of supply: The following procedure is considered when approving high mast: <ul style="list-style-type: none"> Does the area already have street lighting? If the request is due to the streetlights been

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				<p>vandalised and therefor are not providing the required lighting, then it is very likely that the high mast will also be vandalised. Community should take responsibility for infrastructure within their which provides services to them.</p> <ul style="list-style-type: none"> ▪ Has the area already received a high mast in the previous year? ▪ Is the identified area suitable for a high mast (Ground conditions, servitudes cable, sewage, water pipes)? ▪ Is the area designated for the high mast owned by BCMM? ▪ Actual number of masts to be installed would depend on the funding available and the cost per high mast. ▪ High mast in Eskom area of supply. ▪ Eskom do not provide Lighting within their area of supply.
2	Registration of Houses	Bebelele, Holomisa, Area 10, Dunga Street, Ndlovini, Squatter Camp, Area 7B	Housing registration must be opened again and prioritize elderly and disabled people. Block clearance should be done to those who already benefited from the project	
2	Changing of Old Infrastructure - Sewer system	Hostel, Dunga, Meki, C Section, Toilet City, Zakhele Squatter Camp, Holomisa Squatter Camp	Old infrastructure should be changed, and large pipes should be installed	
2	Maintenance of Roads	C Section area 15, Mahlangeni, Mzonyana, Toilet City, Mbeki	Speed humps be on streets, road signs	
2	Job creation and Skills Development Programmes	Duncal Village, Ward 2	Jobs must be created. Learnerships must be created for young people who have matric and skills for disabled people and for older people	ED& A in partnership with Services SETA will implement a skills development programme including learnership and apprenticeship. The programme earmarked to benefit all wards. ED&A has a business support centre in Duncan Village aimed at assist aspiring entrepreneurs as well as existing SMME's.
2	Electrification of Informal Settlements	C Section, Bebelele, Back yard informal settlement, Zakhele Squatter Camp	New electric boxes must be installed, replace small	Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
			transformers with large ones. Install electricity boxes to the informal settlements and those at the back yard	<p>with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable? ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, ▪ Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
3	Multi-purpose centre with: Community Hall, Indoor sport facility, Library, Computer centre, Art centre, Clinic & Offices	St James Public open space, Southernwood, next to Melville Heights residence.		The department of Human Settlement has a grant allocated for Multi-Purpose Centres
3	Roads need to be resurfaced	Selborne & Berea: The following roads needs resurfacing: Methuen Road, Western Avenue, Greenwood Rd, Tyrell Rd, Berea Terrace, Davidson Red, Ashley Rd, Osbourne Rd, Brighty street, Halstead Rd, Haig, Clevedon Rd Lincoln, Beatty and Athlone	Project	Roads Rehabilitation and resurfacing is undertaken annually. Roads are identified in consultation with the ward councillor and are prioritised in line with the available budget.
3	Bush clearing/grass cutting	Selborne: At the bottom of Lincoln Road towards the Centre of Excellence. BEREA: Chamberlain Road, its bushy at the bottom of Tindale Road	Programme. Request a tender to be awarded to a company that will actually do the job. Being on the	Implementation of Bush clearing programme through Contract 283 at Ward 3

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
		SOUTHERNWOOD: Ndosi Site, Thornburn Terrace, Weaver Terrace, Valley road	waiting list for years is not acceptable	
3	Recreational communal park for leisure	Renovations to St Georges Park, Southernwood. Gates to all entrances, Playground and outdoor gym, basketball and Netball court	project. Can the tender be advertised in 2022/23 financial budget	
3	High mast light	Communal Park	project	Electricity and Energy Department will assist with the installation, Parks and recreations are responsible for budgeting and project approval
3	Stormwater drains	St Georges, Nahoon view Road, Gladstone road (Berea)	project . Be budgeted within 2022/23 fy	Jetting of existing stormwater drainage in various areas is carried out on an ongoing basis. The ingress of solid waste into the stormwater system is an ongoing problem.
4	Electrification /High mast lights	Cambridge Location	electrification of informal settlement and installation of high mast lights	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				<p>electrification planning and installation.</p> <p>High mast, within BCMM area of supply: The following procedure is considered when approving high mast:</p> <ul style="list-style-type: none"> ▪ Does the area already have street lighting? If the request is due to the streetlights been vandalised and therefor are not providing the required lighting, then it is very likely that the high mast will also be vandalised. Community should take responsibility for infrastructure within their which provides services to them. ▪ Has the area already received a high mast in the previous year? ▪ Is the identified area suitable for a high mast (Ground conditions, servitudes cable, sewage, water pipes)? ▪ Is the area designated for the high mast owned by BCMM? ▪ Actual number of masts to be installed would depend on the funding available and the cost per high mast. ▪ High mast in Eskom area of supply. ▪ Eskom do not provide Lighting within their area of supply.
4	Houses	Cambridge Location	Building houses	
4	Garcia Flats	Cunningham Avenue, Cambridge	The block of flats needs refurbishment and a lot of maintenance work need to be done	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
4	Roads/Speedhumps	All the roads in Cambridge, Cambridge West, Highgate, Chiselhurst and Cambridge Location needs to be resurfaced such as in Cambridge Kipling street, Willowglen road, Cambridge west Seven Oaks, Colley avenue, Taylor Road, Dutton Road, Fuller street, Sonop Roads such as in Highgate Heath Road, Butler road, Meier road, Baden Powell such as in Chiselhurst , Garvin Road, Geoff Nettleton, Olympic avenue, Orpen road, such as in Cambridge location. Madolwan street. Speed humps are needed in the following roads: Dutton road, Strathmore avenue, Cunningham avenue, Mayfair avenue, Elizabeth road, French street, Hebbes street, Olympic avenue and Armist road	Resurfacing of roads and construction of speed humps	Some of the roads identified have been resurfaced, Elizabeth, Hebbes Roads, Cambridge location, Rehabilitation and resurfacing is undertaken annually. Roads are identified in consultation with the ward councillor and are prioritised in line with the available budget.
4	Electrification /High mast lights	Cambridge Location	electrification of informal settlement and installation of high mast lights	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable? ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				<p>ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.</p> <p>High mast, within BCMM area of supply: The following procedure is considered when approving high mast:</p> <ul style="list-style-type: none"> ▪ Does the area already have street lighting? If the request is due to the streetlights been vandalised and therefor are not providing the required lighting, then it is very likely that the high mast will also be vandalised. Community should take responsibility for infrastructure within their which provides services to them. ▪ Has the area already received a high mast in the previous year? ▪ Is the identified area suitable for a high mast (Ground conditions, servitudes cable, sewage, water pipes)? ▪ Is the area designated for the high mast owned by BCMM? ▪ Actual number of masts to be installed would depend on the funding available and the cost per high mast.
4	Environmental issues	Grass cutting on a regular basis on BCMM open spaces, parks and islands in the entire ward. Grass cutting is urgently needed in Glenside avenue, Montgomery avenue, Montgomery drive, Belvoir road, Armist Road, Garvin Road, Geoff Nettleton, Moorshead Roadand Horseshoe valley road, Butler road, Chiselhurst location. Bush clearing/ Tree felling is needed at		Implementation of Bush clearing programme through Contract 283 at Ward 4

