DRAFT INTEGRATED DEVELOPMENT PLAN

1 July 2024 to 30 June 2025

2024/2025

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

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METROPOLITAN MUNICIPALITY

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ABBREVIATIONS & ACRONYMS

ABBREVIATIONS & ACRONYMS			
4IR	Fourth Industrial Revolution	KRI	Key Risk Indicator
AAP	Audit Action Plan	KVA	Kilovolt-ampere
AARTO	Administrative Adjudication of Road Traffic Offenses	KWNBG	Kwelera National Botanical Gardens
ABET	Adult Basic Education and Training	KWT	King William's Town
ABWSS	Amathole Bulk Water Supply System	LED	Local Economic Development
ACSA	Airports Company South Africa	LFPR	Labour Force Participation Rate
ADM	Amathole District Municipality	LGCS	Local Government Communication System
AEL	Atmospheric Emission License	LGSETA	Local Government Sector Education Training Authority
AFS	Annual Financial Statements	LLF	Local Labour Forum
AGSA	Auditor-General South Africa	LRA	Labour Relations Act
AIDS	Acquired Immune Deficiency Syndrome	LSDF	Local Spatial Development Framework
ANC	African National Congress	LTFM	Long-Term Financial Model
AQMP	Air Quality Management Plan	LTFS	Long-Term Financial Strategy
AQO	Air Quality Officer	MBRR	Municipal Budget and Reporting Regulations
ARS	Amathole Reconciliation Strategy	MBSA	Mercedes Benz South Africa
ART	Antiretroviral Treatment	MBU	Maternity Birthing Unit
ARV	Antiretroviral	MDG	Millennium Development Goal
ASSA	Actuarial Society of South Africa	MDR	Multidrug Resistant
BBBEE	Broad-Based Black Economic Empowerment	MEC	Member of the Executive Council
BBC	Buy-Back Centre	MELD	Mdantsane East London Development
BCGNCC	Buffalo City Metro Geographical Name Change Committee	MFMA	Municipal Finance Management Act
BCMC	Buffalo City Metropolitan Council	MGDS	Metro Growth and Development Strategy
BCMDA	Buffalo City Metropolitan Development Agency	MHS	Municipal Health Services

ABBREVIATIONS & ACRONYMS			
BCMHD	Buffalo City Metro Health District	MIG	Municipal Infrastructure Grant
BCMM	Buffalo City Metropolitan Municipality	MMR	Maternal Mortality Rate
BDSS	Business Development Services Strategy	MPA	Marine Protected Area
BEPP	Built Environment Performance Plan	MPAC	Municipal Public Accounts Committee
BFI	Budget Facility for Infrastructure	MPRA	Municipal Property Rates Act
BI	Budget Integration	MSA	Municipal Systems Act
BKCOB	Border Kei Chamber of Business	mSCOA	Municipal Standard Chart of Accounting
BLMC	Biodiversity Land Management Classes	MTEC	Medium Term Expenditure Committee
BPESA	Business Process Enabling South Africa	MTEF	Medium-Term Expenditure Framework
BPO	Business Process Outsourcing	MTREF	Medium-Term Revenue and Expenditure Framework
CBA	Critical Biodiversity Area	MW/h	Megawat/hour
CBC	Central Bid Committee	NAEIS	National Emission Information System
CBD	Central Business District	NATIS	National Traffic Information system
CCMDD	Central Chronic Medicines Dispensing and Distribution	NCCR	National Climate Change Response
CCTV	Closed Circuit Television	NDoT	National Department of Transport
CDW	Community development workers	NDP	National Development Plan
CFO	Chief Financial Officer	NEAP	Non-economically Active Population
CHC	Community Health Centres	NEMA	National Environmental Management Act
CIDMS	City Infrastructure Delivery and Management System	NEMBA	National Environmental Management Biodiversity Act
CITP	Comprehensive Integrated Transport Plan	NEMWA	National Environmental Management Waste Act
CLDP	Catalytic Land Development Programme	NERSA	National Electricity Regulator of South Africa
COGTA	Cooperative Governance and Traditional Affairs	NGO	Non-Governmental Organisation
COSO	Committee of Sponsoring Organisations	NHA	National Health Act
CPI	Consumer Price Index	NHNR	National Housing Needs Register

ABBREVIATIONS & ACRONYMS			
CPTR	Current Public Transport Record	NHTS	National Household Travel Survey
CRCP	Continuously Reinforced Concrete Pavement	NLTA	National Land Transport Act
CRVA	Climate Risk and Vulnerability Assessment	NMT	Non-Motorised Transport
CSD	Central Supplier Database	NRTA	National Road Traffic Act
CSP	City Support Programme	NSDF	National Spatial Development Framework
DDM	District Development Model	NSDP	National Spatial Development Plan
DED	Department of Economic Development	NSRI	National Sea Rescue Institute
DEDEAT	Department of Economic Development, Environmental Affairs and Tourism	NUSP	National Upgrading Support Programme
DFA	Development Facilitation Act	NWX	North West Expressway
DFFE	Department of Forestry, Fisheries and the Environment	OHS	Occupational health & Safety
DIRCO	Department of International Relations and Cooperation	OPD	Outpatient Department
DMA	Disaster Management Act	OPMS	Organisational Performance Management System
DORA	Division of Revenue Act	ORT	Outbreak Response Team
DPLG	Department of Provincial and Local Government	OTP	Office of the Premier
DPME	Department of Planning, Monitoring and Evaluation	OOWV	Oldenburgisch-Ostfriesischer Wasserverband
DPW	Department of Public Works	PEP	Public Employment Programme
DTI	Department of Trade and Industry	PEPUDA	Promotion of Equality and Prevention of Unfair Discrimination Act
DTIC	Department of Trade and Industry and Cooperation	PGDP	Provincial Growth and Development Plan
EAP	Economically Active Population	PHC	Primary Health Care
EBAT	Evidentiary Breath Alcohol Testing	PICC	Presidential Infrastructure Coordinating Commission
EC	Eastern Cape	PIU	Project Implementation Unit
ECA	Electronic Communications ACT, No. 36 of 2005	PJEC	Principal Job Evaluation Committee

ABBREVIATIONS & ACRONYMS			
EC-COGTA	Eastern Cape Cooperative Governance and Traditional Affairs	PMS	Performance Management System
ECDC	Eastern Cape Development Corporation	PMTCT	Prevention of Mother to Child Transmission
ECDoH	Eastern Cape Department of Health	POPI Act	Protection of Personal Information Act
ECPGNC	Eastern Cape Provincial Geographical Name Change Committee	PPE	Property, Plant and Equipment
ECPTA	Eastern Cape Parks and Tourism Agency	PPP	Public Private Partnership
ECSECC	Eastern Cape Socio-Economic Consultative Council	PRASA	Passenger Rail Agency of South Africa
EDA	Economic Development Agency	PRDP	Professional Driver Permit
EDMS	Electronic Data Management System	PRV	Pressure Reducing Valve
EE	Employment Equity	PSL	Professional Soccer League
EEA	Employment Equity Act	RBSH	Royal Buffalo Specialist Hospital
EIA	Environmental Impact Assessment	RDP	Reconstruction and Development Programme
EIP	Environmental Implementation Plan	RG	Restructuring Grant
EL	East London	RMS	Road Management System
ELCNR	East London Coastal Nature Reserve	RRTT	Rapid Response Task Team
ELIDZ	East London Industrial Development Zone	RSA	Republic of South Africa
EMP	Environmental Management Plan	RTMC	Road Traffic Management Corporation
EMS	Emergency Medical Services	SA	South Africa
EPMDS	Employee Performance Management and Development System	SAAELIP	South African Atmospheric Emission Licence Portal
EPMS	Employee Performance Management System	SACN	South African Cities Network
EPWP	Expanded Public Works Programme	SALGA	South African Local Government Association
ERP	Enterprise Resource Planning	SAMWU	South African Municipal Workers Union
FCE	Final Consumption Expenditure	SANBI	South African National Biodiversity Institute
GBS	Global Business Services	SANS	South African National Standards

ABBREVIATIONS & ACRONYMS			
GBV	Gender-Based Violence	SAPS	South African Police Service
GBV & F	Gender-Based Violence and Femicide	SAQA	South African Qualifications Authority
GCIS	Government Communication and Information System	SASQAF	South African Statistical Qualifications Framework
GDP	Gross Domestic Product	SASSA	South African Social Security Agency
GDP-R	Gross Domestic Product by Region	SAWS	South African Weather Service
GIS	Geographic Information Systems	SCM	Supply Chain Management
GM	General Manager	SCOA	Standard Chart of Accounts
GRAP	Generally Recognised Accounting Practice	SD	Sustainable Development
GTAC	Government Technical Advisory Council	SDBIP	Service Delivery and Budget Implementation Plan
GVA	Gross Value Added	SDF	Spatial Development Framework
GVA-R	Gross Value Added by Region	SDG	Sustainable Development Goals
HAST	HIV, AIDS, STIs and TB	SDH	Social Determinant of Health
HDI	Human Development Index	SEZ	Special Economic Zone
HIV	Human Immuno-deficiency Virus	SFA	Spatial Focus Areas
HOD	Head of Directorate	SLGP	Strengthening Local Governance Programme
HR	Human Resources	SM	Senior Manager
HSDG	Human Settlements Development Grant	SMME	Small, Medium and Micro Enterprises
IA	Internal Audit	SMS	Short Messaging Service
IAA	Institute of Internal Auditors	SO	Strategic Outcome
IAS	Invasive Alien Species	SOCA	State of the City Address
IBP	Index of Buying Power	SOE	State-owned Enterprise
ICLEI	International Council for Local Environmental Initiatives	SONA	State of the Nation Address
ICT	Information and Communications Technology	SOP	Standard Operating Procedure
ICU	Intensive Care Unit	SOPA	State of the Province Address
ICZMP	Integrated Coastal Zone Management Plan	SPLUMA	Spatial Planning and Land Use Management Act

ABBREVIATIONS & ACRONYMS			
IDC	Industrial Development Corporation	SPSP	Sector Policy Support Programme
IDMS	Infrastructure Delivery Management System	StatsSA	Statistics South Africa
IDP	Integrated Development Plan	STI	Sexually Transmitted Infections
IDZ	Industrial Development Zone	SOP	Standard Operating Procedure
IEMP	Integrated Environmental Management Plan	SV	Supplementary Valuations
IGR	Intergovernmental Relations	TB	Tuberculosis
IGRF	Intergovernmental Relations Forum	TIU	Trade and Investment Unit
IHS	Information Handling Services	TNPA	Transnet National Ports Authority
IKM	Information Knowledge Management	TRU	Temporary Relocation Units
IMATU	Independent Municipal and Allied Trade Union	TSP	Traffic Safety Plan
INEP	Integrated National Electrification Programme	UISP	Upgrading of Informal Settlement Programme
IPC	Infection Protection Control	USAID	United States Agency for International Development
IPMS	Institutional Performance Management System	USDG	Urban Settlement Development Grant
IPTN	Integrated Public Transport Network	VCT	Voluntary Counselling and Testing
IR	International Relations	VD	Voting District
IRRT	Integrated Rapid Response Teams	VIP	Ventilated Improved Pit Latrine
ISHSP	Integrated Sustainable Human Settlement Plan	WC/WDM	Water Conservation and Water Demand Management
ISUPG	Informal Settlements Upgrading Partnership Grant	WESSA	Wildlife Environment Society in South Africa
IUDF	Integrated Urban Development Framework	WHO	World Health Organisation
IWMP	Integrated Waste Management Plan	WSDP	Water Services Development Plan
KFA	Key Focus Area	WSP	Workplace Skills Plan
KPA	Key Performance Area	WWTW	Wastewater Treatment Works
KPI	Key Performance Indicator	XDR	Extensively Drug-Resistant (Tuberculosis)

Princess Faku

FOREWORD BY THE EXECUTIVE MAYOR

As we are in our first few months of our term in this office, it is important to take stock of achievements made and challenges faced on commitments made in order to avoid backlogs and other stumbling blocks.

I regard the privilege of presenting the 2nd Review of the Buffalo City Metropolitan Municipality's 5th Generation Integrated Development Plan (IDP) for the 2023/2024 Financial Year with the reverence it deserves.

We remain mindful of the very challenging economic and social conditions under which we have taken stock of the progress made with implementing the 2021/2026 IDP to decide what is required of us as a collective to develop our metro.

We can report that the municipality has, in the past few years, made some key achievements despite having to overcome many challenges.

We are currently embarked on a R85million pothole patching project under operation Valazonke. Since the launch of the Valazonke Programme from September 2023 to January 2024 the metro has managed to patch about 6804 potholes.

The Metro has decided to embark on Valazonke programme in trying to address the issue of deteriorating roads and increase in number of complaints from the public.

This is crucial towards ensuring the safety of our roads and convenience to all road users. This work is being undertaken as part of the routine work that the municipality does. This work is intended to happen continuously.

Road resurfacing in areas of Mdantsane are a testimony that we are delivering on the promise we have made to the residents.

We will continue to implement measures that will ensure rapid service delivery improvement.

As BCMM, we can be proud to claim the following main government pillars that we have improved:

- At least 97.3% of metro's population has access to clean and safe water supply.
- 99.98% of metro's population has access to improved Sanitation services, for residents in formal and informal dwellings.
- We have several houses that are being built and there is a plan to electrify informal settlements.

- This year is the end of the 6th administration of our national and provincial government. There have been many achievements and in our local government sphere, we have done some good progress in delivering services.
- Some of the achievements done by Buffalo City Metropolitan Municipality:
- The Upgrading of the Zwelitsha Wastewater Treatment Works project with a budget of around R450 Million.
- The city is contributing to community economic activity with the projects undertaken being the development of hydroponics infrastructure in Bhisho, Mngqesha, Zwelitsha and these already supply the Buffalo City Fresh Produce Market with vegetables.
- Furthermore, the metro has revived the Sekunjalo Training and Business Incubation Centre in Mount Coke and it is partly operational with ICT skills being rolled out currently. More work is being undertaken to provide extra support to SMMEs and the agricultural sector.
- Expansion of the Mdantsane Arts Centre – Extensive consultation was undertaken with all relevant stakeholders and the designs have been finalized. Procurement for the construction phase is underway. Construction will begin in the 2023/24 financial year on a phased approach.
- Upgrade of the Mdantsane WasteWater Treatment Works has been affected negatively by the theft and vandalism that has confronted the municipality across the city. Despite investing more than R28 million in a chlorinating facility not so long ago, that investment has been swept away by thieve and vandals. A fence has been replaced and now the city is busy improving the functional areas of the facility in order to ensure compliance with requirements of the DWS. This includes having drilled boreholes for monitoring ground water, with the intention to have the facility permit process progressing ahead towards the re-issuing of the new permit in the 2024/25 financial year.
- The Upgrading of Settlers Way is finalised. Its completion paved the way for the improved conveyance of goods between East London IDZ and the MBSA plant improving the turnaround time for the production of the new model W206, as we pledged in 2019/20.
- We have provided some basic infrastructure to improve trading conditions for hawkers in townships like Duncan Village, Nompumelelo, Ducats and Scenery Park.

The Metro is investing in additional infrastructure in the Wilsonia Fresh Produce Market to accommodate emerging farmers and make the Market more accessible to individual small-scale buyers.

The Metro has also developed a Draft By-Law to regulate Car Wash businesses which are mushrooming and contributing to other challenges such as water wastage, littering, potholes and drain blockages.

Further consultations will be undertaken before promulgation of the Car Wash By-Law.

The Metro has also fenced some of its critical heritage sites to protect them from vandalism and preserve them as tourist attractions. These include but are not limited to the World War 1 site up in Oxford Street, Multi-cultural Man Statue at the beachfront, City Hall, Settlers Way Grave site, etc.

The engagement and comments that communities make on the Draft Integrated Development Plan and Budget will greatly enrich the plans and they are humble welcomed.

But the two years of Covid-19 impacted badly on service delivery in all fronts. Many of our ratepayers lost jobs, businesses closed, and it was difficult to collect revenue in the 2022/23 financial year-impacting again in the current financial year, in terms of revenue collection.

High unemployment is resulting in debt impairment.

The Collection rate was 66% in February 2024 vs 80.5% budgeted in 2023/2024. As you know, good revenue streams equal better service delivery.

BCMM has embarked on a necessary process of financial recovery that must strengthen our financial viability and we came up with incentive plans for our ratepayers.

Our Integrated Development Plan (IDP) must reflect the action prescribed by the President, and it must be community driven. It must focus on the needs of our communities.

Local Government is often described as being the closest government sphere to the people, and Buffalo City Metropolitan Municipality takes pride in the stable stakeholder relations that we maintain throughout our governance processes.

We are intimately knowledgeable on the plight of our residents, and we strive to resolving our key development challenges.

This philosophy has been strengthened even further with the metro's embracing of the District Development Model as a Whole of Government Approach, ensuring that the development of our metro is intentional, integrated and aligned with a shared vision.

Taking all the viewpoints of our residents and stakeholders into account, Buffalo City Metro Council has decided to focus our attention and resources to the following eight key priorities for the remainder of our term of office:

- Build a transformed and resilient economy.
- Safety, Security & Emergency Services
- Community Development
- Solid Waste and Environmental Management
- Infrastructure and Service Delivery
- Transform the spatial form of the city.
- Improve Administrative governance.
- Financial Resilience

These priorities represent our Commitment to serve Buffalo City Citizens and address their concerns.

My heartfelt gratitude goes towards the former Executive Mayor, Cllr Xola Pakati who served our community with distinction, the Speaker, Chief Whip, Members of my Mayoral Committee, all our Councillors and the Administration under the administrative leadership of the City Manager for taking the ideas of all our stakeholders and crafting it into a clear development path for our metro's future.

This document is a symbol of our pledge to remain set on this development course to realise our vision of a "well-governed, connected, green and innovative" Buffalo City.

_____ _____

P. Faku Date

EXECUTIVE MAYOR

Mxolisi Yawa
OVERVIEW BY THE CITY MANAGER

Buffalo City Metropolitan Municipality continues to implement the aspirations of the communities as captured in the five-year Integrated Development Plan that is reviewed annually. The leadership and management of the municipality are steadfast in managing a working city that is determined to improve service delivery through the implementation of development projects that also stimulate the economy thus creating jobs. All our development projects are a product of intensive community participation, and all our Integrated Development Planning processes are implemented in the manner prescribed in the Municipal Systems Act 23 of 2000, more particularly its chapter five.

The City's planning process is guided by the Metro Growth and Development Strategy, vision with development planning instruments being the Integrated Development Plan, the One Plan, and the Built Environment Performance Plan. Our vision 2030 outlines five key pillars for the city's growth and development, namely; Innovative & Productive City, A Green City, A Connected City, A Spatially Transformed City and a Well Governed City. Each year the city develops and approves an IDP, and Budget linked to the Medium-Term Revenue and Expenditure Framework.

The implementation of development through the IDP over the years has seen significant progress in service provision and thus access to services and development in the Municipality.

About 98 percent of the people of Buffalo City have access to the basic level of water supply services. The quality of water supplied to the consumers is monitored frequently as per the South African National Standards for Drinking Water (SANS 241) and World Health Organization (WHO) requirements and the city has achieved 98 percent compliance.

The number of households with access to sanitation services has improved to 97 percent over the years and this IDP seeks to improve this towards having universal access for the whole population of Buffalo City. Refuse removal is happening regularly in our city, and we are aiming to improve it. We continue to address our roads backlog through upgrading roads, rehabilitation and resurfacing of surfaced roads, and regravelling of rural roads.

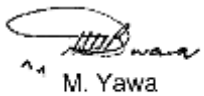
Despite the challenges of load-shedding that affect the nation, we have been true to our mandate of ensuring efficient, effective, sustainable and orderly development and operation of electricity supply infrastructure in the BCMM-licensed area of supply. This IDP shows that we are doing this by ensuring that the interests and needs of present and future electricity customers and end users are safeguarded and met.

On the economic front, investment in Buffalo City improved and the community sentiment-orientated projects that are contained in this IDP demonstrate that there is a move to do even more on this. It is our view that investment in Public Infrastructure is one key driver behind BCMM's economic growth. The public infrastructure investment over the years includes amongst many, Qumza Highway in Mdantsane, Fleet Street in East London, King William's Taxi Rank, Waste-Water Treatment Works to accommodate Zwelitsha, Bisho, Qonce and the surrounding areas. The city continues to invest in Public Infrastructure for the purposes of attracting more investment to the city.

The general state of our economy, particularly the rising unemployment rates and rising costs of living has negatively affected business and residents' ability to pay their municipal accounts. The growing debtor's book and underfunded mandates are some of the issues that cause a huge financial strain on the municipal coffers. While the City had to adjust its spending levels downwards to counteract the decline in revenue collections, we are pressing ahead with implementing our credit control policy because the collapse of the city would be detrimental to all residents. It is therefore in the best interest of every ratepayer to pay their accounts on time so that they continue to receive quality services. Improving the collection rate and decreasing debt impairment remains the City's immediate priority.

The management of the city is working hard to improve the City's audit outcomes, and this is done through the implementation of the Audit Action Plan. We are confident that this will see us improving our current audit opinion from a qualified opinion to achieving successive unqualified audit opinions from the Auditor General of South Africa (AGSA). We know that this will not be easy and that it will not come overnight but we will not tire in our efforts of achieving it until we are successful.

We thank the residents of Buffalo City for participating in crafting this Integrated Development Plan and Budget for the year 2024/25. We count on their continued support during the implementation process as this will be beneficial to all of us.



M. Yawa

City Manager

EXECUTIVE SUMMARY

1. INTRODUCTION

The Buffalo City Metropolitan Municipal (BCMM) Council adopted its 2021/2026 Integrated Development Plan (IDP) on 31 May 2021 in accordance with the Municipal Systems Act (MSA), no. 32 of 2000. This report represents the third revision of this five-year IDP for the review period of 2024/2025.

In accordance with Section 25(2) of the Local Government: MSA, 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 IDP is adopted by the next elected council.

Section 25(3) of the Local Government: MSA 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 IDP 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 IDP 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 IDP for the 2024/2025 period. It describes the following:

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

2. THE PROCESS FOLLOWED

BCMM's IDP and budget review was undertaken through an inclusive, integrated and procedurally consistent manner in line with an approved IDP/Budget/Performance Management System (PMS) Process Plan and Time Schedule, which was compiled in accordance with Section 28 and 29 of the MSA and Section 21(1) of the Municipal Finance Management Act.

The strategic processes and activities undertaken in order to produce the Revised 2024/2025 IDP, are summarised in Table 1 below:

Table 1: IDP Process followed

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
	JUL – AUG: **Preparing for the IDP, Budget and Performance Management Process**	
1.	Top Management, Strategic Development Portfolio Committee and Budget Steering Committee • 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)	10, 15 and 17 August 2023
2.	Top Management: • Consider 2023/2024 First Adjustment Budget & the 2022/2023 Fourth Adjustment budget and recommend these being approved by Council	22 August 2023
3.	Budget Steering Committee: • Consider 2023/2024 First adjustment Budget & the 2022/2023 Fourth Adjustment budget and recommend these being approved by Council	14 August 2023
4.	Council: • Approve IDP/Budget/PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year), the 2023/2024 First adjustment budget (to be tabled before 25 August 2023) and the 2022/2023 Fourth Adjustment budget. AND • 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	25 August 2023
5.	Submit 4th Quarter Performance Report to Council within 30 days of the end of the quarter	26 July 2023
	SEPT – OCT: **PHASE 1: Research Information Collection and Analysis**	
6.	Prepare a draft Situational Analysis Report to 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	September – October 2023
7.	Consult Top Management to consider Ward Priorities and Mayoral Imbizo Progress Report as updated by Senior Management	October 2023
8.	Consult Councillors in order for them to verify content for the Ward Priorities and Mayoral Imbizo Progress Report as reviewed by Top Management	October – November 2023

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
9.	Ward-based Community Meetings to interact with ward communities, listen to needs and concerns and provide feedback on approved programmes and projects for 2024/2025	November – December 2023
10.	Three Spheres Joint Planning Session: • 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 Provincial Growth and Development Strategy and National Spatial Development Plan REF: DISTRICT DEVELOPMENT MODEL- (DDM) / ONE PLAN	Yes, 9 – 10 November 2023
11.	Budget Preparation Sessions with all directorates	22 November to 21 December 2023
JAN – FEB: PHASE 3: Development of Programmes and Projects		
12.	Council: • To table and adopt the Statement of Financial Performance and the Implementation of the 2023/2024 budget for the second quarter & Mid-year budget and Performance assessment report ended 31 December 2023 • To consider Municipal entity's proposed budget, priorities and objectives for 2024/2025 and proposed budget adjustments for 2023/2024 • To table the Draft Annual Report within 7 months after the end of the financial year to which the report relates	26 January 2024
13.	IDP Technical Work Sessions (per directorate): • Review 2023/2024 service delivery key performance indicators and targets after adjustments budget • Set Key Performance Indicators and Targets for the draft Revised 2024/2025 IDP and SDBIP • Align IDP, Budget, Risk and performance indicators	26 February – 4 March 2024
FEB: PHASE 4: Integration and Consolidation		
14.	Top Management: • Consider 2023/2024 Mid-year Adjustment Budget	20 February 2024
15.	Budget Steering Committee: • Consider 2023/2024 Mid-year Adjustment Budget for recommendation to Council	23 February 2024

NO	ACTIVITY DESCRIPTION	DATES ACHIEVED
16.	Councillors and Traditional Leaders' Workshop: • Deliberate on the proposed 2023/2024 Mid-year Adjustment Budget	26 February 2024
17.	Council: • Consider and adopt 2023/2024 Mid-year Adjustment Budget	28 February 2024
18.	National Treasury Mid-year Budget and Performance Assessment Review	15 & 16 February 2024
	MAR: **PHASE 5: Approval, Adoption and Publication** **Approval of draft IDP**	
19.	Top Management Technical Strategic Turnaround Session	19, 20 & 21 February 2024
20.	Top Management: • Consider and recommend the draft IDP, MTREF Budget and SDBIP	12 March 2024
21.	Budget Steering Committee: • Consider and recommend the draft IDP, MTREF Budget and SDBIP	14 & 15 March 2024
22.	Councillors and Traditional Leaders' Workshop: • Consult draft IDP, MTREF Budget and budget-related policies with leadership	19 March 2024
23.	Council: • 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.	27 March 2024

3. IDP INFORMANTS

The 2024/2025 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 (NDP), the Medium-term Strategic Framework (2019–2024), the District/Metro Development Model (DDM), the South African Economic Reconstruction and Recovery Plan, the Provincial Development Plan (2030), the Provincial Spatial Development Strategy, and the 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 Member of the Executive Council (MEC) for Local Government in accordance with Sections 31 and 32 of the MSA;
- Findings contained in the National Treasury Benchmarking Report;
- One Plan National Quality Assurance Panel (NQAP) – an overview of the results of the quantitative assessment conducted by the One Plan 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;
- Integrating the strategic intent throughout the budget process, including Municipal Standard Chart of Accounting alignment, and finalising the SDBIP;
- Review of elements of the Spatial Development Framework;
- Update of master plans and sector plans; and
- Update of the Financial Plan.

c) Inclusion of new information where necessary
- Consideration of the impact of the COVID-19 global pandemic;
- Update of the socio-economic profile; and
- Public participation input and revision of ward plans.

As a result of the IDP Review, the following updates and/or amendments were done in the IDP Revision document for 2024/2025:

Table 2: Updates done in the IDP document

Foreword by the Executive Mayor	The Executive Mayor provides a contextualised update of the foreword to reflect a summarised setting of the tone for the newly elected Council and key priorities to be focused on for the next term, giving due consideration of the changing socio-economic environment that the city, our country and the world at large are confronting in our development planning endeavours.
Overview by the City Manager	Following the tone set by the Executive Mayor, the City Manager expands on situating the IDP Review within the confines of the Metro Growth and Development Strategy, the increasing demand for reliable municipal services and the financial outlook of the metro.
Executive Summary	Key updates include: • The IDP Process Followed for this review period; • The key informants to the IDP review; and • The latest available assessment of the IDP and key assessment findings from Provincial Government with recommendations on gaps and improvement measures
SECTION A	No significant amendments were made in respect of Section A – the vision, mission, values, strategic outcomes, strategic objectives and key focus areas are retained.

SECTION B	The BCMM Profile is updated in this section, with more recent statistical data and analysis, taking cognizance of the most recent Census 2022 results: • Population Trends and Profile • Social Development Profile • Governance and Finance Development Profile • Infrastructure Development Profile • A summary of the Key Development Trends in the Metro • Spatial Development Profile • Situational Analysis Per BCMM Strategic Outcome and Key Focus Area
SECTION C	No amendments or updates have been made to this Section.
SECTION D	The section is updated with more recent engagements held as part of the IDP and One Plan review and implementation commitments are also updated as received from Buffalo City Metropolitan Municipality's Built Environment Performance Plan: Catalytic Land Development Programmes, Provincial and National Government Spheres.
SECTION E	The key performance indicators and targets will be updated on conclusion of the SDBIP within 28 days after adoption of the Budget as per Performance Management Regulations.
SECTION F	The financial plan for the metro is updated as aligned with the MTREF Budget tabled in Council and includes the operational and capital projects for the MTREF period.
SECTION G	The Operational Plan has been updated. No amendments were made.
ANNEXURES	Most significant updates on annexures are: • Annexure B - IDP/Budget/PMS Process Plan followed; and • Annexure C - Community and Stakeholder Issues / Priorities Raised (recommended revisions/corrections were received from three Ward Councillors: Wards 18, 29 and 31)

4. STRUCTURE OF THE IDP

Amongst other things, BCMM'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 are the five strategic outcomes which must be achieved by the year 2030.

In adherence to legislative prescripts, BCMM's 2021/2026 IDP has been reviewed for the second year and amendments thereto are submitted to Council for adoption. Kindly refer to Table 2 below for the structure of the IDP.

This IDP document is structured as follows:

Table 3: Structure of the 2021/2026 IDP and 2023/2024 IDP Review

SECTION A	INTRODUCTION Provides an outline of the legislative imperatives which guide the review of the IDP. 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	BUFFALO CITY METROPOLITAN MUNICIPALITY PROFILE AND ANALYSIS This section provides an overview of the Municipality focusing on the current situation, and key challenges and opportunities in each key performance area. Service delivery backlogs and level of access to municipal services are also outlined.
SECTION C	SPATIAL DEVELOPMENT FRAMEWORK The SDF provides a spatial analysis of the Municipality, details the spatial development principles and 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 DDM/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 is 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 BCMM plans to converge strategic priorities with the allocation of appropriate resources to enable effective implementation of the IDP.
SECTION G	BUFFALO CITY METROPOLITAN MUNICIPALITY 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 BCMM.

5. BUFFALO CITY METROPOLITAN MUNICIPALITY INTEGRATED DEVELOPMENT PLAN RATINGS

Section 31 of the Local Government MSA 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 IDPs. In this regard, all municipalities within the province must annually submit their IDPs for assessment by the Provincial Department of Cooperative Governance and Traditional Affairs COGTA). The overall aim of the assessment is to promote the crafting of credible IDPs.

The overall assessment of the Final IDP 2023/24 of BCMM can be summarised as follows:

- The Municipality has tabled, adopted and submitted its 2023/2024 Reviewed Integrated Development Plan to the MEC for Local Government within 10 days of adoption in compliance with Section 32 of the MSA;
- 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 MSA.

The summary of findings on gaps and improvement measures relating to all six KPAs is as follows:

Table 4: Summary of findings on gaps and improvement measures for 2022/2023 IDP KPAs

2023/2024 IDP Assessment Finding
KPA 1: Spatial Planning, Land, Human Settlement and Environmental Management
The municipality must establish the Municipal Planning Tribunal, and this must be reflected in the IDP.
The municipality must indicate whether a qualified town planner has been appointed to deal with town planning requirements in terms of Spatial Planning and Land Use Management Act (SPLUMA) 16 of2013.
The municipality must finalise the land audit report and reflect it in the IDP
KPA 2: Service Delivery and Infrastructure Planning
The municipality must develop the Rural Roads Asset Management System (RRAMS).
The municipality must establish the Roads and Transport Planning Forum.
The municipality must develop the coastal zone management plan.
The municipality must establish coastal management committees.
The municipality must appoint a designated waste management official.
The municipality must ensure the licensing of landfill sites, and this must be reflected in the IDP.
The municipality must comply with the licensing and management requirements of landfill sites.
The municipality must develop a trade effluent policy and budget for its operations and maintenance.
The municipality must establish the waste management forum.
The municipality must develop community safety plans and establish community safety forums.
The municipality must ensure the development and review of the Disaster Management Framework, and this must be reflected in the IDP.
The municipality must establish a disaster management centre in compliance with the National Disaster Management Policy Framework.
The municipality must specify plans and service level agreements it has to address high-risk hazards in the municipality.
The municipality must develop specific disaster emergency procurement measures.
The municipality must reflect the electricity backlog in the IDP.

2023/2024 IDP Assessment Finding
The municipality must reflect on National Energy Regulator of South Africa (NERSA) licensing.
The municipality must review the Water Services Development Plan and provide för infrastructure maintenance; these must be reflected in the IDP.
KPA 3: Financial Planning and Budgets
The municipality must indicate whether relevant policies are promulgated into by-laws and gazetted.
The municipality must budget for repairs and maintenance according to Municipal Finance Management Act (MFMA), No. 56 of 2003 Circular 51.
The municipality must spend 100% of its capital budget and its grants.
The municipality must put in place mechanisms to curb water losses and illegal electricity connections, and these must be reflected in the IDP.
The municipality must establish the Indigent Steering Committee and ensure it is functional.
KPA 4: Local Economic Development (LED)
No findings.
KPA 5: Good Governance and Public Participation
The municipality must develop an action plan based on the previous year's assessment and include it in the IDP.
The municipality must ensure the implementation of the Integrated Service Delivery Model, and this must be reflected in the IDP.
The municipality must develop Ward Based Plans and reflect these in the IDP.
The municipality must develop, adopt, and implement a complaint management system.
The municipality must develop and adopt a fraud prevention plan and policy.
The municipality must keep a litigation register and this must be reflected in the IDP
KPA 6: Institutional Arrangements
The municipality must put in place mechanisms for proper management of satellite offices, and these must be reflected in the IDP.
The municipality must indicate filled and vacant positions per department.
The municipality must take decisive steps to address the challenge of critical and scarce skills, and these steps must be reflected in the IDP.
The municipality must cascade the performance management system to lower levels.
The municipality must ensure proper records management, and this must be reflected in the IDP

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 KPA, ranging from low, medium to high, as illustrated in Table 4, was assigned:

Table 5: Rating per KPA

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 2023/2024 assessment ratings for BCMM are shown as follows:

Table 6: IDP Assessment Ratings 2021/2022, 2022/2023 and 2023/24

KPA	Rating 2021/2022 Revised IDP	Rating 2022/2023 Revised IDP	Rating 2023/2024 Revised IDP
KPA 1: Spatial Planning, Land, Human Settlements & Environmental Management	HIGH	HIGH	HIGH
KPA 2: Service Delivery & Infrastructure Planning	MEDIUM	MEDIUM	MEDIUM
KPA 3: Financial Planning & 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

The Member of the Executive Council (MEC) for Eastern Cape Cooperative Governance and Traditional Affairs (EC-COGTA) stated that BCMM has scored an overall **high** rating on the 2023/2024 Revised IDP.

SECTION A: INTRODUCTION AND BACKGROUND

1. LEGISLATIVE FRAMEWORK

Buffalo City Metropolitan Municipality's (BCMM) 2021–2026 Integrated Development Plan (IDP) 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, No. 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, No. 32 of 2000

Section 25 of the Municipal Systems Act (MSA) 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 MSA defines an IDP 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, No. 56 of 2003

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

1.4 Local Government: Municipal Structures Amended Act, No. 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 Buffalo City Metropolitan Municipality Vision Statement

BCMM 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

BCMM 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

BCMM strives to realise the following five 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**: With high-quality (and competitively priced) connections to ICT, electricity, and transport networks (inside the city and to the outside world);
- **A spatially transformed City**: That progressively overcomes apartheid spatial divisions and fragmentation with township economies becoming more productive; and
- **A well-governed City**: With 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 annual Mayoral Lekgotla, followed by the Council Lekgotla, are critical instruments of the IDP Process and aid the Executive Mayor in his/her responsibility for the preparation and implementation of the IDP, the budget and performance management. In his/her executive capacity the Executive Mayor is required to:

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

These council priorities, arranged in accordance with the BCMM MGDS and IDP, are converged with the National and Provincial Imperatives as follows:

Table 7: BCMM imperatives converged with provincial and national imperatives

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 and emergency services. **Council Priority 3:** Community development.	**Focus Area 1:** People development and 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	**Priority 3:** Education, skills, and health **Priority 6:** Social Cohesion and Safe Communities	**Policy lever 7**: Empowered, active communities

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)**
				NDP Chapter 10: Healthcare for all		
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 agricultural sector	**NDP Chapter 3:** Economy and employment **NDP Chapter 4:** Economic infrastructure **NDP Chapter 6:** Inclusive rural economy **NDP Chapter 7:** South Africa in the region and the world	**Priority 2:** Economic transformation and job creation **Priority 7:** A better Africa and world	**Policy lever 6:** Inclusive economic development
Strategic Outcome 2: A green City **Strategic Outcome 4**: A spatially transformed City	**Council Priority 4:** Solid waste and environmental management (climate change). **Council Priority 6:** Transform the spatial form of the city	**Focus Area 3:** Spatial restructuring and environmental sustainability	**Goal 5:** Environmental sustainability	**NDP Chapter 5:** Environmental sustainability and resilience **NDP Chapter 8:** Transforming human settlements	**Priority 5:** Spatial integration, human settlements, and local government	**Policy lever 1:** Integrated urban planning and management **Policy lever 3:** Integrated and sustainable human settlements **Policy lever 5:** Efficient land governance and management

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 3: A connected City	**Council Priority 5:** Infrastructure and service delivery	**Focus Area 4:** Infrastructure engineering **Focus Area 5:** Integrated services provisioning	**Goal 2:** An enabling infrastructure network	**NDP Chapter 4:** Economic infrastructure	**Priority 4:** Consolidating the social wage through reliable and quality basic services	**Policy lever 4:** Integrated urban infrastructure **Policy lever 2:** Integrated transport and mobility
Strategic Outcome 5: A well-governed City	**Council Priority 7:** Improve administrative governance **Council Priority 8:** Financial resilience:	**Focus Area 6:** Governance and financial management	**Goal 6:** Capable democratic institutions.	**NDP Chapter 13:** Building a capable and developmental state **NDP Chapter 14:** Fighting corruption	**Priority 1:** A capable, ethical and developmental state	**Policy lever 8:** Effective urban governance **Policy lever 9:** Sustainable finances

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 KPIs and targets, against which the performance of the Municipality and its senior management and leadership are measured, derives its mandate from this IDP.

The introduction of KFAs formed part of the 2019/2020 IDP Review and are 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 they improve accountability, since KFAs can be stipulated in the performance agreements of specific officials.

The following amendments to the KFAs were approved during the 2023/2024 IDP Review:

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 KFAs be adjusted to accommodate the amendment to KFA 15: Beaches, Parks, and Open Spaces.

Table 8: BCMM Strategic Framework

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 and Marketing
		KFA 5: Job Readiness and Training (external)
		KFA 6: Rural Development and 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
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 and KFA 16: Parks and Open Spaces.
		KFA 17: Vegetation Control and Biodiversity
		KFA 18: Municipal and Environmental Health
		KFA 19: Solid Waste Management
STRATEGIC OUTCOME 3 (SO3): A connected City	To maintain a world class logistics network.	KFA 20: Roads and Storm water Infrastructure
		KFA 21: ICT
		KFA 22: Transport Planning and Operations
		KFA 23: Energy Supply Efficiency

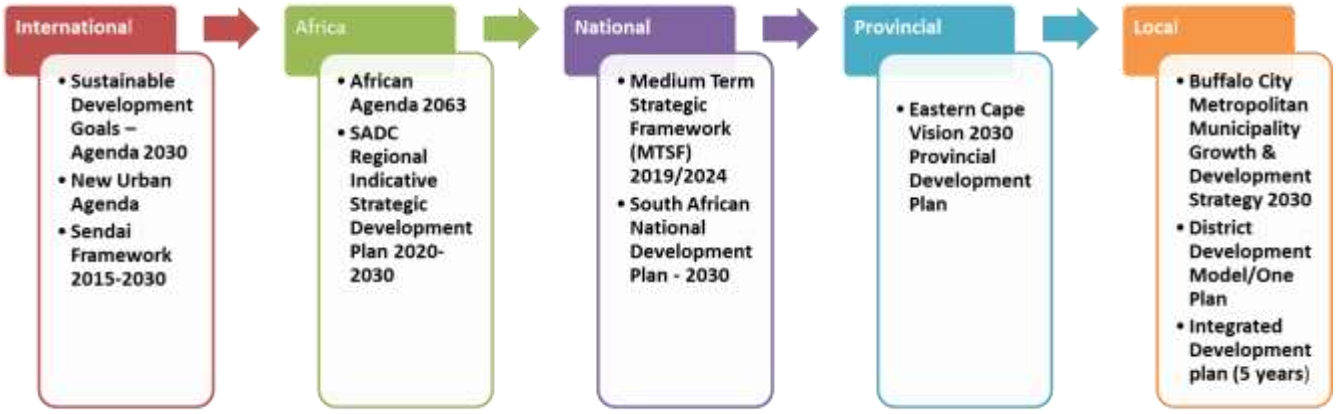
STRATEGIC OUTCOME 4 (SO4): A spatially transformed City	To develop and maintain world class infrastructure and utilities.	KFA 24: Water and Wastewater
		KFA 25: Spatial and Urban Planning
		KFA 26: Sustainable Human Settlements
		KFA 27: Built Environment Management
		KFA 28: Urban, Rural and Township Regeneration
		KFA 29: Property Management and Land Use
		KFA 30: Cemeteries and Crematoria
STRATEGIC OUTCOME 5 (SO5): A well-governed City	Promote sound financial and administrative capabilities	KFA 31: Risk Management
		KFA 32: Stakeholder Participation and 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)
		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. ALIGNMENT WITH GLOBAL, NATIONAL AND PROVINCIAL STRATEGIC IMPERATIVES

The Buffalo City Metropolitan Municipality takes guidance from several international, national, and local frameworks that highlight the challenges of the twenty first century and emphasise the need for strategies and plans for transformation, building resilience and improving the quality of life of communities through sustainable development practices.

The diagram below highlights some of the frameworks:

Figure 1: The Governance and Institutional Frameworks Guiding Sustainable Development (Draft Buffalo City Metropolitan Municipality Voluntary Local Review on Localising Sustainable Development Goals, 2024)



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 economic growth, full and productive employment and decent work for all.
Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation 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, 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 revitalise the global partnership for sustainable development.

Figure 2: United Nations Sustainable Development Goals

The 17 sustainable development goals (SDGs) adopted by the UN in 2015, to transform the world, align to many of the national goals of South Africa at a country level and which needs to translate into transformative economic, social, and environmental action at the local level. The biggest impact collectively all levels of government, civil society, business, and other stakeholders can make and show results is physically on the ground and how meaningfully the lives of people change for the better.

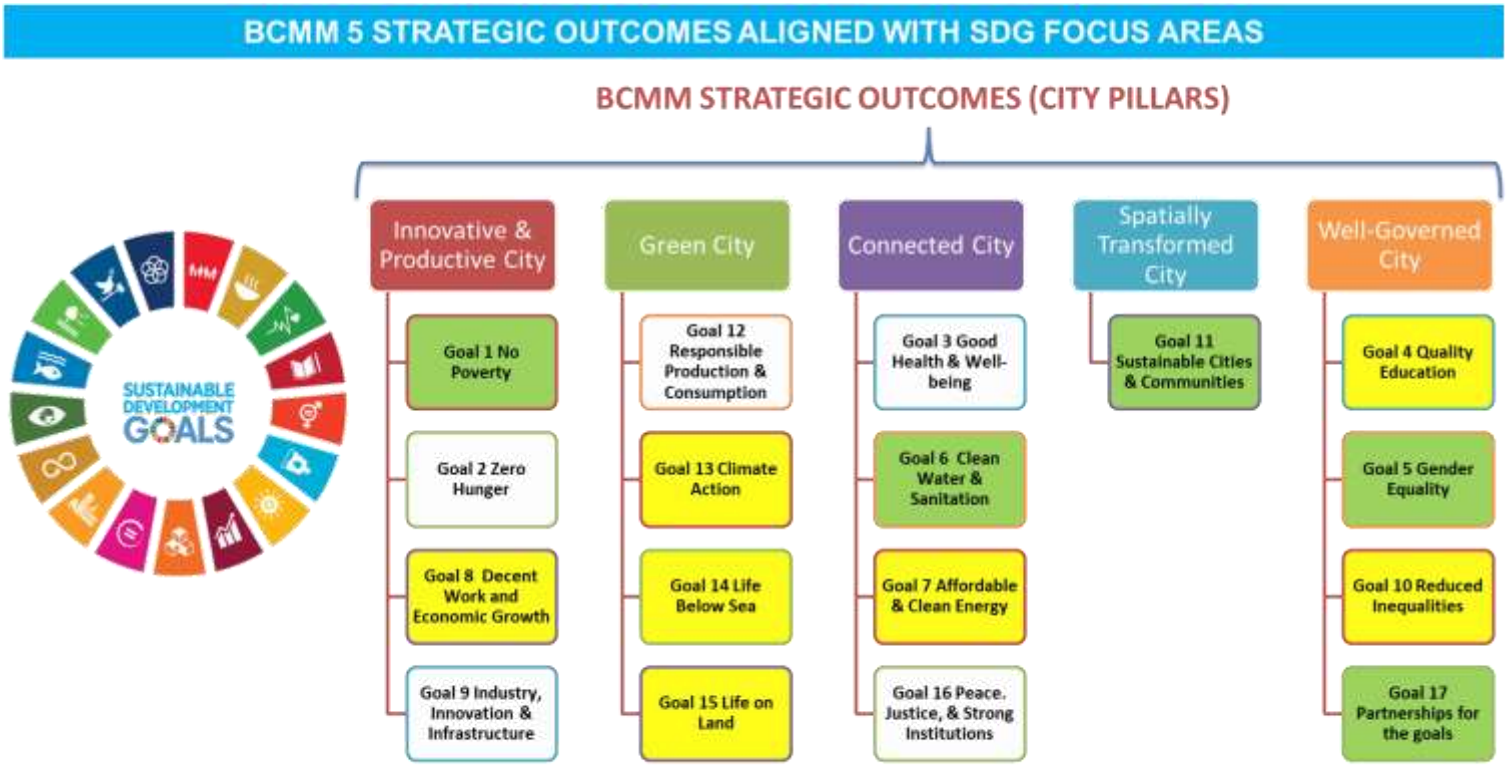
Alignment to the SDG's strategically offers opportunity to tackle broader issues faced by the world, at a local level but also offers opportunity to access and share resources, improve capacity, experiences, and best practices therefore, meaningfully improving effectiveness and efficiency of municipalities to respond to developmental challenges. It is important to highlight all frameworks that recognize the key role that local government play in facilitating and achieving commitments and goals. Decentralized Cooperation represents an important window of opportunity, to strengthen the role of cities in the process of localizing global agendas and harnessing the opportunities offered globally.

Localizing the national and internationally agreed development goals is essential for ensuring that the goals reflect local needs, norms, and values, thus ensuring that all of society finds them relevant and meaningful.
South Africa is a signatory to the 2030 Agenda for Sustainable Development and the Sustainable Development Goals and therefore must oblige with its international commitments to ensure that its programmes and strategies are aligned with the SDGs and that principes of the 2030 Agenda for Sustainable Development, with the strategic intent to "Leave No One Behind", is embraced.
On the international level South Africa adopts international models and best practices in line with its national priorities and the National Development Plan. To reinforce vertical coherence and complement Voluntary National Reviews, Buffalo City Metro has been working on its Voluntary Local Review (VLR) since September 2023 following

being selected by SALGA to be one of the five (5) Metros to participate in the localization process. The BCMM VLR will feed into the VNR for the country.

Buffalo City Metro, through its international relations programmes has already been working with the SDGs as all applications to the Swedish or German programmes must be SDG aligned. Following the selection by SALGA the BCMM Core Group has been creating alignments to BCMMs pillars, strategies, and programmes to show the contribution that the Metro is making towards Agenda 2030 but has not been reporting. Therefore, the VLR Baseline Report for BCMM will table the meaningful contribution that the Metro is making towards sustainable development. The first alignment is depicted below in the diagram showing alignment of the SDGS to the BCMM 5 pillars:

Figure 3: BCMM's Strategic Outcomes Aligned with SDG Focus Areas



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, 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 ten-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 free 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 IDP and its annual reviews, and they will 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 NDP, National Spatial Development Perspective (NSDP), MTSF (2019–2024), Back to Basics and 2030 Vision for the Eastern Cape.

3.4.1 National Development Plan

The 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 ten percent of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes, 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 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, researching 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 spatial structure of the 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 restructuring 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 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 MTSF 2014–2019 outlined the plan and outcomes-based monitoring framework for implementing the NDP during the country's fifth democratic administration. The MTSF 2019–2024 outlines the priorities to be implemented in the sixth administration. It also outlines the priorities and interventions across South Africa's national development pillars.

Following the first seven years since the adoption of the NDP 2030, and its implementation through the MTSF 2014–2019, the current MTSF is informed by the lessons of the past five years, 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 SOEs, 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 NSDP 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. An outcome of such economic investment profiling that involves all spheres of government is the East London Industrial Development Zone (ELIDZ). The NSDP also informs the SDF of the BCMM.

3.4.4 Back to Basics – Serving our Communities Better

BCMM adopted the national and provincial Back to Basics support package on 29 July 2015. Cooperative Governance and Traditional Affairs (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; and

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 BCMM.

iv. Entrench good governance and accountability for performance within the BCMM – both at political and administrative levels.

v. Root out corruption and mismanagement.

vi. Engage BCMM stakeholders and enlist them in the turnaround of the metro's fortunes.

vii. Improve the state of service provision in communities.

viii. Stabilise the BCMM's finances and build up reserves in order to sustain a capital investment programme.

Back to Basics ten-point plan

- Positive community experiences
- Municipalities receiving disclaimers over five years
- Revenue-enhancement programme
- Appointment of senior managers in municipalities
- Service and Infrastructure
- Implementation of forensic reports
- Metropolitan Back to Basics 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 urbanisation 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 depend on their integration into municipal development planning tools such as the SDF, IDP and Built Environment Plan (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 forms 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 investment in land and property resulting in inclusive, multi-functional urban spaces;
- **Inclusive economic development**: Cities and towns that are dynamic and efficient, foster entrepreneurial activity and innovation, sustain livelihoods, enable economic growth, and generate 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 (DDM)

The President, during his 2019 SONA, delegated the sixth 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 eight metropolitan municipalities.

The DDM 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 DDM include:

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 levels;
iii. Delivering integrated services while strengthening monitoring and evaluation and impact at district and local levels;
iv. Ensuring inclusive and gender-oriented mainstream budgets based on the needs and aspirations of the 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; and
vii. Ensuring accelerating sustainable development to eradicate poverty, create employment and improve people's quality of life.

The model has been piloted in three municipal spaces: namely OR Tambo District Municipality, eThekwini Metropolitan Municipality and Waterberg District Municipality, with the intention to roll it out in all 52 districts and metros in the country. The DDM is anchored to the development of a One Plan for each district and metro. The One Plan is an intergovernmental plan setting out a 25–30-year long-term strategic framework (consisting of short-term, medium-term 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 localisation, reindustrialisation 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 Plans 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 centralised capacity in the Presidency to drive and coordinate implementation. The DDM will underpin the implementation of all programmes identified in the Plans.

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, BCMM's long-term strategy, IDP, SDF and the BCMM Economic Recovery Plan.

Figure 1 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, IDP and BCMM Economic Recovery and Investment Plan:

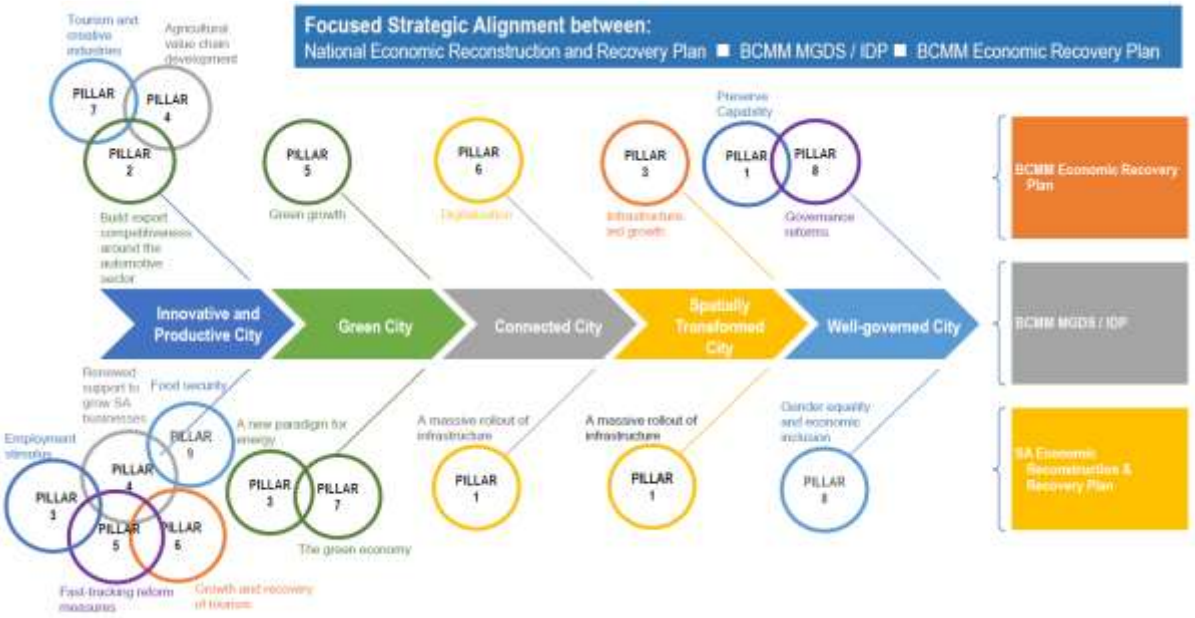


Figure 4: BCMM alignment with National Economic Reconstruction and Recovery Plan

3.5 Provincial Strategic Agenda

3.5.1 Provincial Perspective: 2030 Vision for the Eastern Cape

In alignment with the NDP, the Eastern Cape Province's 2030 Vision aims to provide creative responses to the province's challenges. A sustainable future for the Eastern Cape Province 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 Province 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 IDP, BCMM takes its lead 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 IDP and Budget as revised annually. Key needs and priorities raised, as revised for the fifth generation IDP, relate to the following service delivery issues:

Table 9: Community Needs and Priorities

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

In terms of section 23(2) of the Municipal Finance Management Act, No 56 of 2003 (MFMA), **after considering all the budget submissions**, the Council must give the Executive Mayor an opportunity:

(a) To **respond to the submissions**; and

(b) If necessary, **to revise the budget and table amendments** for consideration by the Council.

Based on analysis of Mayoral Imbizo issues raised during October 2022, the Ward Priorities agreed on between communities and the respective Ward Councillors and Ward Committees, and outcomes of the most recent IDP/Budget Roadshows, the following five issues emerged as requiring priority attention:

1. Electrification of informal settlements
2. Housing opportunities (as in-migration of people from rural areas increases the demand for housing / shelter)
3. Roads (resurfacing and maintenance)
4. Construction of new Community Halls
5. Upgrading of Sport fields

Transversal / Cross-cutting matters

- Communities and stakeholders have utilised the opportunity to reflect on their needs vis-a-vis government services in different spheres (for example: schools, clinics, police stations) as well as other issues that may be regarded as cutting across more than one government entity and sphere.
- The Municipality fully embraces the concept of joint intergovernmental planning, as guided by the **District Development Model** adopted by Cabinet in 2019.
- Against this backdrop, the Municipality fully participates in the National and Provincial IGR Structures and creates numerous platforms for joint planning.

The BCMM IGR Unit has disseminated the issues relevant to other organs of state to the relevant entities for responses and will present a status report at the next Political IGR Forum.

Detailed needs and priorities per ward are attached as Annexure C.

3.6.2 Administrative (Technical) Informants and Priorities

The Technical Strategic Turnaround Session directed by the City Manager on 19 to 21 February 2024, identified the following Key Strategic Issues as vital levers for unlocking the multi-faceted and complex group of challenges which impede the metro in reaching our objectives and desired outcomes:

Key Lever 1: Create a safer city

- Use of technology to create a reliable, stable and secure environment for investment / our existing infrastructure

Key Lever 2:

- Data Cleansing
- To enable effective billing which will encourage consumers to pay and further enhance the city's image for greater investment opportunities

Key Lever 3: Integration of all city strategies

- Integration of all City Strategies to have seamless operations & maintenance systems

Key Lever 4: Maximise the use of GIS

- To identify existing land parcels and maximise the use of same as per the SDF

Key Lever 5: Platform Business Model

- Seamless interface
- Customer confidence
- Improved service delivery
- Improved accountability

Key Lever 6: Develop a Functional Organizational Structure

- Enhanced Organizational Performance
- Improved Bulk Infrastructure and Service Provision
- Economic Spinoffs and Revenue Enhancement
- Financial Stability and Happy Communities

These Management Proposals will be further unpacked during engagements between the Administrative and Political Leadership during the finalisation of the IDP Review and MTREF Budget.

3.6.3 Buffalo City Metropolitan Municipality Service Delivery Charter

BCMM developed a Service Delivery Charter in an effort to ensure that services are delivered in an effective and efficient manner and that 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.

3.6.4 Rapid Response Task Team

Another effort by the BCMM 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 directs 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 beforehand.

3.6.5 Metro Growth and Development Strategy

BCMM adopted the MGDS which is the Vision towards 2030. The MGDS is the primary foundation for BCMM's future to work in partnership, to achieve goals and programmes, and to encourage business and investment in 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 MGDS will be implemented throughout the 15-year timeframe over three IDPs (five 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 in the five strategic outcome areas and are aligned to the IDP process.

3.6.6 Buffalo City Metropolitan Development Agency

Buffalo City Metropolitan Development Agency (BCMDA) 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). The BCMDA Board was 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 BCMDA:

- ***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 necessary land and buildings, and/or rights to necessary land and buildings, to enable it to achieve its aims and objectives.

ii) Powers of the Agency

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

- Conducting regular communications with all stakeholders.
- Launching, managing and/or monitoring any study that may be necessary to further the objectives of the Agency.
- Negotiating, entering into and administering contracts in furtherance of its objectives.
- Collecting income, raising, receiving and holding funds, or receiving guarantees, from any lawful source, for the purposes of the BCMDA and managing, administering and disbursing 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.
- Conducting and operating 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

BCMM has made an effort to ensure horizontal alignment with provincial and national plans when developing the long-term MGDS and the IDP. Alignment can be demonstrated as follows:

Table 10: Alignment of Strategic Imperatives

BCMM Strategic Outcomes	12 National Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National Ten- Point Plan
An innovative and productive City	• Decent employment through inclusive economic growth. • A skilled and capable workforce to support inclusive growth. • An efficient, competitive and responsive economic infrastructure network.	• A growing, inclusive and equitable economy. • Vibrant and equitably enabled communities.	• 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.	• Ensure access to affordable, reliable, sustainable economic growth, full and productive employment and decent work for all.	• Unlocking the potential of small, medium and micro enterprises (SMMEs), cooperatives, township and rural enterprises. • Operation Phakisa aimed at growing the ocean economy and other sectors. • Encouraging private sector investment.
A green City	• Protection and enhancement of environmental assets and natural resources.	• A growing, inclusive, and equitable economy.	• 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.	• Take urgent action to combat climate change and its impacts.	• Resolving the energy challenge. • Revitalising 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 Ten- Point Plan
A well-governed City	• Improve the quality of basic education.	• An educated, empowered, and innovative citizenry.	• All children should have at least two years of pre-school education. This implies about two million places. • About 80% of schools and learners achieve 50% and above in literacy, mathematics and science in grades three, six and nine. • At least 80% of students should complete 12 years of schooling.	• Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	• N/A
A well-governed City	• A development-orientated public service and inclusive citizenship.	• An educated, empowered and innovative citizenry.	• 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.	• Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.	• Moderating workplace conflict.
A spatially transformed City	• Improve health and life expectancy.	• A healthy population.	• By 2030, life expectancy should reach at least 70 for both men and women.	• Ensure healthy lives and promote well-being for all at all ages.	• N/A

BCMM Strategic Outcomes	12 National Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National Ten- Point Plan
			• Infant mortality rate should decline from 43 to 20 per 1 000 live births and the under-five mortality rate should be less than 30 per 1 000, from 104 today.		
A spatially transformed City	• Sustainable human settlements and improved quality of household life.	• Vibrant and equitably enabled communities (universal access to social infrastructure).	• 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.	• Ensure availability and sustainable management of water and sanitation for all.	• State reform and boosting the role of state-owned companies, Information Communications Technology (ICT) infrastructure or broadband roll out, water, sanitation, and transport infrastructure.

SECTION B: BUFFALO CITY METROPOLITAN MUNICIPALITY PROFILE AND ANALYSIS

1. EXECUTIVE SUMMARY

The following Statistical Overview Report aims to quantify the economic, demographic, and socio-economic environment of BCMM in the 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, gender 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 BCMM demographics in the context of other districts, the Province, and South Africa.

The second section will provide insights into the economic environment of BCMM in relation to the other metropolitan municipalities in the region, the Province, and South Africa's performance. The analysis will include the economic contribution of the regions within BCMM. The changing economic environment impacts on the ability of the economy to create jobs. Therefore, this section will include an analysis of employment data and related income dynamics of BCMM.

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

1.1. Buffalo City Metropolitan Municipality in Context

BCMM 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. Buffalo City is a metropolitan municipality situated on the east coast of the Eastern Cape Province, South Africa, bounded to the south-east by the long coastline along the Indian Ocean. It includes the towns of East London, Bhisho and Qonce (previously known as King William's Town), as well as the large townships of Mdantsane and Zwelitsha.

The BCMM was established as a local municipality in 2000 after South Africa's reorganisation 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 automotive 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 5: BCMM Locality in South Africa

Source: BCMM GIS UNIT

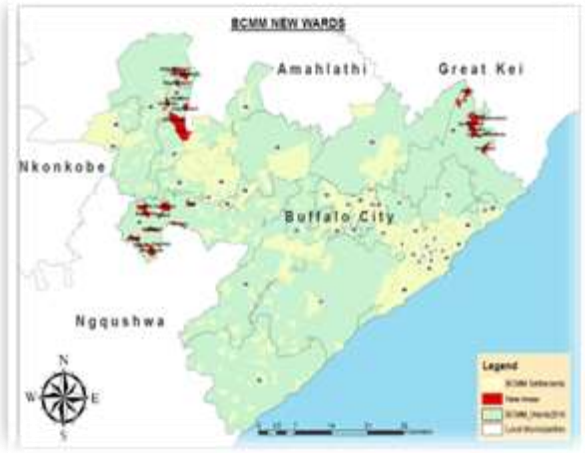


Figure 6: New areas (shown in red) recently demarcated to BCMM from Great Kei, Amahlathi and Ngqushwa Local Municipalities

Source: BCMM GIS UNIT

BCMM is made up of significant portions of two Magisterial Districts, as follows:

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

Municipal Demarcation Amendments: Circular 2/2024 (Re-determination of Municipal Boundaries in Respect of Section 21(5) of the Local Government: Municipal Demarcation Act, 1998

In terms of Section 21 of the Local Government Municipal Demarcation Act, 1998 (Act No 27 of 1998) the Municipal Demarcation Board has re-determined the municipal boundaries of:

Ngqushwa Local Municipality (EC126), Amathole District Municipality (DC12) and Buffalo City Metropolitan Municipality (BUF) by excluding Nxwashu/Tyip-Tyip village from the municipal areas of Ngqushwa Local Municipality (EC126) and Amathole District Municipality (DC12), and by including them into the municipal area of Buffalo City Metropolitan Municipality (BUF).

Amahlathi Local Municipality (EC124), Amathole District Municipality (DC12) and Buffalo City Metropolitan Municipality (BUF) by excluding eThembeni village from the municipal areas of Amahlathi Local Municipality (EC124) and Amathole District Municipality (DC12), and by including it into the municipal area of Buffalo City Metropolitan Municipality (BUF). In line with the local government dispensation in South Africa, the BCMM is a Category “A” Municipality.

This re-demarcation has a profound impact on the metro's planning priorities for the medium-to-long-term. Given that this is a recent development, the metro is unlikely to conduct a thorough diagnostic analysis to inform IDP and Budget priorities for the 2024/2025 Review.

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 BCMM. The spatial fragmentation creates a negative urban dimension.

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

- Firstly, a general appraisal of land use and settlement patterns within BCMM indicates clearly that the urban settlement pattern is dominated by the East London–Mdantsane–Qonce–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 south-eastern boundary is restricted by the Indian Ocean. East London serves as the primary node and is the dominant economic hub in the region.

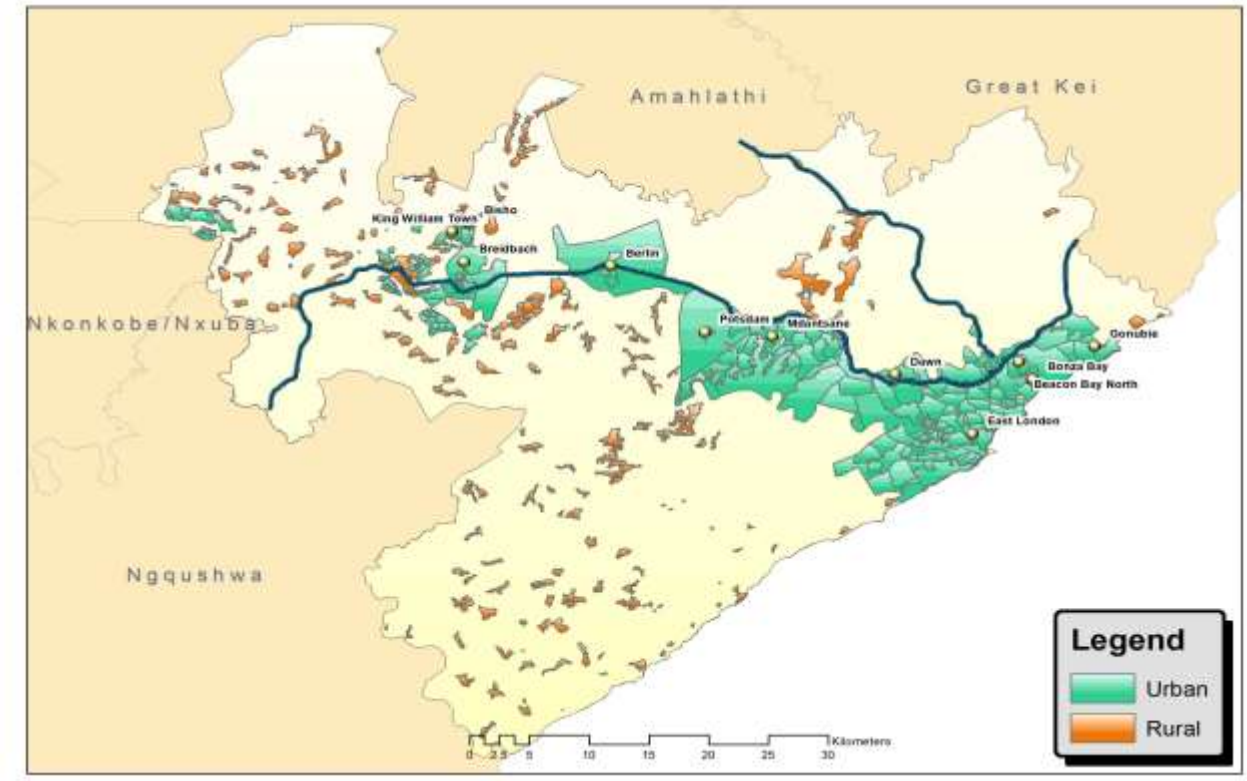
    - The Qonce area and surrounds are spatially fragmented with Qonce being the main urban area. The outlying urban areas include Bhisho, Ginsberg, Zwelitsha, Phakamisa, Breidbach, Ilitha and Dimbaza. Qonce serves as a secondary node in the Buffalo City region.

    - 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 Qonce/Bhisho Regeneration process requires budgetary emphasis for implementing the projects that the Qonce/Bhisho Local Spatial Development Framework (LSDF) identifies.

- The second is the area comprising non-urban land within the Municipal area. This is characterised by distinctive enclaves (mainly within the areas of the former Ciskei, but also notable on the outskirts of East London, in Newlands), where rural and peri-urban settlements accommodate some 20% of the municipal population and where land is used for intensive and extensive agricultural purposes. The rural settlements are situated mainly to the western and southern parts of Buffalo City.

- The third distinctive land use is commercial farming areas. These areas are dominant in the north-eastern and south-western (coastal) sectors of the BCMM and are characterised by extensive land use, with certain areas making use of intensive, irrigation-based farming.

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



Source: BCMM GIS UNIT

Figure 7: BCMM urban and rural settlements

1.2 Physical characteristics

The physical shape, environmental character, and configuration of the BCMM has 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 within BCMM.

1.3 Topography

The BCMM area extends from sea level, along the coastal belt in a 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 BCMM occurs in the Amathole Mountains and reaches 2 100m above sea level.

The topography of the region is characterised by a number of incised river valleys, which run nearly parallel to each other in a south-easterly direction through BCMM and which dissect it 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 mudstone and sandstone 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 erodibility 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 Province. 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, the temperatures can reach the mid-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.

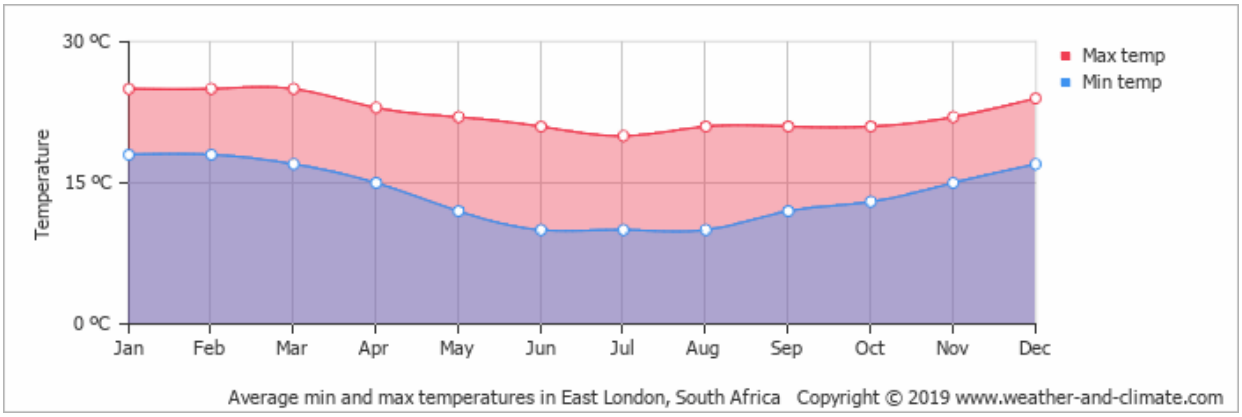


Figure 8: BCMM weather averages 2019

1.6 Drainage System

BCMM has ten major river systems. Of these, nine are considered endangered, and the Buffalo River systems are considered vulnerable (South African National Biodiversity Institute [SANBI], 2004). In terms of aquatic systems, the National Wetlands Inventory identifies a total of 2 064 wetland areas. The groundwater potential in the region is generally not good, resulting in low borehole yields (generally below 2l/s) and high salinity water. The north-western portion of the region (Peelton villages) has the greater groundwater potential, with the potential reducing in a south- easterly direction towards the coast.

1.7 Vegetation

BCMM has a wide variety of vegetation types. The main vegetation types are spread throughout BCMM, covering 252 577,5ha. The vegetation types may impact on the livelihood of communities as they determine the carrying capacity of land in terms of livestock units. The scarcity of vegetation determines whether crop production or livestock farming should be practiced.

Four biomes are represented in BCMM – Albany Thicket 66,82%; Savanna 29,24%; Forest 2,73% and Grassland 1,14% – in which 12 vegetation types have been classified by Mucina and Rutherford (2006). There is an estimated 26,8% where no natural habitat remains. SANBI identifies no critically endangered or vulnerable terrestrial ecosystems within the Municipality.

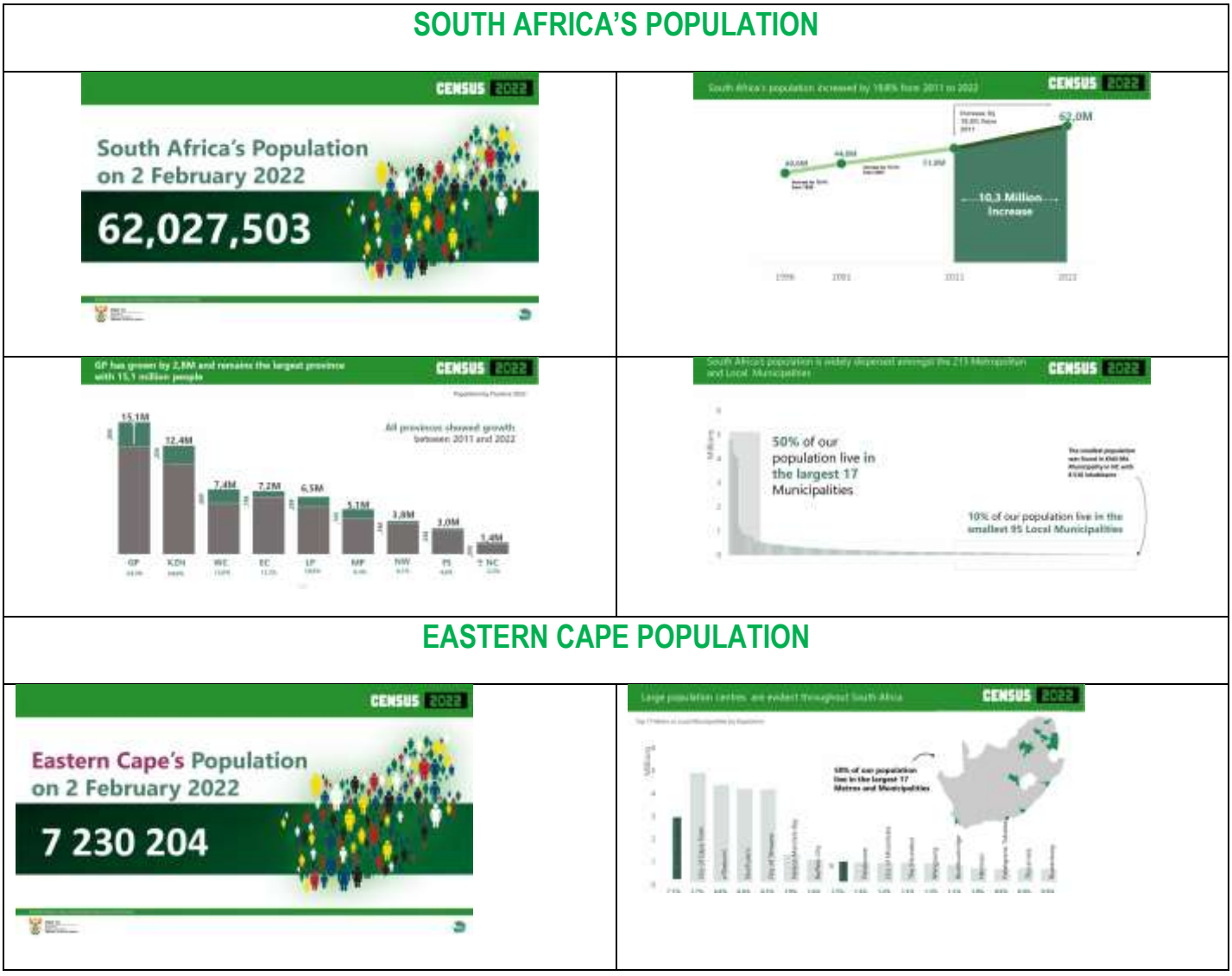
2. POPULATION TRENDS AND PROFILE

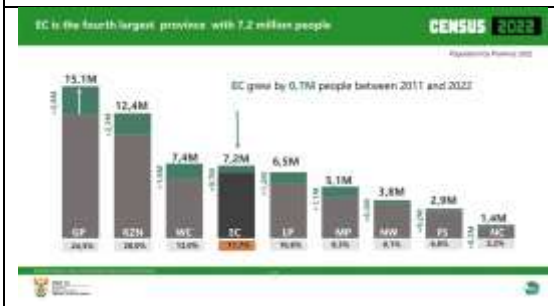
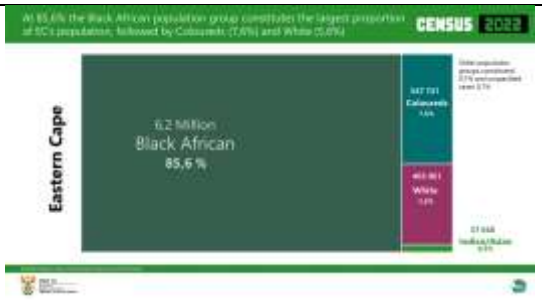
Demographics, or population characteristics, include analysis of the population of a region. Distributions of values within a demographic variable, and across households, as well as trends over time, are of interest. In this section, an overview is provided of the demography of BCMM and all its neighbouring regions, the Eastern Cape Province, and South Africa as a whole.

2.1 Total Population

Population statistics are 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.

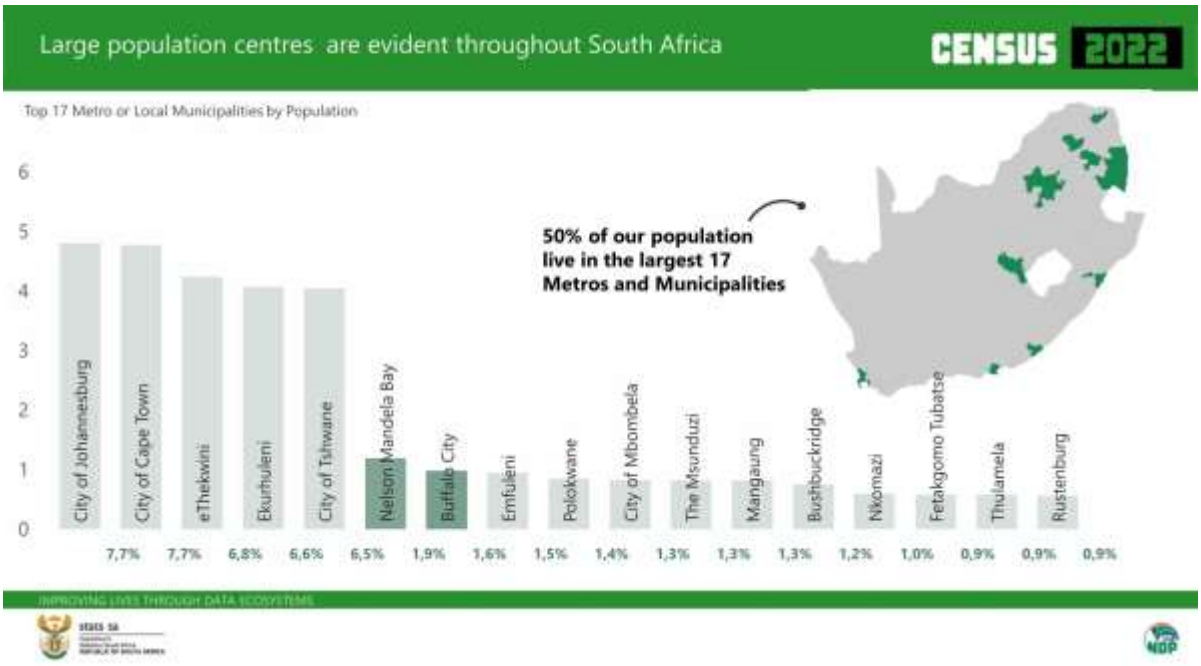
Figure 9: South Africa and Eastern Cape Population, StatsSA (Census, 2022)



TOTAL POPULATION	EC POPULATION BY POPULATION GROUP
	

BUFFALO CITY METROPOLITAN MUNICIPALITY: SOUTH AFRICA'S 7th LARGEST POPULATION CENTRE

Figure 10: Large population centres in South Africa, StatsSA (Census, 2022)



Buffalo City is home to **1.6%** of the country's population currently residing in the 10 largest population centres, making it the 7th largest population centre. Buffalo City grew by **193 402** people with a **24,7%** increase from 2011 to 2022.

Figure 11: Buffalo City's Total Population, StatsSA (Census, 2022)

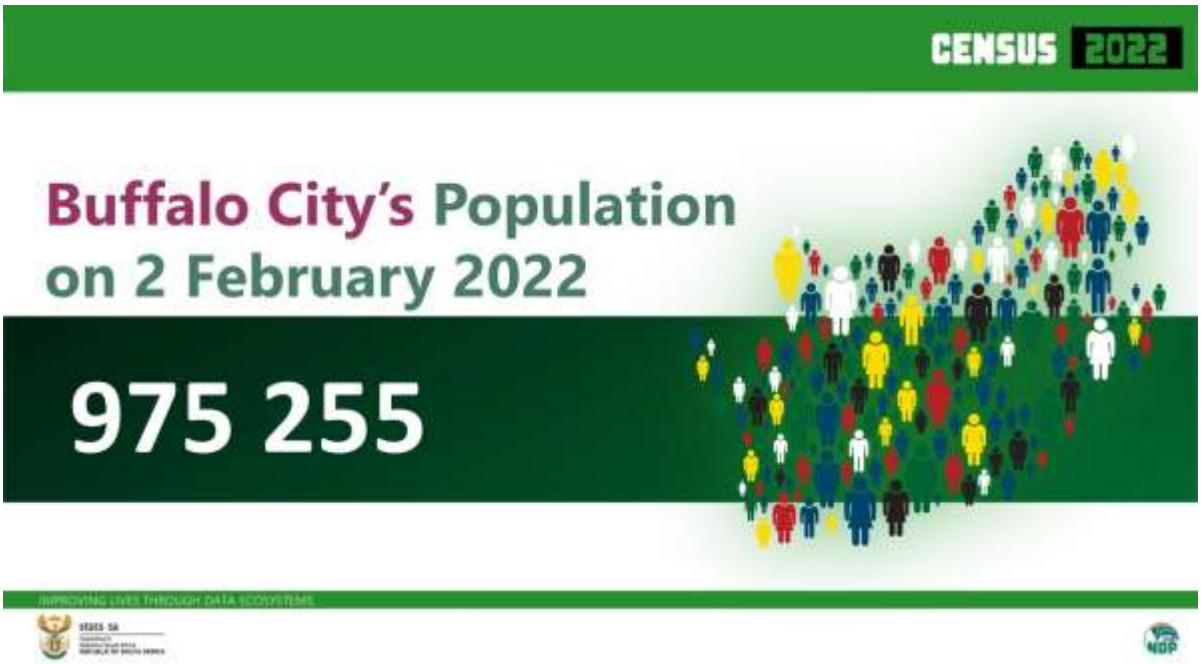
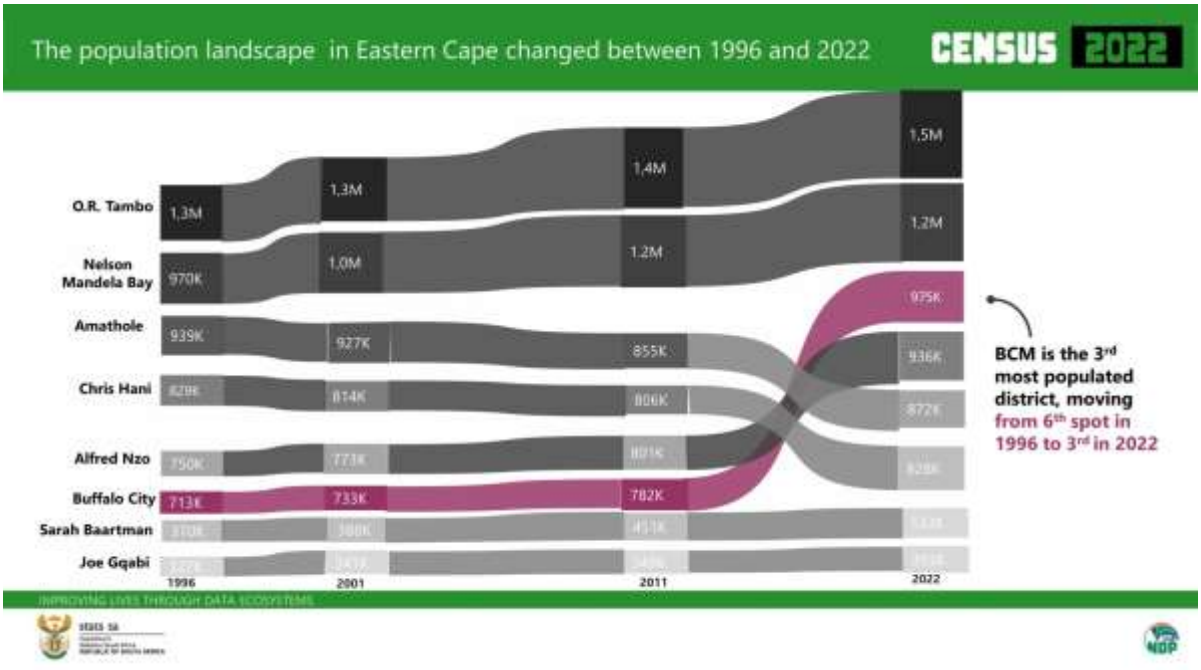


Figure 12: Population landscape 1996-2022, StatsSA (Census, 2022)



Buffalo City is now the 3rd most populated district in the Eastern Cape Province, moving from 6th position in 1996 to 3rd in 2022.

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.

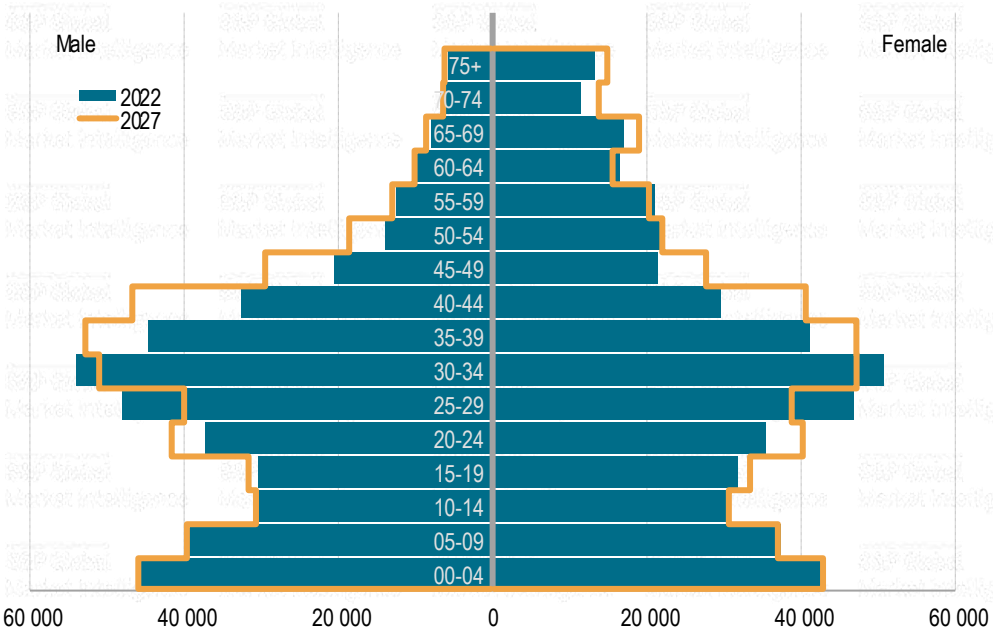
TABLE 1. Population projections - Buffalo City, Eastern Cape and National Total, 2022-2027 [Numbers percentage]

Buffalo City		Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
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%*
2026	953,000	7,780,000	64,300,000	*12.2%*	*1.48%*
2027	964,000	7,860,000	65,100,000	*12.3%*	*1.48%*
Average Annual growth					
2022-2027	***1.15%***	***1.02%***	***1.27%***		

Source: South Africa Regional eXplorer v2443

The population projection of Buffalo City Metropolitan Municipality shows an estimated average annual growth rate of 1.1% between 2022 and 2027. 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 1. Population pyramid - Buffalo City Metropolitan Municipality, 2022 vs. 2027 [Percentage]



South Africa Regional eXplorer v2443

The population pyramid reflects a projected change in the structure of the population from 2022 and 2027. The differences can be explained as follows:

- In 2022, there is a significantly larger share of young working age people between 20 and 34 (29.9%), compared to what is estimated in 2027 (26.9%). This age category of young working age population will decrease over time.
- The fertility rate in 2027 is estimated to be slightly higher compared to that experienced in 2022.
- The share of children between the ages of 0 to 14 years is projected to be significantly smaller (23.5%) in 2027 when compared to 2022 (25.0%).

In 2022, the female population for the 20 to 34 years age group amounts to 14.6% of the total female population while the male population group for the same age amounts to 15.3% of the total male population. In 2027, the male working age population at 13.8% still exceeds that of the female population working age population at 13.1%, although both are at a lower level compared to 2022.

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.

Figure 13: Population by population group, StatsSA (Census, 2022)

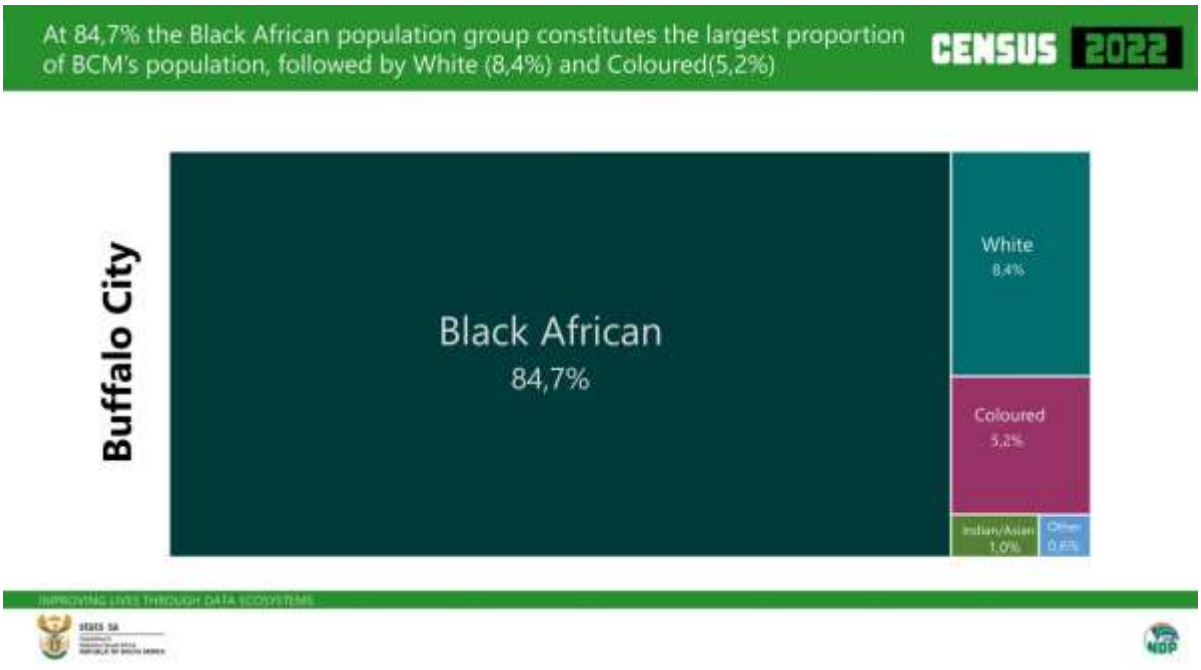


Figure 14: BCMM Population in 5-year age groups and sex, StatsSA (Census, 2022)

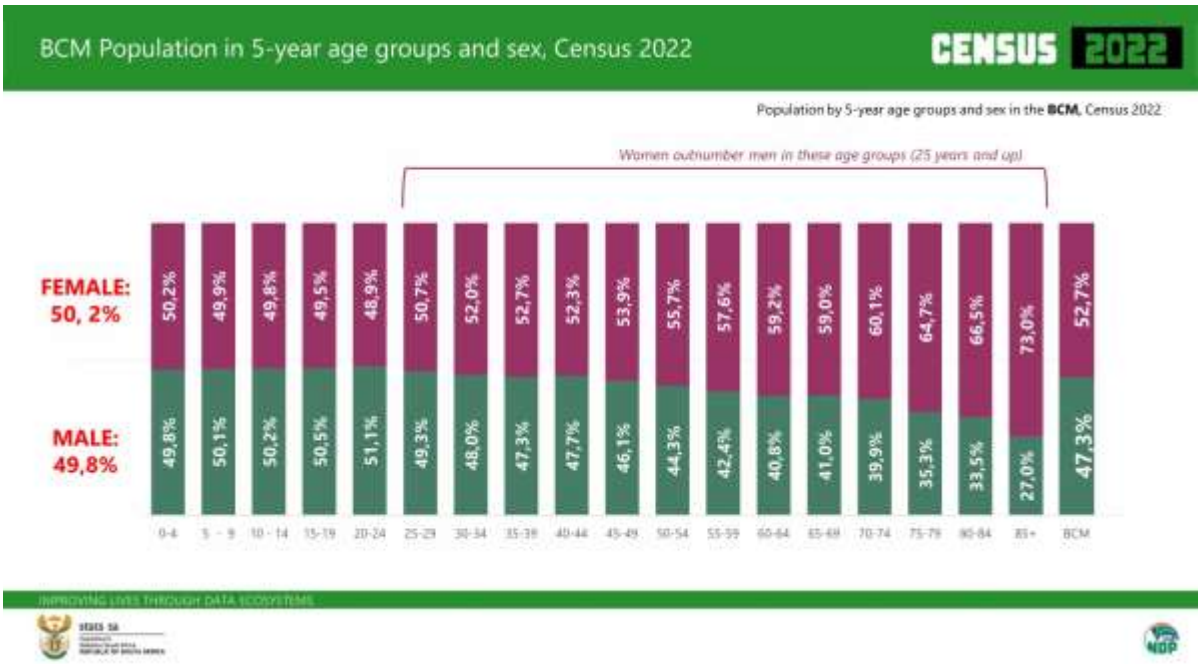
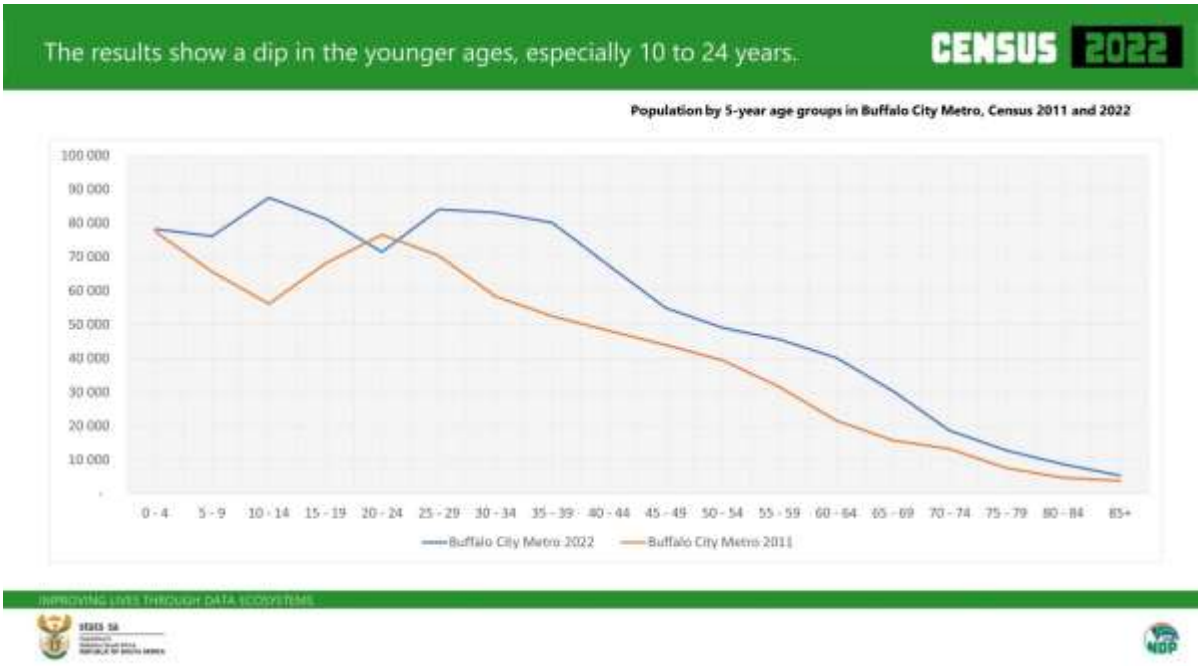
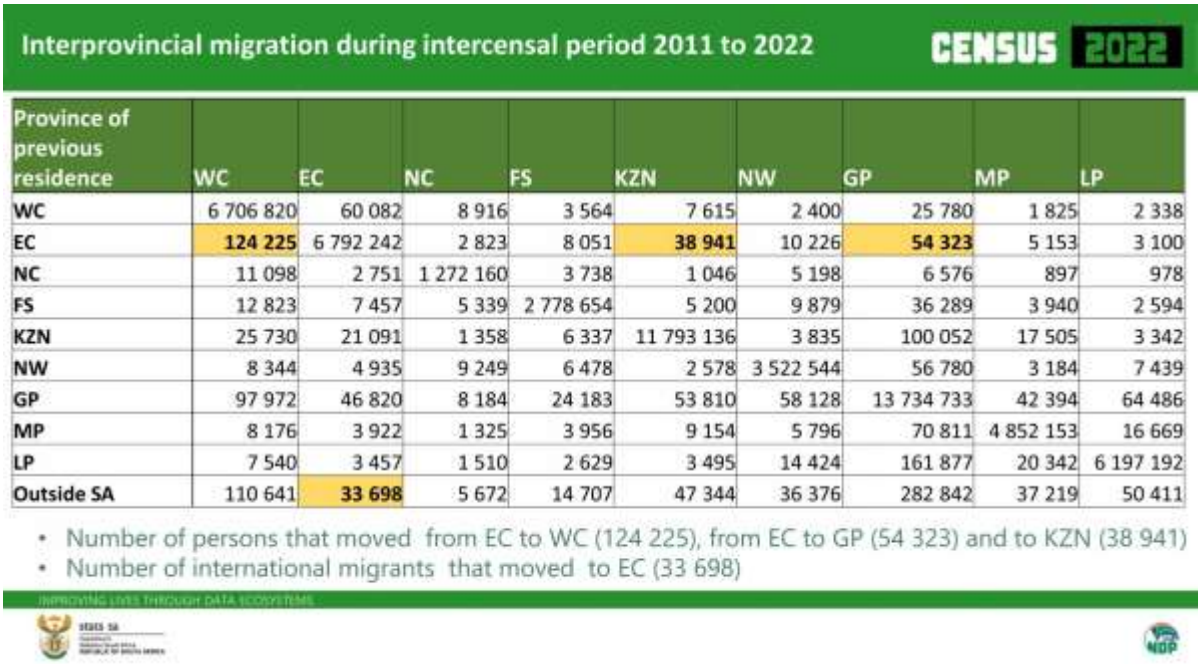


Figure 15: Population by 5-year age group in Buffalo City Metro, StatsSA (Census, 2011 & 2022)



2.3 Migration

Figure 16: Interprovincial migration during 2011 to 2022, StatsSA (Census, 2011 & 2022)



Interprovincial migration during intercensal period 2011 to 2022 — CENSUS 2022

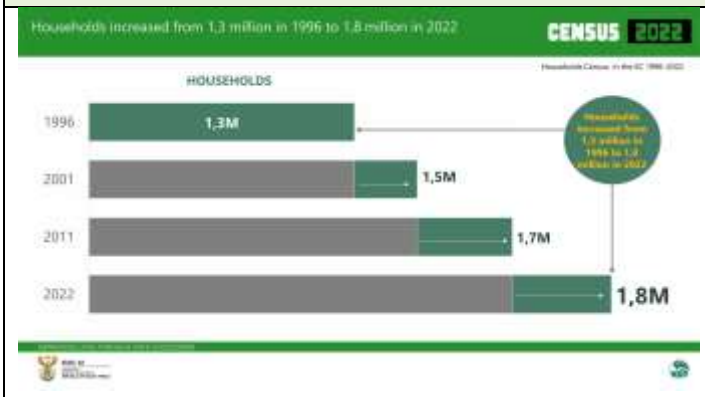
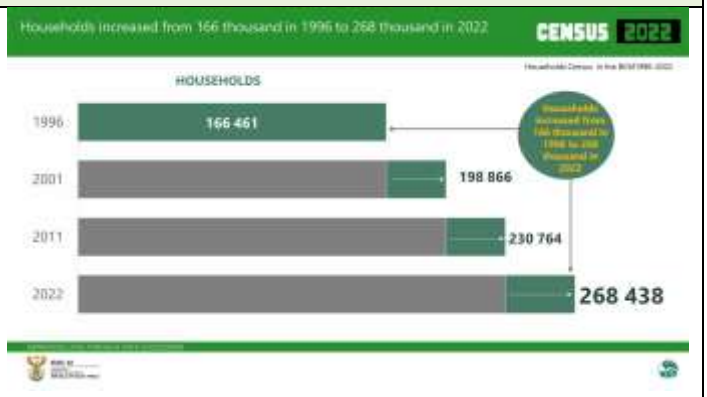
Province of previous residence	WC	EC	NC	FS	KZN	NW	GP	MP	LP
WC	6 706 820	60 082	8 916	3 564	7 615	2 400	25 780	1 825	2 338
EC	**124 225**	6 792 242	2 823	8 051	**38 941**	10 226	**54 323**	5 153	3 100
NC	11 098	2 751	1 272 160	3 738	1 046	5 198	6 576	897	978
FS	12 823	7 457	5 339	2 778 654	5 200	9 879	36 289	3 940	2 594
KZN	25 730	21 091	1 358	6 337	11 793 136	3 835	100 052	17 505	3 342
NW	8 344	4 935	9 249	6 478	2 578	3 522 544	56 780	3 184	7 439
GP	97 972	46 820	8 184	24 183	53 810	58 128	13 734 733	42 394	64 486
MP	8 176	3 922	1 325	3 956	9 154	5 796	70 811	4 852 153	16 669
LP	7 540	3 457	1 510	2 629	3 495	14 424	161 877	20 342	6 197 192
Outside SA	110 641	**33 698**	5 672	14 707	47 344	36 376	282 842	37 219	50 411

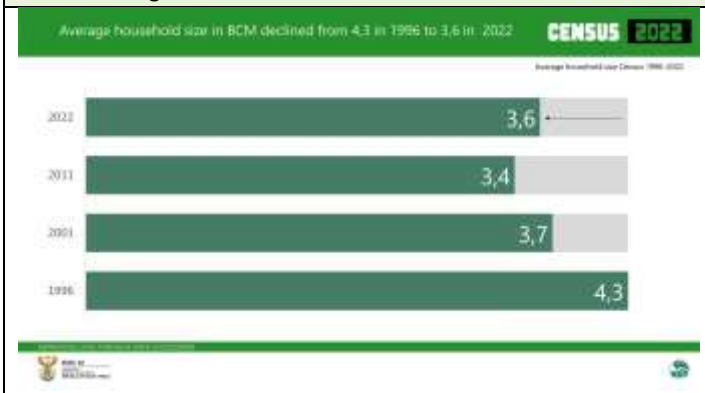
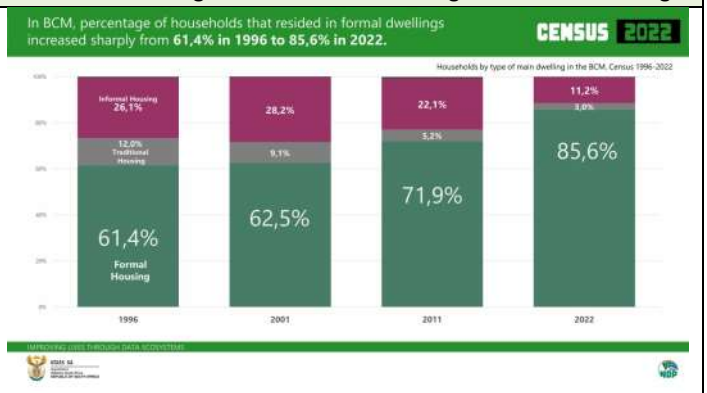
- Number of persons that moved from EC to WC (124 225), from EC to GP (54 323) and to KZN (38 941)
- Number of international migrants that moved to EC (33 698)

The strongest migration flows from the Eastern Cape are to the Western Cape.