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
		Green Park, Derwent Avenue, whole of Chiselhurst, Olympic avenue, Scholl place, Vian Avenue, Montgomery drive, Churchill avenue, Belvoir road, whole of Highgate and Cambridge location		
5	Tarring of roads, Paving of side walks	Main road, Dorah, Tamana, Msauli Cr, Andile Matshoba	Project	Road upgrades are identified and prioritised conjunction with the ward councillor. The construction of a sidewalks along Scenery Park Main Road has been undertaken.
5	Free quality houses	Manto Squatter camp, Joe Slovo, kwaNobhetele, Eskom	RDP project	
5	Temporary electrification provision	Manto, Airport, Joe Slovo, John Dube, Nobhetele, Eskom		
5	Sewerage systems upgrade	Phase 1, 2,3		
5	Upgrade of sportsfield, grandstand, security			Upgrade of sports field will be done on availability of budget.
6				
6				
6				
6				
6				
7	Community Hall	Inyathi Public Primary School grounds, Griffith Mxenge Avenue, Gompo Town	To set aside funds to erect the much-needed community structure for the people of Ward 7	The are currently two Halls within the 10km radius of this ward, namely Billy Francis Hall and Gompo Hall
7	Skills Development for the Youth	Ward 7 Rent Office, 7 Jabavu Street and KwaLoyiti Post office	To set aside funding for the development of an ICT Lab in the Ward to assist young people of the ward as the ward runs learnership programmes to develop young people	
7	Electrification of Bhelebhele	Bhebhelele Area	Electricity department to set	Electrification of informal areas within BCMM's area of supply: Installation of

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
			aside funding for the electrification of shacks in the Ward to deal with the challenge of massive fires and illegal electrification	<p>infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
7	Bush clearing	In the entire Ward 7	Funding to be set aside to the Ward Allocation Programme to employ locals to clear bushes and ensure their ward is clean and free of crime	Implementation of Bush clearing programme through Contract 283 at Ward 7
8	Community Hall	Siya Street	The hall has been on tender, a service provider must be appointed	Funding has been allocated for the Construction of Gesini Hall
8	Electrification of Informal Settlement	All squatter camps (Moscow, Mzamo, Khayelitsha, Siya, Fynbos area B & A)	A feasibility study must be conducted to the areas identified. The electrification be done in those areas conducive for the program	Electrification of informal areas within BCM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				<p>to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
8	Community Swimming pool	Within Gompo stadium	Project	
8	Renovation of delapidating Sports fields		United is a rugby stadium, Boarder Ruby must be engaged.	
8	Renovation of delapidating recreational parks	All existing recreational parks		Annual contract for Playground and Outdoor Gym Equipment to be readvertised in April 2023
8	Houses	<p>People in Gatvol must be taken to temporary shelters to give way for the city to finish the houses and hand them to rightful owners as currently the houses are illegally occupied by invaders and there are confrontations that lead to assaults about the area.</p> <p>People with blue cards are not captured by Human Settlement as a result new people get to be on the beneficiary list</p>		

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
8	Roads and drainage system	Roads maintenance: Pagoda Street, Arendse Street, Bhomela Street, Kwinana Street, Siya street and Greenpoint road Drainage system: Fynbos area and D Hostel	Project	A portion of Greenpoint Rd, Bomela and Kwinana roads have been resurfaced. Roads Rehabilitation and resurfacing is undertaken annually. Roads are identified in consultation with the ward councillor and are prioritised in line with the available budget. Jetting of existing storm water drainage in various areas is carried out on an ongoing basis. The ingress of solid waste into the storm water system is an ongoing problem.
9	Community Hall	Braelyn Ext 10 near ERF 45725	BCMM should provide budget to build the community hall	There is already a Hall (Clement Kadalie) allocated for this area and no further funding can be allocated for an additional hall
9	Eco Park	Braelyn Ext 10 near ERF 45725	BCMM should provide budget to establish Eco Park	Availability of suitable land to investigated
9	Sewer Pipes and Stormwater Drains	Braelyn Ext 10	BCMM must change the sewer pipes with bigger sizes. Repair stormwater drains and ensure they maintained frequently	
9	Electrification	Stoney Drift Informal Settlement (Tip Site)	BCMM must budget and deliver electricity for the people of Stoney Drift	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				<p>access to service the community.</p> <ul style="list-style-type: none"> Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
9	Bush Clearing/ Cutting	Braelyn EXT 8 & 10, Amalinda	BCMM must have scheduled bush clearing like when they collect refuse	Implementation of Bush clearing programme through Contract 283 at Ward 9
9	Rectification of houses	Braelyn EXT 10 RDP Houses	the IGR platform must be used to bring all stakeholders to rectify the houses	Request to Provincial Department of Human Settlements for rectification.
10	Bridge	Between East Bank and Muvhango informal settlements on Ziphunzana bypass	Project where they will hire contractor	
10	Community Hall	Old Farmhouse in Egoli	This should be a project	There is already a Hall (Clement Kadalie) allocated for this area and no further funding can be allocated for an additional hall
10	Library and Satellite Police station	Old Farmhouse in Egoli	This should be a continuous programme	A Mobile Library services this area