2.4 Number of Households

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.

EASTERN CAPE– NUMBER OF HOUSEHOLDS	BUFFALO CITY – NUMBER OF HOUSEHOLDS
	
*The Eastern Cape numbers of households increased from **1,3 million in 1996 to 1,8 million in 2022**.*	*The number of households in BCMM increased from **166 000 in 1996 to 268 000 in 2022**.*

BCM Average household size, Census 1996 - 2022	BCMM Percentage households residing in formal dwellings
	
*The average household size in BCMM declined from **4,3 in 1996 to 3,6 in 2022**.*	*In BCMM, the percentage of households that resided in formal dwellings increased sharply from **61,4% in 1996 to 85,6% in 2022**.*

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 2022, the Buffalo City Metropolitan Municipality comprised of 269 000 households. This equates to an average annual growth rate of 1.56% in the number of households from 2012 to 2022. With an average annual growth rate of 1.20% in the total population, the average household size in the Buffalo City Metropolitan Municipality is by implication decreasing. This is confirmed by the data where the average household size in 2012 decreased from approximately 3.5 individuals per household to 3.4 persons per household in 2022.

TABLE 2. Number of households - Buffalo City, Eastern Cape and National Total, 2012-2022 [Number percentage]

	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
2012	231,000	1,730,000	14,600,000	*13.3%*	*1.57%*
2022	269,000	1,980,000	17,200,000	*13.6%*	*1.56%*
Average Annual growth					
2012-2022	***1.56%***	***1.33%***	***1.62%***		

Source: South Africa Regional eXplorer v2443.

Relative to the province, the Buffalo City Metropolitan Municipality had a higher average annual growth rate of 1.56% from 2012 to 2022. In contrast, the South Africa had a total of 17.2 million households, with a growth rate of 1.62%, thus growing at a higher rate than the Buffalo City.

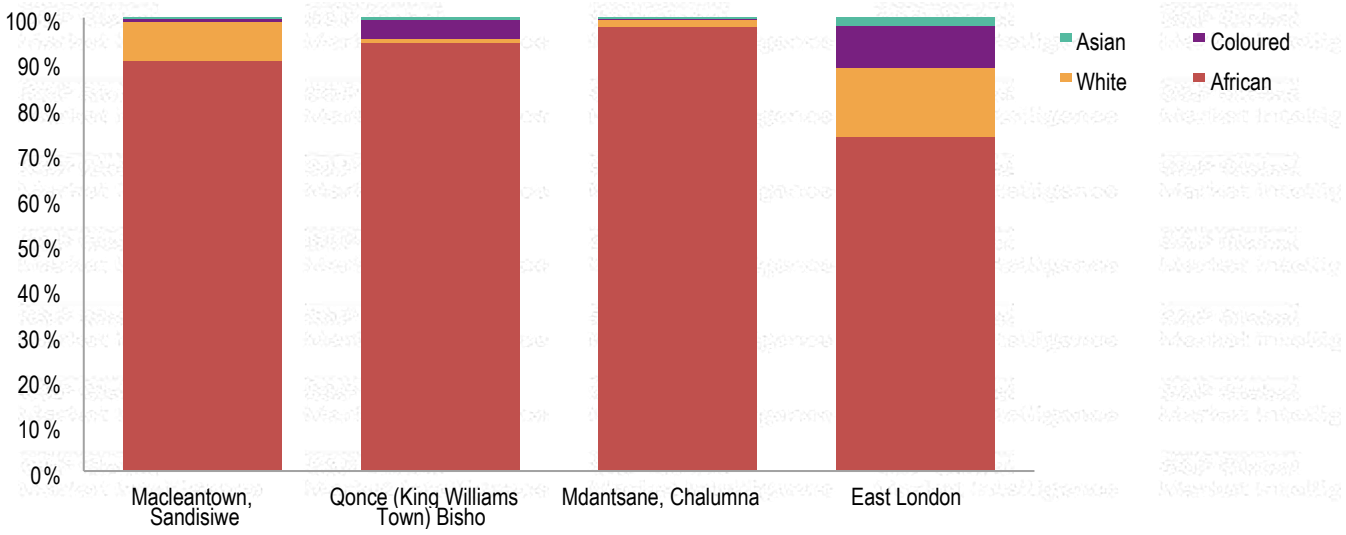
2.5 Number of Households by population group

To categorise a household according to population group, the population group to which the head of the household belongs, is used.

The composition of the households by population group consists of 86.8% 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 7.4% (ranking second). The Coloured population group had a total composition of 4.8% of the total households. The smallest population group by households is the Asian population group with only 1.0% in 2022.

The growth in the number of African headed households was on average 1.77% per annum between 2012 and 2022, which translates in the number of households increasing by 37 500 in the period. Although the Asian population group is not the biggest in size, it was however the fastest growing population group between 2012 and 2022 at 2.75%. The average annual growth rate in the number of households for all the other population groups has increased with 1.55%.

CHART 2. Number of households by population group - sub-metro regions of Buffalo City Metropolitan Municipality, 2022 [percentage]



Source: South Africa Regional eXplorer v2443.

2.6 Poverty

South Africa is known as one of the most unequal countries in the world, reporting a per-capita expenditure Gini coefficient of 0,67 in 2006, dropping to 0,65 in 2015, according to the Inequality Trends in South Africa report released by Stats SA. According to the Palma ratio, the top 10% of the population spent 8,6 times more than the bottom 40% in 2006; this ratio reduced to 7,9 in 2015. These figures indicate that overall inequality, measured at a national level, has declined between 2006 and 2015.

According to data Statistics South Africa (Stats SA: 2023) the country's jobless rate rose to 32.9% of the labour force in the first quarter of 2023, up from 32.7%.

The number of employed workers, the data shows, increased by 258 000 to 16.2 million in the first quarter of 2023 compared with the fourth quarter of 2022. But 179 000 more people were unemployed. In total there are now 7.9 million people without jobs in South Africa, up from 7.8 million last quarter. According to Statista the unemployment rate in SA continuously higher among women than men, reaching approximately 35.7 percent of the total labour force during the second quarter of 2023.

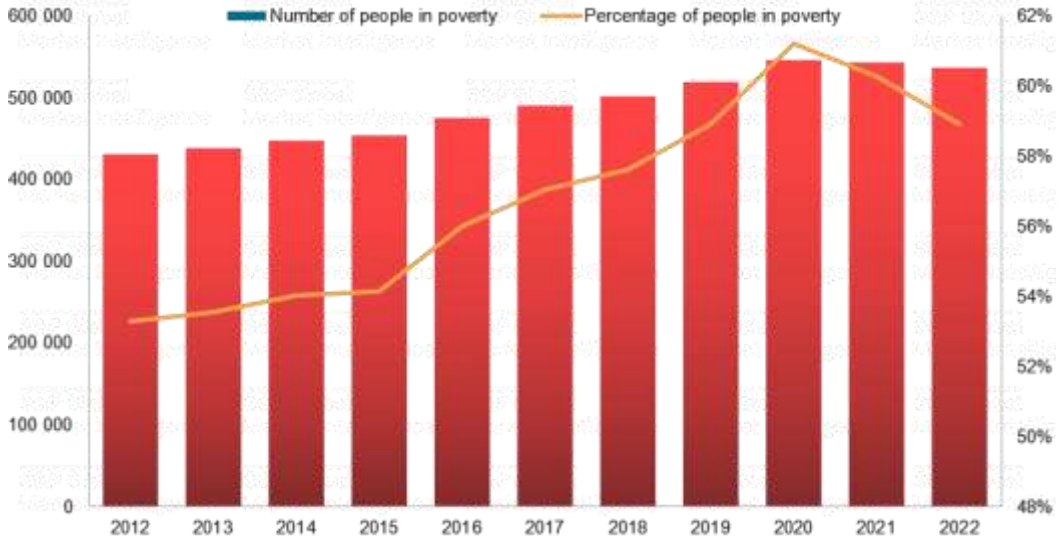
Covid-19 has exacerbated job loss and unemployed, therefore, poverty levels therefore has risen, with the resultant outcomes being more people living on social grants, rise in crime and vandalism and more and more people applying for social relief from the State.

The people of Buffalo City, not unlike in many other parts of our country, are still experiencing worrying levels of poverty in a province which the Eastern Cape Department of Health, recently reported that 1,722 children under the age of five in the province were newly diagnosed with severe acute malnutrition between August 2022 and September 2023. That 114 of these children died – 101 of severe acute malnutrition and 13 of moderate malnutrition, is a damning indicator of a province in crisis.

Stats SA has indicated that as of 2023, an individual living in South Africa with less than 1,058 South African rand (roughly 55.23 U.S. dollars) per month was considered poor. Approximately 55.5 percent (30.3 million people) of the population is living in poverty at the national upper poverty line (~ZAR 992) while a total of 13.8 million people (25 %) are experiencing food 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. These 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.

Figure 17: Number & Percentage of people living in poverty – BCMM, 2012-2022 Source: South Africa Regional eXplorer v2443.



In 2022, there were 536 000 people living in poverty, using the upper poverty line definition, across Buffalo City Metropolitan Municipality - this is 24.56% higher than the 430 000 in 2012. The percentage of people living in poverty has increased from 53.27% in 2012 to 58.90% in 2022, which indicates a increase of -5.63 percentage points.

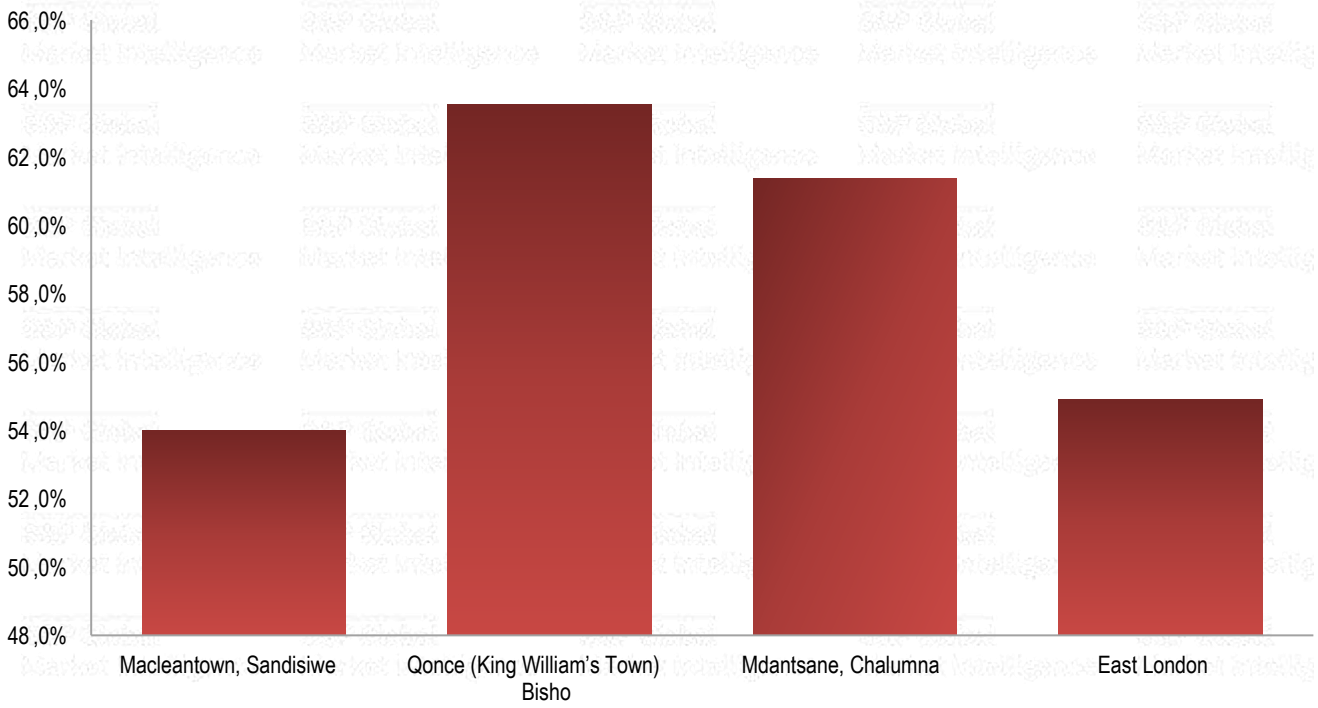
TABLE 3. Percentage of people living in poverty by population group - Buffalo City, 2012-2022 [Percentage]

	African	White	Coloured	Asian
2012	59.6%	0.7%	35.7%	4.8%
2013	59.7%	0.8%	36.8%	4.8%
2014	60.1%	0.8%	38.1%	4.8%
2015	60.1%	0.8%	38.6%	4.7%
2016	62.0%	1.1%	39.9%	5.9%
2017	63.1%	1.2%	40.9%	6.8%
2018	63.6%	1.4%	40.7%	8.4%
2019	65.0%	1.8%	41.2%	10.9%
2020	67.3%	2.5%	43.3%	15.7%
2021	66.3%	2.6%	41.4%	16.3%
1.5.1.1.1.1 2022	*64.7%*	*2.5%*	*39.9%*	*16.4%*

Source: South Africa Regional eXplorer v2443.

In 2022, the population group with the highest percentage of people living in poverty was the African population group with a total of 64.7% people living in poverty, using the upper poverty line definition. The proportion of the Coloured population group, living in poverty, decreased by -11.6 percentage points, as can be seen by the change from 35.68% in 2012 to 39.85% in 2022. In 2022 16.41% of the Asian population group lived in poverty, as compared to the 4.80% in 2012. The African and the White population group saw a decrease in the percentage of people living in poverty, with a decrease of -5.18 and -4.17 percentage points respectively.

CHART 3. Percentage of people living in poverty - sub-metro regions and the rest of Buffalo City Metropolitan Municipality,2022 [percentage]



Source: South Africa Regional eXplorer v2443.

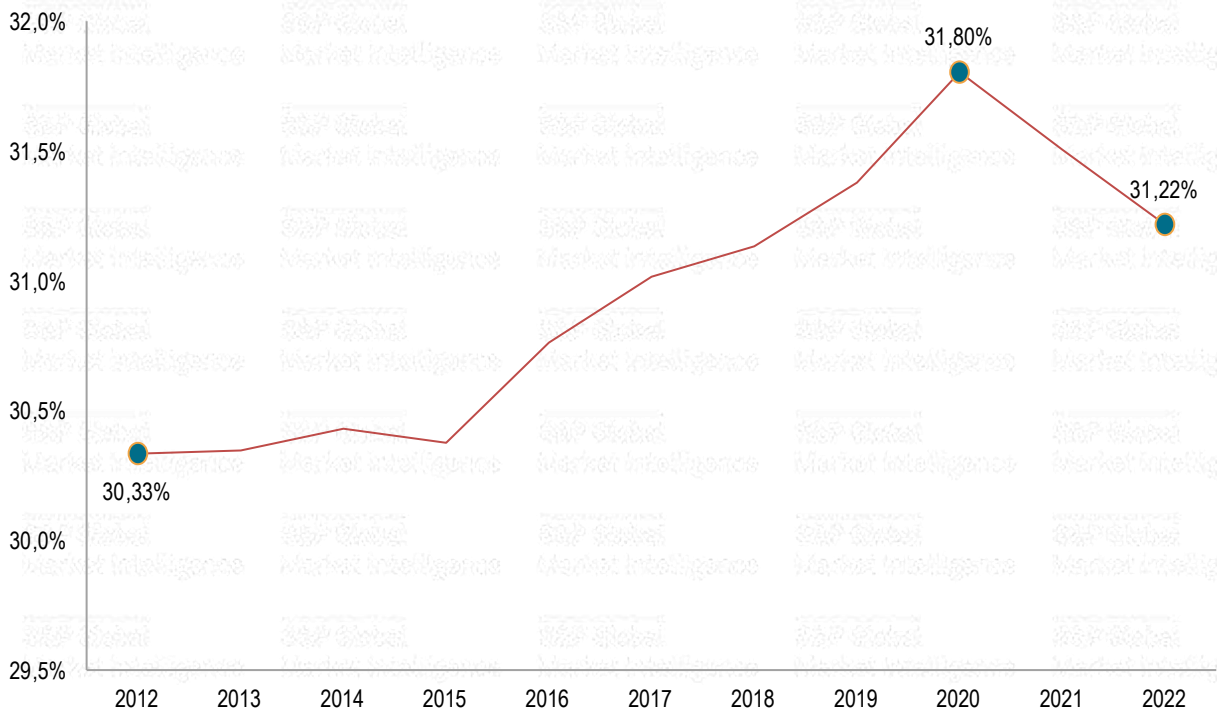
In terms of the percentage of people living in poverty for each of the regions within the Buffalo City Metropolitan Municipality, Qonce (King William's Town) Bisho Sub-metro Region has the highest percentage of people living in poverty, using the upper poverty line definition, with a total of 63.5%. The lowest percentage of people living in poverty can be observed in the Macleantown, Sandisiwe Sub-metro Region with a total of 54.0% living in poverty, using the upper poverty line definition.

2.7 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.

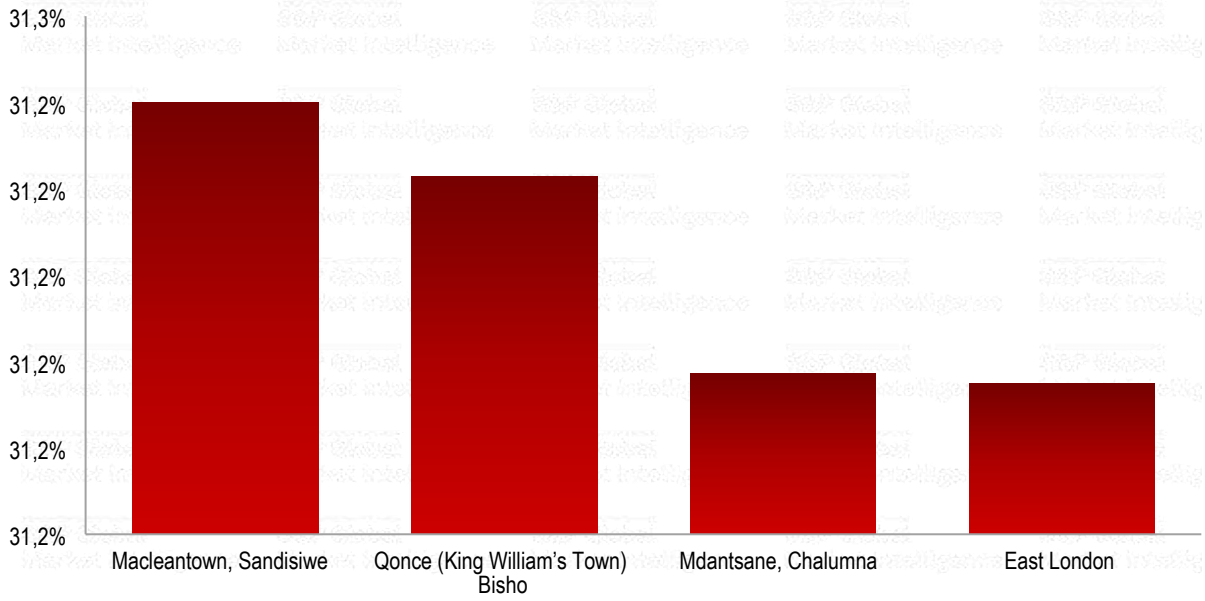
In 2022, the poverty gap rate was 31.2% and in 2012 the poverty gap rate was 30.3%, it can be seen that the poverty gap rate increased from 2012 to 2022, which means that there were no improvements in terms of the depth of the poverty within Buffalo City Metropolitan Municipality.

TABLE 4. Poverty gap rate by population group - Buffalo City Metropolitan Municipality, 2012-2022



Source: South Africa Regional eXplorer v2443.

CHART 4. Poverty gap rate - sub-metro regions and the rest of BCMM, 2022 Source: South Africa Regional eXplorer v2443



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 31.2%. The lowest poverty gap rate can be observed in the East London Sub-metro Region with a total of 31.2%.

2.8 Social Grants

Individual social grant receipts were reported as the highest in Buffalo City (37,7%) compared to other metropolitan cities in the country.

A similar pattern is evident for households at metropolitan level. Receipt of one or more social grants was most common for households in Mangaung (56,9%) and Buffalo City (55,6%) and least common in Cape Town (33,9%) and Johannesburg (35,1%).

Salaries and wages as the main source of income in Buffalo City was reported at 47,6%.

2.9 Indigent Management and Support System

The Buffalo City Metro offer a social package which 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 Metro'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 number of indigent households requiring free basic services grew by at least 10%, which clearly shows the impact of poverty on many households.

The metro, after the 2022/2023 external audit by the Auditor General of South Africa (AGSA) reported the percentage of the municipality's operating budget spent on free basic services to indigent households as 6,9% compared to 6,6% the preceding year under review (2021/2022). The Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE) was reported as 15,22% compared to the previous year's reported 10,11%.

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 11: BCMM Social Welfare Package per Indigent Household

SOCIAL WELFARE PACKAGE							
	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	142.41	0.00%	142.41	4.90%	149.39	4.70%	156.41
Refuse	300.87	5.30%	316.82	4.90%	332.34	4.70%	347.96
Sewerage	106.93	5.30%	112.59	4.90%	118.11	4.70%	123.66
Fire Levy	62.61	5.30%	65.93	4.90%	69.16	4.70%	72.41
Total Monthly Subsidy	**612.82**		**637.75**		**669.00**		**700.44**
Electricity - 50kwh p.m	92.57	15.10%	106.55	12.74%	120.13	12.74%	135.43
Water - 6kl p.m.	118.77	9.86%	130.49	9.86%	143.35	9.86%	157.49
Total Poor Relief	**824.16**	**6.14%**	**874.79**	**6.59%**	**932.48**	**6.53%**	**993.36**

Property Rates:
No tariff increase is to be applied in the 2023/24 financial year due to the implementation of a new general valuation roll and tariffs increases of 4.9% and 4.7% are projected for the 2024/25 & 2025/2026 financial years respectively.

The City has successfully undertaken a General Valuation exercise in terms of the Municipal Property Rates Act and the new values will be implemented from 01 July 2023. The compilation of the valuation roll was completed in January 2023 and was submitted to the City Manager. The valuation roll is open for appeals and objections until 28 April 2023. The ratepayers are required to inspect and object to any particulars appearing on the valuation roll. 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 total number of properties on the valuation roll is 164,712.

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.

In Buffalo City Metro the number of households that benefited from the indigent support system can be summarised as follows:

Table 12: Number of Buffalo City consumer units receiving free basic services

Water		Electricity		Sanitation		Solid Waste	
2019	2020	2019	2020	2019	2020	2019	2020
125 641	125 352	80 831	61 320	80 831	61 320	80 831	61 320

2.10 Dependency Ratio

The dependency ratio relates the number of children (0-14 years old) and older persons (65 years or over) to the working-age population (15-64 years old). In the case of the Buffalo City metropolitan area the dependency ratio dropped with 0,1% from 48,4% in 2011 to 48,3% in 2022, which still indicates an alarming percentage of the population putting pressure on government and the productive population.

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 William's Town/Bhisho sub-districts.

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

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

3.1.1 Health Demography

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

Figure 18: Health demographics for Buffalo City, EC Dept. of Health

Figure 19: Buffalo City Metro Population Grid as on DHIS 2020, EC Dept. of Health

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

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.

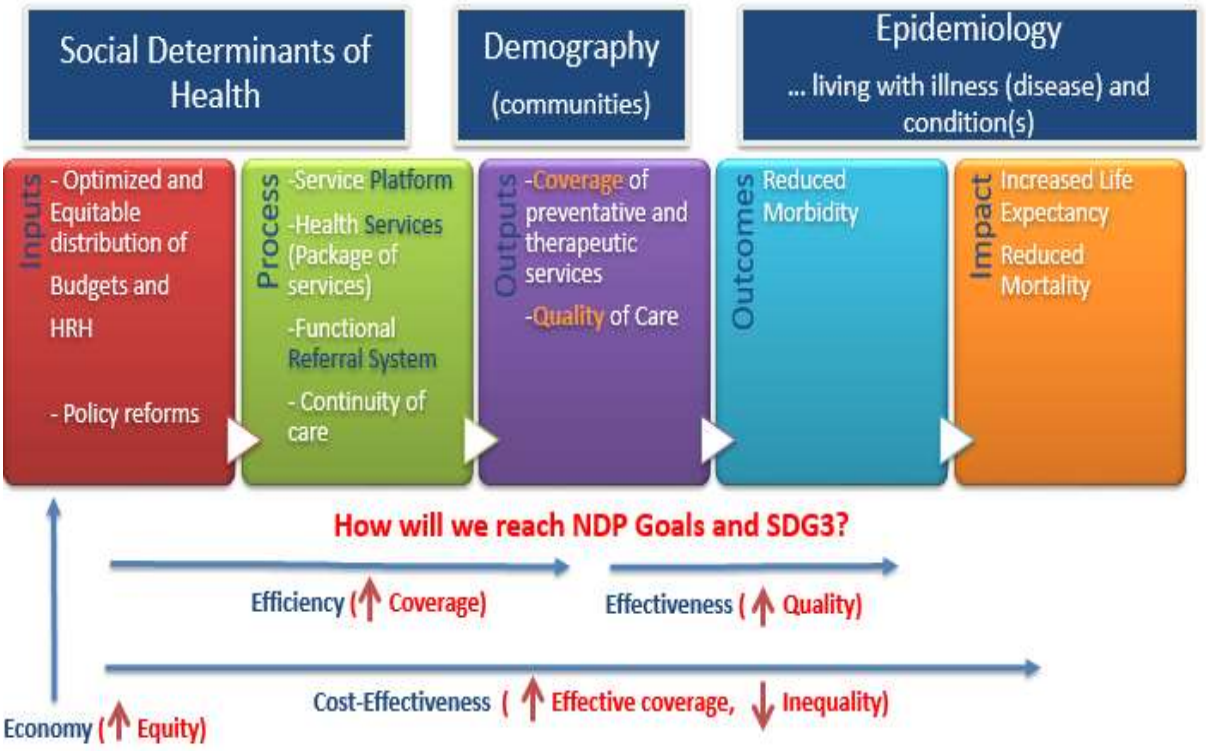


Figure 20: Health Sector - Logic Model

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 13: 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.

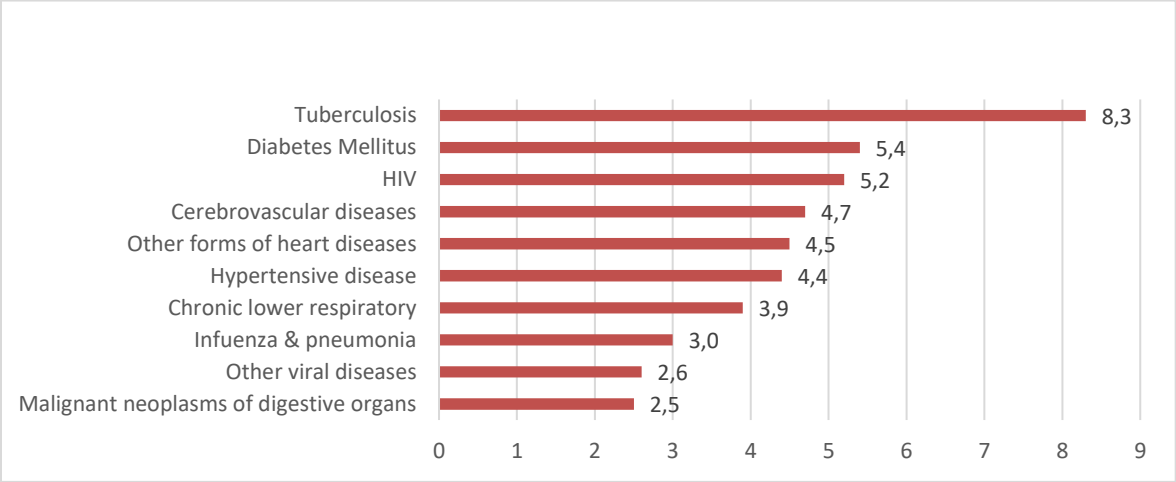


Figure 21: Broad causes of death by district

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.

Figure 22: 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 ZA South Africa	Province EC Eastern Cape	District BUF Buffalo City MM	LM2016 BUF_SD Buffalo City SD
Adult ART cumulative started ART minus ART cumulative TFO (No)		DE	2017	3 637 602	388 998	48 459	
			2018	3 975 549	425 688	53 379	
Adult with viral load suppressed rate 12 months (%)	3rd 90 | Outcome	Ind	2017	86.7	84.7	87.7	
			2018	90.6	86.2	87.4	
Adult living with HIV viral load suppressed (VLS) 12m (No)		DE	2018 Q1	2 749 656	267 948	36 911	
			2019 Q1	2 952 213	284 933	38 211	
ART Adult client viral load done (VLD) (No)		DE	2017	80 507	7 279	1 114	1 114
			2018	95 028	8 442	1 166	1 166
Child with viral load suppressed rate 12 months (%)	3rd 90 | Outcome	Ind	2017	63.5	56.7	63.8	
			2018	68	63	66.5	
Child living with HIV viral load suppressed (VLS) 12m (No)		DE	2018 Q1	80 148	8 975	1 049	
			2019 Q1	67 400	7 110	1 260	
Adult with viral load completion rate at 12 months (%)	2nd 90 | Output	Ind	2017	65.8	58.5	72.3	72.3
			2018	71.7	62.4	70.2	70.2
ART Adult first-line regimen (FLR) + second-line regimen (SLR) at 12 months (No)		DE	2017	122 168	12 437	1 540	1 540
			2018	108 851	11 602	1 427	1 427
Clients remaining on ART rate (%)	2nd 90 | ..	Ind	Mar 2019	65.1	62.9	58.8	
Total Clients remaining on ART at the end of the month (No)		DE	Mar 2018	4 189 070	452 072	56 807	56 807
			Mar 2019	4 629 831	493 879	61 771	61 771
Total living with HIV (No)		DE	2018 Q1	6 966 276	770 705	103 174	
			2019 Q1	7 109 877	785 264	105 112	
HIV test positive 19 months to 14 years rate (%)	1st 90 | ..	Ind	2018/19	1.6	1.2	2.1	2.1
HIV test positive client 19 months to 14 years (No)		DE	2018/19	15 369	1 552	147	147
HIV test client 19 months to 14 years (No)		DE	2018/19	936 115	128 898	7 126	7 126
HIV test positive client 15 years and older rate (incl ANC)..	1st 90 | ..	Ind	2018/19	6.1	5.3	6.2	6.2
HIV test positive 15 years and older (excl ANC) (No)		DE	2018/19	725 581	79 217	10 483	10 483
Antenatal client HIV 1st test positive (No)		DE	2018/19	89 554	10 080	1 349	1 349
HIV test 15 years and older (excl ANC) (No)		DE	2018/19	11 858 516	1 491 093	169 629	169 629
Antenatal client HIV 1st test (No)		DE	2018/19	855 680	86 619	9 412	9 412
HIV testing coverage 19 months to 14 years rate (%)	1st 90 | ..	Ind	2018/19	3.4	3.8	1.9	1.9
HIV testing coverage age 19 months and older (%)	1st 90 | ..	Ind	2018/19	48.1	49.7	49.8	49.8
HIV test client age 19 months and older (No)		DE	2018/19	13 650 311	1 706 610	186 167	186 167
Male condom distribution coverage (No)	1st 90 | ..	Ind	2018/19	36.8	33.3	28.2	28.3
Male condoms distributed (No)		DE	2018/19	726 202 616	73 672 416	8 022 000	8 022 000
Medical male circumcision rate (per1K)	1st 90 | ..	Ind	2018/19	26.4	4.3	0.61	0.61
Medical male circumcision 10 years and older (No)		DE	2018/19	595 006	11 396	202	202
Adult ART Total (No)		DE	2017	3 677 996	393 817	49 107	
			2018	4 032 106	432 133	54 148	
Adult Cumulative Loss to Follow-up (LTF) (No)		DE	2017	28 933	2 997	440	440
			2018	41 608	4 334	570	570
Adult Cumulative Transferred out (TFO) (No)		DE	2017	9 128	1 432	160	160
			2018	12 693	1 777	170	170
Adult Died (RIP) (No)		DE	2017	2 333	390	48	48
			2018	2 256	334	29	29
Child ART Total (No)		DE	2017	166 588	20 323	2 808	
			2018	164 196	19 939	2 659	

Figure 23: 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. S&P Global 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 5. **Number & Percentage of HIV+ people - Buffalo City, Eastern Cape and National Total, 2012-2022**

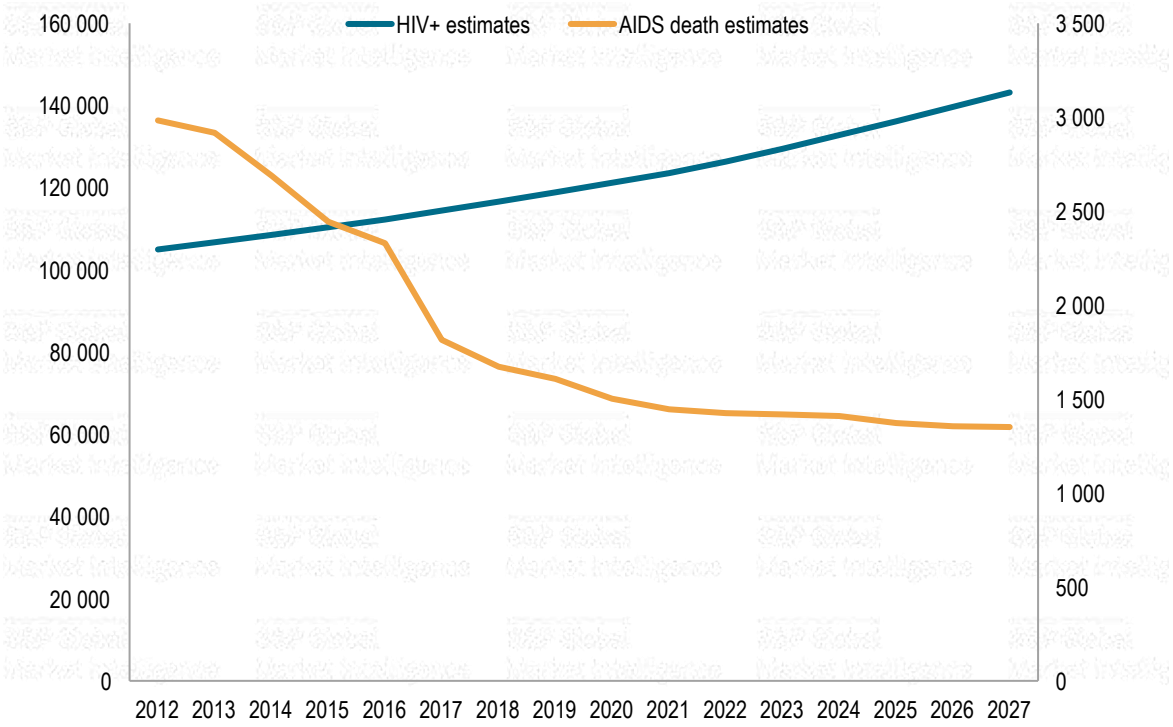
	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
2012	105,000	746,000	6,630,000	*14.1%*	*1.58%*
2013	107,000	759,000	6,770,000	*14.1%*	*1.58%*
2014	108,000	772,000	6,910,000	*14.0%*	*1.57%*
2015	110,000	786,000	7,050,000	*14.0%*	*1.56%*
2016	112,000	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%*
2021	124,000	879,000	8,090,000	*14.0%*	*1.53%*
2022	126,000	899,000	8,300,000	*14.0%*	*1.52%*
Average Annual growth					
2012-2022	***1.87%***	***1.89%***	***2.27%***		

Source: South Africa Regional eXplorer v2443.

In 2022, 126 000 people in the Buffalo City Metropolitan Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.87% since 2012, and in 2022 represented 13.88% of the metropolitan municipality's total population. The Eastern Cape Province had an average annual growth rate of 1.89% from 2012 to 2022 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 2012 to 2022 with an average annual growth rate of of 2.27%.

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 5. AIDS profile and forecast - Buffalo City Metropolitan Municipality, 2012-2027 [numbers]



Source: South Africa Regional eXplorer v2443.

Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 2980 in 2012 and 1420 for 2022. This number denotes an decrease from 2012 to 2022 with a high average annual rate of -7.12% (or -1560 people). For the year 2022, they represented 0.16% 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:

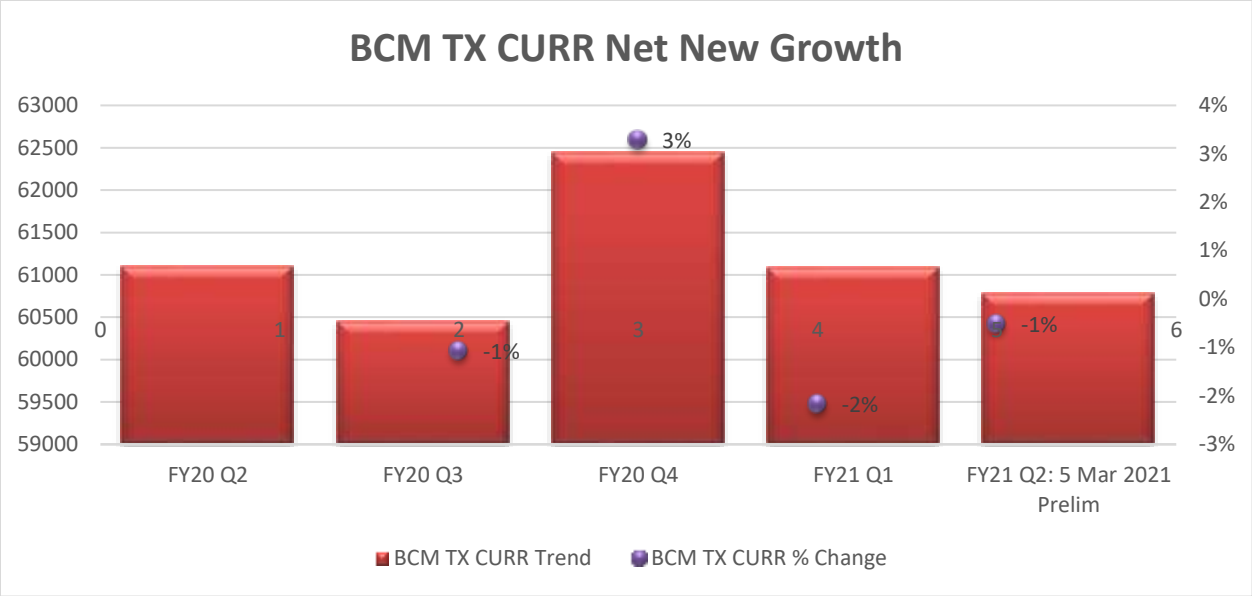


Figure 24: BCM TX CURR Net New Growth

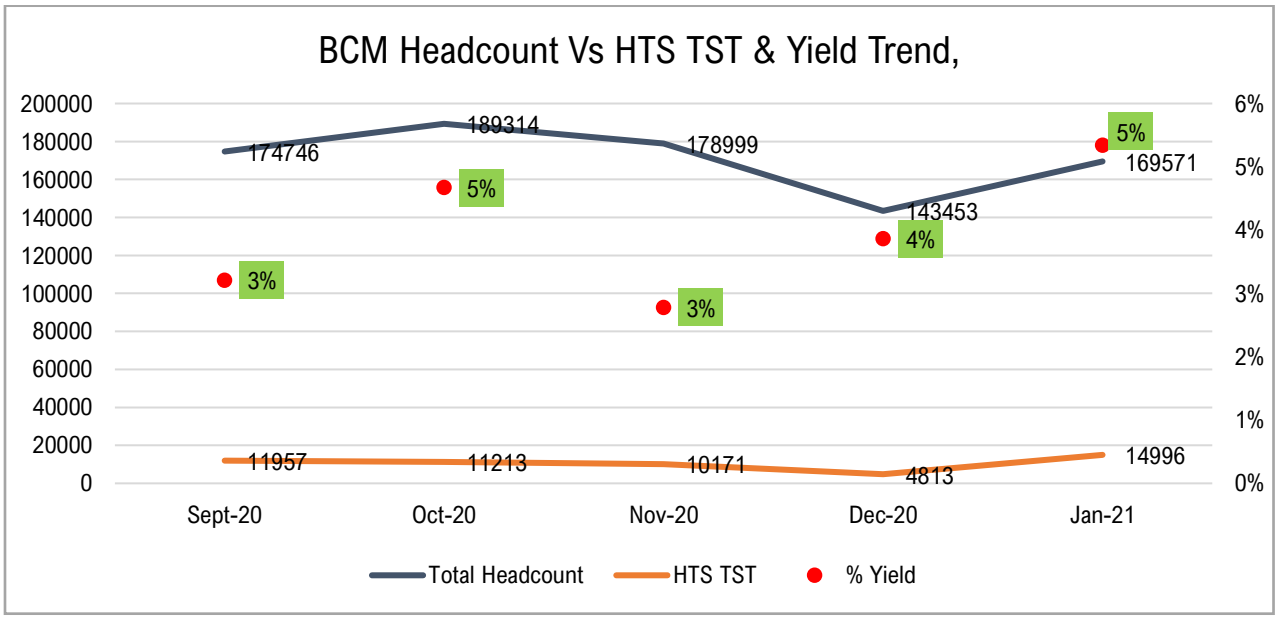


Figure 25: Current trends of HIV Yield vs Facility Head Count, September 2020 - January 2021

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

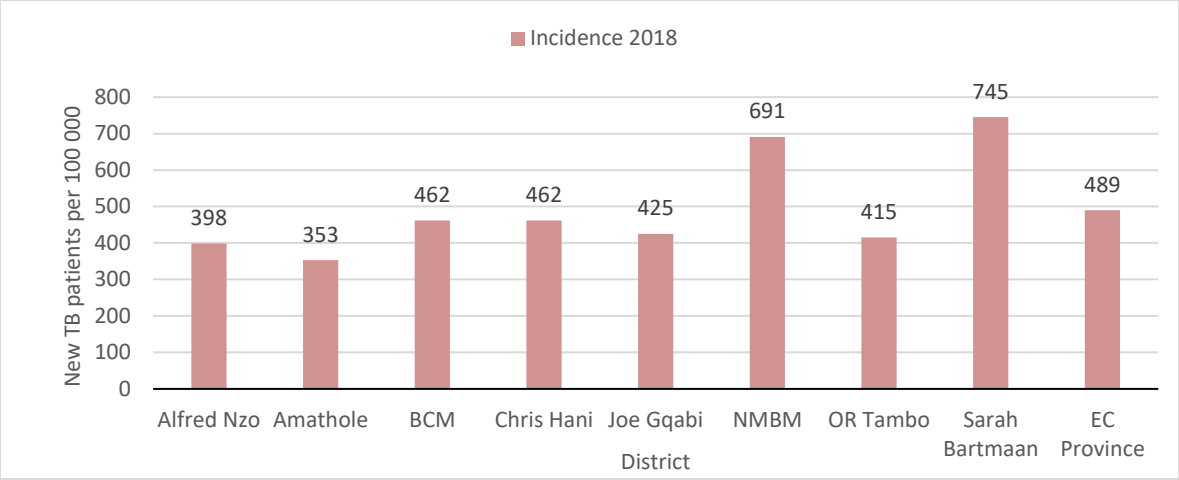


Fig 16: Distribution of new pulmonary TB patients per 100 000 population by EC district (Source: ETR)

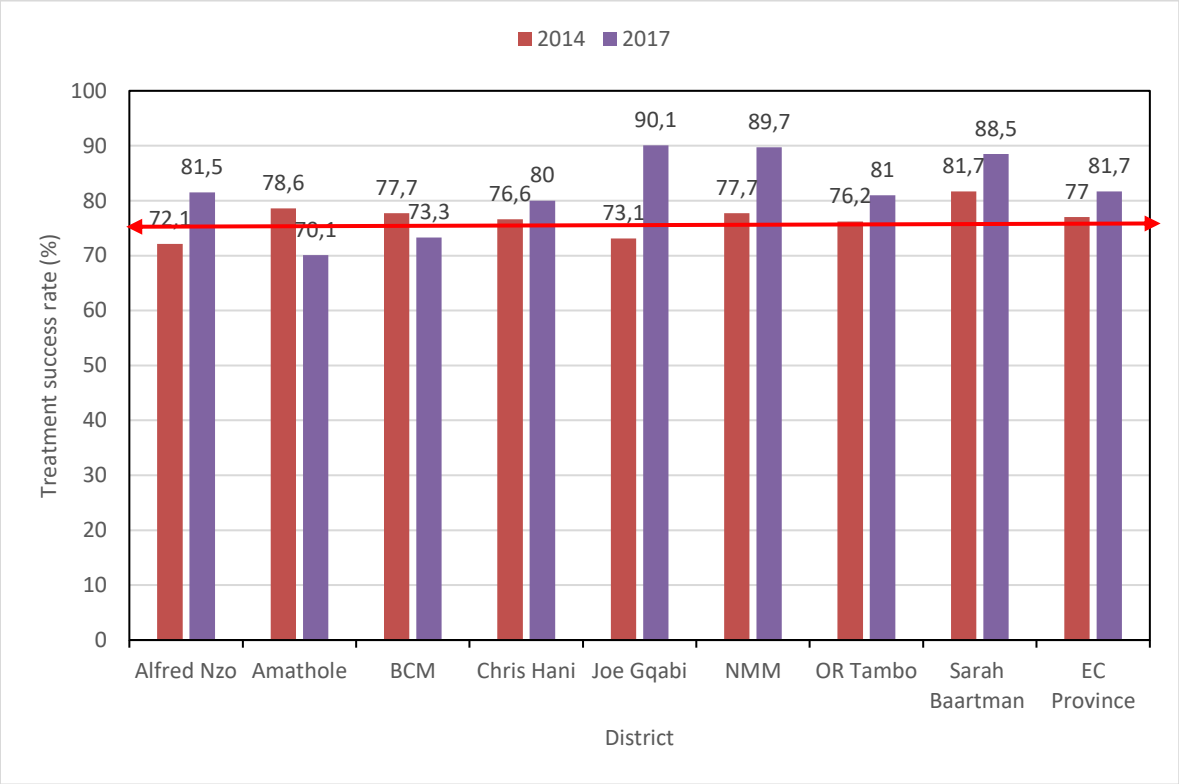


Figure 17: TB treatment success rate distributed by districts

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 3nd 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:

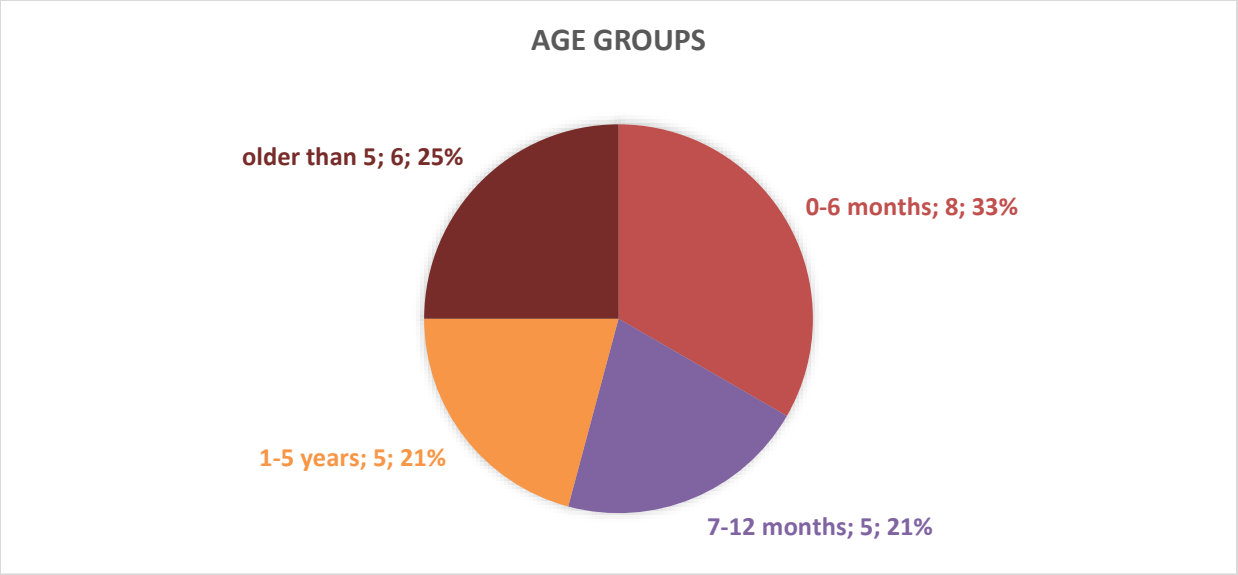


Figure 26: Number of deaths for children in the 3rd quarter of 2019/20

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.

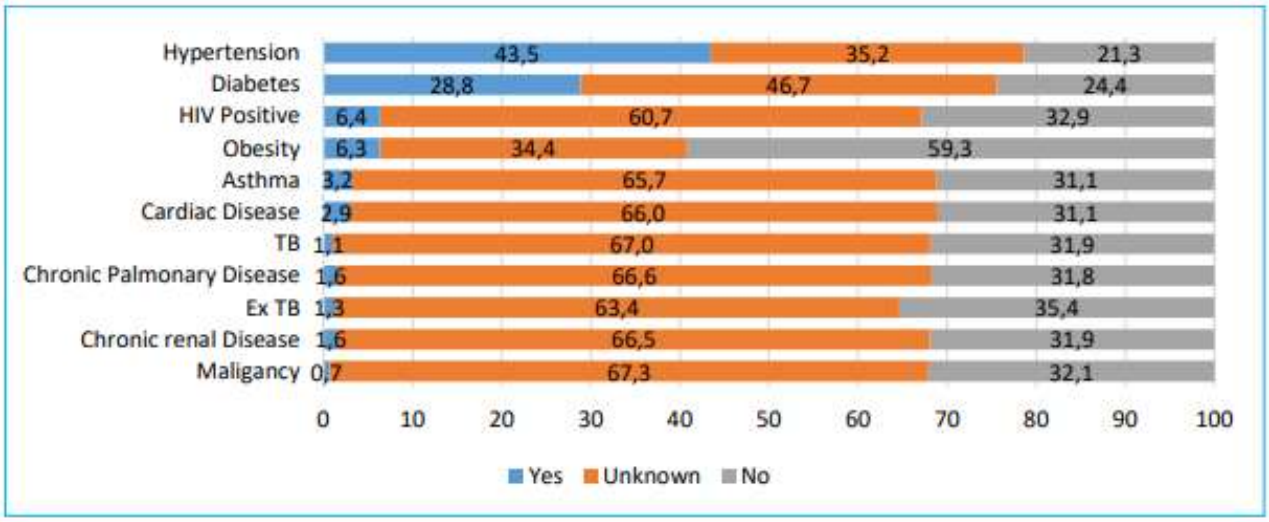


Fig. 33. Co-morbidities among SARS-Cov-2 cases who demised, as of 18 Mar. 2021 (DATCOV)

Figure 27: Co-morbidities among SARS-Cov-2 cases who demised, as of 18 March 2021 (DATCOV)

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

Figure 28: 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, complements 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

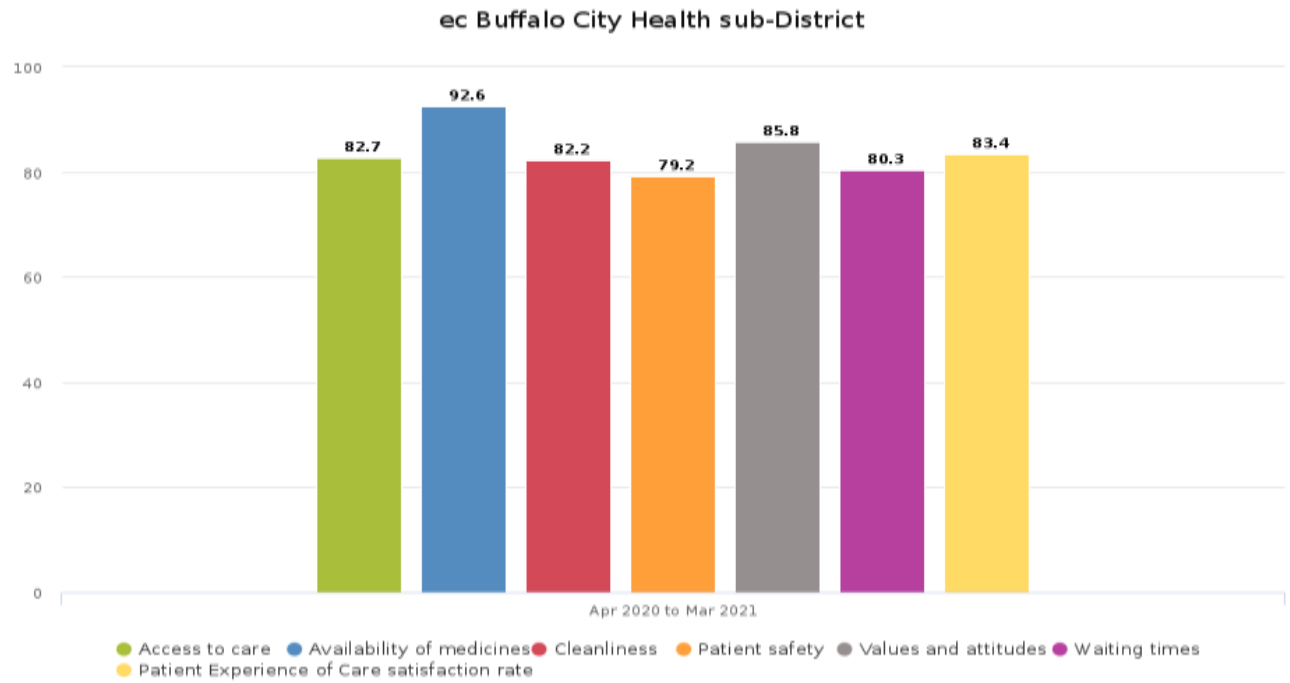


Figure 29: Quality of Care

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

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

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

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

Availability of Medicines

- Poor management of stock control

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 30: 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.

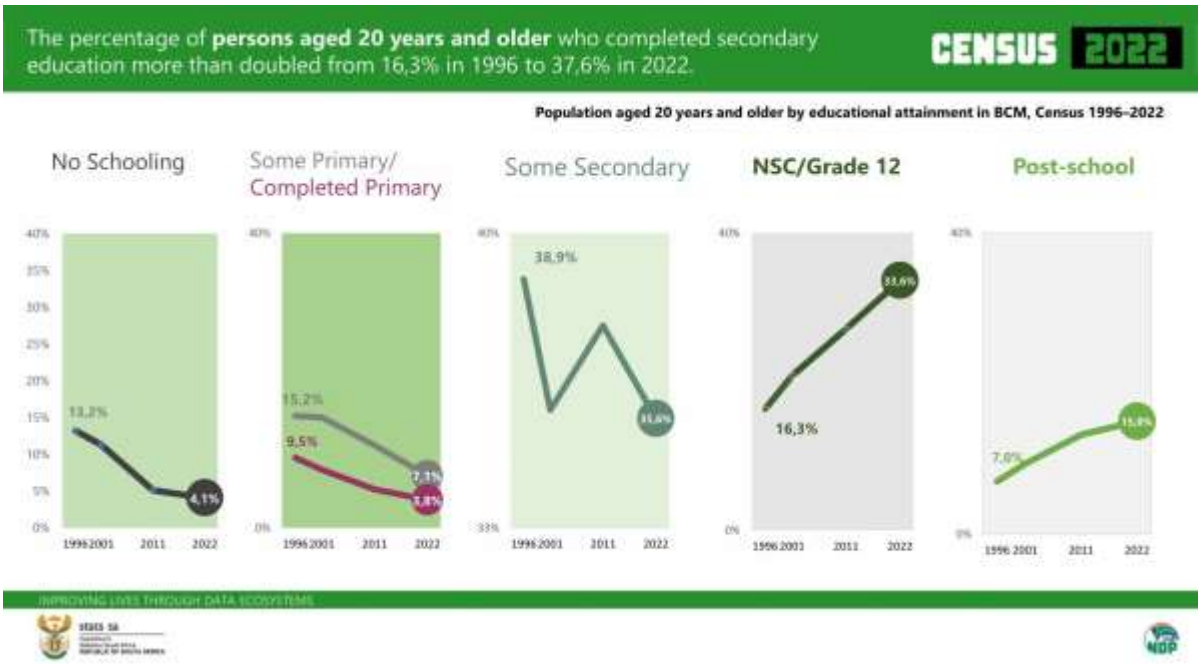
Services Offered		Accident and Emergency
Medical	Cardiology	Open 24 hours
General Surgeon	Gastro Entomology	
Neuro Surgery	Podiatry	**Visiting Hours**
Adult ICU	Maternity	12h00 - 13h00
Paediatrics	Ophthalmology	19h00 - 20h00
Psychology	Dermatology	
Surgical	Paediatric ICU	**Pharmacy Hours**
Speech &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

3.1 Education

Education 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).

Figure 31: Population aged 20 years and older by educational attainment in BCM, (Census, 2022)



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.

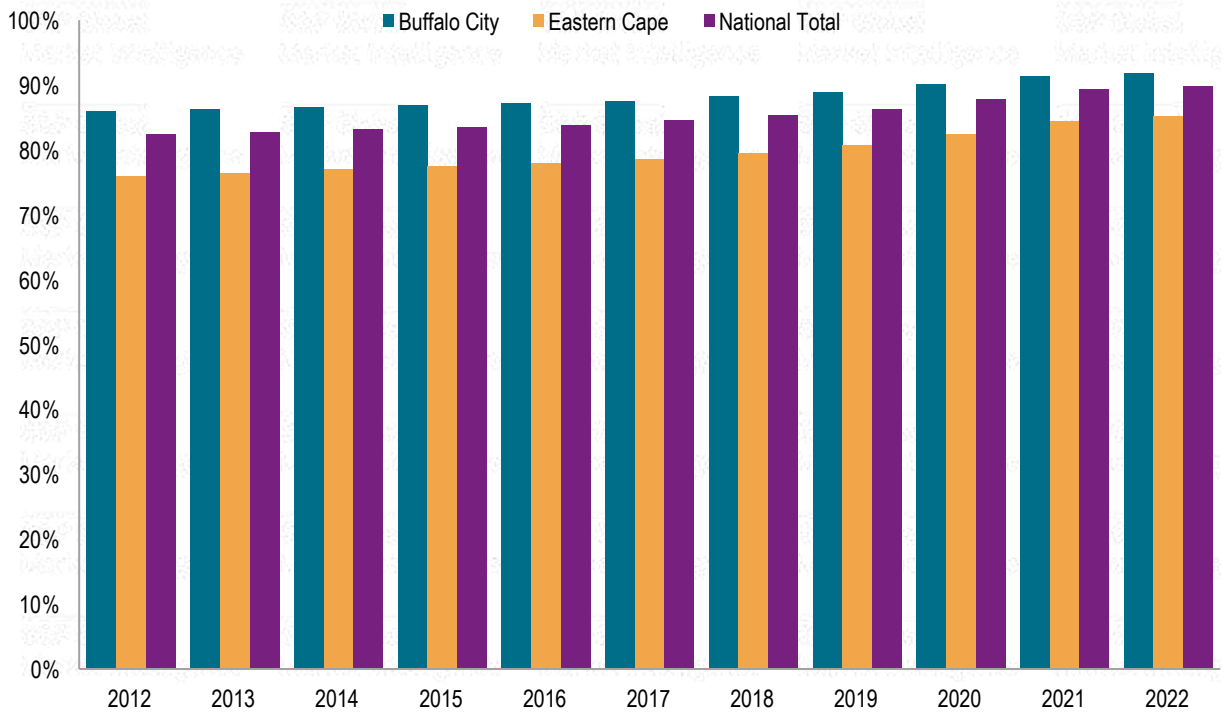
TABLE 6. Functional literacy: age 20+, completed grade 7 or higher – BCMM, 2012-2022 [Number percentage]

	Illiterate	Literate	%
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	72,432	581,602	88.9%
2020	65,746	598,294	90.1%
2021	58,602	614,301	91.3%
2022	55,690	626,939	91.8%
Average Annual growth			
2012-2022	***-4.10%***	***1.99%***	***0.67%***

Source: South Africa Regional eXplorer v2443.

A total of 627 000 individuals in Buffalo City Metropolitan Municipality were considered functionally literate in 2022, while 55 700 people were considered to be illiterate. Expressed as a rate, this amounts to 91.84% of the population, which is an increase of 0.06 percentage points since 2012 (85.88%). The number of illiterate individuals decreased on average by -4.10% annually from 2012 to 2022, with the number of functional literate people increasing at 1.99% annually.

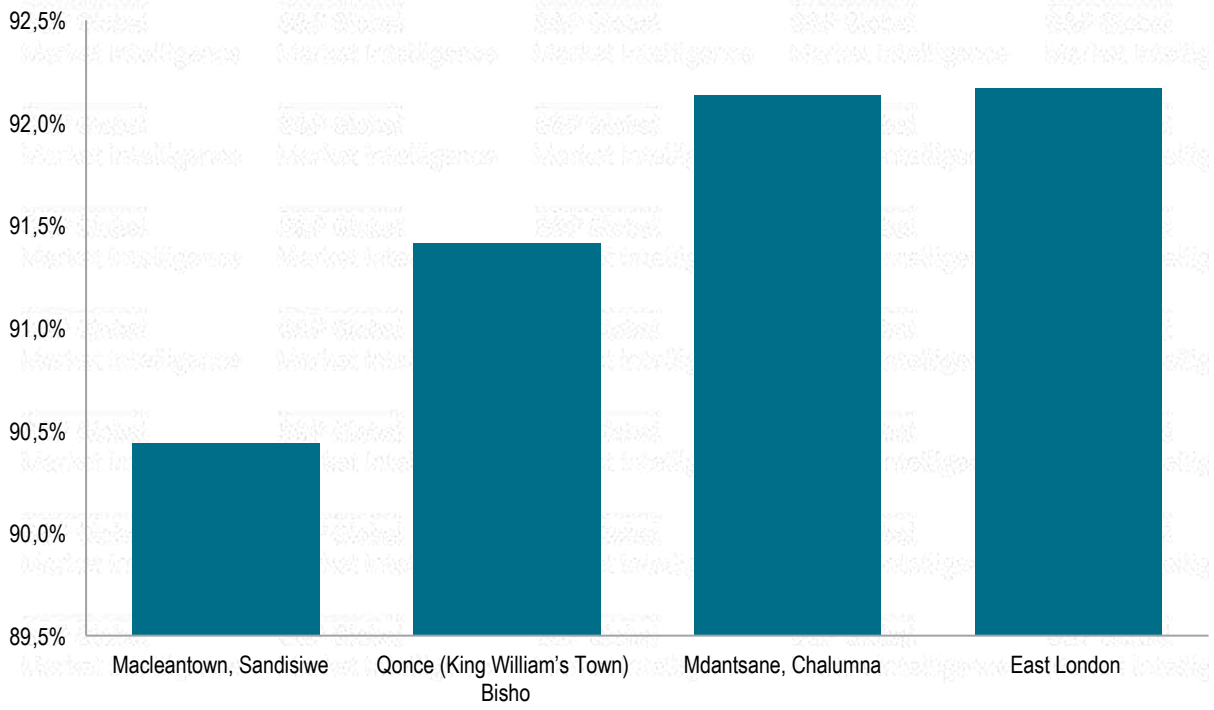
CHART 6. Functional literacy: age 20+, completed grade 7 or higher - Buffalo City, Eastern Cape and National Total, 2012-2022 [Percentage]



Buffalo City Metropolitan Municipality's functional literacy rate of 91.84% in 2022 is higher than that of Eastern Cape at 85.18%. When comparing to National Total as whole, which has a functional literacy rate of 89.78%, 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 7. Literacy rate - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2022



Source: South Africa Regional eXplorer v2443.

In terms of the literacy rate for each of the regions within the Buffalo City Metropolitan Municipality, East London Submetro Region had the highest literacy rate, with a total of 92.2%. The lowest literacy rate can be observed in the Macleantown, Sandisiwe Sub-metro Region with a total of 90.4%.

3.2 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.

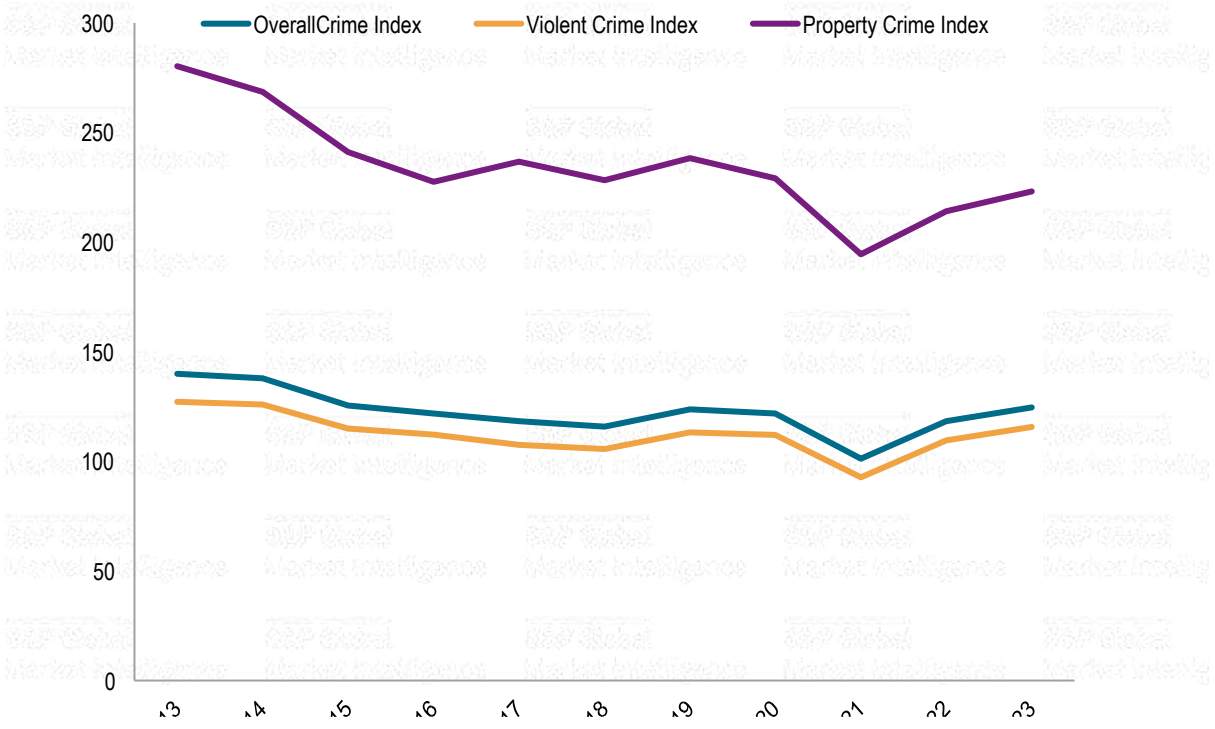
IHS Composite Crime Index

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.

1.5.1.2 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 8. IHS Crime Index - calender years (weighted avg /100,000 people) - Buffalo City Metropolitan Municipality, 2012/2013-2022/2023 [Index value]



Source: South Africa Regional eXplorer v2443.

For the period 2012/2013 to 2022/2023 overall crime has decrease at an average annual rate of 1.15% within the Buffalo City Metropolitan Municipality. Violent crime decreased by 0.95% since 2012/2013, while property crimes decreased by 2.25% between the 2012/2013 and 2022/2023 financial years.

TABLE 7. Overall crime index - Buffalo City Metropolitan Municipality and the rest of Eastern Cape, 2012/2013-2022/2023 [Index value]

	Buffalo City	Nelson Mandela Bay	Sarah Baartman	Amatole	Chris Hani	Joe Gqabi	O.R.Tambo	Alfred Nzo
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	118.27	122.97	142.71	90.88	78.84	93.64	54.43	46.68
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	55.92	45.73
2021/2022	118.33	101.84	119.14	86.75	82.05	87.85	63.36	51.65
2022/2023	124.59	111.18	127.99	91.34	87.77	91.94	67.56	50.56
Average Annual growth								
2012/2013-2022/2023	***-1.15%***	***-2.83%***	***-2.09%***	***-0.49%***	***0.23%***	***0.09%***	***0.74%***	***-0.43%***

Source: South Africa Regional eXplorer v2443.

In 2022/2023, 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 128. Buffalo City Metropolitan Municipality has the second highest overall crime index at 125, with Nelson Mandela Bay Metropolitan Municipality having the third highest overall crime index of 111. O. R. Tambo District Municipality has the second lowest overall crime index of 67.6 and the Alfred Nzo District Municipality has the lowest overall crime rate of 50.6. The region that decreased the most in overall crime since 2012/2013 was Nelson Mandela Bay Metropolitan Municipality with an average annual decrease of 2.8% followed by Sarah Baartman District Municipality with an average annual decrease of 2.1%.

CHART 9. IHS Crime Index - calendar years (weighted avg / 100,000 people) - Buffalo City, Eastern Cape and National Total, 2022/2023 [Index value]

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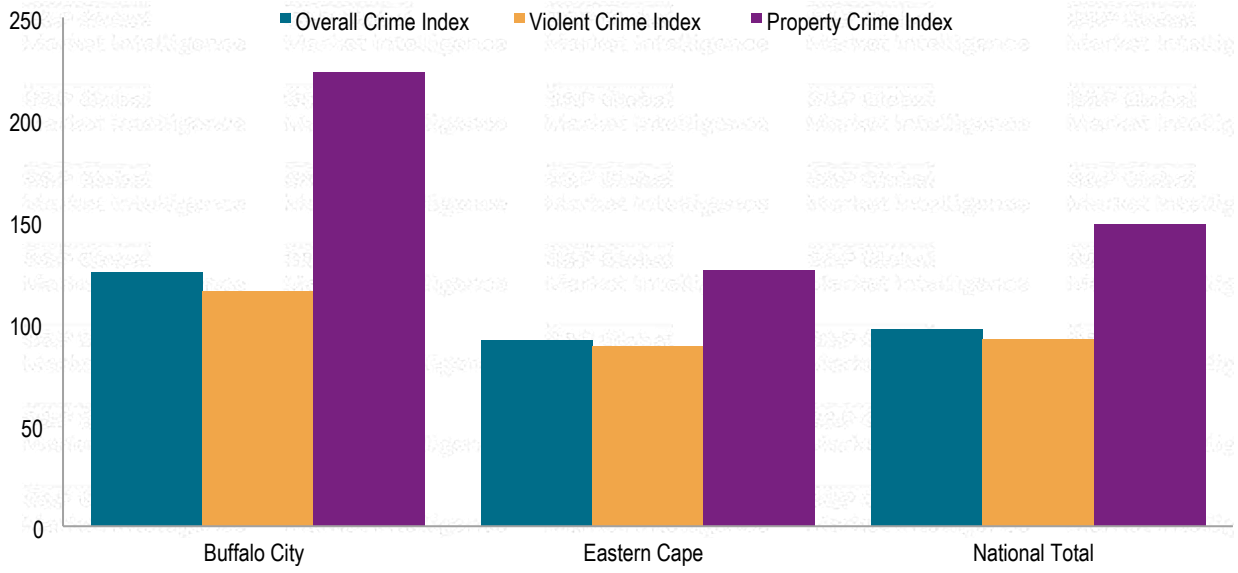


Source: South Africa Regional eXplorer v2443.

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
	Vulindlela	House breaking
Coastal	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 32: BCMM Crime Hot Spots

4. GOVERNANCE AND FINANCE DEVELOPMENT PROFILE

4.1 BCMM Governance Profile

4.1.1 Municipal Functions

Table 14: Municipal functions of BCMM

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	

MUNICIPAL FUNCTIONS	FUNCTION APPLICABLE TO MUNICIPALITY (YES/NO)*	FUNCTIONS APPLICABLE TO THE ENTITY (BCMDA)
Water and sanitation services limited to potable water supply and domestic wastewater 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 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	

Intergovernmental Relations

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

In May 2014 the BCMM IGR Forum was launched in terms of the Intergovernmental Relations Framework Act, No.13 of 2005, which is in Chapter 3 of the South African Constitution,1996, and sets out the basic principles and values of cooperative 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 sets out the general principles and objects of intergovernmental relations, with the focus primarily on the outcomes that the system must achieve:

- Coherent government
- Effective provision of services
- Monitoring implementation of policy and legislation
- Realisation 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 terms of the BCMM IGR Framework, BCMM has the following IGR Structures which are the mechanisms to enable engagement, alignment, integration, coordination, consultation, prioritisation, 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 is 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.

Table 15: BCMM IGR structures and calendar

Structure	Responsible	Responsibility	Meetings
BCMM Political IGR Forum	Chaired by the Deputy Executive Mayor with representation from the Mayoral Committee, City Manager, HODs, representation from Sector Departments, parastatals, and SOEs.	Facilitates IGR within the local municipality, amongst provincial and national government departments, and with SOEs within BCMM. The main objective of the BCMM IGR Forum is to enhance integrated development and consider priorities that require intervention in the Metro.	Two meetings per year
BCMM Technical IGR Forum	Chaired by the City Manager or his nominee with representation by HODs, municipal officials, parastatals, SOEs and agencies of all three spheres.	The functions of the technical support structure include: • Providing technical support and advice to the BCMM IGR Forum • Ensuring implementation of the decisions of the BCMM IGR Forum • Reporting on progress in implementing priorities and programmes as determined by the BCMM IGR Forum. • Designing integrated programmes on policy implementation with clear timeframes. • Performing duties as delegated to them by the BCMM IGR Forum.	Two meetings per year
BCMM Core Group	Chaired by the HOD: Executive Support Services (ESS). This structure is made up of BCMM, COGTA, OTP, South African Local Government Association (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 has representation from members of the Mayoral Committee, City Manager, HODs, sector departments, parastatals, and SOEs.	This IGR political structure looks at outstanding and urgent matters needing political intervention between the BCMM and other spheres which require one-on-one engagement.	Two meetings per year
BCMM Technical Roundtable	Chaired by the HOD: ESS with representatives from HODs, municipal officials, parastatals, SOEs and	Discusses and finds solutions raised from the IGR Forums in preparation for the IGR political roundtable.	Two meetings per year

Structure	Responsible	Responsibility	Meetings
	agencies of all three spheres.		
Three Sphere Engagements	Chaired by the City Manager with representatives from HODs, municipal officials, parastatals, SOEs 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	Two meetings per 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.

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 was also necessary because of the following:

- The need for BCMM not merely to comply, but to seek 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 for achieving key strategic outcomes for BCMM;
- To ensure IGR is cross cutting so that BCMM becomes more efficient and effective;
- The need for more alignment with IDP, the PGDP and NDP; and
- To ensure a more realistic and credible IDP and One Plan.

District Development Model and One Plan

In July 2019, the President officially launched the DDM in the OR Tambo District. All spheres of government are required to embrace the model and facilitate its implementation in the interests of improving joint planning, increasing implementation, and improving service delivery. The President proposed the "One Plan" of government or the DDM 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, reached the final stages of the first-generation One Plan development. The IGR core group comprising BCMM's IGR, IDP and EPMO units, together with the 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 EC Socio-Economic Consultative Council (ECSECC) were held, and a gap analysis assessment was undertaken

by ECSECC. BCMM's Political and Technical IGR Committees facilitated several DDM/One Plan consultative processes to enable three-sphere input into the plan and finalise it by the deadline of 31 August 2021.

BCMM is continuing in 2024 to strengthen the input of projects, budgets, and commitments by other spheres, for a more informed and integrated IDP and One Plan.

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 or convened on virtual platforms. Fortunately, BCMM did not tackle the pandemic challenges single-handedly but with international partners as well, who provided a great deal of support.

BCMM International Relations Economic Recovery Webinar

Taking into consideration the South African Economic and Recovery Plan, as well as broader issues currently facing the BCMM, an International Relations webinar was held with potential donors, experts and strategic provincial and national government departments, to explore the funding opportunities available which BCMM 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 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 its 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 have been increasingly looking to local government for help and guidance. BCMM does not have adequate budgets for crisis management or to provide direct personal protective equipment support to public health facilities; therefore, the BCMM International Relations Units 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 personal protective equipment 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 have been as follows:

Table 16: Personal Protective Equipment donations by international partners

City	Donation	Value
BCMM local Chinese Community	4 000 three ply masks	R120 000
BCMM local Chinese Community	Donation of 135 Food parcels to orphanages	R45 000
City of Jinhua, China	20 000 three ply masks	R600 000
City Jinhua China	30 000 FFP2 masks,	R1 500 000
City of Oldenburg, Germany	2 000 single ply masks	R 50 000
Value		**R2 315 000**

BCMM also received three-ply masks and food parcels donated by the local Chinese community. 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 Children's 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 Cape Province in its fight against the pandemic.

BCMM received a second donation from the City of Jinhua during the second wave of the pandemic. In December 2020, during the second wave of the pandemic, the BCMM sent a formal request to Jinhua for a further donation, and they responded by donating 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 given 5 000 masks, 3 000 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 promotional material including posters, radio announcements, as well as a local rap group producing a rap song and video on saving water, which were used in the campaign to encourage communities to save water.

New water project – cooperation of water operators

BCMM and OOWV and a new water operator in Germany, Wupperverband, will be cooperating from 2022 until 2023 on a new project to strengthen the capacity of local municipal water and sanitation to manage and enable a stable and reliable water supply to local communities and residents. Commencing in February 2022, the project includes

exchanges in both South Africa and Germany to develop the project concept, share lessons learnt, identify best practices, develop action plans, and undertake research.

The health risks posed by COVID-19 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 globe. This is resulting in global economic downturns with countries concerned about their investments. This requires a new way of thinking on international relations for the BCMM. Therefore, in April 2022, BCMM aims to review its International Relations Framework and consider new methods of cooperation with partners abroad.

4.1.2 Summary of community developmental issues and priorities

While still experiencing a barrage of challenges, BCMM has made satisfactory progress with implementing the 2016/2021 five-year IDP and is planning on accelerating the pace of service delivery during the next five-year cycle.

Table 32 presents a summary of the key issues raised by communities during the the IDP/Budget Roadshow held during April and May 2023:

Table 17: Issues raised during IDP/Budget Roadshow (April/May 2023)

NO.	NEEDS	NUMBER OF ISSUES	WARDS
1.	Roads, Bridges, Pavements, Pedestrian Bridges, Potholes, Speedhumps, Footpaths	59	31,32,25,35,38,40,41,43,44,45,49,5,8,9,26,27, 29, 17,22,23,26,30,42,23,22,48
2.	Water, Sanitation and Stormwater	33	31,32,25,35,37,39,43,44,45,9,47,14,17,26,1,38, 40,13,22
3.	Electricity, High Mast Lights, Streetlights	27	31, 32, 25, 36, 38, 41, 44, 49, 6, 8,9, 13,15, 27, 11, 21, 21, 22, 23, 30, 41, 31
4.	Community Halls, Libraries, Information Centres, Recreational Parks/Facilities, Youth Centres	25	31,32,33,36,37,38,40,41,44,45,49,5,16,28,46, 22, 24,30
5.	Cemeteries, Parks, Playgrounds, Swimming Pool	20	31, 35, 34, 36, 39, 40, 43, 44, 49, 1, 8, 46, 17, 21, 22, 42
6.	Bush Clearing, De-forestation, grass cutting, ward beautification	19	31,31,25,39, 13,14,3,9,47,11,22
7.	Economic Development, Job Creation, Skills Development, Employment, Learnerships, Shopping Centre/mall, SMMEs, Tourism, Training	19	31, 32, 35, 38, 3,5, 6, 27, 11, 21, 23, 24, 43
8.	Construction of Houses, Rectification of houses, title deeds	18	31,32,33,34,36,35,38,40, 41,44,45,49,1,6,9,13,46,47,11,14,20,22,23,30, 42, 48
9.	Sports facilities and Programmes	18	31, 31, 32, 38, 39, 6, 10, 19, 28, 17, 23
10.	Dipping tanks, Fencing of grazing land, Rural Development, Rural Sanitation, Tractors	13	31, 32, 33, 50, 22
11.	Land	9	31, 34, 15, 46
12.	Illegal dumping sites, Refuse Removal	4	4, 21, 48
13.	Women and Youth	3	45, 49, All Wards
14.	Financial Administration (Billing, meter boxes, rent office)	4	21, 22, 24, 30
15.	Safety	3	31, 32, 33, 41, All Wards
16.	Fumigation	1	21

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 BCMM and the indicated spheres at the relevant IGR platforms created for such engagements:

Table 18: Multi-sectoral Intergovernmental Matters

ISSUES THAT CUT ACROSS GOVERNMENT SPHERES OR RESIDE UNDER THE FUNCTIONS OF A GOVERNMENT ENTITY AT PROVINCIAL OR NATIONAL LEVEL		
Community Need / Issue	**Description**	**Location (Ward/Area)**
SPORT		
Sport - Boxing	Installation of a boxing ring in a community hall	31
ROADS		
Access Road	There was no road leading to the grazing land next to Kiwane; request made for an access road to be constructed.	32
Roads	Request for road construction from Gwiqi to Nxamkwan. Cars damaged due to bad condition of roads.	24
Roads	Twecu Village sought clarity regarding the construction of a tarred road between Jojweni and Kei bridge; project had not yet been implemented whereas it was promised in the previous years.	32, Twecu
Roads	Maintenance of roads from Airport Park and Ntenteni on the R72 and towards Buffalo Pass; roads in a bad state, and needed to be re-constructed.	31
Bridge	Bridge requested from eQonce to Zinyoka; road is submerged during heavy rains and taxis have to use other routes to access the area.	35
Bridges	2 bridges in Peelton not mentioned.	43
Roads	DR26 road in a bad state; taxis refuse to use the road.	26
Pavements	Road pavements to be constructed for school children.	49
DESTITUTE HOUSES AND HOUSES NEEDING RECTIFICATION		
Rectification of houses	Rectification of houses in Phola park: houses were built in 1999 and only 50 houses had been rectified.	34
Destitute houses	Ndayi area: houses that were promised and not yet built.	24
DAMS		
Maiden dam	Dam project not commenced.	38
Dams	2 dams to be closed at Eluxolweni as it causes mosquito infestation.	17
POLICE SERVICES		
Mobile police station		24
Police station	Satellite police station requested, as the main one is at Lloyd.	10
Satellite police station	2 police stations service the areas of Kidds Beach and Fleet Street, and crime remains a challenge. Request made for a mobile police station.	31
Sport development	Develop the sports fields at Tsholomnqa.	32
SMME SUPPORT AND ENTREPRENEURSHIP		
Youth development	NYDA to assist in rural areas.	31
Employment	Deforesting Longumsobomvu, which was previously used by soldiers, will create jobs. Develop the ward by creating employment.	35
NYDA	Requests made for programme of action.	38
Job creation	Provision of employment opportunities for youth with no educational qualifications.	6
Youth empowerment	Application processes at NYDA to be sped up so as to help businesses.	14
SMME's	Not considered on projects in the ward.	21

ISSUES THAT CUT ACROSS GOVERNMENT SPHERES OR RESIDE UNDER THE FUNCTIONS OF A GOVERNMENT ENTITY AT PROVINCIAL OR NATIONAL LEVEL		
Community Need / Issue	**Description**	**Location (Ward/Area)**
LIBRARIES AND INFORMATION CENTRES		
Library	Request made: even if it is a mini-library, as children currently have to travel to town for research and other school projects.	41
Information centre/library	Request made for information centre or library be constructed.	49
Library		5
Library		5 (Scenery Park)
SOCIAL DEVELOPMENT		
Youth centre	Request made for Youth Centre at Nkqonkqweni	45
Youth	Request for youth to be provided with learnerships and for a youth centre to be built for their activities.	49
Youth Development	Youth skills programmes; namely: soft skills, computer skills, mentorship skills and data analysis skills. Hard skills such as bricklaying and artisan training should also be provided, and education requirement should start from below Grade 12 in order for all residents to benefit.	2
Social workers	A concern regarding the sexual abuse of young girls and young boys, who were recruited to sell drugs. Also, a request made for Social Workers to be deployed to communit,ies.	2
Social workers		8
Social workers	Social development representatives to move around the ward as there are drug addicts and rape issues.	13
Social workers	A community member raised a concern regarding children who were being raped and residents who were using drugs, and requested that social workers be available to make rounds.	15
Social workers	A concern regarding the sexual abuse of young girls and young boys who were recruited to sell drugs. A resident requested that Social Workers be deployed to communities for easy access.	2,8,13,15
EDUCATION, SKILLS DEVELOPMENT AND TRAINING		
School and scholar transport	No school in village; children have to travel long distances as the school is in village 3.	31
Disaster damaged school	Twecu made a request for the maintenance of Jim Vabaza High School which had collapsed because of stormy weather.	33
School	Request for a school in Sweetwaters as children have to travel to Zwelitsha	44, Sweetwaters
School		45
Learnerships	Learnership opportunities that would accommodate residents with Grade 12.	27
Skills development	NU5: old buildings that can be utilised for skills development. School dropouts.	11
Skills development	Request drivers' licences and computer skills.	23
Skills development	Forums formed to develop people in the ward. Also, as there are wine-making skills in the ward, Municipality was requested municipality to consider the skills.	24
Schools	No schools in the ward. Children have to travel to other areas.	24
Scholar transport	MaBungalweni residents.	
Skills development	Request drivers' licences and computer skills	23
Youth Development	Youth skills programmes; namely: soft skills, computer skills, mentorship skills and data analysis skills. A resident added that hard skills like hard skills such as bricklaying and artisan training should also be provided, and education requirement should start from below Grade 12 in order for all residents to benefit.	2

ISSUES THAT CUT ACROSS GOVERNMENT SPHERES OR RESIDE UNDER THE FUNCTIONS OF A GOVERNMENT ENTITY AT PROVINCIAL OR NATIONAL LEVEL		
Community Need / Issue	**Description**	**Location (Ward/Area)**
Learnerships	Learnership opportunities that would accommodate residents with Grade 12.	27
CLINICS		
Clinic/mobile clinic	2 areas serviced by only 2 clinics. At least a provision of mobile clinic should be provided.	31
Clinic	For Nkqonkqweni: in Tshabo, there is high school that has been closed. Request made for the place to be restructured as a clinic.	45
Mobile clinic		3, Southernwood
Clinic		28 (Mzamomhle)
Clinic	Requested at eLuxolweni.	17
Clinic		24
School, Clinic	Macleantown: no school and no clinic	26
Clinic	NU 9: there is a shortage of nurses in the clinic(s).	30
Mobile clinic	Requested for Mabungalow, as none is reaching the area.	42
Clinic	Shortage of staff, as the NU 8 clinic caters for three areas (NU 8,NU 10 and NU12).	48
Clinic/mobile clinic	20 areas serviced by only 2 clinics. A request made for at least a mobile clinic.	31
Clinic/mobile clinic		3
LAND AND AGRICULTURE		
Rural development plan	Programme of action is not clear.	31
Land transfer from Bongweni to Ntenteni	Sort out the issue of land, and that the land be owned by the people.	31
Fencing of communal land	Request made for fencing of communal land.	31
Land and Agriculture	Request made for cultivable land.	31
Dipping Tank	Phozi village: request made for dipping tank.	32
Fencing of fields	Fencing of fields at Phozi	32
Dipping tank	Request for installation of dipping tank in the Cwecweni area	32, Cwecweni
Land to build houses	Land to be identified at Phola park to build houses.	34, Phola park
Land availability	Availability of land for Nompumelelo residents – for Phase 2.	15
Dipping tanks	Request for old dipping sites in rural areas to be renovated.	50
Land	Land occupied by residents is privately owned.	17
Dipping tanks	Renovation of dips.	22
Land	Sisonke and Andrew Mlangeni: request municipality to purchase land as it is currently privately owned	42
Land availability	Availability of land for Nompumelelo residents for Phase 2.	15
Wontini forest place		32
Development of Gumtree Forest	Gxetu has a Gumtree forest that was left by the previous owner that needs to be developed.	33, Gxetu
Deforest	Forest that lies between Msundulu Primary School and the Reservoir in Kwanohlazana needs to be deforested, as criminals use it as their sanctuary and a dumping ground for stolen cars, dead bodies, etc. Municipality requested to assist in this regard.	33

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

The BCMM 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

4.1.4 Vacancy rate

Figure 33: Vacancy Rate, BCMM 2022/23 Annual Report

Vacancy Rate			
Designation	***Total Approved Posts**	***Vacancies (Total time that vacancies exist using fulltime equivalents)**	***Vacancies (as a portion of total posts in each category)**
	No.	**No.**	**%**
Municipal Manager	1	0	100%
CFO	1	0	0%
S57 - HODs	9	1	11,11%
Other Senior Managers (excl. Finance Posts T16 & above)	104	15	14,42%
Other Senior Managers (Finance posts T16 & above)	18	4	22,22%
Police Officers	185	14	7,57%
Firefighters	131	10	7,63%
Senior management: Levels 13-15 (excluding Finance Posts) ex 3005-3071	143	24	16,78%
Senior management: Levels 13-15 (Finance posts)	22	2	9,09%
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	687	84	12,23%

Vacancy Rate			
Designation	***Total Approved Posts**	***Vacancies (Total time that vacancies exist using fulltime equivalents)**	***Vacancies (as a portion of total posts in each category)**
	No.	**No.**	**%**
Highly skilled supervision: Levels 9-12 (Finance posts)	88	5	5,68%
Total	**1 389**	**160**	**11,51%**

The table above presents a more detailed breakdown of the number of filled posts and vacancies across various skill levels.

Figure 34: Vacancies, BCMM 2022/23 Annual Report

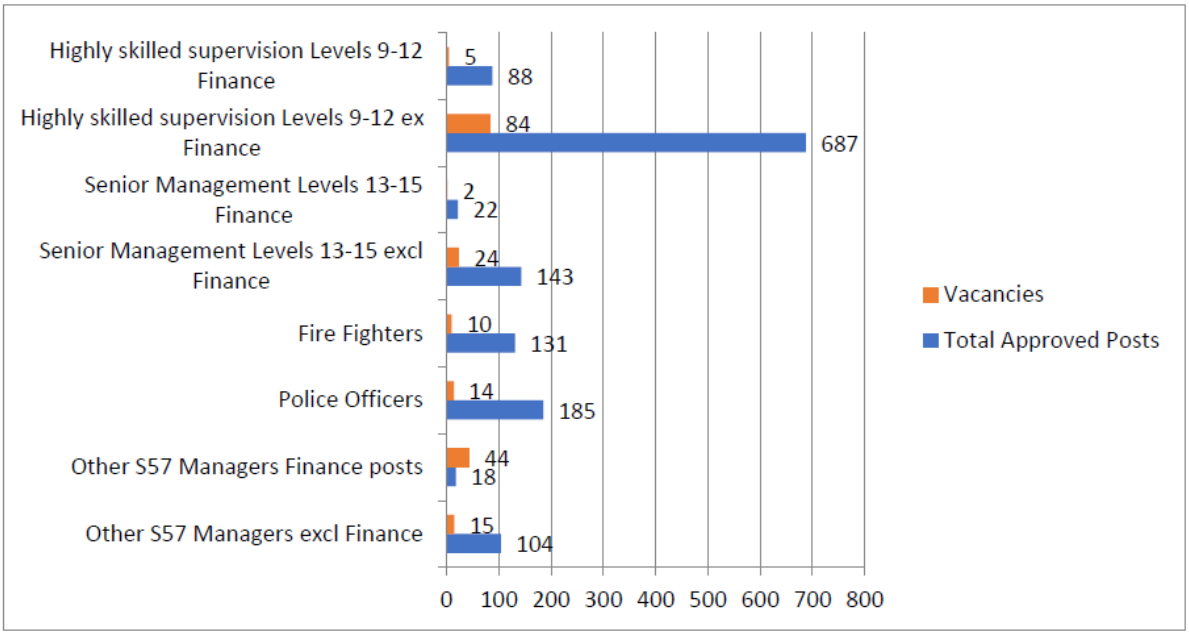


Table 19: Turnover Rate, BCMM 2022/2023 Annual Report

Turnover Rate			
Details	**Staff establishment as at the end of Financial Year**	**Terminations during the Financial Year**	**Turn-over Rate***
2020/2021	5 552	276	5%
2021/2022	5 404	275	5%
2022/2023	5 252	243	5%

Comment on Vacancies and Turnover:

BCMM has an approved staff complement of 5 252, with 614 of these positions currently vacant and funded. We are actively advertising these vacancies promptly.