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
10	High mast lights	Scenery Park just after the bridge	A continuous programme	<p>High mast, within BCMM area of supply: The following procedure is considered when approving high mast:</p> <ul style="list-style-type: none"> ▪ Does the area already have street lighting? If the request is due to the streetlights been vandalised and therefor are not providing the required lighting, then it is very likely that the high mast will also be vandalised. Community should take responsibility for infrastructure within their which provides services to them. ▪ Has the area already received a high mast in the previous year? ▪ Is the identified area suitable for a high mast (Ground conditions, servitudes cable, sewage, water pipes)? ▪ Is the area designated for the high mast owned by BCMM? ▪ Actual number of masts to be installed would depend on the funding available and the cost per high mast. ▪ High mast in Eskom area of supply. ▪ Eskom do not provide Lighting within their area of supply.
10	Housing for backyard dwellers, Informal Settlements and Shelters	Vergenoeg, Egoli, East Bank, 7 de Laan, Scenary Park, Muvhango, Inkandla, Amalinda	Housing Projects to be allocated to the ward	
11	Mutli-Purpose Centre/ Community Hall	N.U. 2 and NU 5 Rent Office	Prioritize building of centres as it will assist greatly	
11	Skills Development	N.U. 2 and NU 5 Rent Office	BCMM can work together with SETAs for purpose of development and training to address skills development	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
11	Electrification of Informal settlements	All informal settlements in the ward.i.e. Dumanokwe A, B &C; Ekuphumleni; Nkandla; Elikhanyisweni; Sonwabile A & B; Gugulethu; Daluxolo; Koyoyo City	There should be a project of electrification of informal settlements for entire ward to assist with power supply.	High mast, within BCMM area of supply: The following procedure is considered when approving high mast: <ul style="list-style-type: none"> Does the area already have street lighting? If the request is due to the streetlights been vandalised and therefor are not providing the required lighting, then it is very likely that the high mast will also be vandalised. Community should take responsibility for infrastructure within their which provides services to them. Has the area already received a high mast in the previous year? Is the identified area suitable for a high mast (Ground conditions, servitudes cable, sewage, water pipes)? Is the area designated for the high mast owned by BCMM? Actual number of masts to be installed would depend on the funding available and the cost per high mast. High mast in Eskom area of supply. Eskom do not provide Lighting within their area of supply.
11	Housing	Backyard Dwellers of ward 112	There should be project of building of RDP houses	
11	Sports Field	N.U.2 & N.U.5 Rent Office	There should be upgrading of White City Stadium Project to accommodate different sport codes then do other sport fields.	Upgrade of sports field will be done on availability of budget. Basic maintenance by Sports Facilities staff is being done if and when required by the community.
12	(Rezoning & Sub-division) of ERF 356 (GP no. 10630) EXT of 19 776 m2	At Grozo Village at N.U.1 (Emivundleni) (80 shacks)	Project	
12	(Rezoning & Sub-division) of 2019 (GP no. 6082/1998 with EXT of 32704 m2	Nkomponi N.U.1 Mdantsane (266 shacks to date)	Project	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
12	(Rezoning & Sub-division) of ERF 404. GP no. 6082/1998	Mdantsane East Ext N.U. 1 (Grozo Village)	Project	
12	No. of serviced sites that have totle deeds (133 sites) GP no. 10630c	N.U. 1 Mdantsane	Project	
12	Toilet pit; Small business centre; electrification	Smiling Valley, Ward 12	Project	
13	Tarred Roads and inner Streets	Khayelitsha, Thembaletu, Border, Reenas, Dice, Chicken Farm	Programme and the tarred road must be done according to KM	Road upgrades are identified and prioritised conjunction with the ward councillor in line with available budget. A Portion of Dice Rd has been upgraded
13	Electrification of Informal settlements	All Reeston areas	Programme till all informal settlements are done	<p>Electrification of informal areas within BCM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
13	Rectification of houses with cracks	Reenas, Thembaletu, Khayelitsha, Border, Dice, Chicken Farm, Bhakana	Project so that the contractor can fix these houses	HOD's to request to Province for a contractor to fix these houses
13	Bush Clearing/ Cutting	All Reeston areas (Border, Khayelitsha, Thembaletu and others)	Project is needed and it wil create job opportunities to the youth	Implementation of Bush clearing programme through Contract 283 at Ward 13

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
13	Sports Field AND Parks	All Reeston Areas] /	To source more funding for fencing of Parks
14	Roads	Around the ward	Project or programme	All formal roads in the ward have been upgraded to surfaced standards. Road maintenance is carried out on an as and when required basis when they are reported.
14	Pedestrian Bridge	Area 68 -72	Project or programme	
14	Grass Cutting	Around the ward	Project or programme	Implementation of grass cutting programme at Ward 14
14	Community Hall	Behind Rent Office	Construction of Community Hall	Funding has been allocated for the Construction of NU 3 Hall
14	Electrification of Informal settlements	Duma Nokwe informal settlements	Project or programme	<p>Electrification of informal areas within BCM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable? ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
15	Housing (Land, Destitute and Temporary shelters)	Quenera	Project	
15	Sanitation	Ducats North & South	Construction of waterborne toilets in Ducats	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
15	Gravel Roads	Ducats and Nompumelelo	Project	Gravel roads in Ducats and Nompumelelo are maintained by the in house gravel team.
15	Highmast Lights	Ducats and Nompumelelo	Project	<p>High mast, within BCMM area of supply: The following procedure is considered when approving high mast:</p> <ul style="list-style-type: none"> ▪ Does the area already have street lighting? If the request is due to the streetlights been vandalised and therefor are not providing the required lighting, then it is very likely that the high mast will also be vandalised. Community should take responsibility for infrastructure within their which provides services to them. ▪ Has the area already received a high mast in the previous year? ▪ Is the identified area suitable for a high mast (Ground conditions, servitudes cable, sewage, water pipes)? ▪ Is the area designated for the high mast owned by BCMM? ▪ Actual number of masts to be installed would depend on the funding available and the cost per high mast. ▪ High mast in Eskom area of supply. ▪ Eskom do not provide Lighting within their area of supply.
15	Sport fields	Nompumelelo, Ducats and Northen area	Project	There are currently a sports field in the area. Basic maintenance by Sports Facilities staff is being done if and when required by the community.

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
16	Electrification of Informal Settlement	Amalinda Forest	Human settlement has informal settlement budget that is funded through National Government . Human Settlement has the financial resource for the above to be implemented	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
16	Roads maintenance	PatKamp area	The Roads directorate should ensure that the area roads are surveyed to determine how much cost would the municipality incur for the roads to be done, furthermore ensure that the amount features in the budget	The existing gravel roads in the area are to be identified with the ward councillor. A cost estimate will be prepared for the upgrade of those roads which will be submitted for budgeting purposes.

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
16	Highmast light	Highway Gardens, Babb Street open space	Electrification department to visit the site where the highmast light can be erected and delivered	<p>High mast, within BCMM area of supply: The following procedure is considered when approving high mast:</p> <ul style="list-style-type: none"> ■ Does the area already have street lighting? If the request is due to the street lights been vandalised and therefor are not providing the required lighting, then it is very likely that the high mast will also be vandalised. ■ Community should take responsibility for infrastructure within their which provides services to them. ■ Has the area already received a high mast in the previous year <ul style="list-style-type: none"> • Is the identified area suitable for a high mast (Ground conditions, servitudes cable, sewage, water pipes)? ■ Is the area designated for the high mast owned by BCMM? ■ Actual number of masts to be installed would depend on the funding available and the cost per high mast
16	Taxi embayment	Robbie de Lange road entrance from the robots at the black road	Development planning should survey the area from the robots, thereafter make an embayment for the taxis	
16	Fencing of park	Klein road and Windmill road (centre)	Parks directorate should prioritise this and the visit the area	To source more funding for fencing of Parks
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Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
18	Sewerage spills into natural watercouses	Nahoon and Ihlanza River	Assessment and repair of Ihlanza & Nahoon main sewerlines	
18	Proclamation of Nahoon point nature reserve	Nahoon Point Nature Reserve	Land survey and proclamation of Nahoon Point Nature Reserve	
18	Fire fighting water systems	Entire ward	Testing and repair of firefighting water lines throught the ward	It is the responsibility of Fire & Rescue Services to check the functionality of fire hydrants - this will be monitored whilst also addressing staff capacity challenges. Issue of water supply and pressure to be addressed via Memorandum to Infrastructure Services for their attention and action.
18	Roads surfacing	Entire ward	Bunkers Hill The Drive from John Bailie Road to number 6, Hope Drive from Turnberry Road to Ainslie Road Stirling Epsom Road, opposite Peter Pan Pre-School, the road is collapsing, Beresford Road, Nahoon Reef Drive NAHOON Stanmore road from Kenyon Crescent to Crosbie Road, Crosbie road between Beach and Galway road, Stanmore road, Annandale Road, Beach Road, Old Transkei road, Ascot Road towards Beresford Road WOODLEIGH Bottom end of Kennington road NAHOON VALLEY Repairs need to be done to the road near 3 Ashgrove	Kennington Rd, Epsom outside Peter Pan and Galway Rd have been resurfaced. Roads Rehabilitation and resurfacing is undertaken annually. Roads are identified in consultation with the ward councillor and are prioritised in line with the available budget.