In the fiscal year ending June 2023, a total of 127 posts were filled. Additionally, there were 243 terminations, broken down as follows:

- Contract Expiry – 1
- Deceased – 41
- Dismissals – 15
- Medical Boarding – 9
- Resignations – 52
- Retirements – 125
- Appointments – 127

5.1 The Buffalo City Metropolitan Municipality Finance Profile

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

Description	2020/21	2021/22	2022/23
R thousands	**Audited Outcome**	**Audited Outcome**	**Audited Outcome**
Financial Performance			
Total Revenue (excluding capital transfers and contributions)	**7 738 963**	**8 249 591**	**8 061 516**
Total Expenditure	**8 207 573**	**9 275 196**	**9 063 135**
Surplus/(Deficit)	**(468 610)**	**(1 025 605)**	**(1 001 619)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 065 032	686 636	732 602
Contributions recognised - capital & contributed assets	14 979	2 294	4 160
Surplus/(Deficit) after capital transfers & contributions	**611 401**	**(336 675)**	**(264 857)**
Share of surplus/ (deficit) of associate	(26 628)	(29 869)	20 143
Surplus/(Deficit) for the year	**584 773**	**(366 544)**	**(285 000)**
Capital expenditure & funds sources			
Capital expenditure	**1 690 102**	**1 465 623**	**1 462 280**
National Government	1 098 015	707 259	730 712
Provincial Government	542	–	–
Borrowing	230 800	35 311	–
Internally generated funds	860 389	855 691	660 480
Total sources of capital funds	**2 189 745**	**1 598 261**	**1 391 192**

Description	2020/21	2021/22	2022/23
R thousands	Audited Outcome	Audited Outcome	Audited Outcome
Financial position			
Total assets	26 436 034	29 124 434	29 769 545
Total liabilities	3 350 954	3 245 673	3 622 230
Community wealth/Equity	23 085 081	25 878 762	26 147 314
Cash flows			
Cash/cash equivalents at the year end	1 145 407	697 457	679 975
Collection rate	**70,20%**	**71,39%**	**82,05%**
Outstanding debtors	**4 368 246**	**5 760 893**	**6 378 787**
Percentage of capital expenditure spent against capital budget	**77%**	**92%**	**100%**
Current ratio	**1,7 : 1**	**1,6 : 1**	**1,36 : 1**
Debt (Total Borrowings) to Revenue	**3,75%**	**2,64%**	**1,83%**
Remuneration as % of Total Operating Expenditure	**31%**	**28%**	**28%**
Cost coverage	**1.79**	**1**	**0,81**

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 2022/2023 financial year, the City realised a deficit of R285 million compared to a deficit of R366 million in the 2021/2022 financial year.
- The Metro injected substantial own funding investment in the capital budget programme in the past few years (a total of about R 2.38 billion in the past three years).
- Capital expenditure has improved in the past few years with 77% spent in 2020/2021 to 100% spent in 2022/2023. The Capital expenditure percentage reflects a good trend as it has reached 100% in 2022/2023.
- The book value of Total Assets has increased from R26.44 billion (2020/2021) to R29.77 billion (2022/2023). This is a reflection of the investment made by the Metro in its Capital Expenditure Programme.
- Cash and cash equivalents have decreased from R1.14 billion (2020/2021) when compared with R680 million (2022/2023). 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. This has also contributed to the decline in the cash and cash equivalent.
- 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.

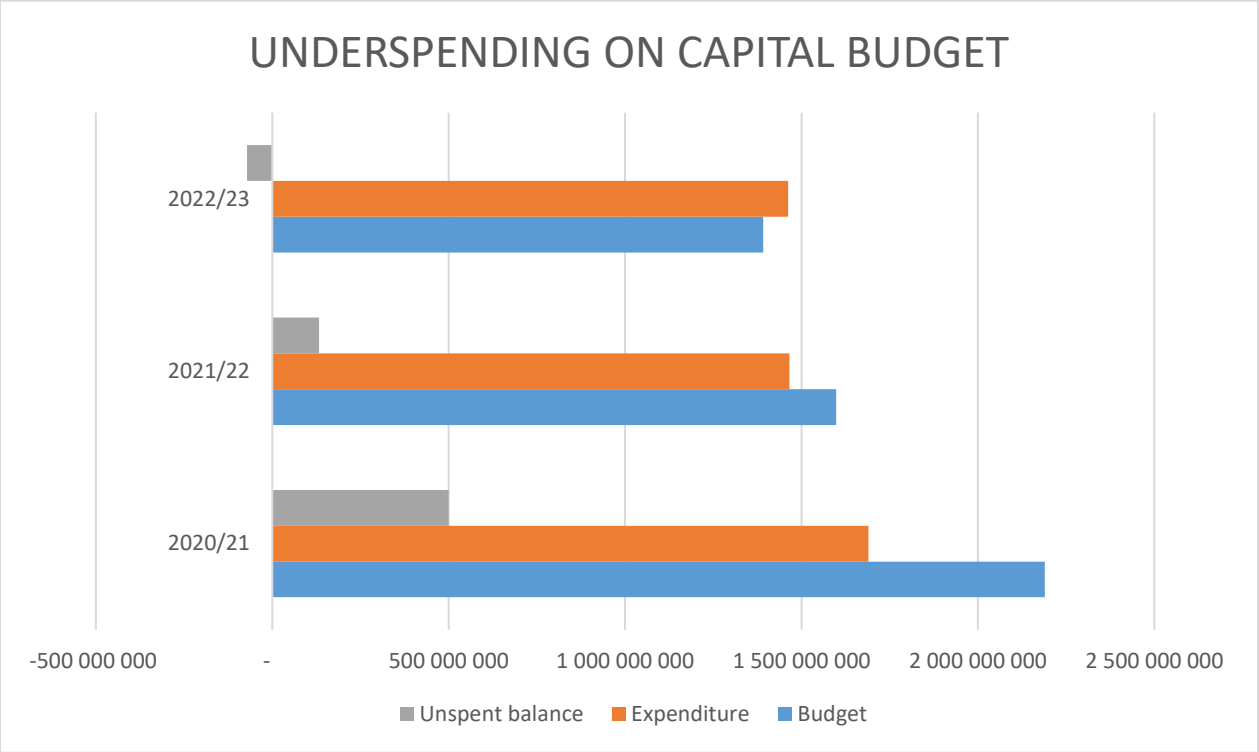


Figure 25: Under-expenditure on Capital Budget

In the 2020/2021 financial year, there was under-expenditure of 23% on the Capital budget. In the 2021/2022 financial year the under-expenditure on capital budget was at 8% and in 2022/2023 financial the Metro fully spent the allocated capital budget.

5.1.2 Cost Drivers in the BCMM Administration

BCMM cash and cash equivalent over the years has continued to decline from R697 million in June 2022 to R680 million in June 2023. 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 and a continued increase in 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.

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

Figure 26: Types of Audit Reports

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

Overall Opinion		2020/21	2021/22	2022/23	Reason
		Qualified	Unqualified	Qualified	
Overall Progress					
Qualification Paragraphs					
Revenue from exchange transactions				x	Completeness, accuracy and validity on sanitation resulting in an understatement
Irregular Expenditure			x		Irregular expenditure disclosed in the notes to the AFS is understated
Property, plant and equipment				x	Due to WIP and capitalisation of assets that AG are requiring piecemeal componentisation. It was also due to a long-term error on revaluations dating back to 2013 that the AG only identified in their 2022/23 audit.
Commitments				X	Understatement
Emphasis of matter paragraphs					
Irregular expenditure incurred		x	x		
Electricity Losses		x	x	x	
Water Losses		x	x	x	
Debt impairment			x	x	
Underspending on Conditional Grants			x	x	

Figure 27: Previous Audit Opinions

In 2022/2023 the City obtained a qualified audit opinion on its Annual Financial statements. The qualification arose due to the following:

i. Inability to provide sufficient appropriate audit evidence for property, plant and equipment that was incorrectly accounted for with respect to the revaluation of the Metro's assets.

ii. Service charges pertaining to Sanitation was not adequately recognised resulting in properties not being billed and the sanitation service charges not being adequately recorded resulting in an understatement of receivables and revenue from exchange transactions.
iii. Commitments on capital assets work-in-progress were incorrectly disclosed resulting in an overstatement on commitments.

Action plans to achieve an unqualified audit:

The 2022/2023 Audit Report and Management Report was analysed to develop the Audit Action Plan (AAP) which has been prepared detailing the audit findings together with the required corrective action to be taken.

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 2023/2024 financial year.

5.1.3 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.

Table 9: Irregular Expenditure - 2020/21, 2021/22,2022/23

Irregular expenditure	2020/21	2021/22	2022/23
Opening balance	2 885 963 535	3 085 212 548	9 216 993 440
Add: Irregular Expenditure - current	291 115 980	1 529 971 015	1 839 725 316
Add: Irregular Expenditure - prior period	-	4 689 793 434	-
Less: Amount written off by Council	(91 866 967)	(87 983 557)	-
Closing balance	**3 085 212 548**	**9 216 993 440**	**11 056 718 756**

The irregular expenditure disclosed at R11.06 billion in the 2022/2023 Annual Financial Statements is resulting from:

- Procurement made outside SCM Regulations
- BCC Contracts are associated mostly with service providers which were previously appointed between 2004 and 2010 for consulting works (during the Central Bid Committee system)
- Annuals Contracts which were awarded outside of Procurement Regulations
- Formal contracts outside of Procurement Regulations
- Expired leases
- Using annual contracts to construct capital assets

5.1.4 Unfunded Mandates

There are a number of under and unfunded mandates that the city finds itself to fund and those include libraries, building of houses and natural disasters. There are continuous engagements with the respective provincial and national departments, and we are also making use of the IGR structures, with the endeavour to get sufficient funding for these unfunded mandates. Unfortunately, majority of these engagements do not yield desired outcomes. To date the city has not been paid the disaster fund for the 2022 January floods. Libraries are a provincial function but the budget the metro receives is too little to cover operational costs including salaries for employees.

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

The Buffalo City Metro is faced with service delivery challenges and backlogs in respect of water, sanitation, housing, roads, infrastructure, and spatial development. These issues aggravate the vulnerability of already marginalised groups in respect of their economic participation, access to housing, water, sanitation, electricity, safe neighbourhoods as well as their overall health and welfare within communities.

5.1 Household infrastructure and access to basic services

Drawing on the household infrastructure data of a region is essential in economic planning and social development. Assessing household infrastructure involves the measurement of five 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 the last 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 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 BCMM between 2010 and 2020.

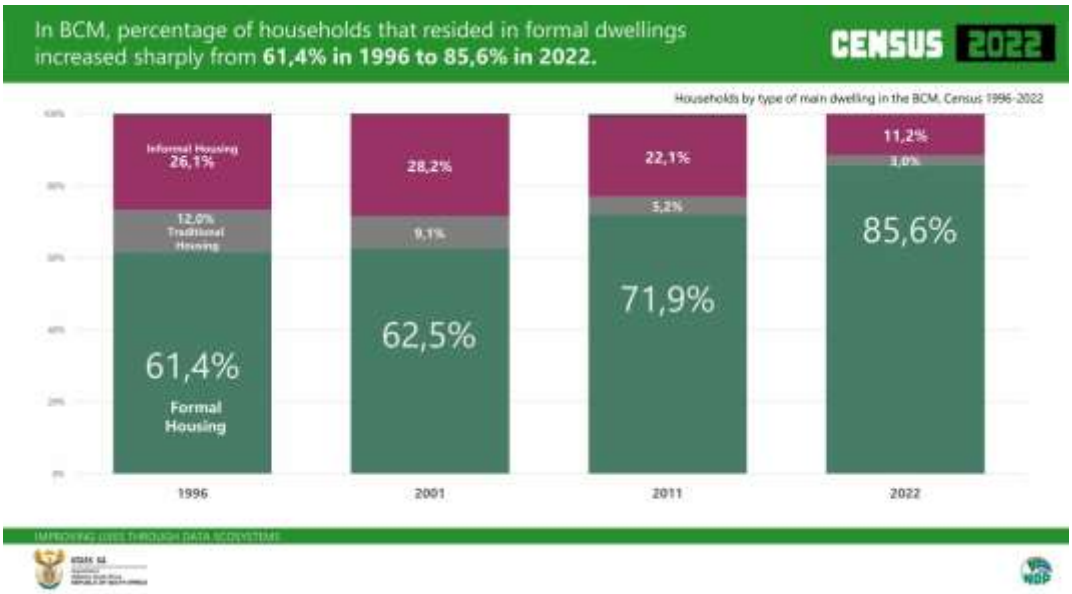
5.2 Household by Dwelling Type

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, and 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, a flat or apartment, townhouse, room in backyard, rooms, or flatlet elsewhere, 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.

In Buffalo City the percentage of households that resided in formal dwellings increased sharply from 61,4% in 1996 to 85,6% in 2022 (StatsSA, Census 2022):

Table 20: Households by type of main dwelling in the BCM, Census 1996-2022

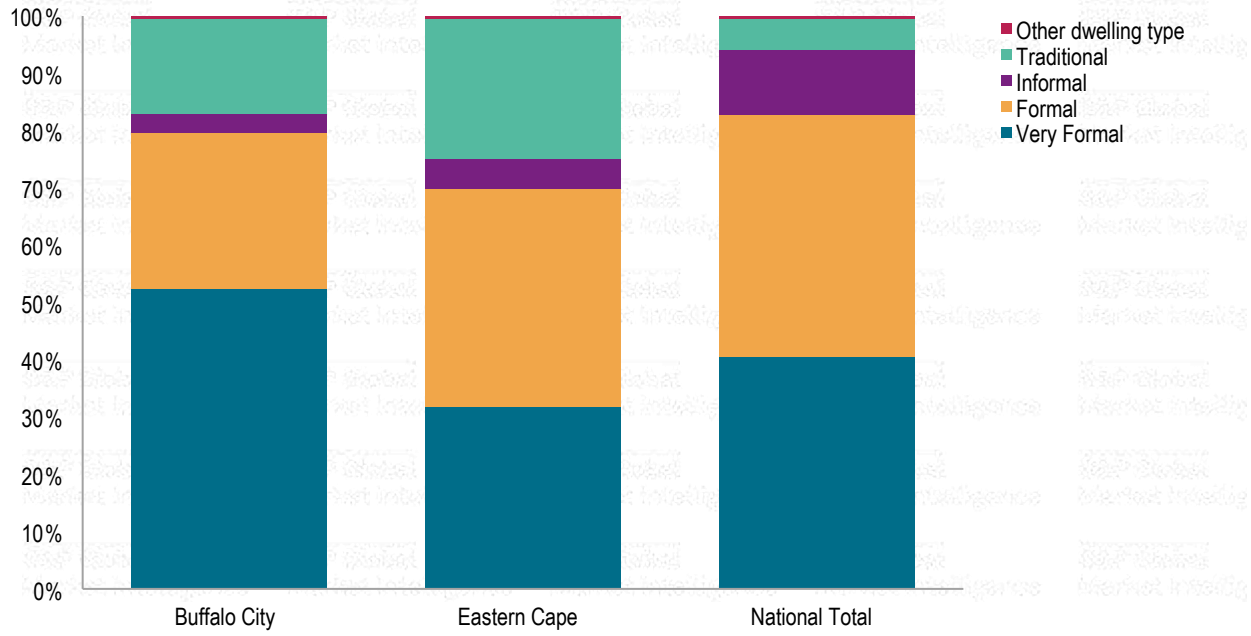


The BCMM has approximately 114 500 potential beneficiaries registered in the National Housing Needs Register (NHNR). These individuals remain in the NHNR system until the Directorate of Spatial Planning and Development secures available land and the Provincial Department of Human Settlements allocates the necessary budget. In respect of informal settlements, the Municipality has ± 80 600 households who are residing in informal settlements. The Directorate of Human Settlements, Spatial Planning, and Development, along with the Infrastructural Services Directorates, collaborate in terms of the Informal Settlements Upgrading Programme (ISUP). This programme is funded through the Informal Settlement Upgrading Partnership Grant (ISUPG).

Figure 35: Percentage of households with access to basic housing, BCMM 2022/23 Annual Report

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
2019/20	219 281	114 995	52,4%
2020/21	223 568	162 068	72,4%
2021/22	233 400	163 000	69,8%
2022/23	280 951	166 451	59,2%
			T 3.5.2

CHART 10. Households by dwelling unit type - Buffalo City, Eastern Cape and National Total, 2022



Source: South Africa Regional eXplorer v2443.

Buffalo City Metropolitan Municipality had a total number of 141 000 (52.43% of total households) very formal dwelling units, a total of 73 100 (27.17% of total households) formal dwelling units and a total number of 8 810 (3.27% of total households) informal dwelling units.

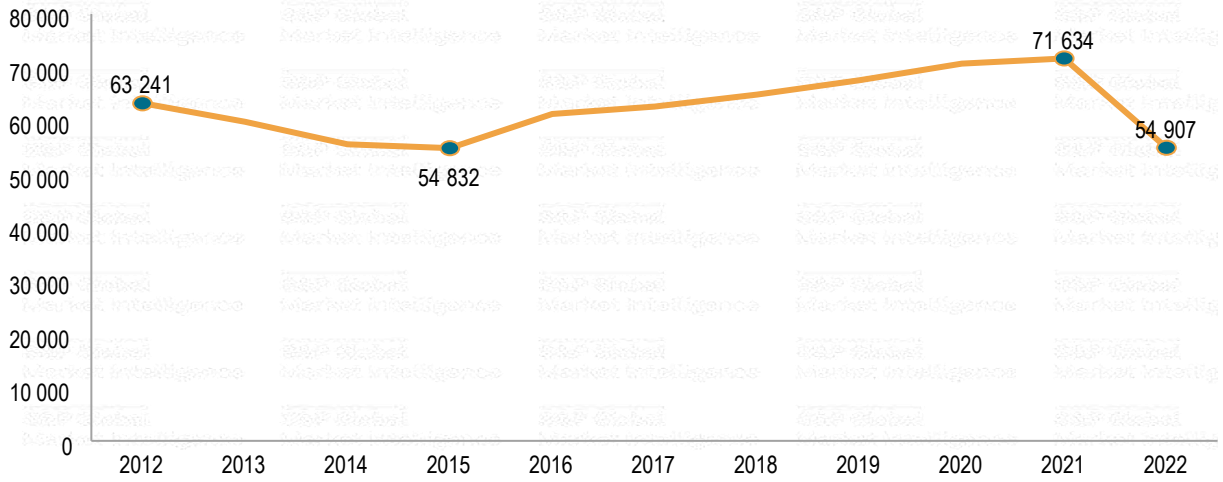
TABLE 8. Households by dwelling unit type - Macleantown, Sandisiwe, King William's Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2022 [Number]

	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Macleantown, Sandisiwe	10,106	6,543	704	3,703	109	21,166
Qonce (King William's Town) Bisho	31,706	18,142	2,185	10,873	303	63,208
Mdantsane, Chalumna	41,121	20,170	2,456	12,540	376	76,663
East London	58,167	28,269	3,460	17,667	531	108,093
Total Buffalo City	**141,099**	**73,124**	**8,806**	**44,783**	**1,318**	**269,130**

Source: South Africa Regional eXplorer v2443.

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 58 200 or a share of 41.22% 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 10 100 or a share of 7.16% of the total very formal dwelling units within Buffalo City Metropolitan Municipality.

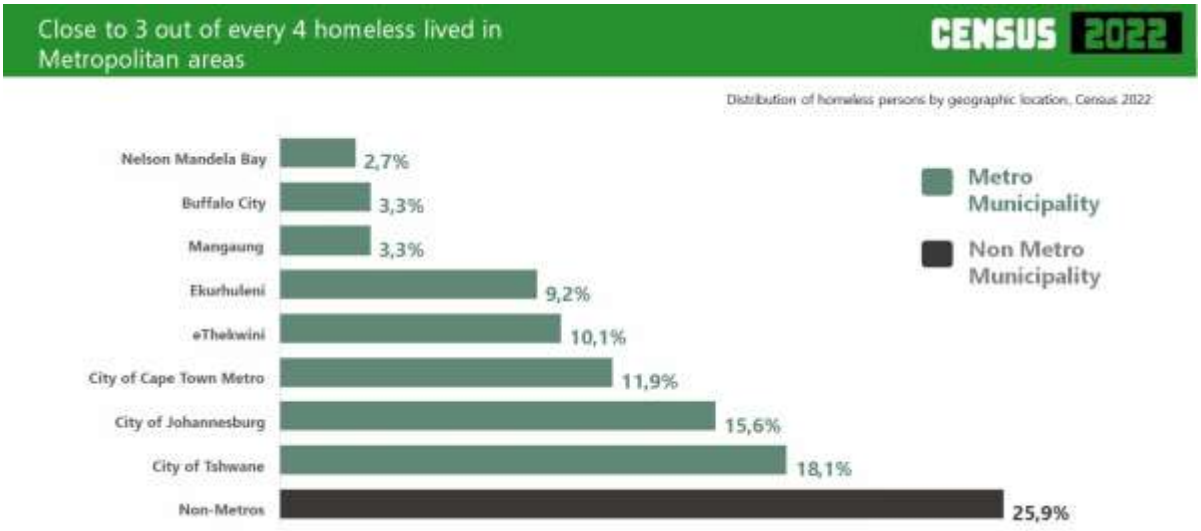
CHART 11. Formal dwelling backlog - number of Households not living in a formal dwelling - Buffalo City Metropolitan Municipality, 2012-2022 [Number of Households]



Source: South Africa Regional eXplorer v2443.

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 2012 the number of households not living in a formal dwelling were 63 200 within Buffalo City Metropolitan Municipality. From 2012 this number decreased annually at -1.40% to 54 900 in 2022.

Figure 36: Distribution of homeless persons by geographic location, Census 2022



In Buffalo City 3,3% of the total population are homeless.

5.3 Household by Type of Sanitation

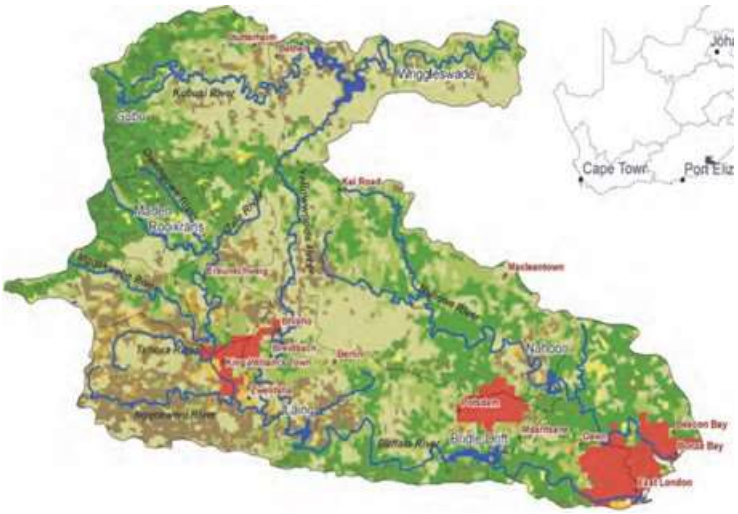
Sanitation can be divided into specific categories of sanitation to which a household has access, as follows:

- **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 from flowing into the surrounding environment. The tanks need to be emptied or the contents pumped elsewhere.

Figure 37: Households by type of toilet facility in BCMM, Census 2011-2022

The Water Services Development Plan (WSDP) promotes the equal provision of water and sanitation to residents in terms of provision. In compliance with statutory legislations of the country, the city managed to provide better quality sanitation services to approximately 97.9% (Stats SA 2022) of the population.

Figure 38: Buffalo City Metro Wastewater Treatment Works Around AWSS



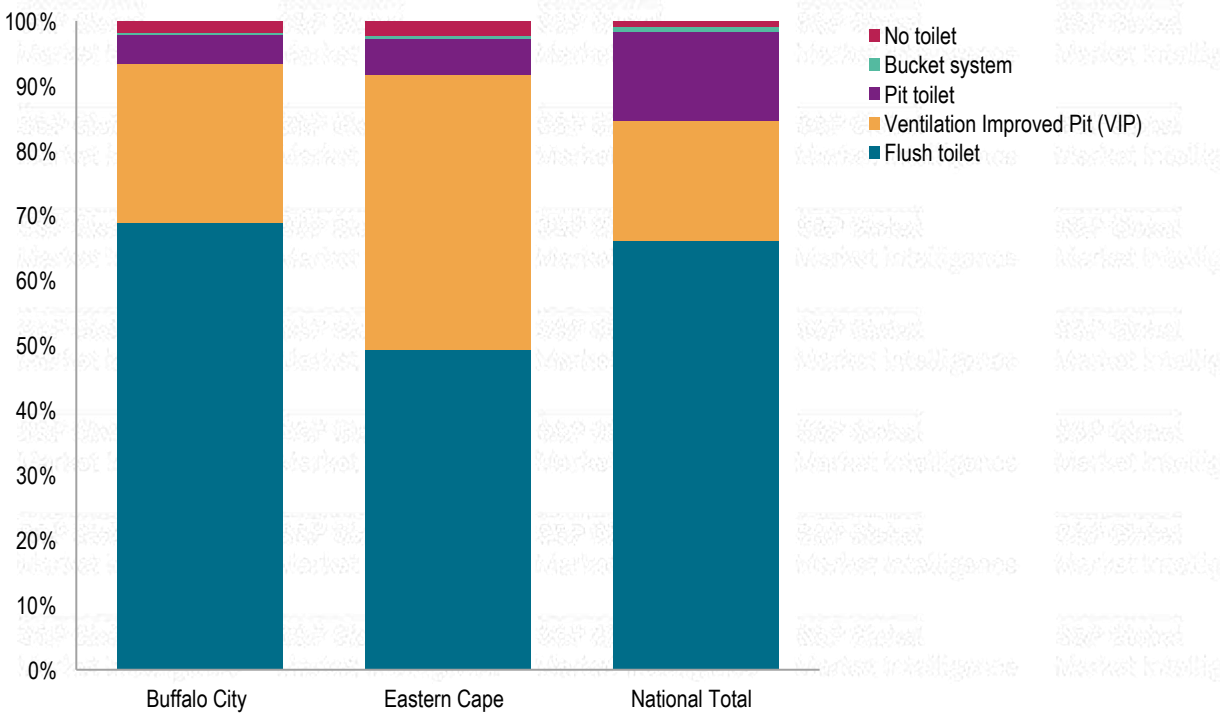
The combined effluent flow of 96.3 Ml/d (35.1 million m3/a), translates to approximately 37% of potential return flow back to AWSS.

There are 14 wastewater treatment works in the vicinity of AWSS. One treatment works operated by Amatole District Municipality, and 13 WWTW owned and operated by BCMM.
The service varying from full waterborne in formal settlements (urban), whilst communal ablutions are provided to informal settlements connected to full flashing at a strategic ration of 10 informal households to one toilet seat.

The on-site sanitation is provided in peri-urban and rural areas, with each household receiving one ventilated pit latrine (VIP). The national water and sanitation guidelines allow the provision of such technology as a minimum service level technology to be developed by the municipalities. The following key projects and programmes are the crucial tools used to unlock new developments, human settlement, and economic activities in various areas of the Metro.

i. Zwelitsha Regional Wastewater Upgrade
ii. Diversion of Central Wastewater Treatment Works to Reeston WWTW
iii. Eastern Beach Sewer
iv. Kidds Beach Wastewater Treatment Works
v. Upgrading of Dimbaza Wastewater Treatment Works
vi. Mdantsane Wastewater Treatment Upgrade
vii. Rural Sanitation

CHART 12. Households by type of sanitation - Buffalo City, Eastern Cape and National Total, 2022 [Percentage]



Source: South Africa Regional eXplorer v2443.

Buffalo City Metropolitan Municipality had a total number of 186 000 flush toilets (68.95% of total households), 65 700 Ventilation Improved Pit (VIP) (24.40% of total households) and 12 100 (4.51%) of total households pit toilets

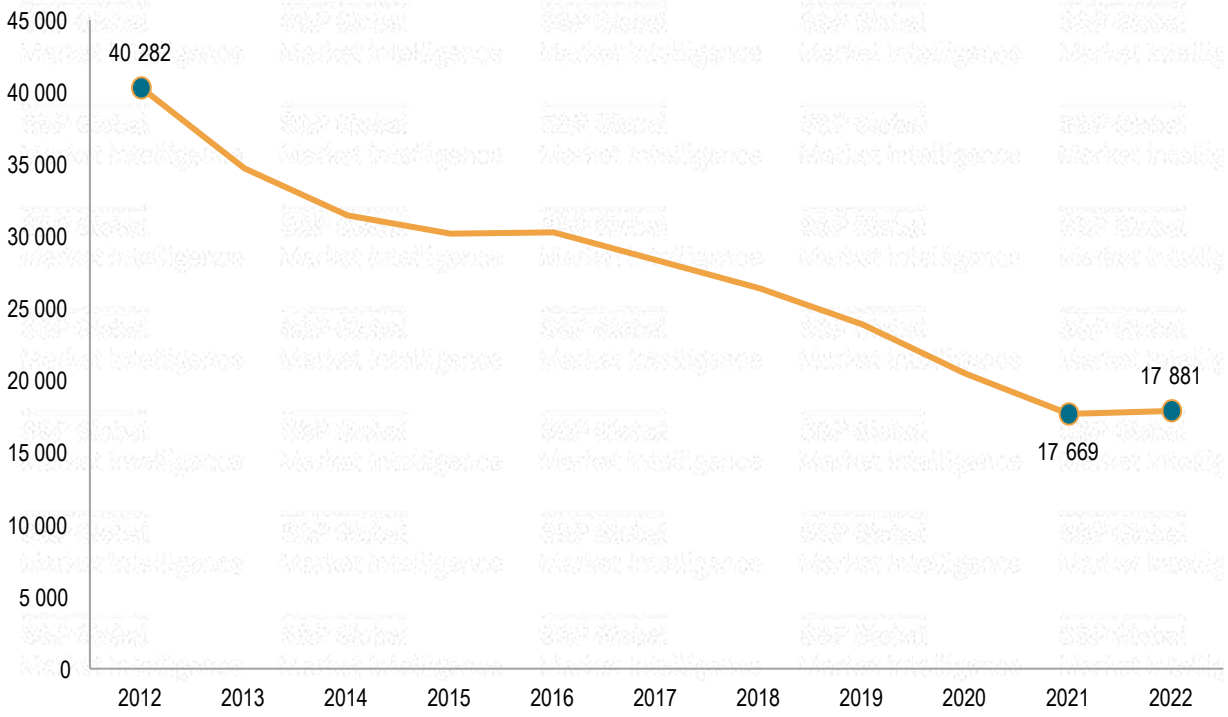
TABLE 9. Households by type of sanitation - Macleantown, Sandisiwe, King William's Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2022 [Number]

	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
Macleantown, Sandisiwe	13,676	5,840	1,065	70	515	21,166
Qonce (King Williams Town) Bisho	41,803	16,775	3,308	201	1,121	63,208
Mdantsane, Chalumna	53,879	17,958	3,231	256	1,339	76,663
East London	76,214	25,103	4,523	362	1,892	108,093
Total Buffalo City	**185,572**	**65,677**	**12,127**	**888**	**4,866**	**269,130**

Source: South Africa Regional eXplorer v2443.

The region within Buffalo City with the highest number of flush toilets is East London Sub-metro Region with 76 200 or a share of 41.07% 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 13 700 or a share of 7.37% of the total flush toilets within Buffalo City Metropolitan Municipality.

CHART 13. Sanitation backlog - Buffalo City Metropolitan Municipality, 2012-2022 [Number of households without hygienic toilets]



Source: South Africa Regional eXplorer v2443.

When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2012 the number of Households without any hygienic toilets in Buffalo City Metropolitan Municipality was 40 300, this decreased annually at a rate of -7.80% to 17 900 in 2022.

The BCMM sewer system does not allow for the separation of domestic and industrial sewer flow, it all disposed in the same wastewater treatment works via the same outfall sewers.

According to the WSDP, BCMM have 500 registered trade effluent customers that their effluent has been classified as hazardous. Approximately 20% of these are inspected annually to evaluate compliance. DWS as a regulator established an incentive-based system of evaluating wastewater performance of municipalities where an annual audit is undertaken and scores published to the public, and this system is termed, “Green Drop” in South Africa. In the latest Green Drop report (2023), BCMM were cautioned on 2 out of 15 wastewater treatment works that are in critical and in high risk, scoring 53.2% while the acceptable score is 80 to 90%. There are plans in place to turn around the current situation for better through the consolidation of various wastewater treatment works. This will lead to better management of the wastewater treatment works.

Sanitation Backlogs

Year	Backlog (Units)	Relocations (Units)	Refurbishments (Units)	Emptying of Full VIPs (Units)
2023/24	8788	24 453	2 441	16 434
2022/23	6 956	26432	2 441	12 325

- Backlog - These are new VIPs which were transferred from ADM after conclusion of new demarcations.
- Relocations - These are VIPs that were built from 2005 to 2012, they were built using partial lining and are not possible to empty when full. This figure includes some 1 979 collapsing toilets.
- Refurbishments - This category consists of toilets that have reached the end of their design life span (gone beyond latent defect liability period) and now need to be refurbished.
- Emptying of Full VIP's This category covers fully lined VIP units which were built 5 years ago and earlier but excludes any units which have been classified as Relocations.

There is a substantial increase on the emptying of VIPs. The increase is due to the addition of VIPs that have become full in the last financial year. Furthermore the 1 979 collapsing toilets were replaced, hence their removal on the overall figures.

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.

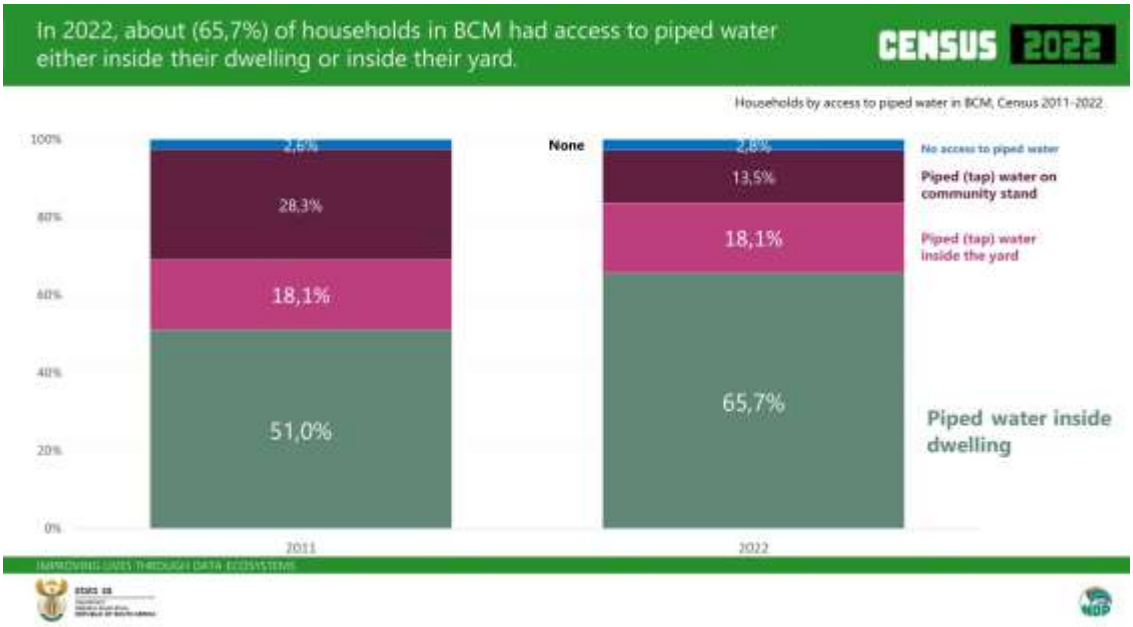
Stats SA (2022) confirmed that the total population of BCMM is increasing with a long-term Compound Annual Growth Rate (CAGR) of 1.56%. This implies that planning for water services infrastructure must consider a future population increase. The data demonstrated that BCMM, as both Water Services Authority (WSA) and Wastewater Services Provider (WSP) has continued to provide water and sanitation services to its citizens., with an overall improvement of the services over the years. However, some of the existing challenges that hinder the optimal delivery of water services include, theft and vandalism of physical infrastructure, unauthorized connections, ageing infrastructure, and a high level of Non-Revenue Water (NRW).

The municipality has prioritized water losses and Non-Revenue Water through implementation of pipe and water meter replacement programs. The municipality has spent over R 200 million in the last three financial years on the pipe & meter replacement programme. The strategy required that BCMM put aside a budget of approximately R35 million a

year, but this has been a challenge as there is never adequate budget to ensure a consistent maintenance programme. The programme includes replacement of old water meters and installation of advance remote smart meter reading system to reduce metering inaccuracies.

Similarly, the municipality is currently in a process of upgrading its data acquisition and telemetry system to efficiently monitor water distribution and pumping systems remotely, to reduce water distribution losses.

Figure 39: Households by access to piped water in BCMM, Census 2011 - 2022



At least 97.3% (Stats SA 2022) of BCMM's population have access to clean and safe water supply. The Metro has been applauded for its high-quality water produced and supplied to the communities. The water is supplied in various categories, such as in formal dwellings with full pressurized water pipe inside the dwelling, and in

informal settlements and rural areas water is supplied through communal standpipes strategically positioned within a maximum radius of 200 meters, meaning a person would walk less than 200 meters to have access to clean water.

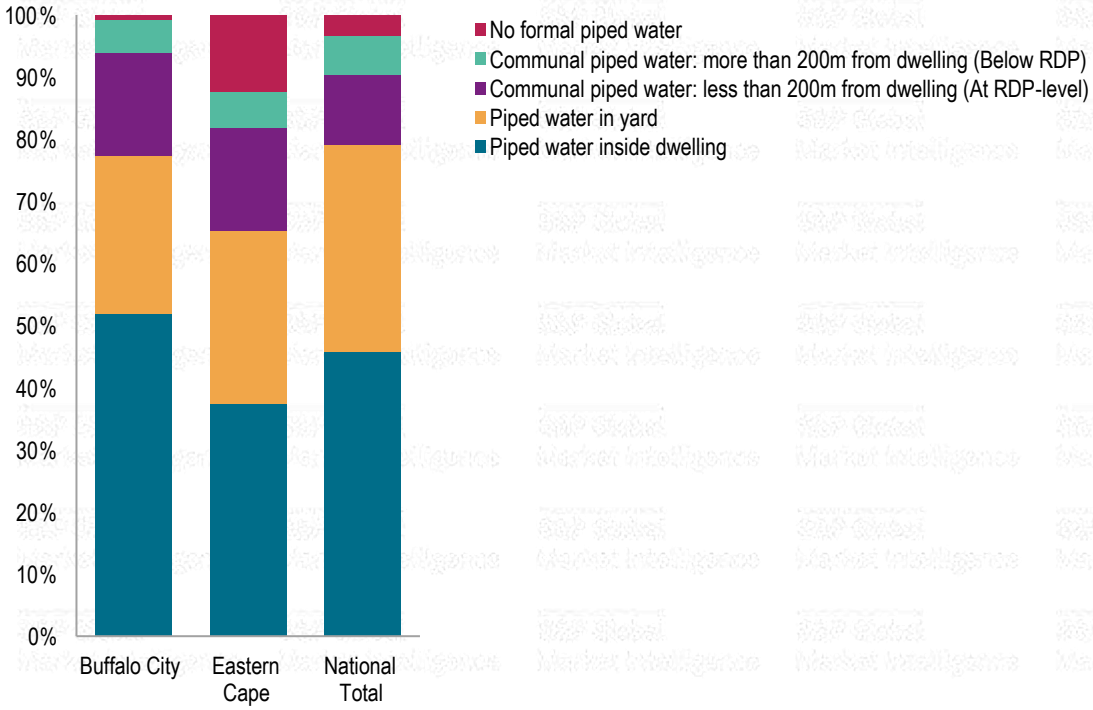
The Metro's water complies with the strict guidelines for drinking water as specified in the South African National Standards (SANS 241). The Metro has initiated short, medium, and long-term projects that enable the delivery on this SDG 6 target and indicator. Some of these projects are multi-year continuing from the past five or more years hence the high percentage of access or coverage. Projects includes the:

I. Umzonyana Dam and East Coast Water Supply Upgrade – upgrade from 120ML/D to 150ML/D

II. Water Backlogs – Bulk & reticulation to about 15 villages

III. Upgrade Water Networks – extension of water network to un-serviced villages.

CHART 14. Households by type of water access - Buffalo City, Eastern Cape and National Total, 2022 [Percentage]



Source: South Africa Regional eXplorer v2443.

Buffalo City Metropolitan Municipality had a total number of 140 000 (or 51.91%) households with piped water inside the dwelling, a total of 68 400 (25.42%) households had piped water inside the yard and a total number of 2 110 (0.78%) households had no formal piped water.

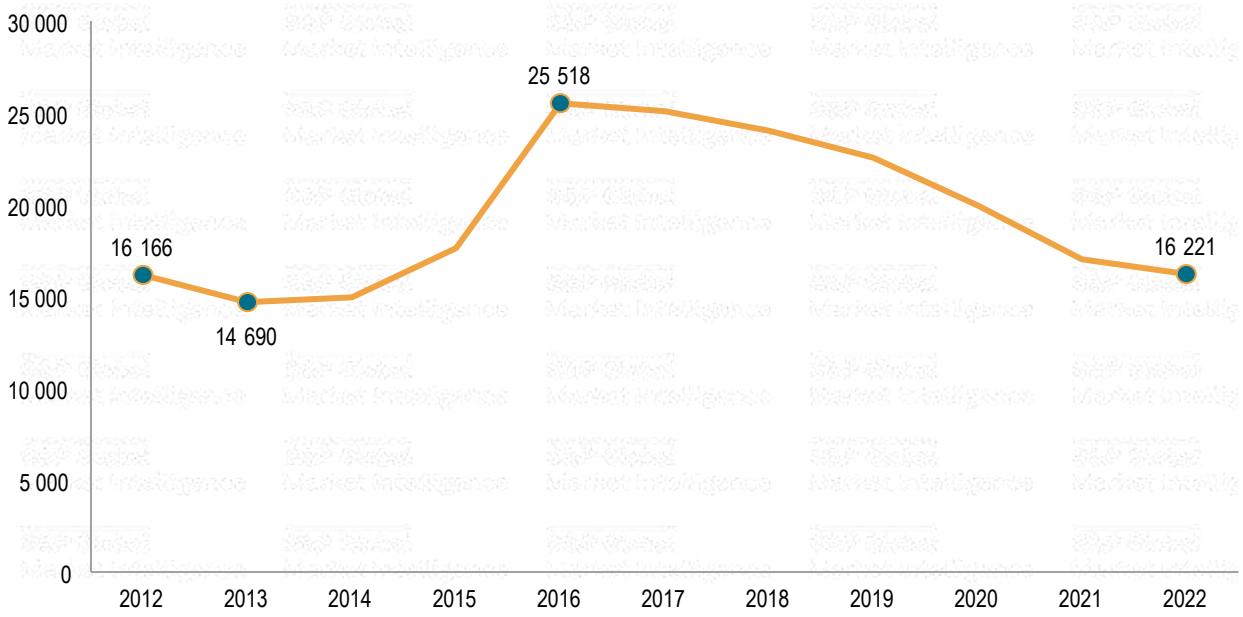
TABLE 10. Households by type of water access - Buffalo City Metropolitan Municipality, 2022 [Number]

	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	10,223	5,771	3,633	1,286	253	21,166
King William's Town, Bisho	31,605	16,285	11,190	3,518	610	63,208
Mdantsane, Chalumna	40,545	19,230	12,487	3,878	523	76,663
East London	57,328	27,123	17,487	5,426	728	108,093
Total Buffalo City	139, 701	68, 410	44, 798	14, 108	2, 112	269, 130

Source: South Africa Regional eXplorer v2443.

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 57 300 or a share of 41.04% 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 10 200 or a share of 7.32% of the total households with piped water inside the dwelling within Buffalo City Metropolitan Municipality.

CHART 15. Water backlog - Buffalo City Metropolitan Municipality, 2012-2022 [Number of households below RDP-level]



Source: South Africa Regional eXplorer v2443.

When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2012 the number of households below the RDP-level were 16 200 within Buffalo City Metropolitan Municipality, this increased annually at 0.03% per annum to 16 200 in 2022. The total number of households within Buffalo City Metropolitan Municipality increased at an average annual rate of 1.56% from 2012 to 2022, which is higher than the annual increase of 1.62% in the number of households in South Africa.

5.5 Households by Type of Electricity

There are three categories of household use of electricity:

- for cooking
- for heating
- for lighting.

Figure 40: Households by access to electricity by municipality, Census 1996 - 2022

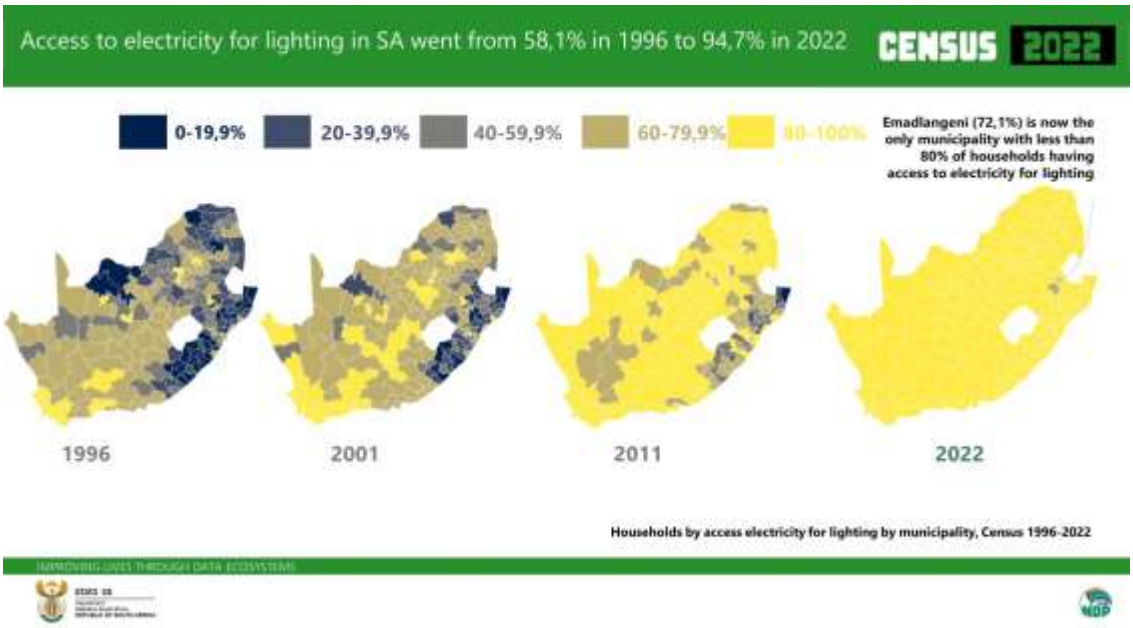
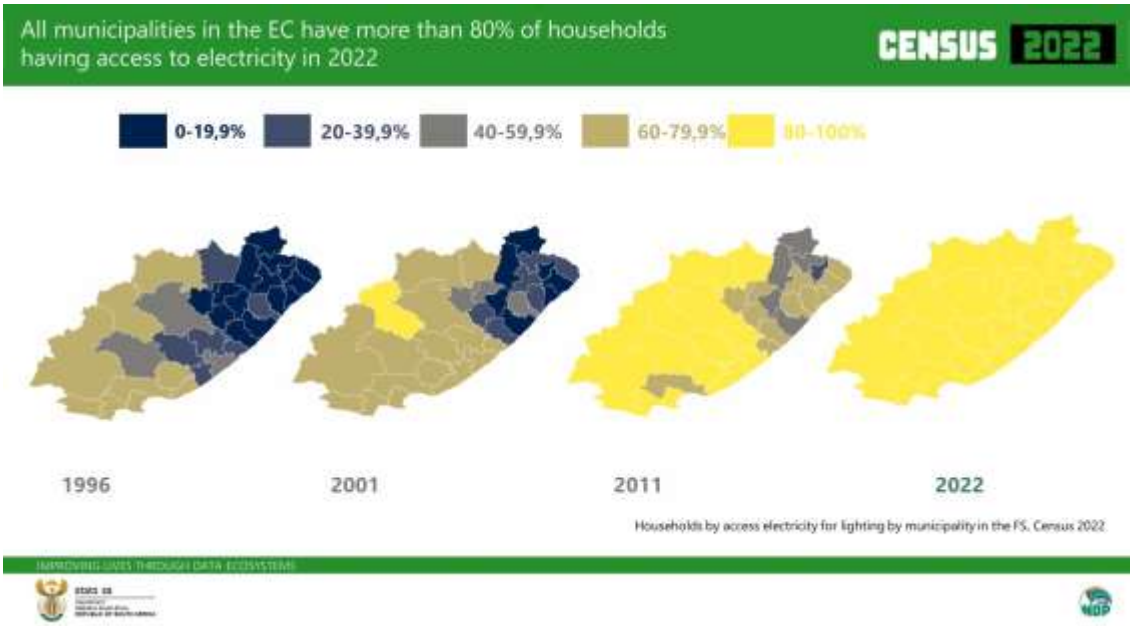
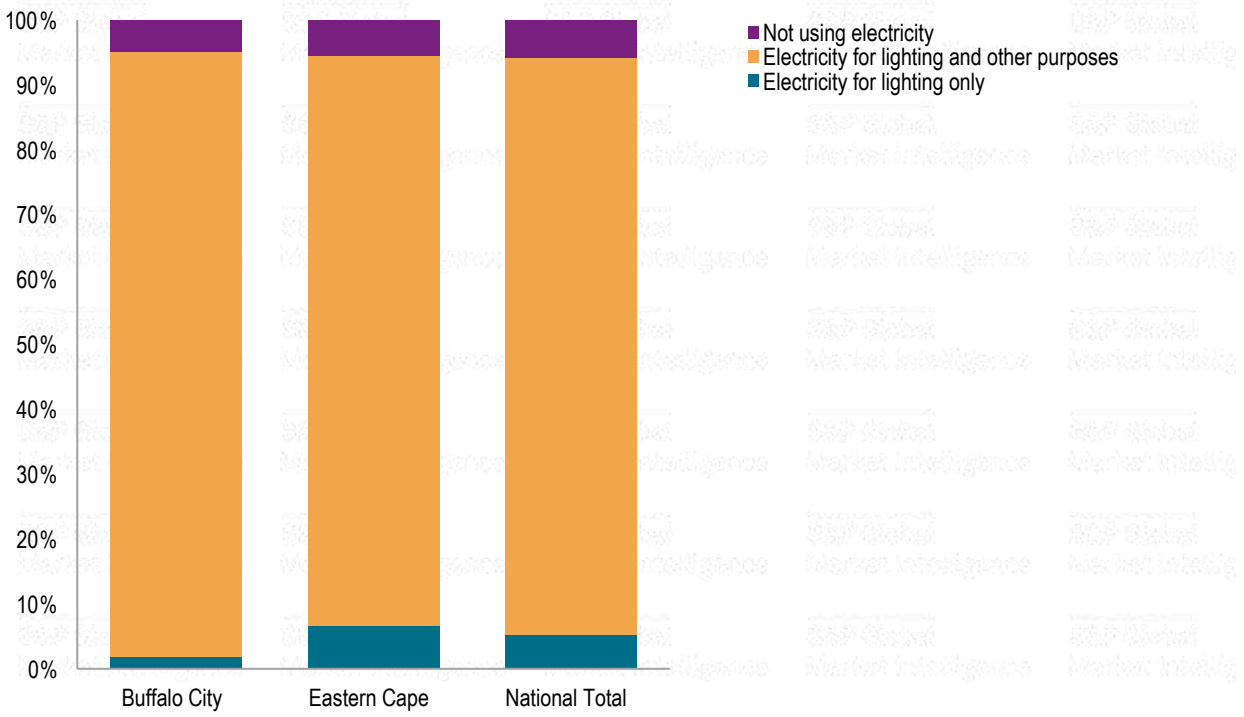


Figure 41: Households by access to electricity in the EC, Census 1996 - 2022



Households using solar power are included as households with an electrical connection. The following figure categorises households in a region according to their access to electricity (electrical connection) over the period 2010–2020.

CHART 16. Households by type of electrical connection - Buffalo City, Eastern Cape and National Total, 2022 [Percentage]



Source: South Africa Regional eXplorer v2443.

Buffalo City Metropolitan Municipality had a total number of 5 020 (1.86%) households with electricity for lighting only, a total of 251 000 (93.26%) households had electricity for lighting and other purposes and a total number of 13 100 (4.88%) households did not use electricity.

TABLE 11. Households by type of electrical connection - Macleantown, Sandisiwe, King William's Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2022 [Number]

	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Macleantown, Sandisiwe	430	19,665	1,070	21,166
King William's Town, Bisho	1,247	58,990	2,970	63,208
Mdantsane, Chalumna	1,389	71,512	3,762	76,663
East London	1,949	100,826	5,318	108,093
Total Buffalo City	**5,016**	**250,993**	**13, 121**	**269, 130**

Source: South Africa Regional eXplorer v2443.

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 101 000 or a share of 40.17% 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 19 700 or a share of 7.84% of the total households with electricity for lighting and other purposes within Buffalo City Metropolitan Municipality.

CHART 17. Electricity connection - Buffalo City Metropolitan Municipality, 2012-2022 [Number of households with no electrical connection]

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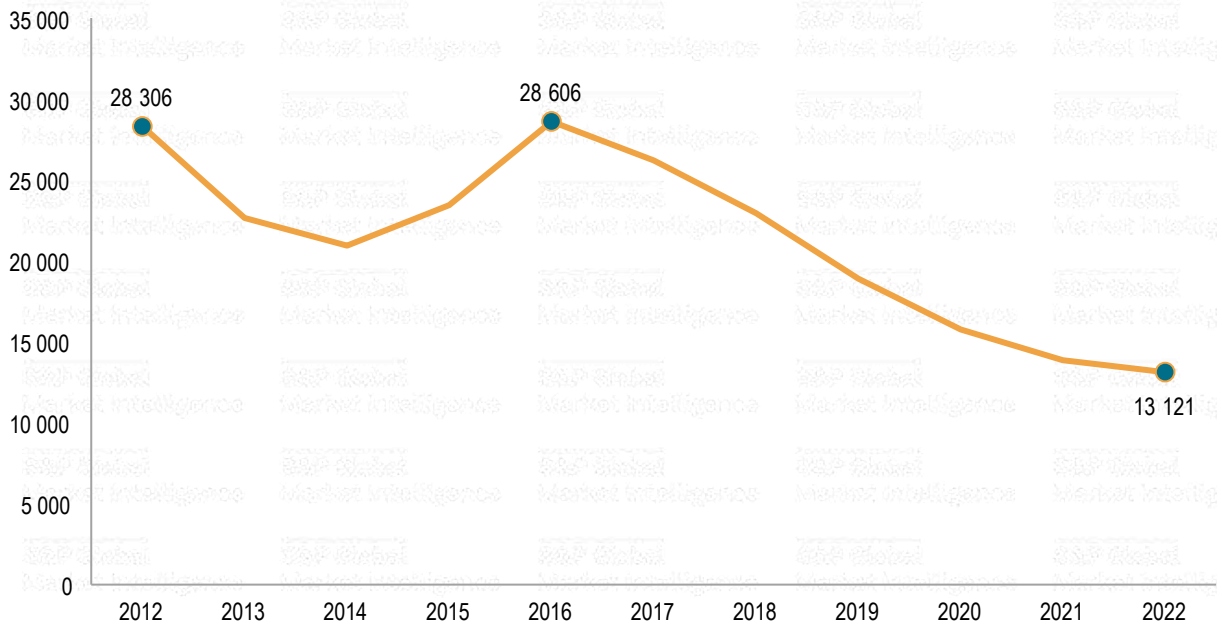


Source: South Africa Regional eXplorer v2443.

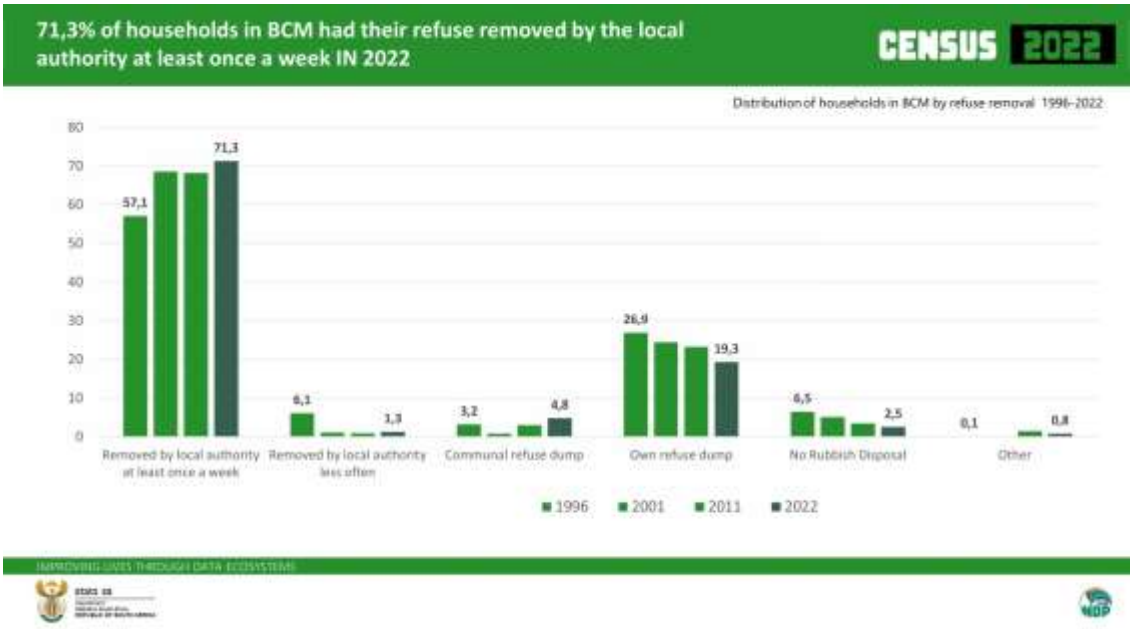
When looking at the number of households with no electrical connection over time, it can be seen that in 2012 the households without an electrical connection in Buffalo City Metropolitan Municipality was 28 300, this decreased annually at -7.40% per annum to 13 100 in 2022.

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 refuge 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

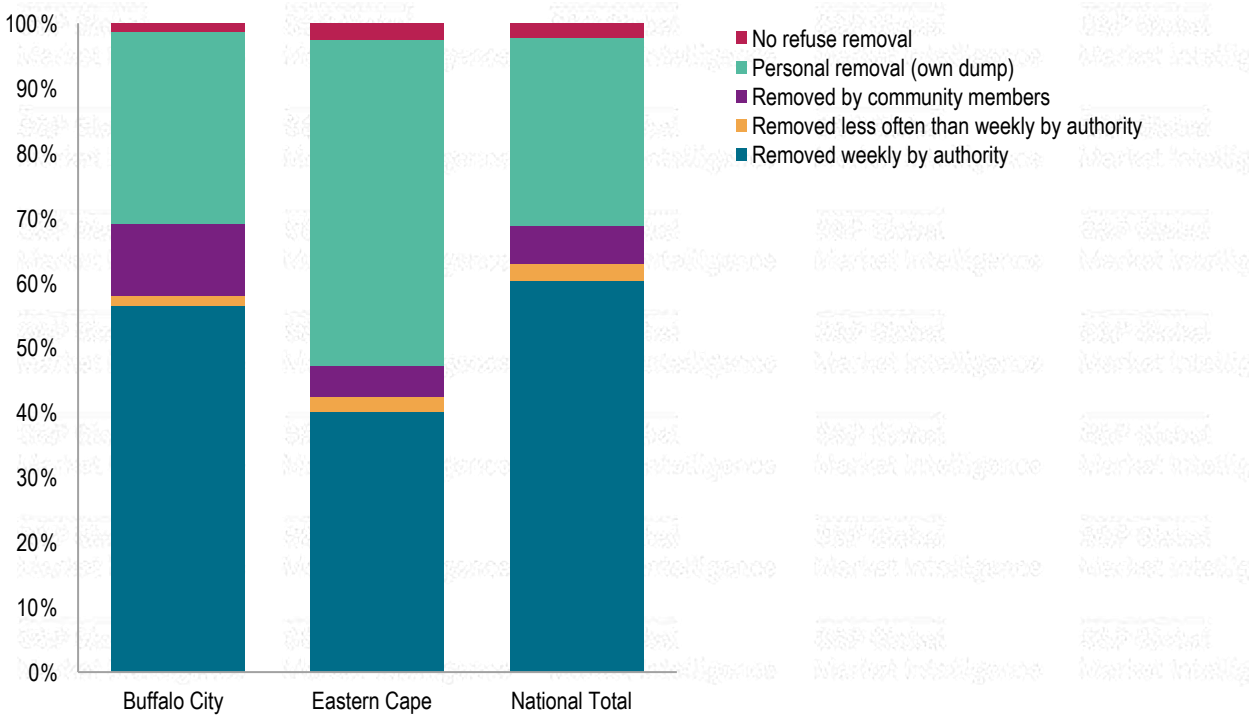
Figure 42: Distribution of households in BCM by refuse removal, Census 1996 - 2022



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 refuge 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 18. Households by refuse disposal - Buffalo City, Eastern Cape and National Total, 2022 [Percentage]



Source: South Africa Regional eXplorer v2443.

Buffalo City Metropolitan Municipality had a total number of 152 000 (56.44%) households which had their refuse removed weekly by the authority, a total of 3 890 (1.45%) households had their refuse removed less often than weekly by the authority and a total number of 79 400 (29.51%) households which had to remove their refuse personally (own dump).

TABLE 12. Households by refuse disposal - Macleantown, Sandisiwe, King William's Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions, 2022 [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	11,212	299	2,256	7,060	339	21,166
King William's Town, Bisho	34,180	874	6,908	20,438	809	63,208
Mdantsane, Chalumna	44,120	1,125	8,776	21,640	1,001	76,663
East London	62,397	1,591	12,403	30,289	1,413	108,093
Total Buffalo City	**151,910**	**3,889**	**30,342**	**79,427**	**3,562**	**269,130**

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 62 400 or a share of 41.08% 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 11 200 or a share of 7.38% of the total households where the refuse is removed weekly by the authority within the metropolitan municipality.

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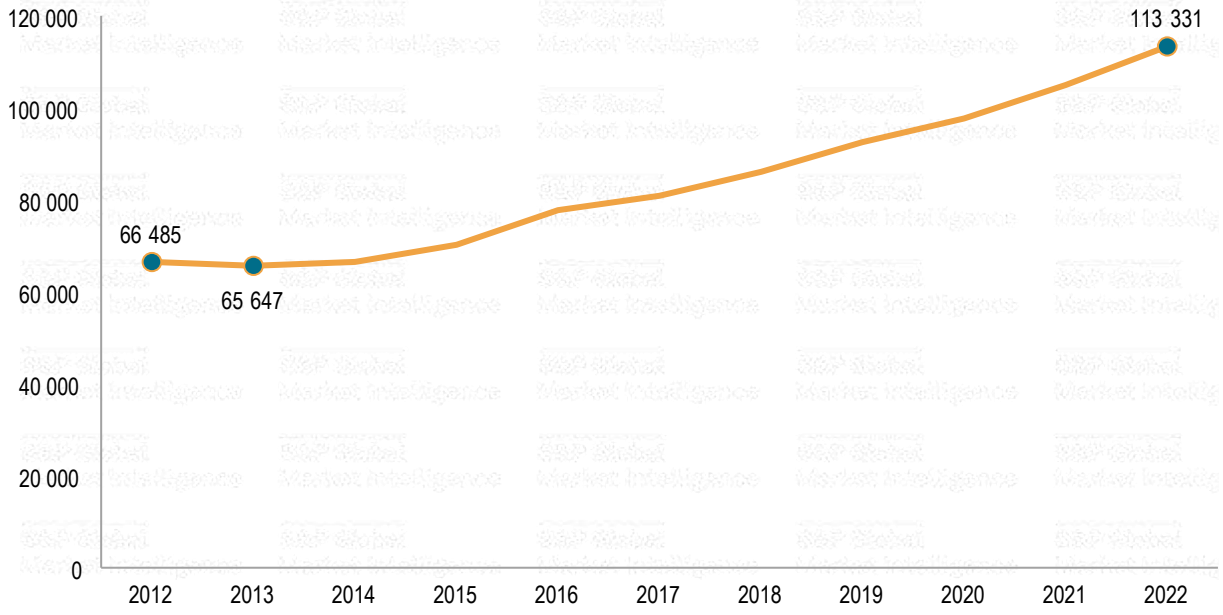
Figure 43: Refuse removal - Buffalo City Metropolitan Municipality, 2012-2022 [Number of households with no formal refuse removal]



Source: South Africa Regional eXplorer v2443.

When looking at the number of households with no formal refuse removal, it can be seen that in 2012 the households with no formal refuse removal in Buffalo City Metropolitan Municipality was 66 500, this increased annually at 5.48% per annum to 113 000 in 2022.

The total number of households within Buffalo City Metropolitan Municipality increased at an average annual rate of 1.56% from 2012 to 2022, which is higher than the annual increase of 1.62% 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 of all households to a basic level water supply; 2% of households still require basic water services but these are mostly in villages that were included after the 2016 local government elections. The water supply to these villages does not meet the minimum standards but the 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 the 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 a water-stressed region, which is due largely to the lack of additional capacity at water treatment plants and water losses owing to aging and poorly maintained infrastructure. The Water Department has also managed to reduce water losses by 6 079 637 kilolitres 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 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 recent years, BCMM has 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 its citizens.
- The recent increase in BCMM's infrastructure investment and expenditure shows its commitment to providing sustainable water services to all communities. Since 2015/16, more than R1 billion has been spent on water and sewer infrastructure. In 2018/19 alone, BCMM 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.
- BCMM 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 new developments and housing rollout, sewerage system across BCMM lack sufficient spare capacity. The aging infrastructure, vandalism and theft are the main contributors to the increased incidents of sewage overflows that threaten the environment. This limits development, and in particular the potential of industrial development in some catchment zones. In order to address some of the identified challenges, BCMM established and is implementing regional wastewater treatment works in Qonce, at Zwelitsha and at Reeston, to unlock developments in the Inland and Amalinda catchment zones respectively.

Informal settlements have access to minimum standards of sanitation. Approximately 58 797 indigent consumers receive free basic sanitation. There are still several villages that require basic sanitation in the form of VIPs, and the Sanitation Department is rolling out approximately 3 000 VIPs per year.

Electricity

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

- New RDP Housing project being completed, which is part of the formal housing backlog. Approximately 1 500 more formal houses require electricity every year.
- The mushrooming of informal dwellings within BCMM which require electrification. BCMM has implemented a standard operating procedure (SOP) to expedite the electrification of informal areas that meet the required criteria, and addressing minor concerns in such areas such as re-blocking and relocation out of access ways (roadways).
- In the ESKOM area of supply, the backlog is mainly caused by extensions to already electrified villages which do not meet the electrification guidelines 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, subject to availability of funding. In the 2020/21 Financial Year, 100 households received electricity for the first time, thereby improving their standard of living. The continued electrification of RDP houses is prioritised 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 of life for residents of these settlements, Council took a decision that settlements meeting specific requirements in line with an approved SOP, will be provided with interim electricity services. The approved SOP 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 BCMM 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 Supervisory Control and Data Acquisition project has continued, providing the Electricity and Energy Department with much needed control and monitoring of the electrical network, and provides safer, more efficient operating conditions during load-shedding events.

When addressing the electricity backlog, three key elements come into play:

- The backlog in terms of universal access pertains to the electrification of new formal RDP (Reconstruction and Development Programme) dwellings. For BCMM, this backlog is approximately 1%, with only recently constructed dwellings remaining unelectrified. Typically, these dwellings are electrified within one or two years of the housing project's completion, and the current backlog stands at around 2 000 dwellings.

- In 2012, the BCMM Council made the decision to electrify informal dwellings. Informal dwellings, therefore, constitute a backlog, with an initial estimate of 45 000 dwellings. This number has likely increased due to land invasion and growth in existing informal settlements.
- To date, the Electricity and Energy Department has electrified 8 000 dwellings. The implementation of a new methodology called re-blocking has been introduced to expedite the electrification of informal settlements. The re-blocking methodology takes into account several factors, including landownership, available space, stability of the settlement, and the ongoing growth of the settlement. This approach involves the clearing of access ways to ensure that electrification, as well as other services, can be installed in a safe and maintainable manner. This process has been hampered by continued growth in the settlement under consideration.

- Once communities become aware of a potential project, informal settlements often experience rapid expansion. For instance, in an area initially identified with 300 informal dwellings and sufficient space for relocating and reblocking dwellings outside the defined developable area, the settlement expanded to over 600 informal dwellings. This expansion significantly alters the project's dynamic, design, and the relocation and re-blocking process, as the available space is no longer adequate. Consequently, this setback necessitates a return to the planning stage of the project.

Waste removal

The Solid Waste Management Services Department extends waste management services to 223 568 households across the three regions – Coastal, Midland, and Inland – comprising both formal and informal areas in BCMM. Currently, refuse removal services are rendered in 15 areas in the Coastal region, 7 in the Midland region, and 12 in the Inland region, respectively. This operation adheres to the established refuse collection schedule, communicated annually to BCMM residents. The aim is to ensure that the citizens of the City inhabit an environment that is conducive to their health and enhances the overall aesthetics of the City.

BCMM waste collection services are categorised into different levels, according to 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 provided to formally developed residential areas (149 551 households) where street networks are sufficiently developed to allow reasonable access to individual properties. 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 (approximately 61 252 households) and blocks of flats, communal collection occurs, 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 residential areas, to ensure optimal use of resources and also to prevent waste collection backlogs, have been undertaken. Clustering has commenced in the Midland and Inland Regions. The 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 regions and their clearance is on a continuous basis. BCMM is in the process of converting these spots into mini-transfer stations that will be accessible to communities where illegal dumping occurs.

The City has established Integrated Rapid Response Teams (IRRT) which are operational in all the three 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 waste management services which will promote **adopt a street**, **adopt a spot** and **adopt a pavement,** in order to reduce 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 all 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 (Roundhill and King William's Town) that are estimated to have a combined average waste disposal capacity of 850 to 1 300 tonnes of municipal solid waste per day. The estimated lifespan of these sites is ±15 years. BCMM has no hazardous waste landfill sites. The City also has nine old (pre-National Environmental Management Waste Act) waste management facilities, which vary in terms of compliance with the Waste Regulatory Framework.

Additionally, there are transfer stations, namely Kayser's Beach, Kidd's Beach, Beacon Bay, and the privately owned Gonubie Garden Transfer Stations. The City continued to upgrade the two transfer stations within the Coastal region, i.e., Kayser's Beach and Kidd's Beach in the 2022/2023 financial year through the installation of guard rails.

Waste Minimisation, Education & Planning

The Waste Minimisation Unit is responsible for implementing programmes that seek to ensure that waste is reduced before being disposed at landfill sites.

Table 21: Waste minimisation resources

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, and the government to take responsibility for their waste by conducting awareness campaigns (door-to-door) and clean-up campaigns.
- To capacitate 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** programmes to reduce incidences of illegal dumping.

BCMM, in partnership with Border Kei Chamber of Business (BKCOB), has strengthened the waste minimisation programmes, such that two buy-back centres (BBCs) have already been established in the Coastal Region. The plan is to roll out these BBCs to the other two regions, namely Midland and Inland, in partnership with the Border-Kei Chamber of Business (BKCOB) and Buffalo City Metropolitan Development Agency (BCMDA).

Waste Minimisation Programmes

Recycling drop-off point units were placed at the following offices, as part of BCMM internal waste recycling:

- Trust Centre
- Old Mutual Building
- Debt Management Offices
- Solid Waste, Cambridge
- Solid Waste – Director's 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 BBC
- Waste separation at source
- Street cleaning

(ii) Education and awareness campaigns:

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

(iii) Service delivery Fridays

These 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:

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

Top Service Delivery Priorities

- BCMM will strengthen its IRRT endeavours to ensure that the manner in which the service is provided is sustained.
- The BCMM will ensure that the Integrated Waste Management Plan (IWMP) is reviewed on an annual basis.
- The BCMM will continue to establish drop-off zones.

- The BCMM will pilot a community-based service delivery platform in Southernwood, Quigney, Mdantsane and Qonce 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, BCMM will be able to redirect resources to Duncan Village and Southernwood.

Figure 44: Solid Waste Service Delivery Levels, 2022/2023 Annual Report (T.3.4.2)

Solid Waste Service Delivery Levels				Households
Description	2019/20	2020/21	2021/22	2022/23
	Actual No.	Actual No.	Actual No.	Actual No.
Solid Waste Removal: **(Minimum level)**				
Removed at least once a week	26 846	157 392	157 392	157 392
Minimum Service Level and Above sub-total	26 846	157 392	157 392	157 392
Minimum Service Level and Above percentage	89,9%	71,1%	70,5%	70,5%
Solid Waste Removal: **(Below minimum level)**				
Removed less frequently than once a week	547	2012,11	2 012 6	2012,11
Using communal refuse dump	846	6 707	707 46	6 707 46
Using own refuse dump	952	46 949	949 3	949 3
Other rubbish disposal	123	3 130 7	130 7	130
No rubbish disposal	112	154	154	7 154
Below Minimum Service Level sub-total	3 015	63 942	65 953	65 953
Below Minimum Service Level percentage	10,1%	28,9%	29,5%	29,5%
Total number of households	**27 745**	**221 334**	**223 344**	**223 344**
				T 3.4.2

Figure 45: Solid Waste Service Delivery Levels below minimum, 2022/23 Annual Report (T.3.4.3)

Households – Solid Waste Service Delivery Levels below the minimum						Households
Description	2019/20	2020/21	2021/22	2022/23		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	2012,112	2012,112	2012,112	2012,112	2012,112	2012,112
Households below minimum service level	1 416,52	1 416,52	1 416,52	1 416,52	1 416,52	1 416,52
Proportion of households below minimum service level	70,40%	70,40%	70,40%	70,40%	70,40%	70,40%
Informal Settlements						
Total households	100 000	100 000	63 942	63 942	63 942	63 942
Households below minimum service level	25 000	25 000	43 847	43 847	43 847	43 847
Proportion of households below minimum service level	25%	25%	68,57%	68,57%	68,57%	68,57%
						T 3.4.3

Roads and storm water

The roads and stormwater services are under the Directorate of Infrastructure services, responsible for the rehabilitation, upgrade, and maintenance of 2 940km of surfaced and gravel roads; 70 bridge structures; 21 000 manholes, inlet and outlet structures; and 600km of pipes and channels. BCMM 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 were R130 million and R280 million respectively. The roads and stormwater branch achieved its performance targets for the 2018/2019 Financial Year; 140km of roads were regravelled/rehabilitated, 43km of existing roads were resurfaced, 23km of gravel roads were upgraded to surfaced standards, and three bridge structures were rehabilitated.

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 road network is ±2940km, comprising 1 340km of gravel roads and 1 600km of surfaced roads. It is also responsible for the rehabilitation, maintenance and upgrade of existing stormwater pipes, 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, there are ±600km of storm water pipes and culverts within the Metro.

5.8 Informal settlements

There are 156 informal settlements consisting of approximately 30 000 informal structures in BCMM, as can be seen in the plans below:

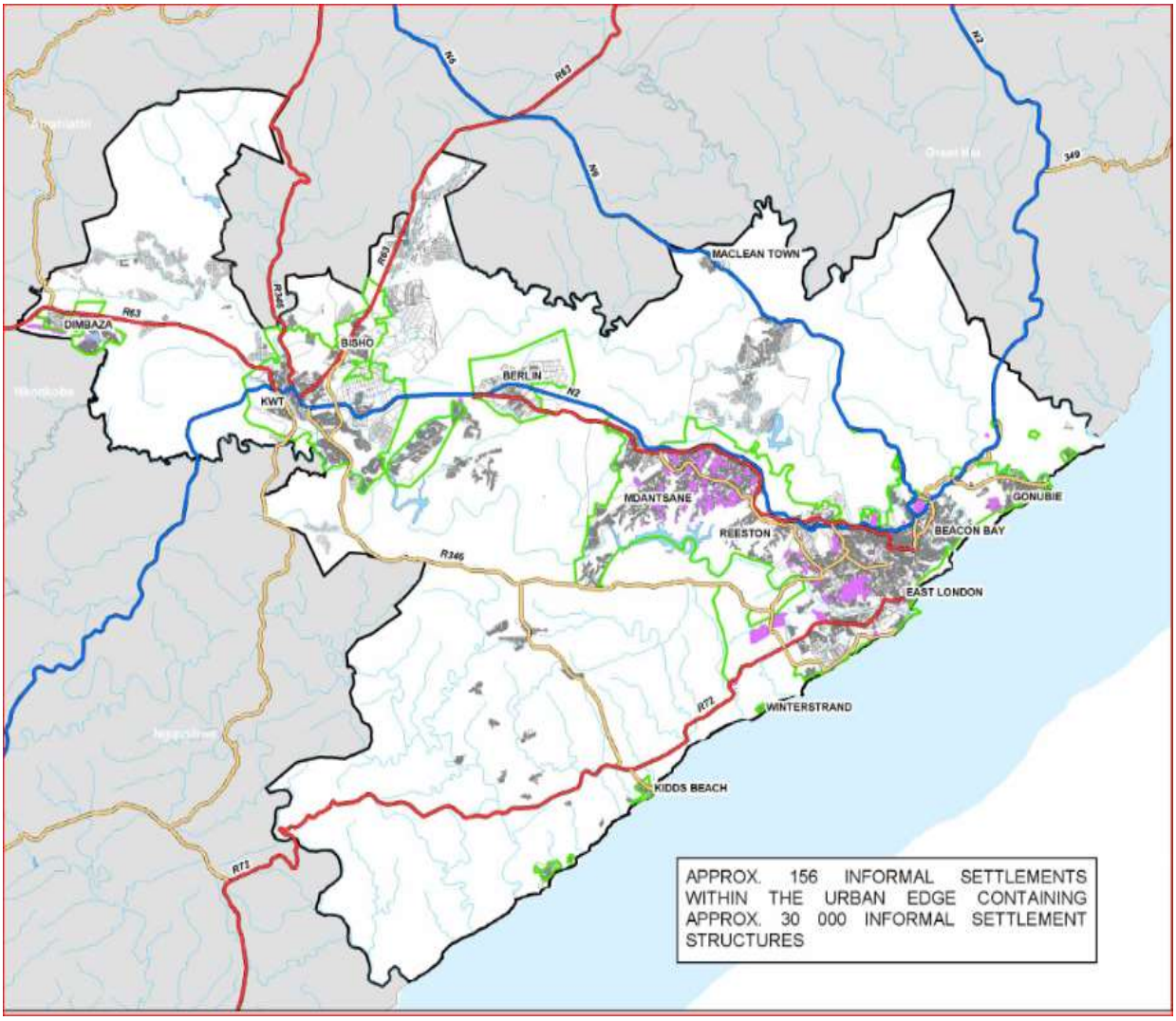


Figure 46: Plan D.1 BCMM informal settlements – overall

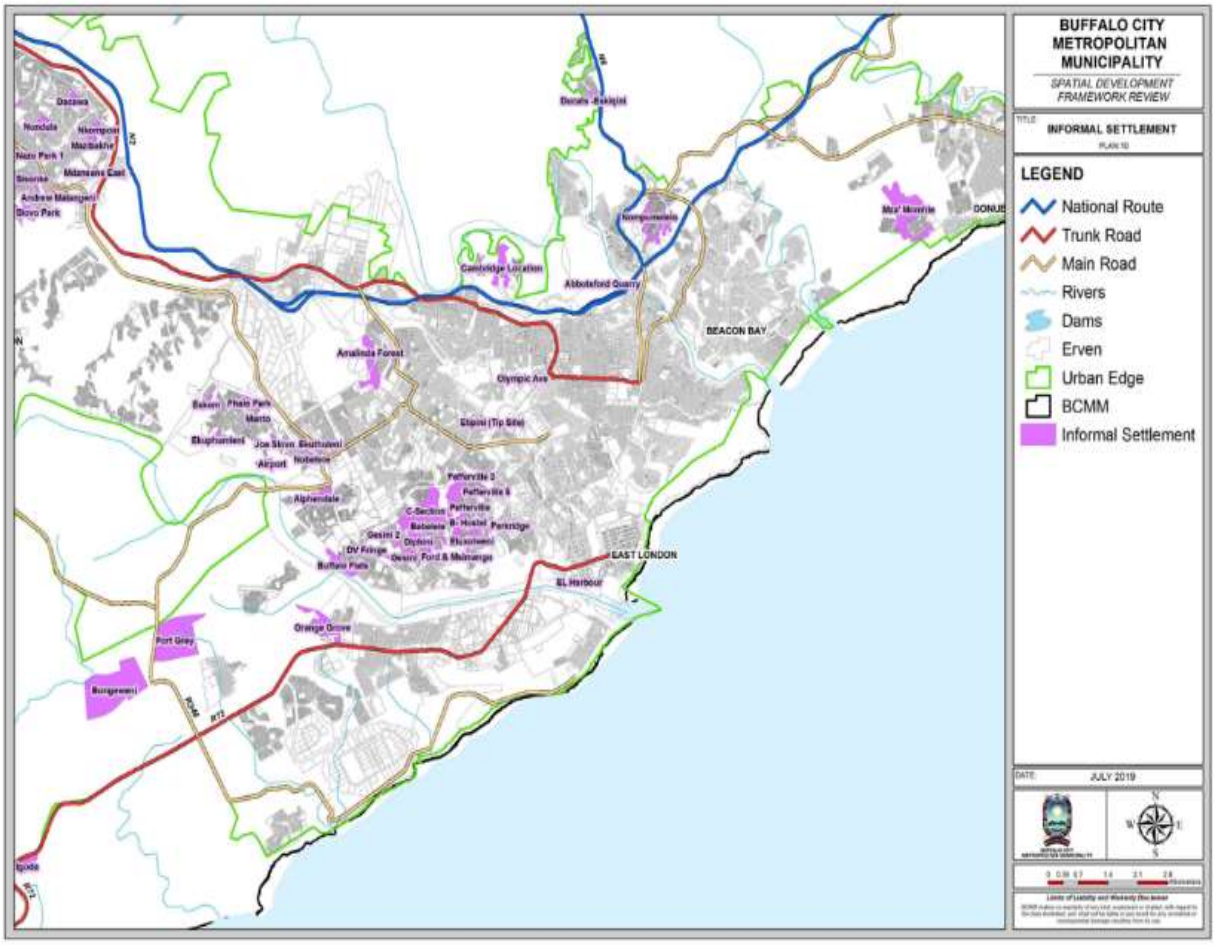


Figure 47: Plan D.2 BCMM Informal Settlements – East London

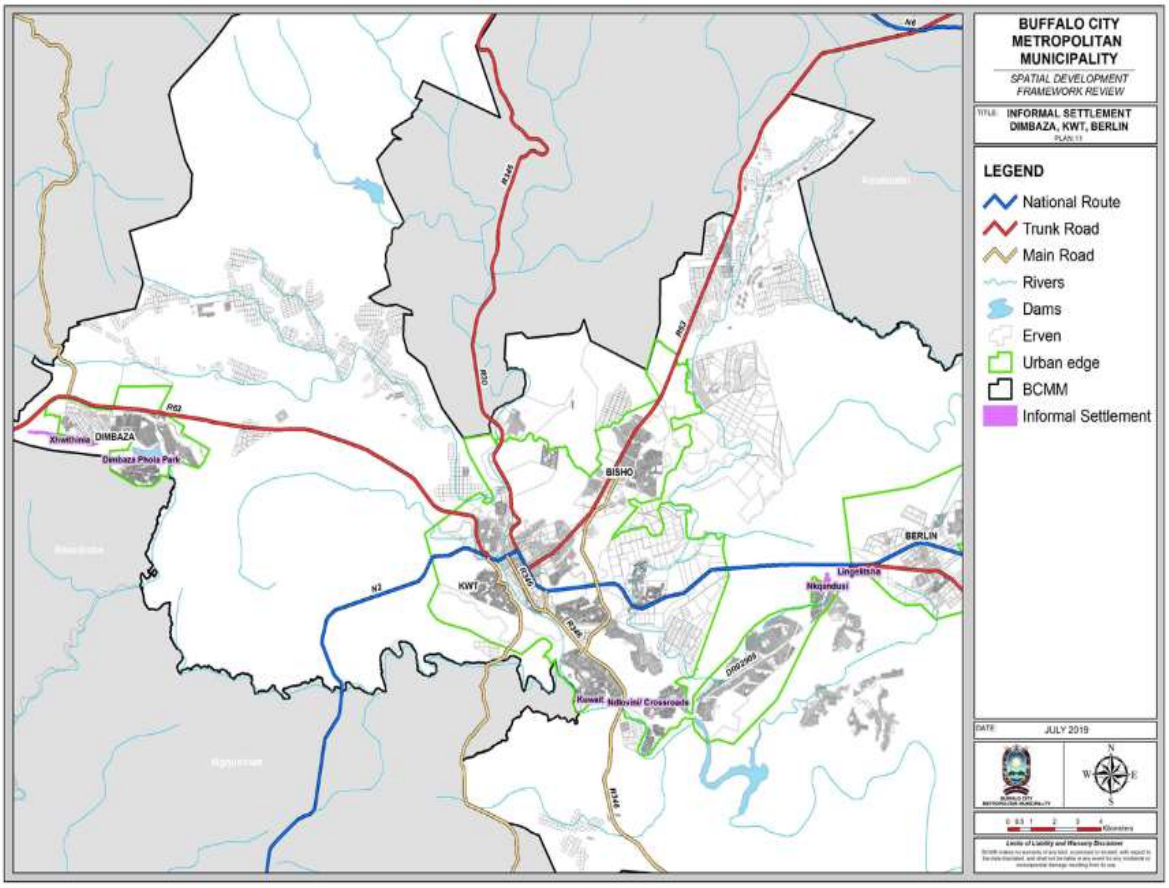


Figure 48: Plan D.3 BCMM informal Settlements – Qonce (formerly King William's Town)

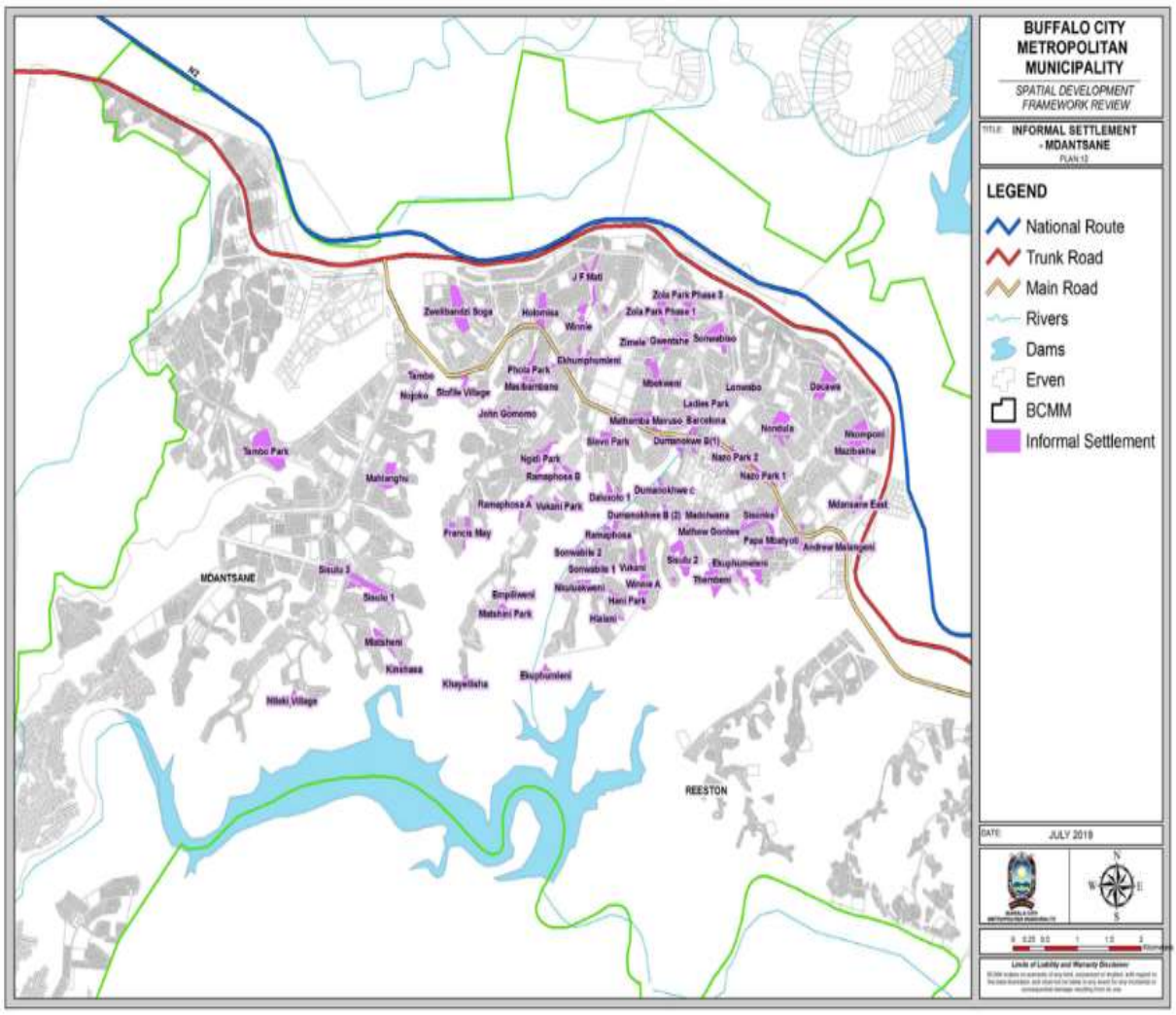


Figure 49: Plan D.4 BCMM Informal settlements – Mdantsane

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

6.1 Economy Growth and Development Trends

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

BCMM does not function in isolation from the Eastern Cape Province, 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 its people and industries respectively.

6.2 Towards an Economic Recovery Plan for BCMM

6.2.1 Contextual Considerations

South Africa'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 foreign direct investment 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 of 0,4, according to the World Bank. This is lower than Zimbabwe, for example, and means we are only 40% as productive as we could be with optimal health and education. 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 in that we have been unable to create jobs for the unskilled.

6.2.2 Contraction and Recovery of the Economy

COVID-19 impacts have seen the global economy contract by -5,2%, and the South African economy by more than -7%, but recovery is expected in 2021. According to the International Monetary Fund, the global economy will rebound in a V-shaped recovery, but it will take some time to recover to pre-recession levels.

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

6.2.3 Sector Impacts

At a national level, construction, manufacturing, finance, real estate, and trade all show large or severe COVID-19–related contraction.

Table 22: Sector impact

	direct	total	direct	total
Agriculture, forestry and fishing	-0.4	-3.9		
Mining and quarrying	-5.2	-4.6		
Manufacturing	-5.1	-7.3		
Electricity, gas and water	-0.2	-4.2		
Construction	-11.9	-14.2		
Trade, catering and accommodation	-1.1	-4.9		
Transport, storage and communication	-3.2	-4.5		
Finance, real estate and business services	-2.0	-6.6		
General government services	-0.3	-1.4		
Personal services	-6.0	-3.7		

(Source: National Treasury)

6.2.4 Business Confidence

There has been a severe decline in business confidence and economic activity in South Africa and similar trends can be observed in BCMM.

Table 23: Business Confidence Index

	BUSINESS CONFIDENCE INDEX (% satisfied)					
	Building	Manufacturing	Retail	Wholesale	Motor	Total*
19Q2	30	22	28	42	17	**28**
19Q3	23	16	17	29	22	**21**
19Q4	31	24	30	28	17	**26**
20Q1	15	17	18	25	16	**18**
20Q2	2	6	11	4	2	**5**
	↓ Lowest since 1986Q3	↓ Record low	↓ Lowest since 1991Q3	↓ Record low	↓ Lowest since 1976Q4	↓ Record low
	Activity (% up less % down = net %)					
	Building activity	Manufacturing production	Retail sales volumes	Wholesale sales volumes	Motor sales volumes	Total*
19Q2	-56	-32	-37	-27	-78	**-46**
19Q3	-68	-25	-40	-50	-63	**-49**
19Q4	-49	-18	-35	-39	-63	**-41**
20Q1	-72	-37	-48	-47	-63	**-53**
20Q2	-91	-77	-57	-88	-100	**-83**
	↓ Record low	↓ Record low	↓ Lowest since 77Q4	↓ Record low	↓ Record low	↓ Record low

Source: BER, National Treasury * Unweighted average across sectors

6.2.5 Implications for Buffalo City

- Construction, manufacturing, trade, tourism, finance, and business services have been most impacted by COVID-19.
- The automotive sector has been heavily affected by the crash in global vehicle demand, although Mercedes Benz South Africa (MBSA) were already slowing down production to ready the plant for the new W206 model which commences next year.
- General Government Services have 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, although risk remains high with the 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, bed and breakfast establishments, 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 consumer 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-19-related job loss in South Africa is projected to be between 600 000 and 1,7 million. The impact is significantly worse for low skill segments, for women, and for the informal sector. BCMM is projected to lose between 5 000 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, resulting in the implementation of expenditure ceilings to avoid a debt crisis. The impact of this is that there will be fewer transfers and grants, and a likely shift to more incentive-based resource allocation where cities must implement reforms, show value and impact, and spend well to get more. Moreover, it will require a shift to evidence-based budget prioritisation. It also means more emphasis on private sector partnerships, blended finance, etc., to finance CAPEX, and an emphasis on expenditure to 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 plans 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 centralised capacity in the Presidency to drive and coordinate implementation.

The BCMM Economic Recovery Plan must be framed by a 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 Global Business Services (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 13. Gross Domestic Product (GDP) - Buffalo City, Eastern Cape and National Total, 2012-2022 [R billions, Current prices]

	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
2012	58.6	287.2	3,566.4	*20.4%*	*1.64%*
2013	63.2	309.6	3,868.6	*20.4%*	*1.63%*
2014	67.6	330.8	4,133.9	*20.4%*	*1.64%*
2015	72.2	354.1	4,420.8	*20.4%*	*1.63%*
2016	77.1	379.0	4,759.6	*20.4%*	*1.62%*
2017	82.0	403.4	5,078.2	*20.3%*	*1.61%*
2018	85.4	420.9	5,363.2	*20.3%*	*1.59%*
2019	88.5	437.2	5,625.2	*20.2%*	*1.57%*
2020	86.7	430.3	5,568.0	*20.1%*	*1.56%*
2021	94.9	472.9	6,208.8	*20.1%*	*1.53%*
2022	100.2	501.0	6,628.6	20.0%	1.51%

Source: South Africa Regional eXplorer v2443.

With a GDP of R 100 billion in 2022 (up from R 58.6 billion in 2012), the Buffalo City Metropolitan Municipality contributed 20.01% to the Eastern Cape Province GDP of R 501 billion in 2022 increasing in the share of the Eastern Cape from 20.42% in 2012. The Buffalo City Metropolitan Municipality contributes 1.51% to the GDP of South Africa which had a total GDP of R 6.63 trillion in 2022 (as measured in nominal or current prices).It's contribution to the national economy stayed similar in importance from 2012 when it contributed 1.64% to South Africa, but it is lower than the peak of 1.64% in 2012.

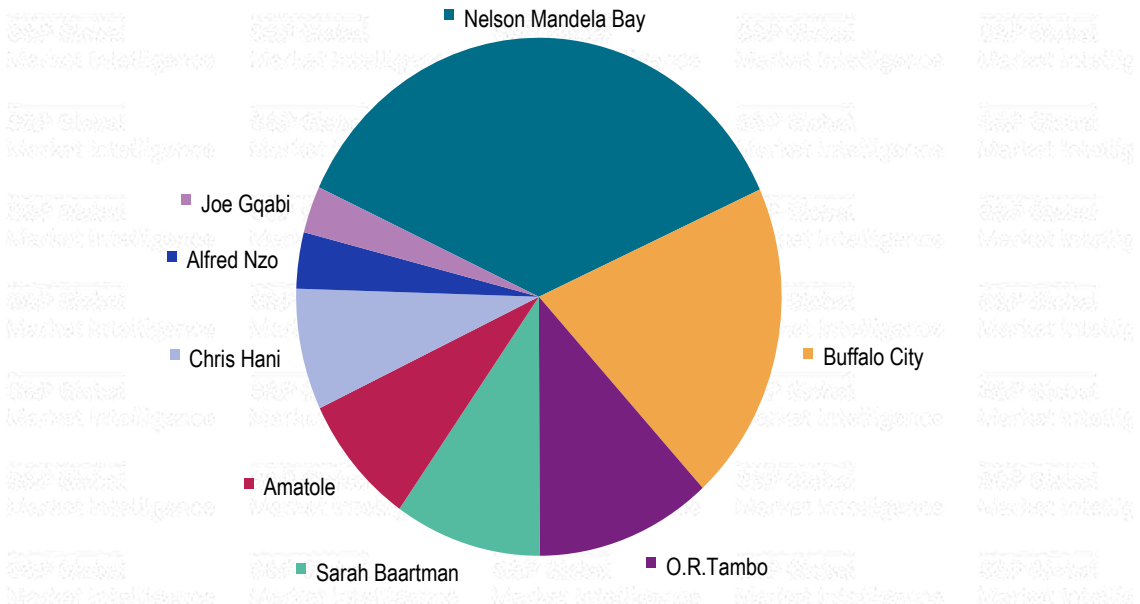
TABLE 14. Gross Domestic Product (GDP) - Buffalo City, Eastern Cape and National Total, 2010-2020 [Annual percentage change, Constant 2010 prices]

	Buffalo City	Eastern Cape	National Total
2012	1.6%	1.9%	2.4%
2013	1.4%	1.4%	2.5%
2014	0.8%	0.8%	1.4%
2015	0.8%	0.9%	1.3%
2016	0.7%	0.8%	0.7%
2017	0.2%	0.5%	1.2%
2018	1.0%	1.1%	1.6%
2019	-0.1%	0.1%	0.3%
2020	-6.2%	-5.8%	-6.0%
2021	4.3%	4.9%	4.7%
2022	1.9%	2.1%	1.9%
Average Annual growth 2012-2022	***0.44***%	***0.64***%	***0.92***%

Source: IHS Markit Regional eXplorer version 2201

In 2022, the Buffalo City Metropolitan Municipality achieved an annual growth rate of 1.90% which is a very similar GDP growth than the Eastern Cape Province's 2.08%, and is lower than that of South Africa, where the 2022 GDP growth rate was 1.91%. Contrary to the short-term growth rate of 2022, the longer-term average growth rate for Buffalo City (0.44%) is slightly lower than that of South Africa (0.92%). The economic growth in Buffalo City peaked in 2021 at 4.26%.