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
			<p>Road. The whole cul-de-sac needs to be resurfaced.</p> <p>BONNIE DOON 31 to 53 Irvine Road, Kenyon Crescent into Sheerness Road, 12 Utrecht Avenue, Cairns Road to Tainton road, Four-way crossing, Drake and Beach road (outside Nahoon Spar), Volgelsang Place into Vogelsang Road intersection</p> <p>VINCENT Dorset Road ner intersection of Brownlee and Dorset road, Bauhinia Drive- part of the road from Linaria Drive entrance to Bougainvillea road, Rosmead road, Gloucester road, Buckingham road, Surrey road, Bucholtz road, Donald road, Dorset road, Feb street, Lee street, Pryce street, Western Avenue from fire department uu until the N2 bridge</p>	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
18	Water pressure and reticulation	Vincent	Improve water pressure by pumped or elevated storage provision	The Department has rezoned the Dawn/Cambridge reservoir supply zones to include the affected high lying areas of Vincent into Dawn/Cambridge reservoir supply zones, which have high pressure due to their elevations. Refurbishment and upgrading of Umzomyana Water Treatment Works is being implemented as a multi year programme to ensure that there is bulk water supply capacity to fill up the system.
19	Road resurfacing, signs, markings Speed humps	Baitjies place, Julian place, Narvick Road, Devonshire road, Abbey Road, Gatwick , Cardiff, Peffer, Adderly, Bruce Street, Canterbury, Chadwick, Liverpool Road, from Corner Woodstock Road toward the AW Barnes School, Theunis Avenue, Hampstead Avenue, Solway Ave, Hatfield Ave, Ripple Avenue, Wessels Avenue, Bemont, R J Masters, Nightingale, Trent Ave, Thorncliff Ave, Infront of Westbank school, Hallett, Dale <u>Street name signs:</u> <u>Entire ward</u> <u>Road</u> <u>Markings:</u> Entire ward <u>Speedhumps:</u> Greenpoint Road, Devonshire Road, Abbey street, Gatwick, Second Creek, West Bank School, Hallett Str, Dale, Aldred Str	Programme	Chadwick Rd is currently being resurfaced. Hallet Road has been resurfaced. Roads Rehabilitation and resurfacing is undertaken annually. Roads are identified in consultation with the ward councillor and are prioritised in line with the available budget.
19	Bush clearing and grass cutting	Corner Allby & Buffalo view, Corner Thorncliff & Nigthingale, Westbank, Library Robbie De Lange Hall, Fire station in Greenfields, From corner Duke Cres & Greenpoint up towards the Buffalo flats police station	Programme	Implementation of Bush clearing programme through Contract 283 at Ward 19

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
19	Storm water upgrades	20 Charles Avenue Greenfields, Ghostown, whole Westbank Storm water system Corner observatory place	Project	Jetting of existing storm water drainage in various areas is carried out on an ongoing basis. The ingress of solid waste into the storm water system is an ongoing problem. Hot spot areas are monitored and assessed for possible upgrades. Cost estimates will be prepared and submitted for budgeting purposes.
19	Upgrading of parks-equipment and fencing	Corner Catto road & Kingsley road, Cnr Bruce Str & Port Rex Rd, Freemantle road, Nightingale Ave & Cnr Hood & Dallas str, monumnet on Cnr Banks and Hood Street	Project	Annual contract for Playground and Outdoor Gym Equipment to be re-advertised in April 2023
19	High mast lights in parks	Erected in all play parks in the ward	Project	Electricity and Energy Department will assist with the installation, Parks and recreations are responsible for budgeting and project approval
20	Upgrading of N.U.8 Bridge	Mvalo Road N.U.8	Project	The Structure has been assessed for upgrade. A cost estimate will be submitted for budget to be allocated.
20	Tar roads	N.U.6, N.U.7 & N.U.8 gravel road	Project	Ward 20 is part of the Mdantsane Roads upgrade program, whereby all the gravel roads inn Mdantsane will be upgraded to surfaced standards. This is however a multi year program which is ongoing.
20	Housing and electrification of informal settlements	Endlovini Squater, Ramaphosa squater, Ngidi park and Vukani squater	Projet	<p>Electrification of informal areas within BCM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable? ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				access to service the community. <ul style="list-style-type: none"> Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
20	Community centre with library	N.U.7 Utilized site	Programme	
20	N.U.7 Sport Ground	N.U.7 next to Philani High School	Project	The soccer and rugby fields, netball courts, goal posts and grass planting was completed in the 2020/21 financial year. Further requests will be considered on availability of budget.
21	Renovation of NU 15 Rent Office	Adjacent to NU 15 Caltex garage	The relecant Directorate i.e Spatial Planning to allocate the necessary budget urgently	
21	Four play areas, two at NU 15 and two at NU 13	One at NU 13 adjacent to 1040 NU 13. One at Golden Highway and one adjacent	the relevant Directorate i.e Parks department must intervene	
21	Paving of footpaths, leading to Industrial areas	In between Fort Jackson Industrial Zone and NU 15 and between NU 13 and NU 8 and Golden Highway	Through programme or project	
21	Maintenance of the two existing stadiums at NU 15 and Winter Rose Stadium	Adjacent to Micano Market, NU 15 sport ground and NU 13 Winter Rose stadium	Department of Sports in collaboration with other stakeholders must make means to maintain stadiums	Maintenance of sports field will be done on availability of budget.
21	Installation of Speed humps, sidewalks and guard rails	NU 15 (400 area), NU 15 (1700 area), NU 13 (100 are) , NU 15 Thambo Park area	the Department of Roads should make funds available	
22	Construction of Community Hall	N.U.17	Construction Project	NU 15 Hall is within the 10km radius of this Ward
22	Construction of housing	Postdam Village	Construction	The second phase of the project will be advertised, once first phase is complete.
22	Construction of housing	Luxhomo., Mncotsho	Construction	Contractor is on site, completing the first phase of the project

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
22	Construction of housing	Rent Office NU 17	Construction	
22	Fixation of water stand pipes	Mabaleni community hall	Construction	Fixing of stand pipes is an on going daily operations and maintenance activity, which is conducted as reported incidents. Mabaleni has the communal stand pipes and water tanks that are installed as the RDP standards. The community is urged to report all faulty stand pipes at NU6 Depot in Mdantsane.
23	Ablution facilities	NU 14 Sports fields		
23	Community Hall			NU 15 Hall is within the 10km radius of this Ward
23	Electrification of informal settlements			<p>Electrification of informal areas within BCM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
23	Housing	N.U. 18		
23	N.U14 Rent Office	Rent Office		

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
24	Roads	Tarred roads and streets at Unit P, Khayelitsha and gravel roads in rural areas	Project	Road upgrades are identified and prioritised conjunction with the ward councillor in line with available budget.
24	Water and sanitation	Nxamnkwana, Msintsi, Kanana and Khayelitsha	Project	Appointed a Professional Service Provider to conduct the feasibility study for the eradication of water backlogs in all Midland rural/informal areas. Assist with water tanker deliveries as a temporary relief.
24	Electricity	Nxamnkwana, Msintsi, Kanana and Khayelitsha	Project	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
24	Playgrounds	Unit P, Khayelitsha, Msintsi and Nxamnkwana	Project	
24	Housing	Ikhwezi block 1 and 2, Kanana, Khayelitsha and Nxamnkwana	Project	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
25	Roads	Zwelitsha Zone 8 & 9, Phakamisa, Kliff & Tshatshu	more budget needs to be allocated for roads	Road upgrades have been undertaken in Phakamisa, and work is underway in Zwelitsha. Regravelling has been undertaken in Kliff. Road upgrades are identified and prioritised in conjunction with the ward councillor in line with available budget.
25	Houses	Kliff and Tshatshu for rural housing. Zwelitsha & Phakamisa	more budget needs to be allocated for houses	
25	Sports fields and Recreational Park	Phakamisa Sportfield & Zwelitsha recreational park	more budget needs to be allocated for sports fields and recreation	There are currently a sports field in the area. Basic maintenance by Sports Facilities staff is being done if and when required by the community. To ensure availability of suitable land and investigate
25	Job creation	Zwelitsha Zone 8 & 9, Phakamisa, Kliff & Tshatshu	more budget and projects so there can be employment	
25	Old Age, Disability and Vulnerable groups	Phakamisa, Tshatshu, Zwelitsha & Kliff	More budget needs to be allocated for the creation of these centres	
26	Rural RDP Houses	The entire ward	Government Intervention	
26	Sports Ground Facilities	All our teams in Mpundu Zikhwabe	Public and Private sector intervention	There are currently a sports field in the area. Basic maintenance by Sports Facilities staff is being done if and when required by the community.
26	High Mast Lights (2 per village)	All villages	Installation of High Mast Lights	High mast, and street lighting within Eskom area of supply. <ul style="list-style-type: none"> ■ At this time Eskom do not install street lighting or highmast within their area of supply ■ This is a concern Nationally and is being discussed at National level .
26	Youth Centre including library	Entire Ward	Government to implement	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
26	Electricity and water & Roads and Bridges	All villages. Nonqwelo bridge	Just to deliver services to the people	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
27	Housing for Mzamomhle	A-section and H-section in Phase 3	Project	Build more housing units
27	Site & service & Church Sites	All Informal areas of Mzamomhle	Project	
27	Sport field	Mzamomhle	Program	The issue of landownership is manage by spatial planning. The area are being maintained by Sports Facilities staff if and when required by the community.

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
27	Roads and storm water	Mzamomhle	Project	Jetting of existing storm water drainage in various areas is carried out on an ongoing basis. The ingress of solid waste into the storm water system is an ongoing problem. Hot spot areas are monitored and assessed for possible upgrades. Cost estimates will be prepared and submitted for budgeting purposes. Storm water maintenance/Rehabilitation has been undertaken in Phase 1 Mzamomhle
27	Walkway	Reigerton Park	Program	
28	Tarring street, proper storm water drainage	Block G Phase 2 Mzamomhle Gonubie	Programme with Roads Department	Human Settlements department has undertaken roads upgrades in Phase 2 Mzamomhle.
28	Electrification of houses handed over in 2021 to beneficiaries in Block G Phase 2 Mzamomhle	Block G Phase 2 Mzamomhle Gonubie	Programme with Electricity Department	
28	Expansion of the capacity and improvement of the sewerage infrastructure in Beacon Bay. Upgrading of all the sewerage pump stations along the Quinera Estuary and Nahoon River	Quinera Estuary	Programme with Sewerage Department	
28	Erecting Traffic Circles	Crossing Bonza Bay Rd, Lagoon View Drive	Programme with Traffic Department	
29	Speedhumps	Gonubie main road, Smith st/Recreation	Project	
29	Signage and Markings. Avenues & Streets	Whole of Gonubie. Street Names and painting of stop signs	Programme. Use perspex rather than metals	
29	Lighting on the boardwalk - Beachfront	Boardwalk Cement Road, Oceanway	Project. High mast with solar lights	Electricity and Energy Department will assist with the installation, Parks and recreations are responsible for budgeting and project approval
29	Infrastructure - Sewage	Sewage along from the traffic dept to golf course to sea	Ongoing programme to keep clear and clean	
29	Fencing of bird Sanctuary	Bird Sanctuary	Project	
30	Roads	N.U.9, 12 and 11 most affected	More budget needed at ward 30	Ward 30 is part of the Mdantsane Roads upgrade program, whereby all the gravel roads inn Mdantsane will be upgraded to surfaced standards. This is however a multi year program which is ongoing.

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
30	Survey to be done in informal settlements	Z. Soga, Chris Hani, Holomisa, Winnie Village and JF Mati	Project	
30	Sports field to be established	N.U.9 Nkomponi	Programme	Land to be identified by the Ward Councilor for a sportsfield in consultation with property management department.
30	Issue of title deeds	Butter strip	Project	
30	Graveyard	Chris Hani Park	Project	
31	Houses	Entire ward	Project	Build more housing units
31	Electricity	Fort Grey, Mdudura, Bhongweni, Airport park	electrification project	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
31	Community Halls	Jiff, Ntenti, Bhongweni, Airport Park	Project	Santa /Airport Hall is within the 10km radius of this ward

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
31	Sportfield	Village 3 and 8	programme of maintaining sport fields	Land to be identified by the Ward Councillor for a sports field in consultation with property management department.
31	Road maintenance	Mdudurha, Magqazeni, Jiff, Fort grey, Bhongweni, Villages 1,2,3,4,6,7,8 & 9	Project for road maintenance	Regravelling of internal roads in Ward 31 are undertaken on an annual basis. Roads are identified in conjunction with the ward councillor, and in line with the available budget.
32	Sports fields	Mpongo Sports Field		Upgrading and fencing of sports field will be done and stands will be procured on availability of budget.
32	Bridges	Tsaba & Mpongo Clinic, Tyhusha and Zikhova Clinic		
32	Building of Community Halls	Ngqinisa, Tsaba and Kiwane Villages		The Masterplan for these halls is underway
32	Storm water Drainage	Colverts		Culverts on Municipal roads in ward 32 can be identified and assessed for rehabilitation/upgrade. They can then be costed and budgeted for accordingly.
32	Dipping tanks	Dyam Dyam location, Mpongo and Kiwane location		An investigation on the feasibility of establishing a dipping will be conducted.
33	Rural Sanitation	Kalkeni, Twecu Twecwana, Bulurha, Confields, Hill, Welcomewood, Gwiligwili, Needs Camp Sections A, B, C 65 Madiba toilets, D, NewRest, Kalkeni toilets for disabled people		