CHART 19. Gross Domestic Product (GDP) - Buffalo City Metropolitan Municipality and the rest of Eastern Cape, 2022 [Percentage]



Source: South Africa Regional eXplorer v2443.

The Buffalo City Metropolitan Municipality had a total GDP of R 100 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 2012. In terms of its share, it was in 2022 (20.0%) slightly smaller compared to what it was in 2012 (20.4%). For the period 2012 to 2022, the average annual growth rate of 0.4% of Buffalo City was the seventh relative to its peers in terms of growth in constant 2010 prices.

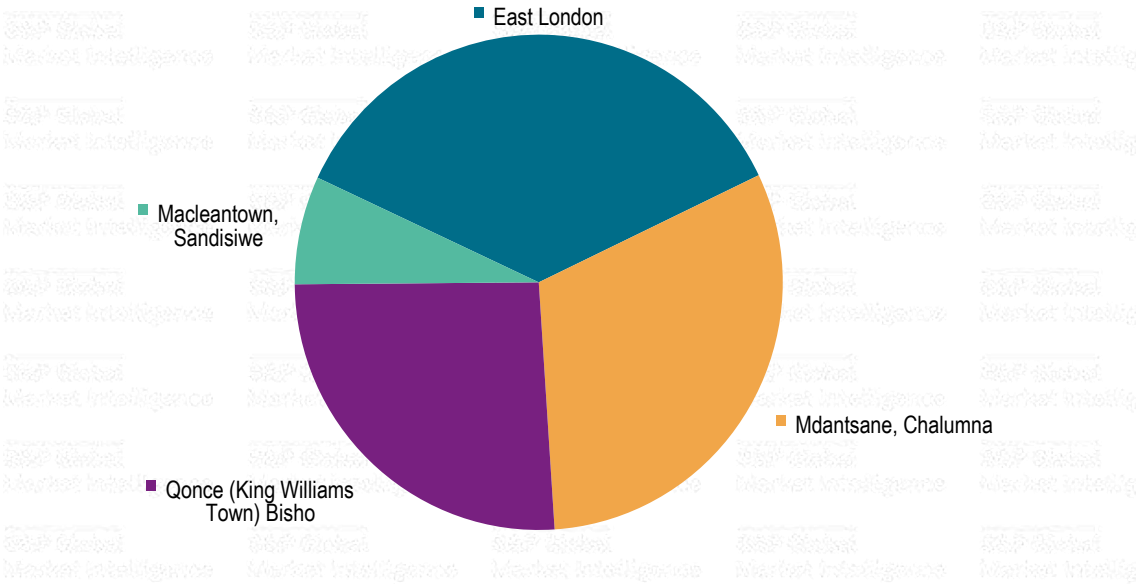
TABLE 15. Gross Domestic Product (GDP) - sub-metro regions of Buffalo City Metropolitan Municipality, 2012 to 2022, share and growth

	2022 (Current prices)	Share of metropolitan municipality	2012 (Constant prices)	2022 (Constant prices)	Average Annual growth
Macleantown, Sandisiwe	7.09	*7.07%*	4.96	5.17	***0.42%***
King William's Town, Bisho	25.97	*25.91%*	18.13	18.95	***0.44%***
Mdantsane, Chalumna	31.15	*31.08%*	21.76	22.74	***0.44%***
East London	36.02	*35.93%*	25.16	26.29	***0.44%***
Buffalo City	100.2		70.01	73.15	

Source: IHS Markit Regional eXplorer version 2201

Qonce (King William's Town) Bisho had the highest average annual economic growth, averaging 0.44% between 2012 and 2022, 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 0.44%. Macleantown, Sandisiwe Sub-metro Region had the lowest average annual growth rate of 0.42% between 2012 and 2022.

CHART 20. GDP contribution - sub-metro regions of Buffalo City Metropolitan Municipality, 2022 [Current prices, percentage] Source: South Africa Regional eXplorer v2443

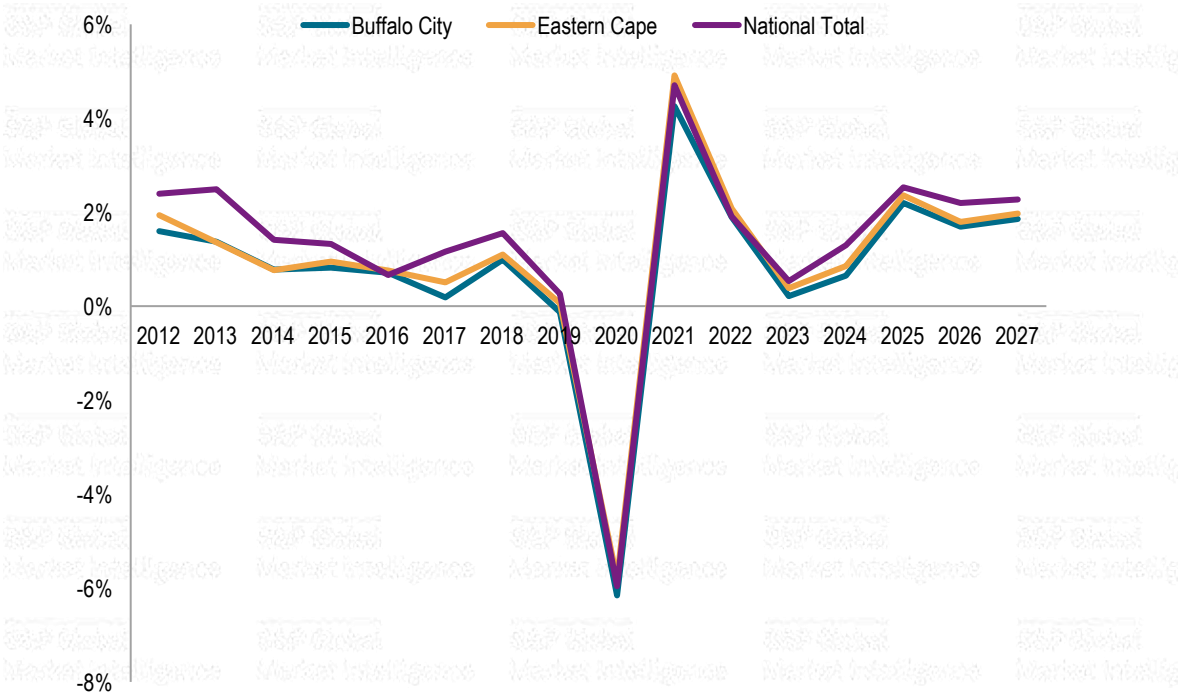


The greatest contributor to the Buffalo City Metropolitan Municipality economy is the East London Sub-metro Region with a share of 35.93% or R 36 billion, increasing from R 21.1 billion in 2012. The economy with the lowest contribution is the Macleantown, Sandisiwe Sub-metro Region with R 7.09 billion growing from R 4.15 billion in 2012.

6.5 Economic Growth Forecast

It is expected that Buffalo City Metropolitan Municipality will grow at an average annual rate of 1.32% from 2022 to 2027. The average annual growth rate of Eastern Cape Province and South Africa is expected to grow at 1.47% and 1.76% respectively.

TABLE 16. Gross Domestic Product (GDP) - Buffalo City, Eastern Cape and National Total, 2012-2027 [Average annual growth rate, constant 2010 prices]



Source: South Africa Regional eXplorer v2443.

In 2027, Buffalo City's forecasted GDP will be an estimated R 78.1 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 2022 and 2027, with a contribution to the Eastern Cape Province GDP of 19.8% in 2027 compared to the 20.0% in 2022. At a 1.32% average annual GDP growth rate between 2022 and 2027, Buffalo City ranked the fourth compared to the other regional economies.

TABLE 17. Gross Domestic Product (GDP) - sub-metro regions of Buffalo City Metropolitan Municipality, 2022 to 2027, share and growth

	2027 (Current prices)	Share of metropolitan municipality	2022 (Constant prices)	2027 (Constant prices)	Average Annual growth
Macleantown, Sandisiwe	9.63	*7.07%*	5.17	5.53	***1.34%***
King William's Town, Bisho	35.31	*25.91%*	18.95	20.23	***1.31%***
Mdantsane, Chalumna	42.35	*31.08%*	22.74	24.28	***1.32%***
East London	48.95	*35.93%*	26.29	28.07	***1.32%***
Buffalo City	136.24		73.15	78.10	

Source: South Africa Regional eXplorer v2443.

When looking at the regions within the Buffalo City Metropolitan Municipality it is expected that from 2022 to 2027 the Macleantown, Sandisiwe Sub-metro Region will achieve the highest average annual growth rate of 1.34%. The region that is expected to achieve the second highest average annual growth rate is that of Mdantsane, Chalumna Submetro Region, averaging 1.32% between 2022 and 2027. On the other hand, the region that performed the poorest relative to the other regions within Buffalo City Metropolitan Municipality was the Qonce (King William's Town) Bisho Sub-metro Region with an average annual growth rate of 1.31%.

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.

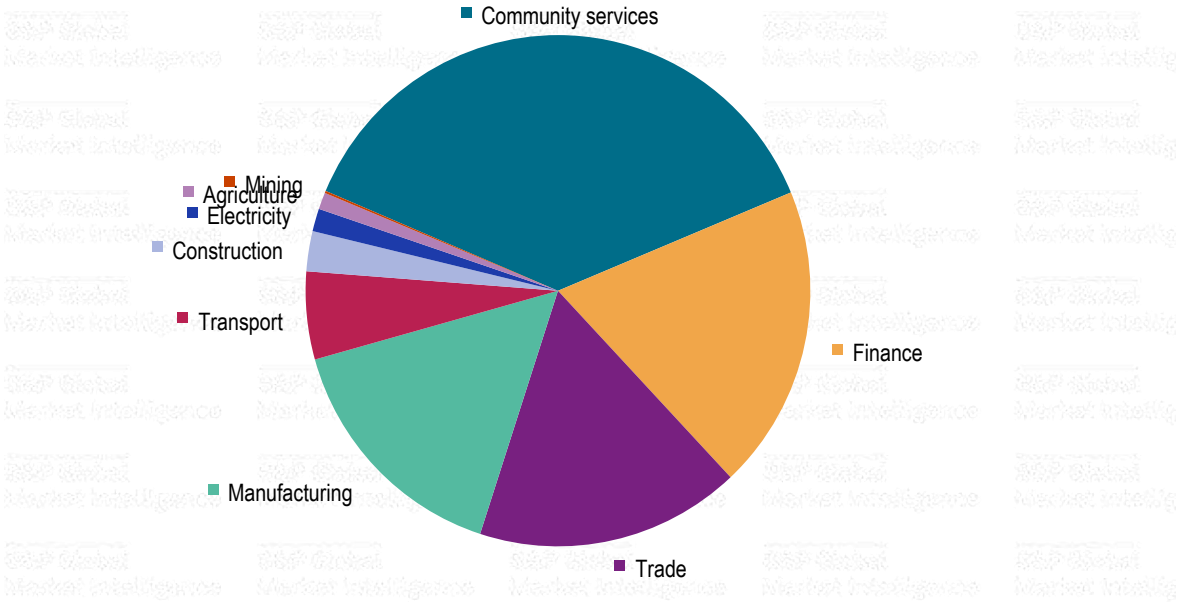
TABLE 18. Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2020 [R billions, current prices]

	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
Agriculture	1.0	11.2	187.6	*8.5%*	*0.51%*
Mining	0.1	1.5	483.3	*8.4%*	*0.03%*
Manufacturing	14.1	64.8	813.1	*21.8%*	*1.74%*
Electricity	1.3	9.1	192.8	*14.3%*	*0.67%*
Construction	2.3	11.7	146.6	*19.6%*	*1.56%*
Trade	15.3	75.3	807.5	*20.4%*	*1.90%*
Transport	5.0	23.9	451.4	*21.0%*	*1.11%*
Finance	17.4	80.9	1,386.9	*21.5%*	*1.26%*
Community services	33.7	174.1	1,483.6	*19.4%*	*2.27%*
Total Industries	**90.3**	**452.5**	**5,952.7**	**20.0%**	***1.52%***

Source: South Africa Regional eXplorer v2443.

In 2022, the community services sector is the largest within Buffalo City Metropolitan Municipality accounting for R 33.7 billion or 37.3% 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 19.3%, followed by the trade sector with 17.0%. The sector that contributes the least to the economy of Buffalo City Metropolitan Municipality is the mining sector with a contribution of R 124 million or 0.14% of the total GVA..

CHART 21. Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2022 [percentage composition]

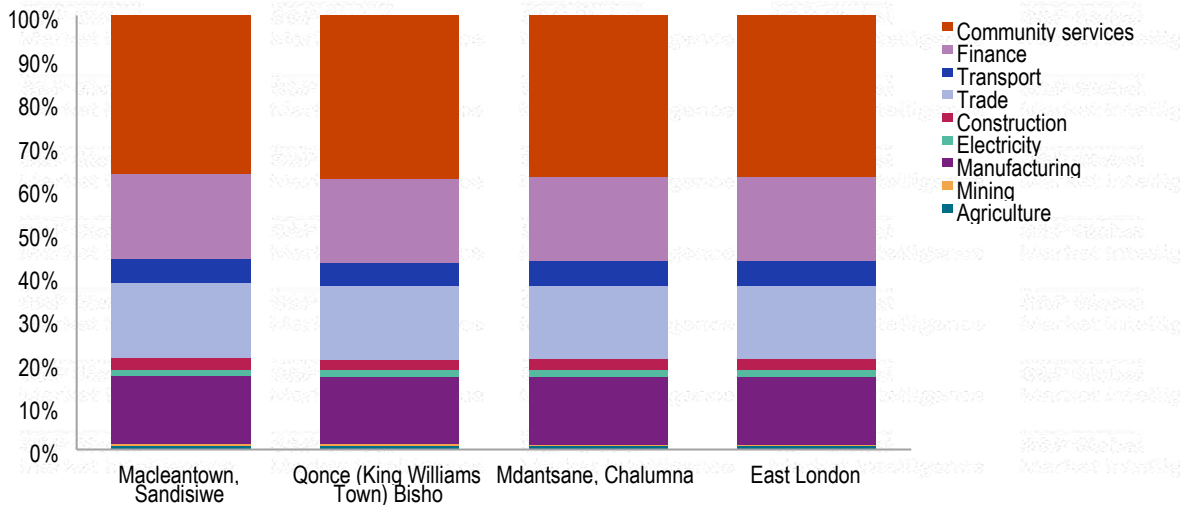


Source: South Africa Regional eXplorer v2443.

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 35.87% of the

metropolitan municipality. As a whole, the East London Sub-metro Region contributed R 32.4 billion or 35.93% 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 22. Gross Value Added (GVA) by broad economic sector - sub-metro regions of Buffalo City Metropolitan Municipality, 2022 [percentage composition]



Source: South Africa Regional eXplorer v2443.

6.7 Historical Economic Growth

For the period 2022 and 2012, the GVA in the agriculture sector had the highest average annual growth rate in Buffalo City at 2.39%. The industry with the second highest average annual growth rate is the finance sector averaging at 1.52% per year. The construction sector had an average annual growth rate of -3.02%, while the mining sector had the lowest average annual growth of -4.36%. Overall a positive growth existed for all the industries in 2022 with an annual growth rate of 1.82% since 2021.

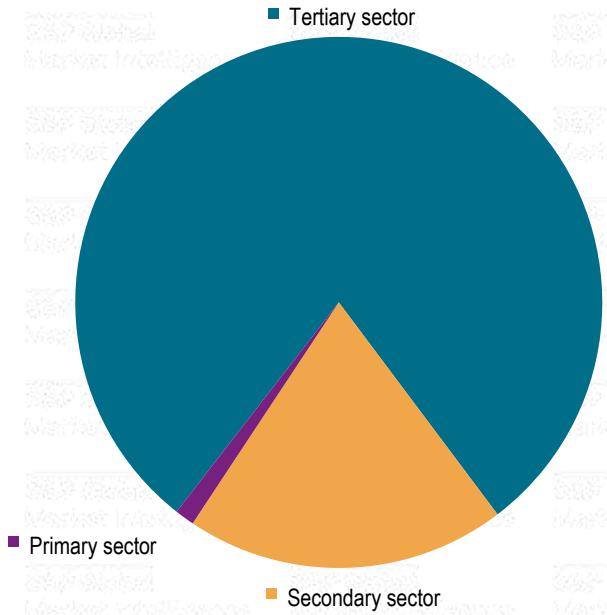
TABLE 19. Gross Value Added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2012, 2017 and 2022 [R billions, 2010 constant prices]

	2012	2017	2022	Average Annual growth
Agriculture	0.47	0.53	0.60	***2.39***%
Mining	0.09	0.07	0.06	***-4.36***%
Manufacturing	9.54	9.51	9.16	***-0.41***%
Electricity	0.83	0.72	0.66	***-2.33***%
Construction	2.31	2.29	1.70	***-3.02***%
Trade	10.66	10.76	10.38	***-0.26***%
Transport	3.93	4.26	4.21	***0.70***%
Finance	11.83	12.59	13.76	***1.52***%
Community services	23.25	24.65	25.41	***0.89***%
Total Industries	**62.92**	**65.38**	**65.94**	***0.47%***

Source: South Africa Regional eXplorer v2443.

The tertiary sector contributes the most to the Gross Value Added within the Buffalo City Metropolitan Municipality at 79.2%. This is slightly higher than the national economy (69.4%). The secondary sector contributed a total of 19.6% (ranking second), while the primary sector contributed the least at 1.2%.

CHART 23. Gross Value Added (GVA) by aggregate economic sector - Buffalo City Metropolitan Municipality, 2022 [percentage]



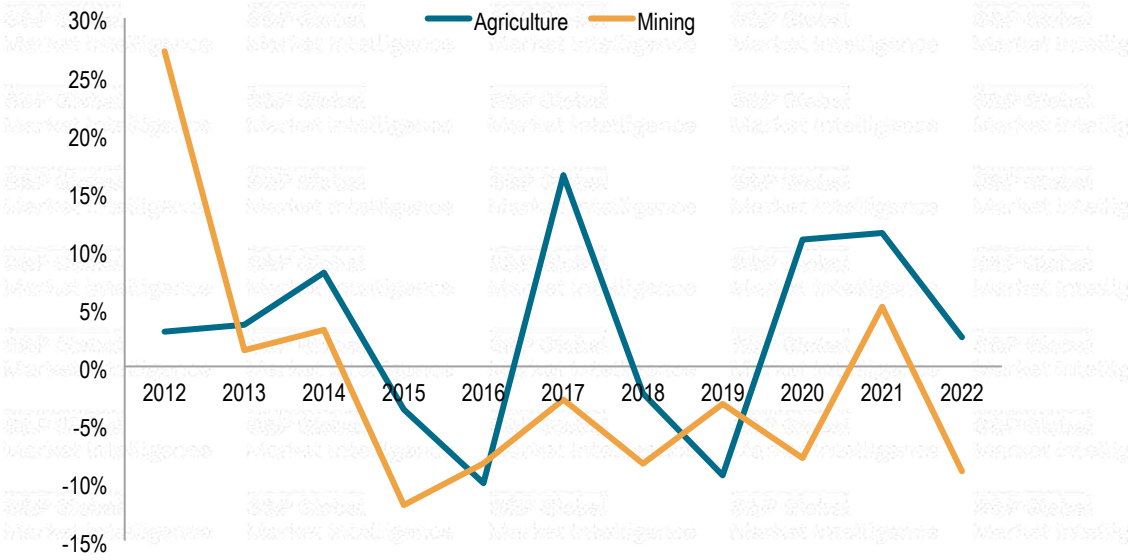
Source: South Africa Regional eXplorer v2443.

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

1.5.1.2.1 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 2012 to 2022

CHART 24. Gross Value Added (GVA) by primary sector - Buffalo City, 2012-2022 [Annual percentage change]



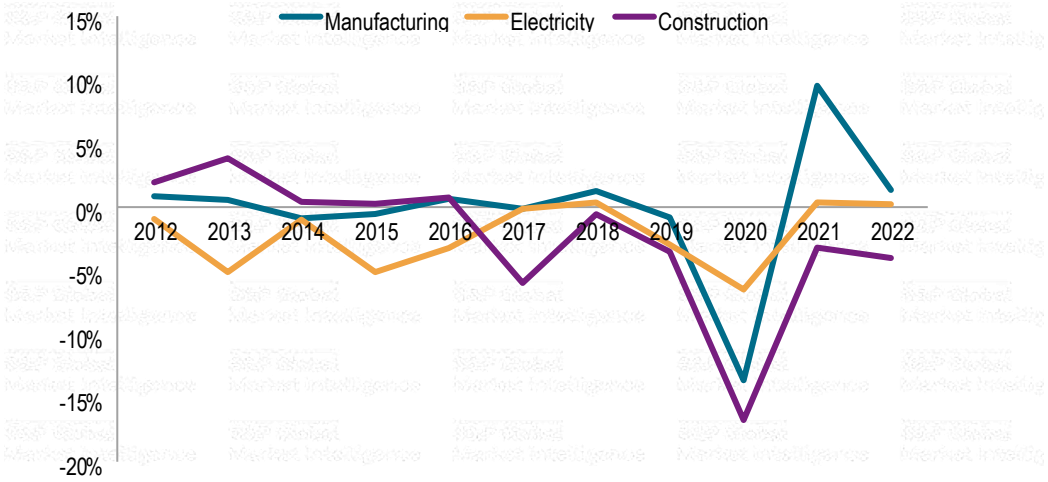
Source: South Africa Regional eXplorer v2443.

Between 2012 and 2022, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 16.5%. The mining sector reached its highest point of growth of 27.1% in 2012. The agricultural sector experienced the lowest growth for the period during 2016 at -10.1%, while the mining sector reaching its lowest point of growth in 2015 at -11.9%. 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 2012 to 2022

CHART 25. Gross Value Added (GVA) by secondary sector - Buffalo City, 2012-2022 [Annual percentage change]



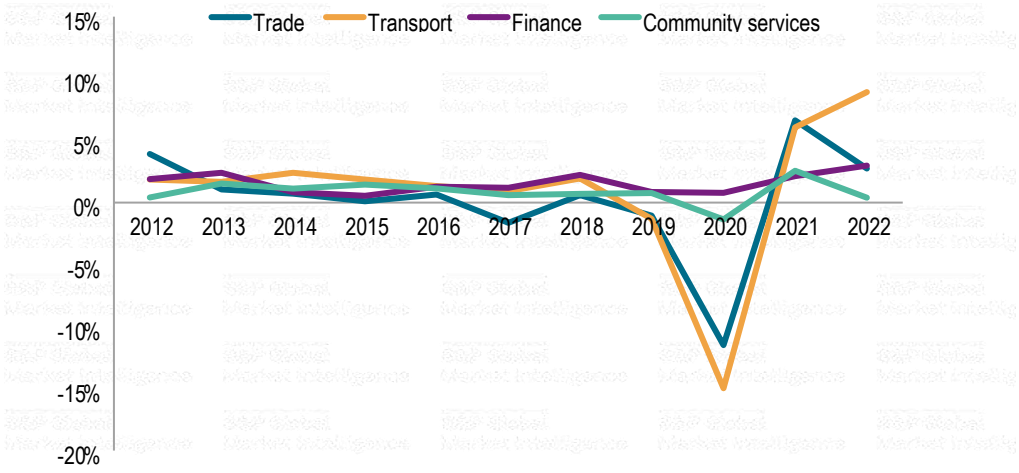
Source: South Africa Regional eXplorer v2443.

Between 2012 and 2022, the manufacturing sector experienced the highest positive growth in 2021 with a growth rate of 9.5%. The construction sector reached its highest growth in 2013 at 3.8%. The manufacturing sector experienced its lowest growth in 2020 of -13.6%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -16.7% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2021 at 0.4%, while it recorded the lowest growth of -6.5% 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 2012 to 2022.

CHART 26. Gross Value Added (GVA) by tertiary sector - Buffalo City, 2010-2020 [Annual percentage change]



The trade sector experienced the highest positive growth in 2021 with a growth rate of 6.6%. The transport sector reached its highest point of growth in 2022 at 8.9%. The finance sector experienced the highest growth rate in 2022 when it grew by 3.0% and recorded the lowest growth rate in 2015 at 0.5%. The Trade sector had the lowest growth rate in 2020 at -11.5%. The community services sector, which largely consists of government, experienced its highest positive growth in 2021 with 2.6% and the lowest growth rate in 2020 with -1.4%.

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.

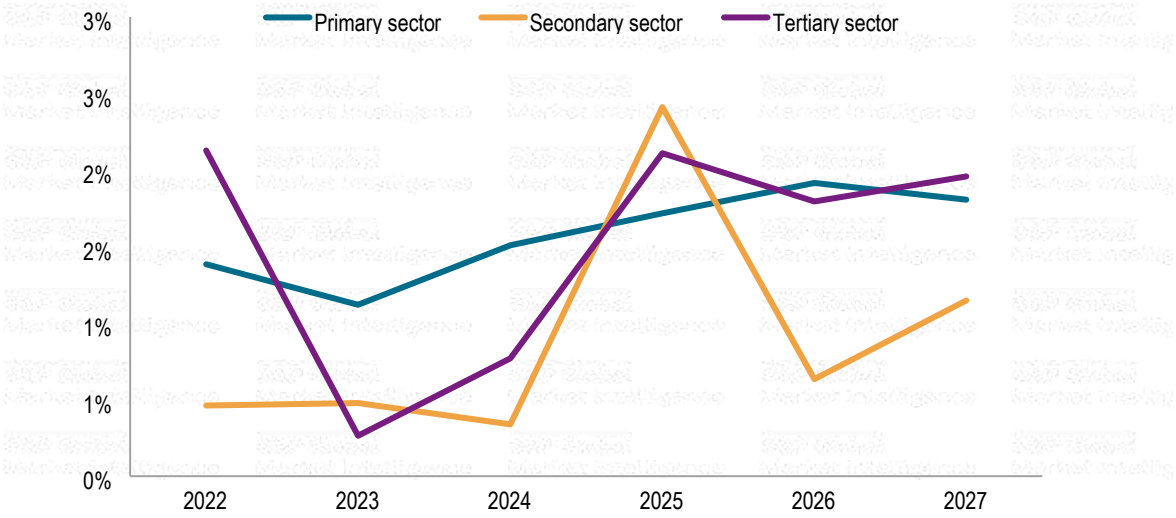
TABLE 20. Gross value added (GVA) by broad economic sector - Buffalo City Metropolitan Municipality, 2022-2027 [R billions, constant 2010 prices]

	2022	2023	2024	2025	2026	2027	Average Annual growth
Agriculture	0.60	0.61	0.62	0.63	0.64	0.65	***1.84***%
Mining	0.06	0.05	0.05	0.05	0.05	0.05	***-0.88***%
Manufacturing	9.16	9.17	9.13	9.36	9.37	9.44	***0.60***%
Electricity	0.66	0.65	0.64	0.66	0.67	0.68	***0.77***%
Construction	1.70	1.76	1.84	1.88	1.93	1.99	***3.14***%
Trade	10.38	10.52	10.52	10.83	10.88	10.99	***1.15***%
Transport	4.21	4.30	4.38	4.51	4.64	4.77	***2.52***%
Finance	13.76	13.89	14.12	14.53	14.96	15.39	***2.26***%
Community services	25.41	25.19	25.29	25.59	25.97	26.42	***0.78***%
Total Industries	**65.94**	**66.14**	**66.61**	**68.04**	**69.13**	**70.38**	**1.31%**

Source: IHS Markit Regional eXplorer version 2201

The construction sector is expected to grow fastest at an average of 3.14% annually from R 1.7 billion in Buffalo City Metropolitan Municipality to R 1.99 billion in 2027. The community services sector is estimated to be the largest sector within the Buffalo City Metropolitan Municipality in 2027, with a total share of 37.5% of the total GVA (as measured in current prices), growing at an average annual rate of 0.8%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -0.88%.

TABLE 21. Gross value added (GVA) by aggregate economic sector - Buffalo City Metropolitan Municipality, 2022-2027 [Annual growth rate, constant 2010 prices]



Source: South Africa Regional eXplorer v2443.

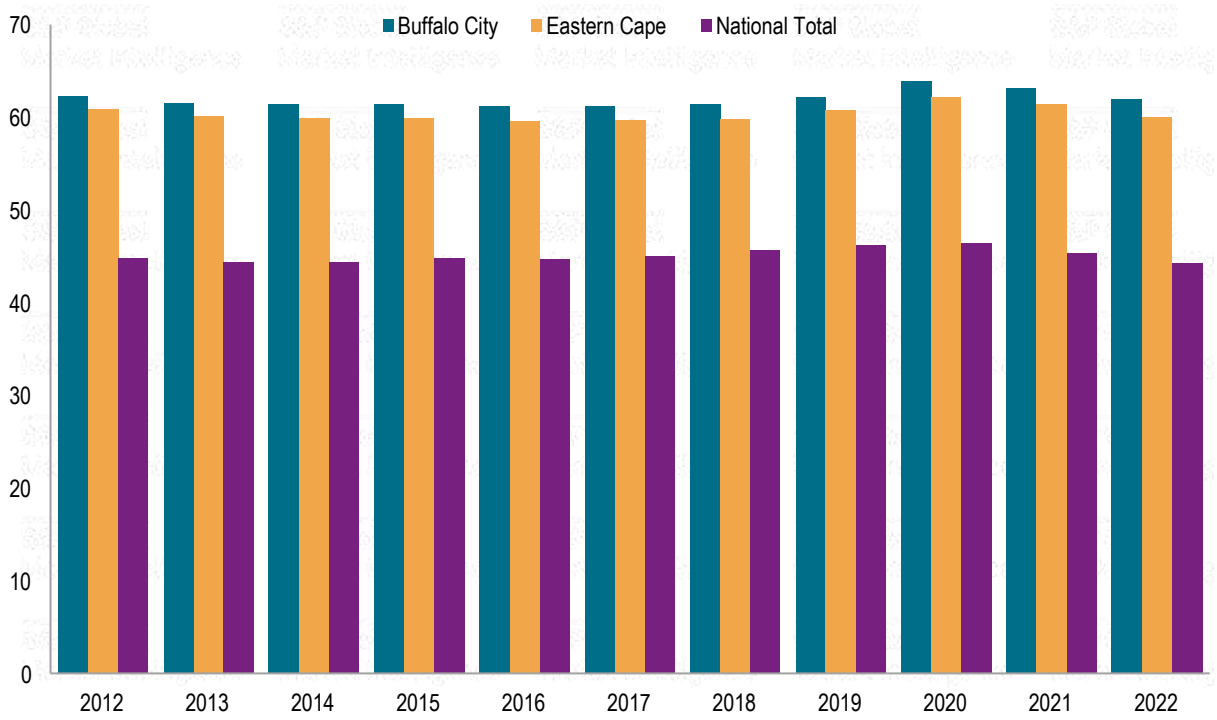
The Primary sector is expected to grow at an average annual rate of 1.61% between 2022 and 2027, with the Secondary sector growing at 1.00% on average annually. The Tertiary sector is expected to grow at an average annual rate of 1.38% for the same period.

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 27. Tress index - Buffalo City, Eastern Cape and National Total, 2012-2022 [Number]



Source: South Africa Regional eXplorer v2443.

In 2022, Buffalo City's Tress Index was estimated at 61.9 which are higher than the 60.1 of the province and higher than the 60.1 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 community services sector.

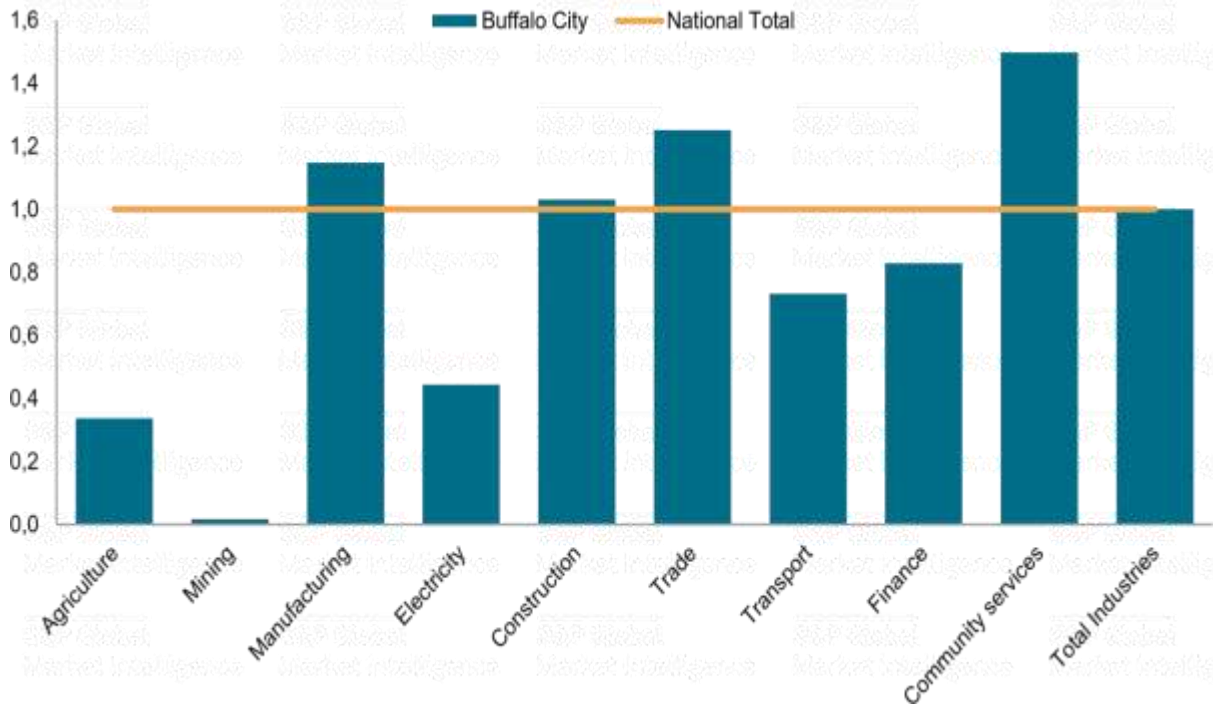
The more diverse an economy is, the more likely it is to create employment opportunities across all skills levels (and not only - for instance - employment opportunities that cater for highly skilled labourers) and maintain a healthy balance between labour-intensive and capital-intensive industries. 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 28. Location quotient by broad economic sectors - Buffalo City Metropolitan Municipality and South Africa, 2022 [Number]



Source: South Africa Regional eXplorer v2443.

For 2022 Buffalo City Metropolitan Municipality has a comparative advantage in the community services sector. The trade 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 0.017.

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

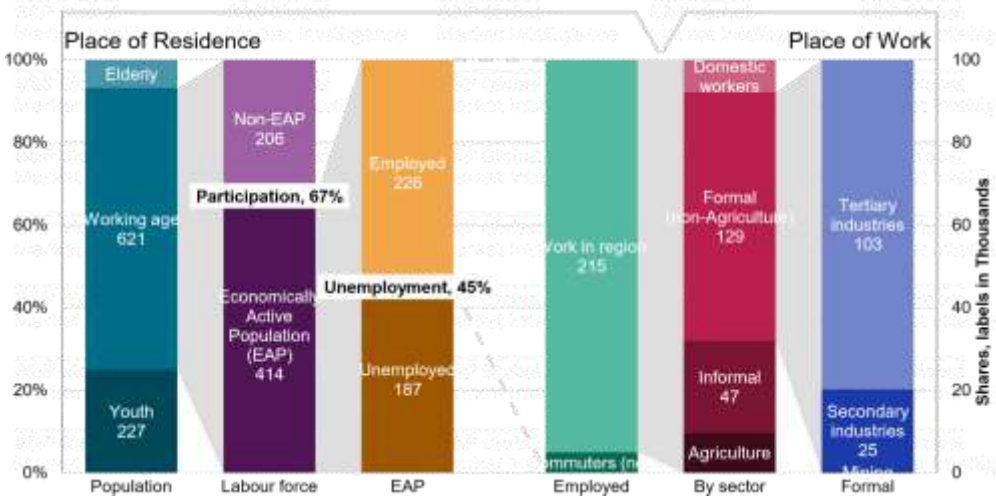
	Buffalo City		Eastern Cape		National Total	
	2012	2022	2012	2022	2012	2022
15-19	70,200	62,100	744,000	699,000	5,010,000	5,100,000
20-24	98,000	72,700	761,000	591,000	5,410,000	4,580,000
25-29	93,300	105,000	634,000	672,000	5,220,000	5,210,000
30-34	68,200	85,900	441,000	690,000	4,220,000	5,600,000
35-39	47,300	62,300	315,000	577,000	3,470,000	5,220,000
40-44	41,000	41,900	273,000	404,000	2,950,000	4,060,000
45-49	38,900	41,900	268,000	288,000	2,590,000	3,240,000
50-54	37,900	36,200	269,000	249,000	2,240,000	2,710,000
55-59	31,600	33,600	234,000	242,000	1,850,000	2,340,000
60-64	22,300	26,700	195,000	237,000	1,490,000	1,970,000
Total	**549,000**	**621,000**	**4,130,000**	**4,650,000**	**34,500,000**	**40,000,000**

Source: South Africa Regional eXplorer v2443.

The working age population in Buffalo City in 2022 was 621 000, increasing at an average annual rate of 1.25% since 2012. For the same period the working age population for Eastern Cape Province increased at 1.18% annually, while that of South Africa increased at 1.51% 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.

CHART 29. Labour Glimpse - Buffalo City Metropolitan Municipality, 2022 Source: South Africa Regional eXplorer v2443



Reading the chart from the left-most bar, breaking down the total population of the Buffalo City Metropolitan

Municipality (910 000) into working age and non-working age, the number of people that are of working age is about 621 000. As per definition, those that are of age 0 - 19 (youth) or age 65 and up (pensioners) are part of the nonworking age population. Out of the working age group, 66.7% are participating in the labour force, meaning 414 000 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 207 000 people. Out of the economically active population, there are 188 000 that are unemployed, or when expressed as a percentage, an unemployment rate of 45.3%. 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 103 000 jobs. When including the informal, agricultural and domestic workers, we have a total number of 215 000 jobs in the area. Formal jobs make up 60.2% 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 denser 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 23. Economically active population (EAP) - Buffalo City, Eastern Cape and National Total, 2012-2022 [number, percentage]

	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
2010	300,000	1,760,000	18,700,000	*17.0%*	*1.60%*
2011	311,000	1,830,000	19,300,000	*17.0%*	*1.61%*
2012	327,000	1,920,000	20,100,000	*17.0%*	*1.63%*
2013	339,000	2,000,000	20,800,000	*17.0%*	*1.63%*
2014	354,000	2,090,000	21,500,000	*17.0%*	*1.65%*
2015	369,000	2,180,000	22,000,000	*16.9%*	*1.67%*
2016	377,000	2,240,000	22,300,000	*16.9%*	*1.69%*
2017	391,000	2,330,000	22,700,000	*16.8%*	*1.72%*
2018	391,000	2,330,000	22,100,000	*16.8%*	*1.77%*
2019	401,000	2,390,000	22,200,000	*16.8%*	*1.80%*
2020	414,000	2,470,000	23,100,000	*16.7%*	*1.79%*
Average Annual growth					
2012-2022	**3.29%**	***3.47%***	***2.16%***		

Source: South Africa Regional eXplorer v2443

Buffalo City Metropolitan Municipality's EAP was 414 000 in 2022, which is 45.51% of its total population of 910 000, and roughly 16.74% of the total EAP of the Eastern Cape Province. From 2012 to 2022, the average annual increase in the EAP in the Buffalo City Metropolitan Municipality was 3.29%, which is 0.179 percentage points lower than the growth in the EAP of Eastern Cape's for the same period.

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

	2012	2017	2022
Buffalo City	37.1%	42.9%	45.5%
Nelson Mandela Bay	43.6%	44.3%	45.0%
Sarah Baartman	37.1%	42.0%	43.2%
Amatole	18.2%	23.8%	27.1%
Chris Hani	20.7%	26.3%	29.2%
Joe Gqabi	23.0%	28.7%	31.0%
O.R.Tambo	16.3%	21.3%	24.3%
Alfred Nzo	15.4%	19.9%	22.6%

Source: South Africa Regional eXplorer v2443

In 2012, 37.1% of the total population in Buffalo City Metropolitan Municipality were classified as economically active which increased to 45.5% in 2022. Compared to the other regions in Eastern Cape Province, Buffalo City 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 22.6% people classified as economically active population in 2022.

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.

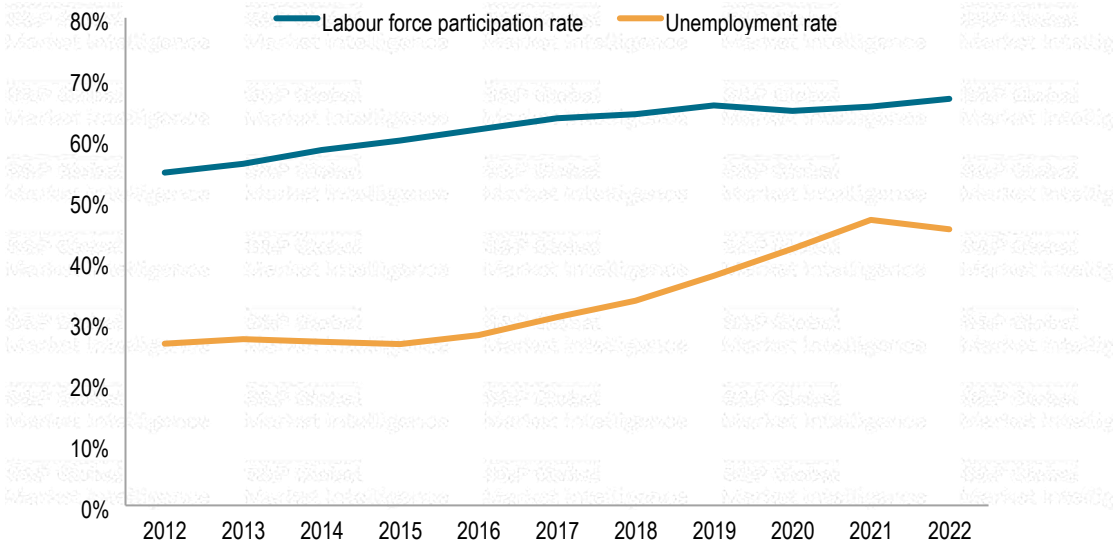
TABLE 24. The labour force participation rate - Buffalo City, Eastern Cape and National Total, 2010-2020

	Buffalo City	Eastern Cape	National Total
2012	54.6%	42.5%	54.3%
2013	56.0%	43.8%	55.2%
2014	58.3%	45.6%	56.6%
2015	59.9%	47.0%	57.7%
2016	61.7%	48.5%	58.8%
2017	63.5%	50.2%	59.5%
2018	64.2%	50.9%	59.4%
2019	65.6%	52.3%	59.4%
2020	64.7%	51.5%	57.0%
2021	65.4%	52.2%	56.5%
2022	66.7%	53.2%	57.8%

Source: South Africa Regional eXplorer v2443

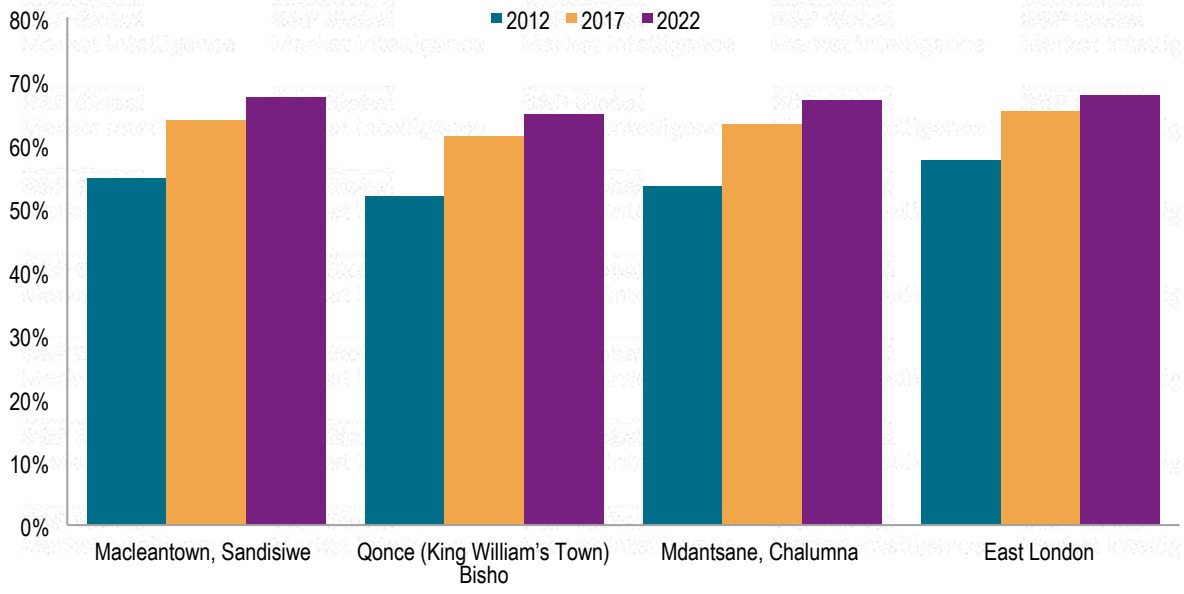
The Buffalo City Metropolitan Municipality's labour force participation rate increased from 54.60% to 66.70% which is an increase of 12 percentage points. The Eastern Cape Province increased from 42.54% to 53.22%, South Africa increased from 54.27% to 57.82% from 2012 to 2022.The Buffalo City Metropolitan Municipality labour force participation rate exhibited a higher percentage point change compared to the Eastern Cape Province from 2012 to 2022. The Buffalo City Metropolitan Municipality had a higher labour force participation rate when compared to South Africa in 2022

CHART 30. The labour force participation and unemployment rates - BCMM, 2012-2022 [percentage]



In 2022 the labour force participation rate for Buffalo City was at 66.7% which is significantly higher when compared to the 54.6% in 2012. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2012, the unemployment rate for Buffalo City was 26.5% and increased overtime to 45.3% in 2022. 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 31. The labour force participation rate - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2017 and 2022 [percentage]



Source: South Africa Regional eXplorer v2443.

East London Sub-metro Region had the highest labour force participation rate with 67.7% in 2022 increasing from 57.5% in 2012. Qonce (King William's Town) Bisho Sub-metro Region had the lowest labour force participation rate of 64.6% in 2022, this increased from 51.7% in 2012.

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 25. Total employment - Buffalo City, Eastern Cape and National Total, 2010-2022 [numbers]

	Buffalo City	Eastern Cape	National Total
2012	209,000	1,240,000	14,000,000
2013	215,000	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	232,000	1,430,000	16,200,000
2020	215,000	1,350,000	15,400,000
2021	202,000	1,300,000	14,800,000
2022	215,000	1,370,000	15,300,000
Average Annual growth 2010-2020	***0.29*%**	**1.05**%	**0.92%**

Source: South Africa Regional eXplorer v2443.

In 2022, Buffalo City employed 215 000 people which is 15.69% of the total employment in Eastern Cape Province (1.37 million), 1.40% of total employment in South Africa (15.3 million). Employment within Buffalo City increased annually at an average rate of 0.29% from 2012 to 2022.