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
33	Municipal and Provincial roads	Needs Camp Sections A BCF, Fusini main street Santini, Zigodweni main Street, New Rest Biza and extension streets, Kuni2 Maweni and Thintela streets, Thembisa main and Ntara Street, Qhukru farms Sakathi, Potsina street, Gwiligwili, Gxethu streets, Twecu connecting route and Cwecweni main route. <u>PROVINCIAL ROADS:</u> Tarred roads that run between Need Camp and Mdantsane through to R347 that leads to KWT. Gravel road between R72 and R347 needs to be regavelled as a matter of urgency. The bridge connecting Gwiligwili and Gxethu villages needs to be repaired		
33	Electricity	Zigayi Ext, E section area, Zigodweni, Kalkeni, Khayelitsha, Thembisa ext, Twecwana, Twecu, Qukru farms and Welcomewood		<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				can then commence with implementation with electrification planning and installation.
33	Water	Kalkeni, Kuni, Gxethu, Confields, Gwiligwili, Bhulurha, Twecwana, Twecu, Moni, and Cwecweni, Khayelitsha, Hill Altile		Conduct a feasibility study for the provision of alternative bulk water supply to Wards 32&33 villages. Engage Amatola Water to replace the frequently bursting rising main from Amatola Water's Peddie WTW to Openshaw Regional Storage reservoirs for these villages.
33	Housing and Infrastructure	Remainig part of wards without housing		Build more housing units
33	Community Hall	Gxetu, Gwiligwili, Twecu, Moni, Kalkeni, Cwecweni, Hili, Altile, Twecana, Kuni, Kalkeni and Zigodweni halls.		The Masterplan for these halls is underway
34	Housing Development	Across the Ward	Through a housing development project with Dept of human settlements	Build more housing units
34	Job Creation	Across the ward		
34	Roads and Stormwater	Across the Ward		Stormwater drainage upgrades in Ward 34 will be assessed and costed accordingly to submit a budget application for funding to be allocated.
34	Water and Ablution facilities	Dimbaza Cemetery		HOD: Community Services to apply for a connection and provide the necessary funding to install the watermains to the Cemetery.
34	Sports fields and Multi-purpose centre	Polar Park		There are currently a sportsfield in the area. Basic maintenance by Sports Facilities staff is being done if and when required by the community.
35	Roads	Across the Ward	Projects	Access Roads and Main Rds serving rural villages fall under the control of the Provincial department of Roads and transport.

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
35	Water	Across the Ward	Projects	Conduct a feasibility study for the provision of alternative bulk water supply system for Ward 35 and 38 villages. Engage Amathole District Municipality to improve their bulk water supply to the ward. Engage Amatola Water on the possibility to recommission the Lumphondweni Water Treatment Works. Complete the designs for Kei Road Water Treatment Works, which is a long term solutions for the provision of water supply to Ward 35 and 38 villages.
35	Sanitation	Across the Ward	Projects	
35	Youth Skills Development and Employment	Across the Ward	Projects	ED& A in partnership with Services SETA will implement a skills development programme including learnership and apprenticeship. The programme earmarked to benefit all wards. ED&A has a business support centre in Duncan Village aimed at assist aspiring entrepreneurs as well as existing SMME's.
35	Upgrading of sport facilities	Across the Ward	Projects	There are currently a sportsfield in the area. Basic maintenance by Sports Facilities staff is being done if and when required by the community.
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37	Roads and Sidewalks	Westbank, West drive Central, Daleview, Forthill and rural areas		Roads resurfacing is undertaken in consultation with the ward councillor based on available budget. Road maintenance is carried out on an ongoing basis, as reports are received.
37	Community Hall/ Multi-purpose centre	Masingata, Tolofiyeni, Mxaxo, Westbank, West Drive		The Masterplan for these halls is underway

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
37	Destitute Houses	Rural areas, Masingata, Mdingi, Tolofiyeni		Build more housing units
37	Fencing of Cemeteries, Sportsfields and Key points e.g. Civic Centre, Danger boxes			Fencing request of sportsfields will be considered when funding is available.
37	Bridge	Masingata, Tolofiyeni, Mxaxo, Westbank, Mdingi		Albatross Rd Bridge has been upgraded. Bridges on access roads to villages fall under the provincial roads department.
37	Streetlights	Westbank CBD, Clubview, West drive, All areas in Town		Streetlight maintenance: <ul style="list-style-type: none"> ■ streetlight maintenance is ongoing ■ Streetlight maintenance in many areas is being affected by theft and vandalism. ■ Due to this some areas require capital expenditure to return them to normal working condition. ■ Individual faults can be reported the Call Centre at the following numbers: <ul style="list-style-type: none"> - Customer Care: 043 050 5683 - Customer Care Whatsapp: 076 397 8198
38	Rural Roads Upgrading	Lieveltd, Tyusha, Dikidikana, Rythem City, Mxaxo, Kwelerhana, Noncampa	Projects	
38	Toilets	Noncampa, Dikidikana, Lieveltd, Lenge, Mantlaneni, Rythem City, Mngqesha,	Projects	
38	Electricity	Bulembu, Gwaba, Mamata, Mngqesha, Mxhalanga, Mzantsi, Lieveltd, Mxaxo	Projects	<p>Electrification of informal areas within BCM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
				<p>electricity safe and maintainable and to allow other services access to service the community.</p> <ul style="list-style-type: none"> Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
38	Water	Kwelerhana	Projects	<p>Conduct a feasibility study for the provision of alternative bulk water supply system for Ward 35 and 38 villages.</p> <p>Engage Amathole District Municipality to improve their bulk water supply to the ward.</p> <p>Engage Amatola Water on the possibility to recommission the Lumphondweni Water Treatment Works.</p> <p>Complete the designs for Kei Road Water Treatment Works, which is a long term solutions for the provision of water supply to Ward 35 and 38 villages.</p>
38	Destitute Houses	Mxaxo, Mamata, Lieveltd, Mzantsi, Mngesha, Mantlaneni	Projects	Build more housing units
39	RDP Houses	Ginsberg and Schomville	Human Settlement Project	Land identification & acquisition
39	Community Halls	Kwalini, Ngxwalane, Rhayi and Bonke	By project. This will also create jobs	The Masterplan for these halls is underway
39	Tar Roads	Juliwe and Lipota roads	Project, this will also create jobs	Road upgrades have been undertaken in Ginsburg on an ongoing basis. Roads are identified in consultation with the ward councillor, and in line with available budget.
39	EPWP for Cleaning ward	Ginsberg and Schomville	Programme to create job opportunities	
39	RDP Houses houses for Rural Areas	Kwalini, Ngxwalane, Rhayi and Bonke	Human Settlement Project	
40	Destitute Houses	All 17 areas	Building Houses Project	Liaison with Prov. Dept to include in their destitute database for housing construction
40	Community Halls	Mount Coke, Ndileleka, Qongqotha, Mlakalaka,	Buid Hall Project	The Masterplan for these halls is underway

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
		Godidi, Zimbaba, Mimosa, Tshabo 3, Nonibe, Ezixhotyeni, Fort Murray		
40	Fencing of Graveyards	All 17 areas	Fencing of Graveyards Project	To source funding for fencing of rural Cemeteries
40	Installation of Dip		Installation of Dip Project	An investigation on the feasibility of establishing a dipping will be conducted.
40	Sport Fields	All 17 areas. Renovation of Jubisa	Creation and renovation of sports fields	The land belongs to DPW and currently maintained as an informal sport field. The issue has been forwarded through the IGR Forum and is continuously being followed up
41	Tar Roads	Zwelitsha Zone 6, Thembalabantu S.S.S, Hector Peterson, Zone 4	Municipality must put money aside for this	Road upgrades have been undertaken in Zwelitsha on an ongoing basis. Roads are identified in consultation with the ward councillor, and in line with available budget.
41	Cameras in Zone 5 and Zone 7	Zone 5 (Rent Office and Magistrate office)	Service provider responsible for installation must be called to fix the cameras	
41	Houses in Zwelitsha	Municipal officials promised to find space to build houses in Zwelitsha	Land must be secured and funds made available to build houses	
41	Renovation of Zone 4 Stadium	Zwelitsha Zone 4 Stadium	Municipality must get service provider to fix stadium	
41	Street lights	All the street lights around Zwelitsha are old and faulty	Authorities must release funds to fix the lights through a project	Streetlight maintenance: <ul style="list-style-type: none"> ■ streetlight maintenance is ongoing ■ Streetlight maintenance in many areas is being affected by theft and vandalism. ■ Due to this some areas require capital expenditure to return them to normal working condition. ■ Individual faults can be reported the Call Centre at the following numbers: <ul style="list-style-type: none"> - Customer Care: 043 050 5683 - Customer Care Whatsapp: 076 397 8198
42	Community Hall	Old Tennis Court	Project	Funding has been allocated for the Construction of NU 3 Hall
42	Rent office	Use the existing Rent office	Programme	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
42	Housing development	Ward 42 informal settlements	Project	Build more housing units
42	N.U.2 Clinic	The closed clinic of N.U.2	Project	
42	Bridge between 36&38 area	In the river that divides area 36&38	Project	
43	Regravelling and resurfacing of roads, potholes. Roads must be built	Peelton, Tyutyu, Bhisho, Kaffarian Heights, Clubview	Appoint a service provider	
43	Clinic	Majali	Clinic must be built	
43	Billing and rates	Bhisho, Tyutyu, Kaffarian Heights, Clubview	Investigation, Proper evaluation and monitoring	
43	Electrification	Ezizeni (Tyutyu)	Appoint a service provider	<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
43	Blockage of draining system	Bhisho, Tyutyu, Kaffarian Heights	Cleaning of drains	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
44	Tarring and regravelling of Roads	Sweetwaters needs tarring. Tshatshu, Siyathemba and Qalashhe needs regravelling		A portion of Sweetwaters main Rd has been resurfaced, and roads in Breidbach have been resurfaced. Road upgrades have been undertaken in Ward 44 on an ongoing basis. Roads are identified in consultation with the ward councillor, and in line with available budget.
44	Houses	Tshatshu and Sweetwaters	Human Settlement	Build more housing units
44	Job Opportunities	Whole Ward	Projects and Programmes	ED& A in partnership with Services SETA will implement a skills development programme including learnership and apprenticeship. The programme earmarked to benefit all wards. ED&A has a business support centre in King Williams Town aimed at assist aspiring entrepreneurs as well as existing SMME's.
44	Sport Fileds	Tshatshu, Sweetwaters and Siyathemba	Sport field	Upgrade and refurbishment of sports field will be done on availability of budget.
44	Community Hall	Siyathemba Location	Sport, arts, Heritage and Culture	The Masterplan for these halls is underway
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47	Bush clearing and bush fencing	Baysville, Quigney, Arcadia	Programme	Implementation of Bush clearing programme through Contract 283 at Ward 47

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
47	Road maintenance	Arcadia, CBD - North End, Baysville, Quigney	Project	Roads resurfacing has been undertaken in the CBD, Quigney and Baysville. Roads Rehabilitation and resurfacing is undertaken annually. Roads are identified in consultation with the ward councillor and are prioritised in line with the available budget.
47	Toilets in C2 (East bank) and water facilities	East bak squatter camp, Beachfront Quigney	Project	
47	Change of sewage lines	Quigney and other affected areas		
47	Housing	Quigney (Eastbank)	Project	Request to Provincial Department of Human Settlements for social Housing.
48	Refurbishment of the N.U.10 sport ground	N.U. 10 Sports field	By Reconstruction	Upgrade and refurbishment of sports field will be done on availability of budget.
48	Installation of High Mass Ligjts	Main roads, access roads throughout the ward		<p>Streetlight maintenance:</p> <ul style="list-style-type: none"> ■ streetlight maintenance is ongoing ■ Streetlight maintenance in many areas is being affected by theft and vandalism. ■ Due to this some areas require capital expenditure to return them to normal working condition. ■ Individual faults can be reported the Call Centre at the following numbers: <ul style="list-style-type: none"> - Customer Care: 043 050 5683 - Customer Care Whatsapp: 076 397 8198

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
48	Electrification of all informal settlements in the ward	Lilian Ngoyi, Francis Meyi, Sihlangene, Gomora, Masibambane, Joe Slovo		<p>Electrification of informal areas within BCMM's area of supply: Installation of infrastructure is a cross cutting issue with a number Directorates playing an important role in ensure that basic services can be provided in a safe and maintainable manner. Each area needs to follow the below procedure to ensure readiness for infrastructure:</p> <ul style="list-style-type: none"> ▪ Need to identify land ownership. ▪ Is the area developable. ▪ Density of the informal area, will land be required to accommodate overflow once re-blocking takes place. ▪ Re-blocking to open up roadways to make installation of electricity safe and maintainable and to allow other services access to service the community. ▪ Once the above has been complete and the area is then ready for installation of infrastructure, Electricity and Energy Services Department can then commence with implementation with electrification planning and installation.
48	Road construction	Nobhotwe V.D in the 23 area, Assembles of Christ V.D 500, 600 area, R62 to 367, Phumelelani V.D 504 area	By increasing the scope of contract 4b	Ward 48 is part of the Mdantsane Roads upgrade program, whereby all the gravel roads inn Mdantsane will be upgraded to surfaced standards. This is however a multi year program which is ongoing.
48	Recreational Parks on identified areas in the ward	400 area, N.U.10, N.U. 8, Rent Office	Increased Budget	
49	Gravel roads with curves & drainage system.	g	If we could built gravel roads with curves and drainage system that could help a lot.	Regravelling of internal roads in Ward 49 are undertaken on an annual basis. Roads are identified in conjunction with the ward councillor, and in line with the available budget.
49	Taxi Rank	In an area called Ezintenteni	If the Departments could assist us in developing the Taxi rank.	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
49	Electrification & High Mast Poles	In all the VD's within the Ward, Ndevana HP, Mpumelelo, Enoch Sontonga, Simzamile & Ekuphumleni	High mast poles will help to decrease the crime rate because most of the crime happens during the night.	<p>Eskom's area of supply: Eskom requests permission to electrify the specified area before permission is granted the following must be confirmed.</p> <ul style="list-style-type: none"> • Development Planning to confirm if the area is to remain as an informal rural village or if it will follow township development. • If area is to follow township development then, the area would need to wait for the formalisation of the area • Once the area has been formalised BCMM then can give the required permission as they cannot do so as BCMM would be responsible for any changes that may be incurred to Eskom's installation , BCMM would be responsible to cover any cost that may be associated with the changes. High mast, and street lighting within Eskom area of supply. • At this time Eskom do not install street lighting or highmast within their area of supply • This is a concern Nationally and is being discussed at National level .
49	Sport Complex	It must be established at emthonjeni.	If we could have this sport Complex will we achieve a lot its guaranteed.	There are currently a sportsfield in the area. Basic maintenance by Sports Facilities staff is being done if and when required by the community.
49	Pavement	At Velwano, Highway, Gugulethu, and Bhongweni in those areas.	Building pavements will help to decrease high accidents within the ward.	
50	Piped water and sanitation plant	All villages and informal settlements Sanitation plant for Coastal area of Sunrise On-Seas and Crossways area	Refurbishment of the whole system and the entire infrastructure coupled with addition of standpipes to new extensions. The municipality must construct a sanitation plan and upgrade the water system to cater for	

Ward	Community Need / Issue	Location	How can it be accomplished?	HOD's Action Plan
			the whole anticipated development of the area	
50	Roads	Tuba, Jongilanga, Ntomboshana (Tikinini & Emagalini), Sunrise On-Seas and kwaBhota Construction and maintenance of road include main roads, access roads and internal streets.	BCMM facilitates acquisition of these informally occupied lands working with other government departments	Regravelling of internal roads in Ward 50 are undertaken on an annual basis. Roads are identified in conjunction with the ward councillor, and in line with the available budget. Access Roads and Main Rds (Sunrise on Sea, Brakfontein Rd) fall under the control of the Provincial department of Roads and transport. Road upgrades have been undertaken in Sunrise on Sea. Additional roads will be done when budget is made available.
50	Land acquisition	kwBhota and Ntomboshana (Tikinini and emagalini)		
50	Fencing, renovating and security provisions of public facilities	Kwelerha Community hall at Jongilanga Location, Mzwakhe Mkhokheli community hall at Tuba Location, Khonziswa Sportfield near Zozo location, Imidushane Sportsfield at Jongilanga Location and all graveyards with Jongilanga and Tuba prioritised.	BCMM to fence, renovate and provide security personnel	
50	Social housing	All villages	Engage the Great Kei municipality and Dept of Human Settlement for update or embark on processes to ensure realisation of community wish to be housed.	

ANNEXURE D: Programmes by Buffalo City Metro Development Agency

Strategic Framework

The BCMDA is an agency of the Buffalo City Metropolitan Municipality, seeking to create a vibrant, integrated, and inclusive Metro. The core ideology of the BCMDA is captured in its **Vision**, **Mission**, and **Core Values**, as detailed below.

Vision

An innovative agency that catalyses investment opportunities for a vibrant, integrated, and inclusive city.

Mission

To build a vibrant, integrated, and inclusive city through promoting investment in property, tourism, and socio-economic development for the benefit of citizens.

Values

Figure 81: BCMDA values



Table 31: BCMDA values explained

BCMDA values	What it means to us
Agility	It means that we are able to change and adapt in response to changes in environment.
Innovation	It means that we are resilient providing cutting edge solutions to meet customer, stakeholders, and workplace challenges
Integration and alignment	Its means we have the same vision, mission, impact statement and values with those we serve.
Efficiency and effectiveness	It means we are stewards, always prudent yet balanced in our delivery
Accessible	It means we are always available to fulfil our vision.
Professional and accountable	It means we have integrity, honesty, open and fair with all our dealings

The strategy and the strategy outcomes have remained constant over the years and the Agency continues to pursue the five outcomes it set itself which are:

Outcome 1: A dynamic tourist destination. Focuses on increasing the number of tourists coming into the City through creating an enabling environment for tourism product development and/ or enhancement.

Outcome 2: Attractive city for global investment. Deals with increasing the size and ROI of the Agency's investment portfolio in Tourism, Property, and Industrial Sectors so that it can make the Metro increasingly economically active and competitive.

Outcome 3: Vibrant and attractive local spaces. Focuses on acquiring property for development, management, revitalisation of urban and rural spaces in the Metro, implementation of integrated initiatives for beachfront development so that the Metro can cope with pace of urbanisation

Outcome 4: Inclusive and resilient economy. Focuses on implementing the Agency's socio-economic development programme that improves access to meaningful work opportunities for identified beneficiary groups within the City. This includes the implementation of economic diversification and expansion projects

Outcome 5: An efficient, well-governed and viable agency. Focuses on the performance of the agency against four key areas: financial health; performance excellence; as well as governance & compliance excellence.

Commented [SS2]: Qamarana can you check your voice notes what the revised vision, mission and impact statement are.

Key BCMDA projects and project pipeline for 2023/24

The following projects are in the pipeline:

PROGRAMME	SUB-PROJECTS	PROGRESS STATUS
Public art installations programme	1. East London Beachfront	Service provider secured
	2. Nahoon	Concept stage
	3. Duncan Village	Concept stage
	4. Mdantsane	Concept stage
	5. Bisho	Concept stage
Tourism route development programme	1. Esplanade	Storyline development completed
	2. Duncan Village	Storyline development completed
	3. Mdantsane	Storyline drafted and to be consulted on Still to be initiated
	4. Bisho, Qonce, Zwelitsha	
	5. Dimbaza	Still to be initiated
Investment in land parcel development	1. Sleeper Site	Inception stage
	2. Marina Glen A	Inception stage
	3. Seaview Terrace	Development agreement stage
	4. Waterworld Hotel & commercial site	Notarial lease stage
	5. East London Racetrack	Concept stage
	6. Victoria Grounds Development	Notarial lease stage
Socio Economic Development Programme	1. Corporate Social investment programme	Ongoing (in progress)
	2. Public Employment program	Ongoing (in progress)
	3. SMME support development programme	Concept stage

ANNEXURE E: Top Layer Service Delivery and Budget Implementation Plan (SDBIP) 2023/2024

Will be included after completion of SDBIP in terms of regulations.