TABLE 26. Total employment per broad economic sector - Buffalo City and the rest of Eastern Cape, 2022 [Numbers]

	Buffalo City	Nelson Mandela Bay	Sarah Baartman	Amatole	Chris Hani	Joe Gqabi	O.R.Tambo	Alfred Nzo	Total Eastern Cape
Agriculture	21,000	12,000	33,600	10,200	12,000	8,740	7,150	4,540	109,289
Mining	319	468	33	65	129	86	198	63	1,359
Manufacturing	18,100	75,500	15,200	6,600	5,980	3,280	5,940	3,150	133,735
Electricity	580	718	318	361	408	209	496	226	3,317
Construction	16,500	28,700	13,100	11,100	13,000	7,570	17,300	11,400	118,766
Trade	46,000	86,300	30,300	27,800	23,400	13,200	40,300	16,900	284,248
Transport	9,340	28,100	7,710	5,720	4,980	2,780	8,640	3,810	71,100
Finance	26,800	62,500	14,500	13,100	11,900	5,900	21,200	8,250	164,295
Community services	59,800	94,600	27,800	42,400	42,800	19,900	66,500	28,600	382,525
Households	16,900	30,800	13,200	9,440	9,800	6,610	12,200	5,580	104,396
Total	215,000	420,000	156,000	127,000	124,000	68,400	180,000	82,600	1,373,030

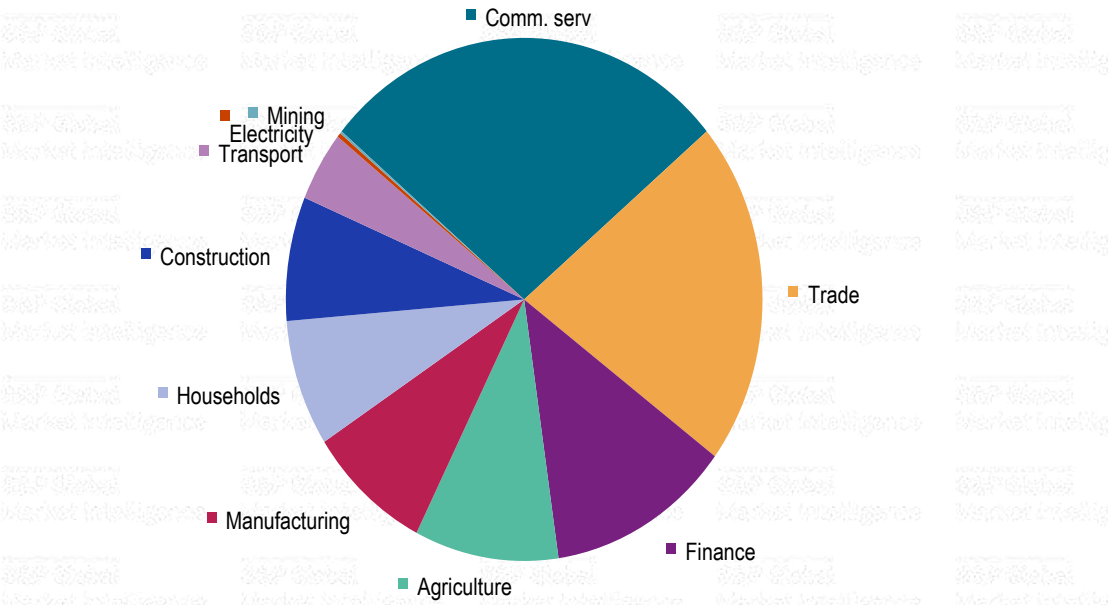
Source: South Africa Regional eXplorer v2443.

Buffalo City Metropolitan Municipality employs a total number of 215 000 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 420 000. 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 68 400 employed people.

In Buffalo City Metropolitan Municipality the economic sectors that recorded the largest number of employment in 2022 were the community services sector with a total of 59 800 employed people or 27.8% of total employment in the metropolitan municipality. The trade sector with a total of 46 000 (21.3%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 319 (0.1%) is the sector that employs the least number of people in Buffalo City Metropolitan Municipality, followed by the electricity sector with 580 (0.3%) people employed.

CHART 32. Total employment per broad economic sector - Buffalo City Metropolitan Municipality, 2022 [percentage]



Source: South Africa Regional eXplorer v2443.

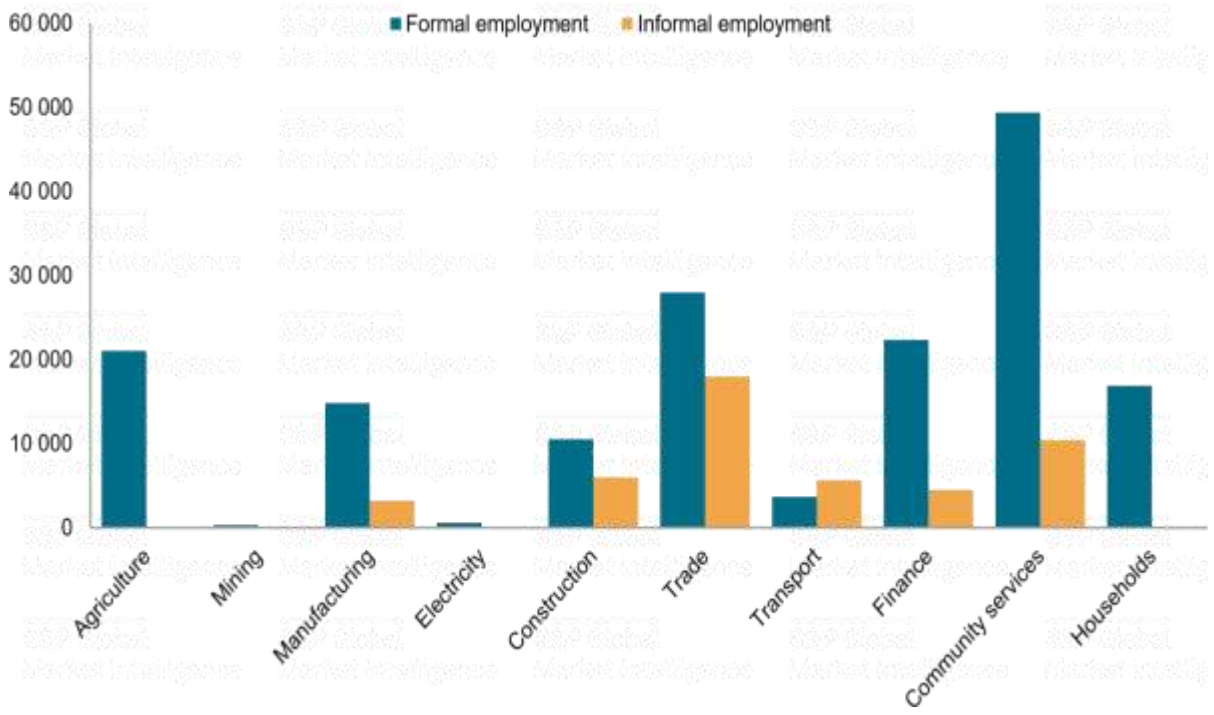
6.15 Formal and Informal employment

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 168 000 in 2022, which is about 77.80% of total employment, while the number of people employed in the informal sector counted 47 800 or 22.20% of the total employment. Informal employment in Buffalo City increased from 42 000 in 2012 to an estimated 47 800 in 2022.

CHART 33. Formal and informal employment by broad economic sector - BCMM, 2022 [numbers]



Source: South Africa Regional eXplorer v2443.

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 2022 the Trade sector recorded the highest number of informally employed, with a total of 18 000 employees or 37.65% 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 3 210 and only contributes 6.72% to total informal employment.

Table 24: Formal and Informal employment by broad economic sector - BCMM, 2022 [numbers]

	Formal employment	Informal employment
Agriculture	21,000	N/A
Mining	319	N/A
Manufacturing	14,800	3,210
Electricity	580	N/A
Construction	10,500	6,000
Trade	28,000	18,000
Transport	3,680	5,660
Finance	22,300	4,500
Community services	49,400	10,400
Households	16,900	N/A

Source: South Africa Regional eXplorer v2443.

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 27. Unemployment (official definition) - Buffalo City, Eastern Cape and National Total, 2012-2022 [Number percentage]

	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
2012	79,400	509,000	4,700,000	*15.6%*	*1.69%*
2013	84,600	540,000	4,850,000	*15.7%*	*1.74%*
2014	87,700	565,000	5,060,000	*15.5%*	*1.73%*
2015	89,800	583,000	5,300,000	*15.4%*	*1.69%*
2016	98,800	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	147,000	885,000	6,450,000	*16.6%*	*2.28%*
2020	165,000	964,000	6,710,000	*17.1%*	*2.46%*
2021	188,000	1,070,000	7,470,000	*17.5%*	*2.51%*
2022	188,000	1,080,000	7,810,000	*17.3%*	*2.40%*
Average Annual growth					
2012-2022	***8.97%***	***7.85%***	**5.20%**		

Source: South Africa Regional eXplorer v2443.

In 2022, there were a total number of 188 000 people unemployed in Buffalo City, which is an increase of 108 000 from 79 400 in 2012. The total number of unemployed people within Buffalo City constitutes 17.32% of the total number of unemployed people in Eastern Cape Province. The Buffalo City Metropolitan Municipality experienced an average annual increase of 8.97% 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 7.85%.

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TABLE 28. Unemployment rate (official definition) - Buffalo City, Eastern Cape and National Total, 2010-2020 [Percentage]

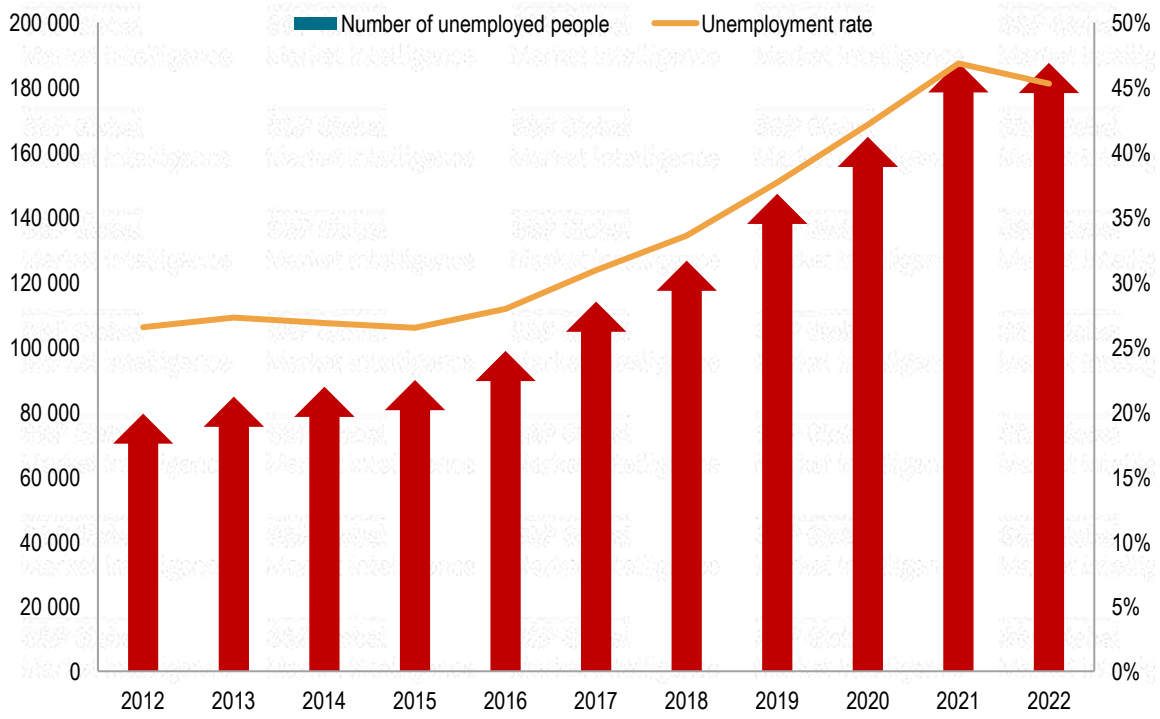
	Buffalo City	Eastern Cape	National Total
2012	26.5%	28.9%	25.1%
2013	27.3%	29.6%	25.2%
2014	26.8%	29.4%	25.2%
2015	26.5%	29.2%	25.5%
2016	27.9%	30.5%	26.4%
2017	30.9%	32.9%	27.2%
2018	33.6%	35.0%	27.4%
2019	37.7%	38.0%	28.4%
2020	42.1%	41.5%	30.3%
2021	46.8%	44.9%	33.6%
2022	45.3%	43.8%	33.7%

Source: South Africa Regional eXplorer v2443.

In 2022, the unemployment rate in Buffalo City Metropolitan Municipality (based on the official definition of unemployment) was 45.28%, which is an increase of 18.8 percentage points. The unemployment rate in Buffalo City

Metropolitan Municipality is higher than that of the Eastern Cape. The unemployment rate for South Africa was 33.73% in 2022, which is an increase of -8.58 percentage points from 25.15% in 2012.

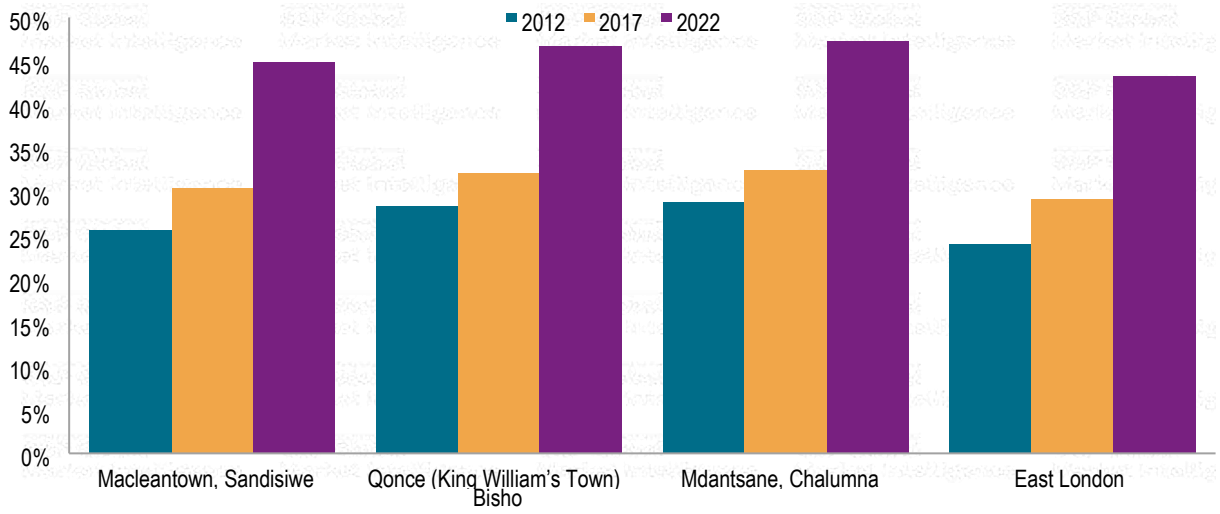
CHART 34. Unemployment and unemployment rate (official definition) - Buffalo City Metropolitan Municipality, 2012-2022 [number percentage]



Source: South Africa Regional eXplorer v2443.

When comparing unemployment rates among regions within Buffalo City Metropolitan Municipality, Mdantsane, Chalumna Sub-metro Region has indicated the highest unemployment rate of 47.3%, which has increased from 28.8% in 2012. It can be seen that the East London Sub-metro Region had the lowest unemployment rate of 43.2% in 2022, which increased from 24.0% in 2012.

CHART 35. Unemployment rate - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2010, 2015 and 2020 [percentage]



Source: South Africa Regional eXplorer v2443.

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.

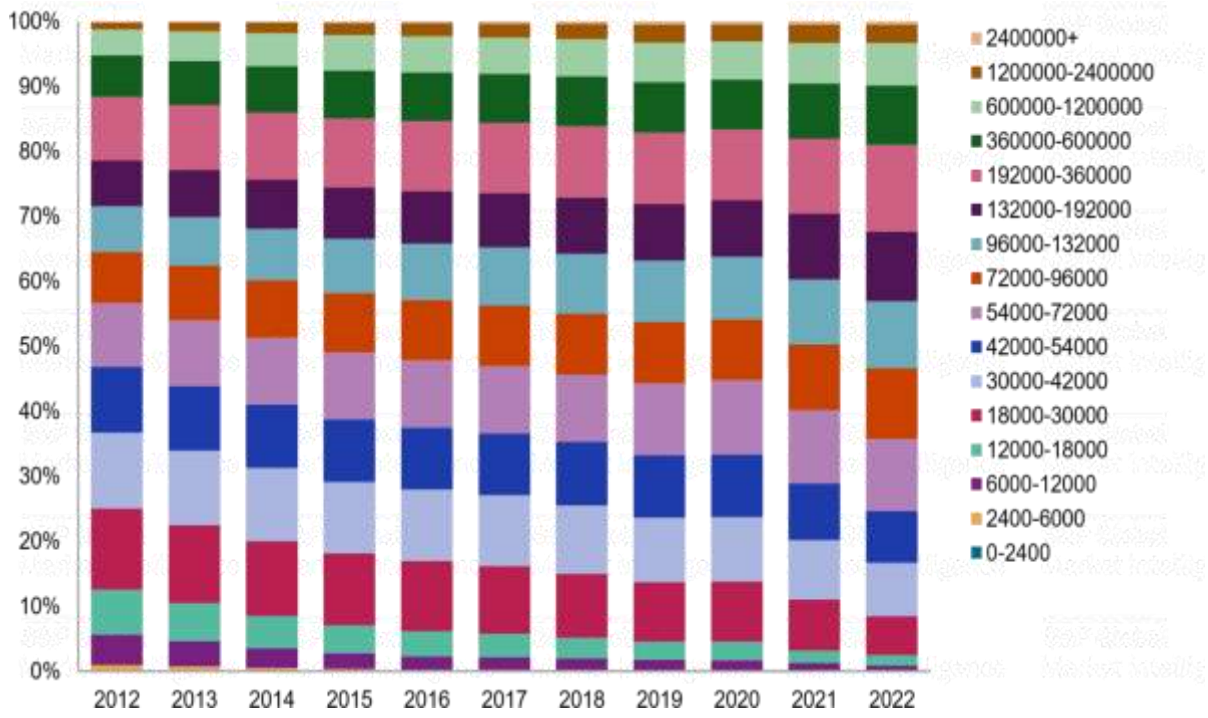
TABLE 29. Households by income category - Buffalo City, Eastern Cape and National Total, 2022

	Buffalo City	Eastern Cape	National Total	Buffalo City as % of province	Buffalo City as % of national
0-2400	21	141	1,260	*14.8%*	*1.67%*
2400-6000	254	1,780	14,500	*14.3%*	*1.76%*
6000-12000	2,010	13,900	107,000	*14.4%*	*1.87%*
12000-18000	4,550	32,000	242,000	*14.2%*	*1.88%*
18000-30000	16,500	126,000	914,000	*13.1%*	*1.80%*
30000-42000	22,700	182,000	1,290,000	*12.4%*	*1.76%*
42000-54000	21,800	181,000	1,270,000	*12.0%*	*1.72%*
54000-72000	30,700	252,000	1,820,000	*12.2%*	*1.69%*
72000-96000	30,000	243,000	1,860,000	*12.4%*	*1.61%*
96000-132000	28,400	221,000	1,860,000	*12.8%*	*1.52%*
132000-192000	29,600	213,000	1,930,000	*13.9%*	*1.53%*
192000-360000	36,600	231,000	2,350,000	*15.9%*	*1.56%*
360000-600000	25,100	139,000	1,630,000	*18.0%*	*1.55%*
600000-1200000	18,100	93,300	1,240,000	*19.4%*	*1.46%*
1200000-2400000	7,780	39,900	565,000	*19.5%*	*1.38%*
2400000+	1,380	7,260	111,000	*19.1%*	*1.25%*
Total	**276,000**	**1,980,000**	**17,200,000**	***13.9%***	***1.60%***

Source: South Africa Regional eXplorer v2443.

It was estimated that in 2022 8.47% of all the households in the Buffalo City Metropolitan Municipality, were living on R30,000 or less per annum. In comparison with 2012's 24.99%, the number is more than half. The 192000-360000 income category has the highest number of households with a total number of 36 600, followed by the 54000-72000 income category with 30 700 households. Only 21 households fall within the 0-2400 income category.

.**Households by income bracket - Buffalo City Metropolitan Municipality, 2012-2022 [Percentage]**



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.

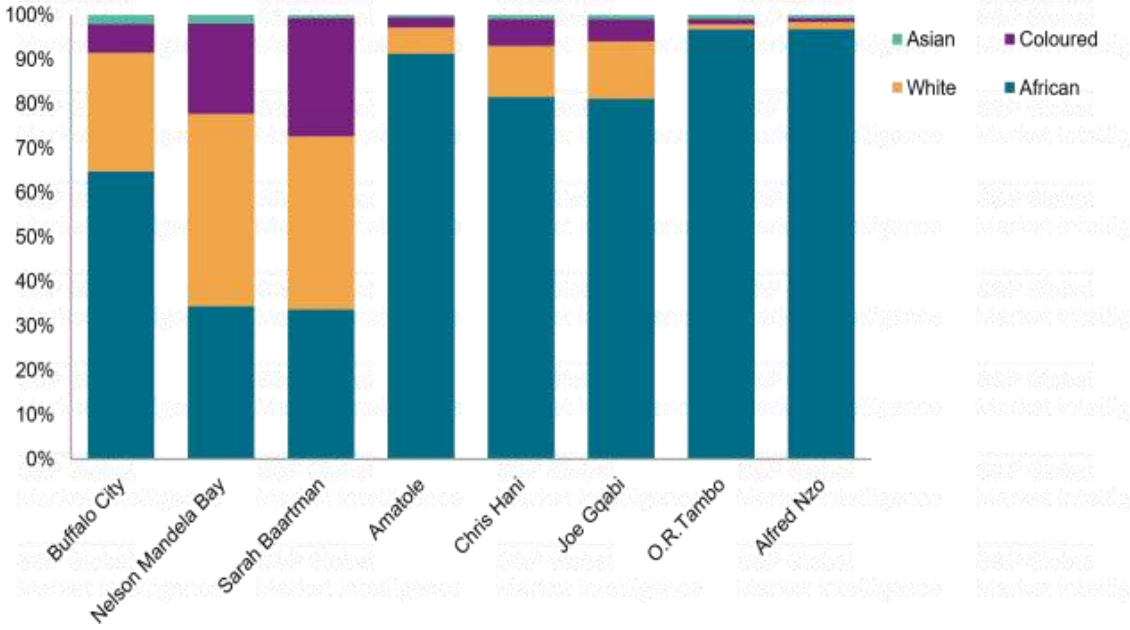
TABLE 30. Annual total personal income - Buffalo City, Eastern Cape and National Total [Current Prices, R billions]

	Buffalo City	Eastern Cape	National Total
2012	38.9	210.1	2,525.0
2013	42.4	229.0	2,729.4
2014	45.8	248.1	2,938.2
2015	49.4	268.4	3,180.0
2016	52.5	287.0	3,413.6
2017	56.0	310.2	3,662.1
2018	59.2	332.2	3,913.0
2019	61.5	349.0	4,111.6
2020	59.3	340.5	4,009.8
2021	65.2	379.8	4,425.4
2022	71.1	420.6	4,812.5
Average Annual growth 2012-2022	***6.22%***	**7.19%**	***6.660%***

Source: IHS Markit Regional eXplorer version 2201

Buffalo City Metropolitan Municipality recorded an average annual growth rate of 6.22% (from R 38.9 billion to R 71.1 billion) from 2012 to 2022, which is less than both Eastern Cape's (7.19%) as well as South Africa's (6.66%) average annual growth rates.

CHART 36. Annual total personal income by population group - Buffalo City and the rest of Eastern Cape [Current Prices, R billions]



Source: South Africa Regional eXplorer v2443.

The total personal income of Buffalo City Metropolitan Municipality amounted to approximately R 71.1 billion in 2022. The African population group earned R 46.1 billion, or 64.76% of total personal income, while the White population group earned R 19 billion, or 26.71% of the total personal income. The Coloured and the Asian population groups only had a share of 6.49% and 2.03% of total personal income respectively.

TABLE 31. Annual total personal income - Macleantown, Sandisiwe, King William's Town, Bisho, Mdantsane, Chalumna and East London sub-metro regions [Current Prices, R billions]

	Macleantown, Sandisiwe	King William's Town, Bisho	Mdantsane, Chalumna	East London
2012	2.51	10.12	12.18	14.09
2013	2.73	11.02	13.28	15.36
2014	2.95	11.90	14.35	16.60
2015	3.17	12.83	15.48	17.90
2016	3.37	13.64	16.46	19.04
2017	3.60	14.57	17.55	20.30
2018	3.81	15.40	18.54	21.44
2019	3.97	16.01	19.25	22.26
2020	3.83	15.44	18.55	21.45
2021	4.22	17.01	20.40	23.59
2022	4.61	18.58	22.23	25.70
Average Annual growth 2012-2022	***6.29%***	***6.27%***	***6.20%***	***6.19%***

Source: South Africa Regional eXplorer v2443.

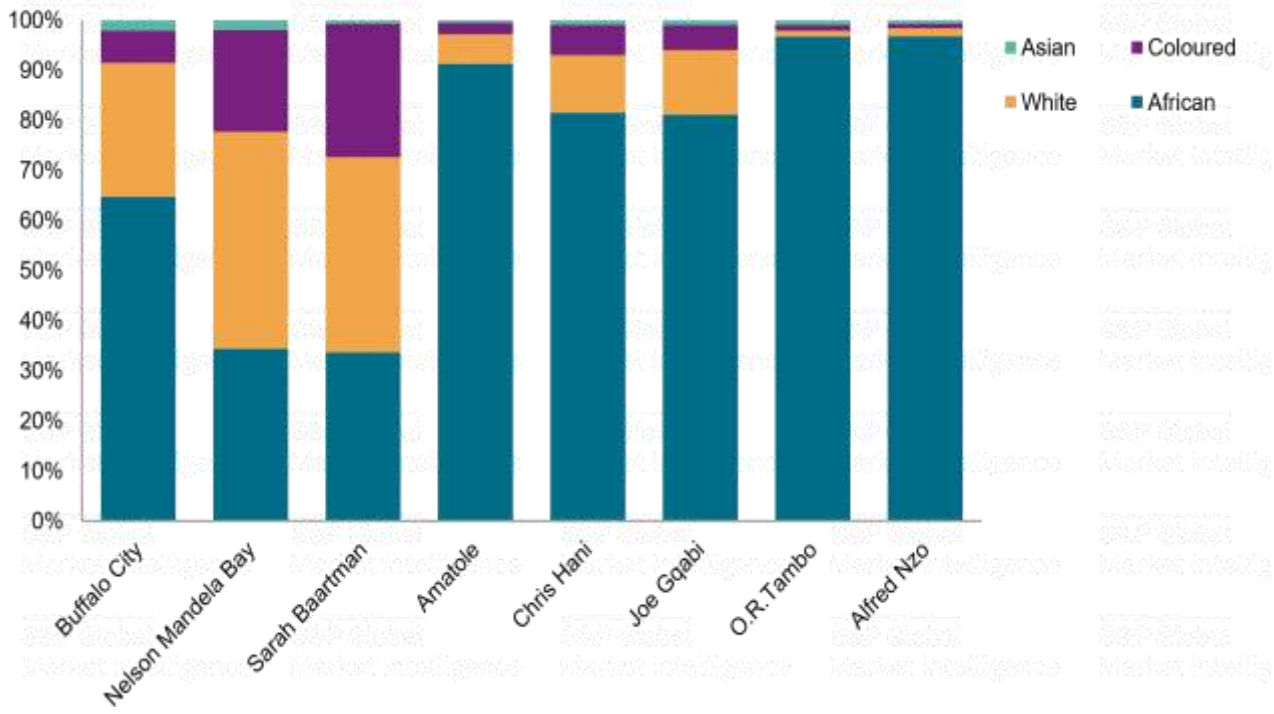
When looking at the annual total personal income for the regions within Eastern Cape Province it can be seen that the East London Sub-metro Region had the highest total personal income with R 25.7 billion which increased from R 14.1 billion recorded in 2012. It can be seen that the Macleantown, Sandisiwe Sub-metro Region had the lowest total personal income of R 4.61 billion in 2022, this increased from R 2.51 billion in 2012.

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 37. Per capita income - Buffalo City, Eastern Cape and National Total, 2022 [Rand, current prices]



Source: South Africa Regional eXplorer v2443.

The total personal income of Buffalo City Metropolitan Municipality amounted to approximately R 71.1 billion in 2022. The African population group earned R 46.1 billion, or 64.76% of total personal income, while the White population group earned R 19 billion, or 26.71% of the total personal income. The Coloured and the Asian population groups only had a share of 6.49% and 2.03% of total personal income respectively.

CHART 38. Per capita income by population group - Buffalo City and the rest of Eastern Cape Province, 2022 [Rand, current prices]

	African	White	Coloured	Asian
Buffalo City	58,300	331,000	86,000	171,000
Nelson Mandela Bay	49,800	330,000	78,900	170,000
Sarah Baartman	47,900	319,000	63,300	131,000
Amatole	40,900	252,000	60,600	109,000
Chris Hani	42,200	312,000	71,500	124,000
Joe Gqabi	42,200	308,000	71,100	151,000
O.R.Tambo	33,100	210,000	78,000	108,000
Alfred Nzo	28,300	195,000	60,000	95,600

Source: South Africa Regional eXplorer v2443

Nelson Mandela Bay Metropolitan Municipality has the highest per capita income with a total of R 91,600. Sarah

Baartman District Municipality had the second highest per capita income at R 80,000, whereas Alfred Nzo District Municipality had the lowest per capita income at R 28,900. In Buffalo City Metropolitan Municipality, the White population group has the highest per capita income, with R 331,000, 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 171,000), where the Coloured and the African population groups had a per capita income of R 86,000 and R 58,300 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 25: Index of buying power - Buffalo City, Eastern Cape and National Total, 2022 [Number]

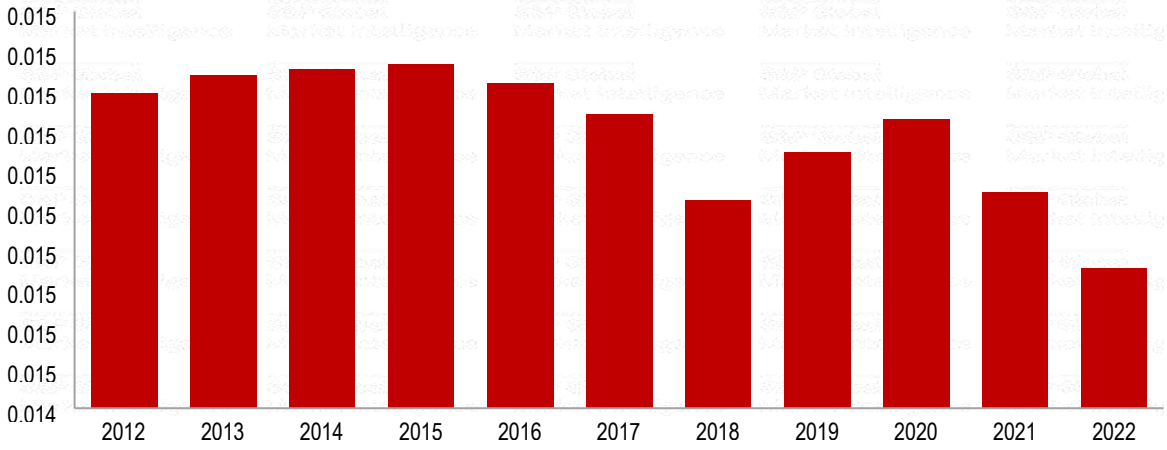
	Buffalo City	Eastern Cape	National Total
Population	910,127	7,471,281	61,111,836
Population - share of national total	1.5%	12.2%	100.0%
Income	71,122	420,592	4,812,518
Income - share of national total	1.5%	8.7%	100.0%
Retail	18,976,480	112,342,927	1,295,054,000
Retail - share of national total	1.5%	8.7%	100.0%
Index	0.01	0.09	1.00

Source: South Africa Regional eXplorer v2443

Buffalo City Metropolitan Municipality has a 1.5% share of the national population, 1.5% share of the total national income and a 1.5% 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 0.091., where South Africa has and 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 the Eastern Cape Province. Its residents are most likely spending some of their income in neighbouring areas

CHART 39. Index of buying power Buffalo City Metropolitan Municipality, 2012-2022 [Index value]



Source: South Africa Regional eXplorer v2443.

Between 2012 and 2022, the index of buying power within Buffalo City Metropolitan Municipality increased to its highest level in 2015 (0.01527) from its lowest in 2022 (0.01475). 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 -0.29%.

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.

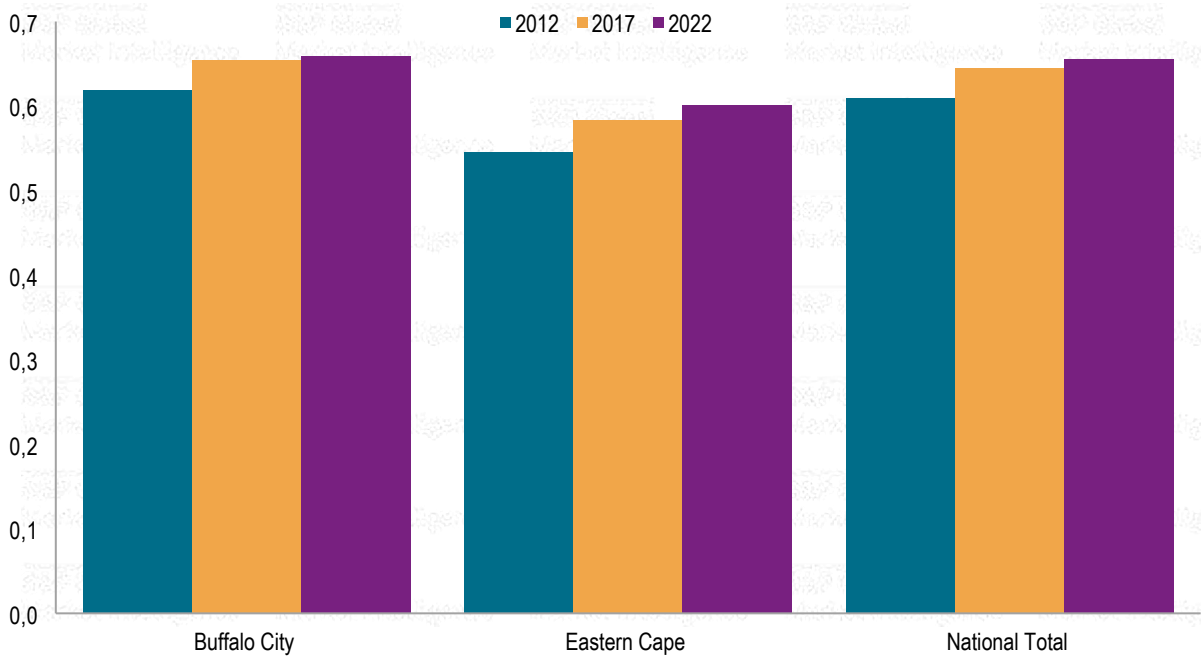
Another indicator that is widely used is the number (or percentage) of people living in poverty. Poverty is defined as the deprivation of those things that determine the quality of life, including food, clothing, shelter and safe drinking water. More than that, other "intangibles" is also included such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

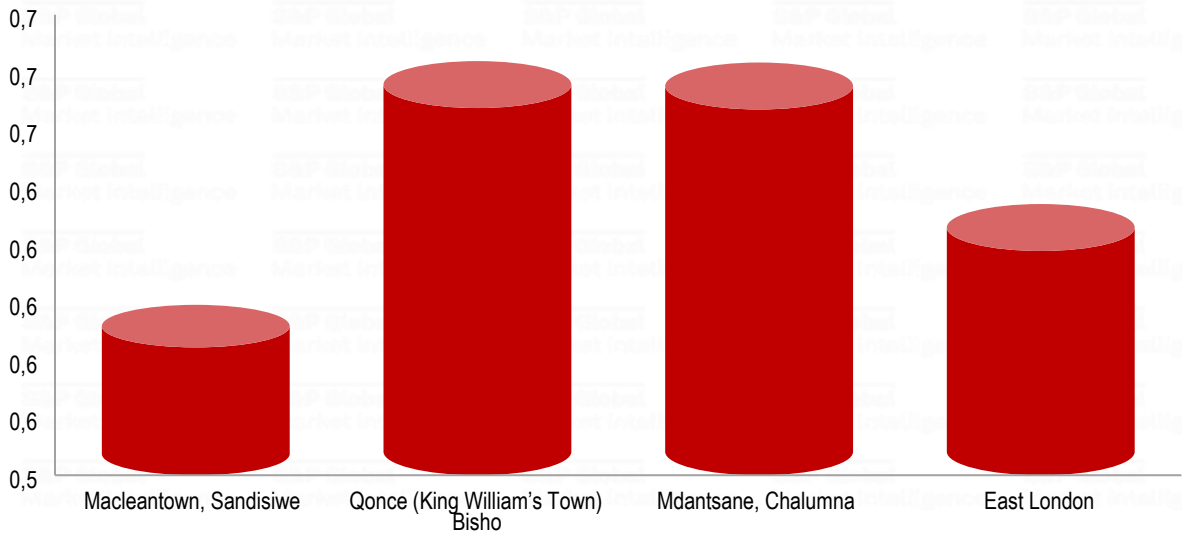
CHART 40. Human Development Index (HDI) - Buffalo City, Eastern Cape and National Total, 2012, 2017, 2022



Source: South Africa Regional eXplorer v2443.

In 2022 Buffalo City Metropolitan Municipality had an HDI of 0.659 compared to the Eastern Cape with a HDI of 0.601 and 0.655 of National Total as a whole. Seeing that South Africa recorded a lower HDI in 2022 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 0.72% and this increase is higher than that of Buffalo City Metropolitan Municipality (0.62%).

CHART 41. Human development Index (HDI) - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2022 [Number]



Source: South Africa Regional eXplorer v2443.

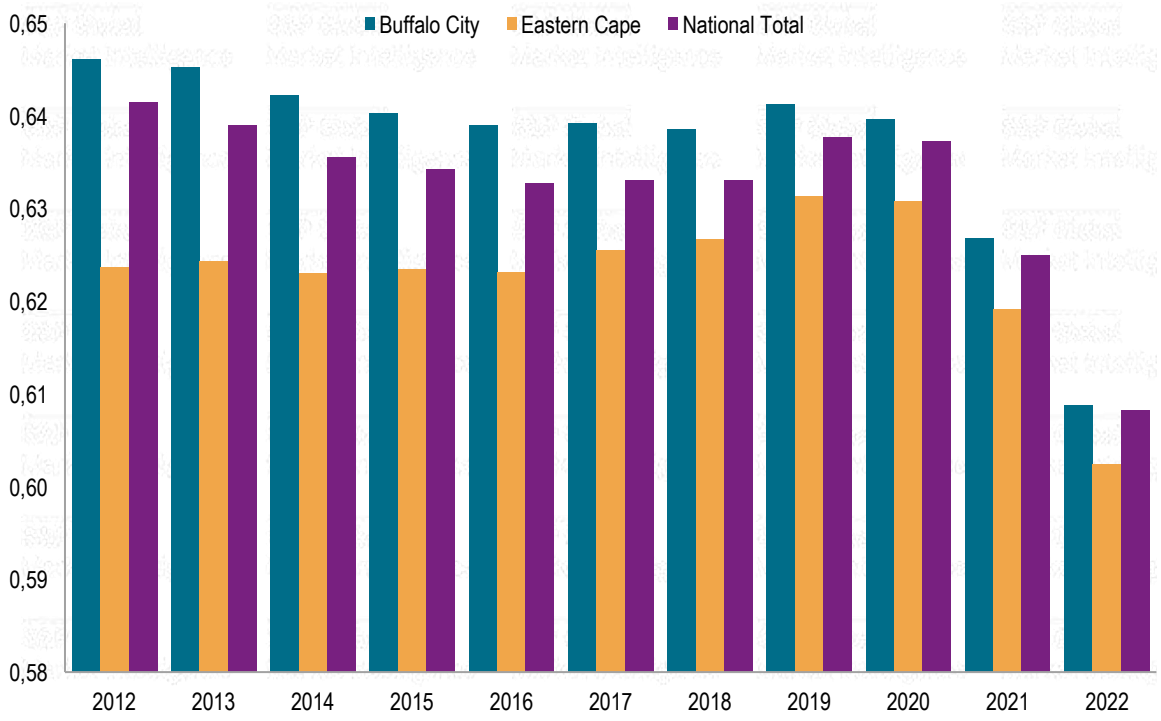
In terms of the HDI for each the regions within the Buffalo City Metropolitan Municipality, Qonce (King William's Town) Bisho Sub-metro Region has the highest HDI, with an index value of 0.684. The lowest can be observed in the Macleantown, Sandisiwe Sub-metro Region with an index value of 0.599.

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 42. Gini coefficient - Buffalo City, Eastern Cape and National Total, 2012-2022 [Number]

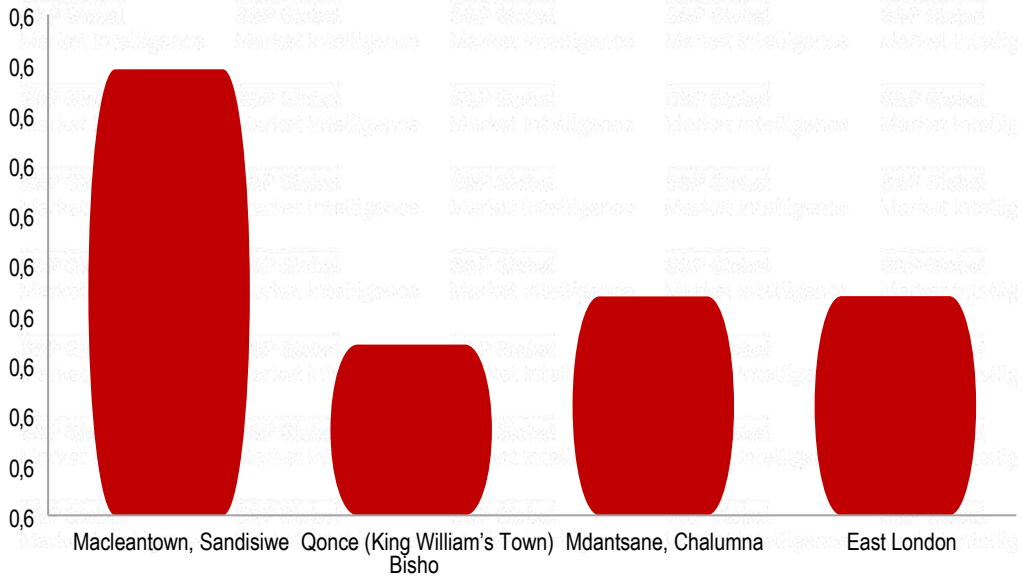


Source: South Africa Regional eXplorer v2443.

In 2022, the Gini coefficient in Buffalo City Metropolitan Municipality was at 0.609, which reflects a decrease in the number over the ten-year period from 2012 to 2022. The Eastern Cape Province and South Africa had a Gini coefficient of 0.602 and 0.608 respectively. Buffalo City Metropolitan Municipality had the highest Gini Coefficient when comparing to Eastern Cape Province and South Africa as a whole.

When segmenting the Buffalo City Metropolitan Municipality into population groups, it can be seen that the Gini coefficient for the Asian population group decreased the least amongst the population groups with an average annual growth rate of -0.47%. The Gini coefficient for the Coloured population group decreased the most with an average annual growth rate of -0.72%. This implies that all the population groups have improved in terms of income equality within its own population group over the period.

CHART 43. Gini coefficient - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2022



Source: South Africa Regional eXplorer v2443.

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 0.611. The lowest Gini coefficient can be observed in the Qonce (King William's Town) Bisho Sub-metro Region with an index value of 0.608.

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.)

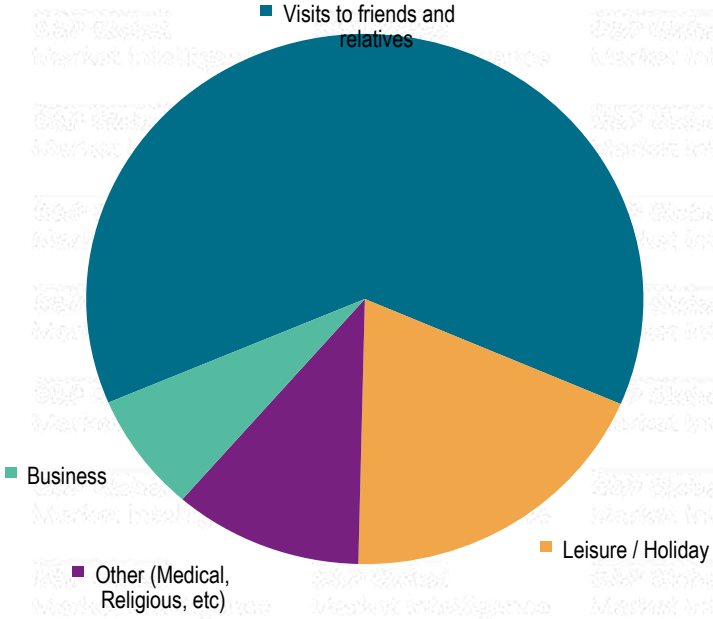
TABLE 32. Number of trips by purpose of trips - Buffalo City Metropolitan Municipality, 2012-2022 [Number Percentage]

	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2012	134,000	49,800	690,000	92,000	966,000
2013	116,000	46,100	620,000	92,100	875,000
2014	106,000	44,000	592,000	94,700	837,000
2015	97,900	42,400	572,000	92,900	805,000
2016	98,400	43,400	587,000	99,100	828,000
2017	106,000	42,800	633,000	109,000	890,000
2018	119,000	43,900	690,000	114,000	967,000
2019	126,000	43,500	692,000	110,000	972,000
2020	111,000	37,300	635,000	98,300	882,000
2021	123,000	46,700	582,000	94,200	847,000
2022	187,000	71,600	621,000	109,000	988,000
Average Annual growth 2012-2022	*3.40%*	*3.69%*	*-1.05%*	*1.67%*	*0.23%*

Source: IHS Markit Regional eXplorer version 2201

In Buffalo City Metropolitan Municipality, the Business, relative to the other tourism, recorded the highest average annual growth rate from 2012 (49 800) to 2022 (71 600) at 3.69%. Visits to friends and relatives recorded the highest number of visits in 2022 at 621 000, with an average annual growth rate of -1.05%. The tourism type that recorded the lowest growth was Visits to friends and relatives tourism with an average annual growth rate of -1.05% from 2012 (690 000) to 2022 (621 000).

CHART 44. Trips by Purpose of trip - Buffalo City Metropolitan Municipality, 2022 [Percentage]



Source: South Africa Regional eXplorer v2443.

The Visits to friends and relatives at 62.87% has largest share the total tourism within Buffalo City Metropolitan Municipality. Leisure / Holiday tourism had the second highest share at 18.89%, followed by Other (Medical, Religious, etc) tourism at 10.99% and the Business tourism with the smallest share of 7.25% 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 33. Total number of trips by origin tourists - Buffalo City Metropolitan Municipality, 2012-2022 [Number]

	Domestic tourists	International tourists	Total tourists
2012	911,000	54,900	966,000
2013	818,000	56,900	875,000
2014	778,000	58,900	837,000
2015	749,000	56,000	805,000
2016	763,000	64,800	828,000
2017	824,000	66,600	890,000
2018	899,000	68,200	967,000
2019	905,000	66,400	972,000
2020	860,000	21,300	882,000
2021	831,000	15,700	847,000
2022	952,000	35,600	988,000
Average Annual growth 2010-2020	**0.44%**	***-4.24%***	***0.23&***

Source: South Africa Regional eXplorer v2443

The number of trips by tourists visiting Buffalo City Metropolitan Municipality from other regions in South Africa has increased at an average annual rate of 0.44% from 2012 (911 000) to 2022 (952 000). The tourists visiting from other countries increased at an average annual growth rate of -4.24% (from 54 900 in 2012 to 35 600). International tourists constitute 3.61% of the total number of trips, with domestic tourism representing the balance of 96.39%.

1.5.1.3 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 2012 and 2022.

TABLE 34. Bednights by origin of tourist - Buffalo City Metropolitan Municipality, 2012-2022 [Number]

	Domestic tourists	International tourists	Total tourists
2012	3,350,000	578,000	3,930,000
2013	2,940,000	597,000	3,540,000
2014	2,730,000	632,000	3,360,000
2015	2,610,000	635,000	3,250,000
2016	2,440,000	774,000	3,210,000
2017	2,340,000	866,000	3,200,000
2018	2,200,000	2,050,000	4,250,000
2019	1,870,000	2,790,000	4,670,000
2020	1,370,000	1,140,000	2,510,000
2021	1,210,000	1,140,000	2,360,000
2022	1,430,000	2,740,000	4,160,000
Average Annual growth			
Average Annual growth 2012-2022	***-8.18&***	***16.82%***	**0.58%**

Source: South Africa Regional eXplorer v2443.

From 2012 to 2022, the number of bed nights spent by domestic tourists has decreased at an average annual rate of 8.18%, while in the same period the international tourists had an average annual increase of 16.82%. The total number of bed nights spent by tourists increased at an average annual growth rate of 0.58% from 3.93 million in 2012 to 4.16 million in 2022.

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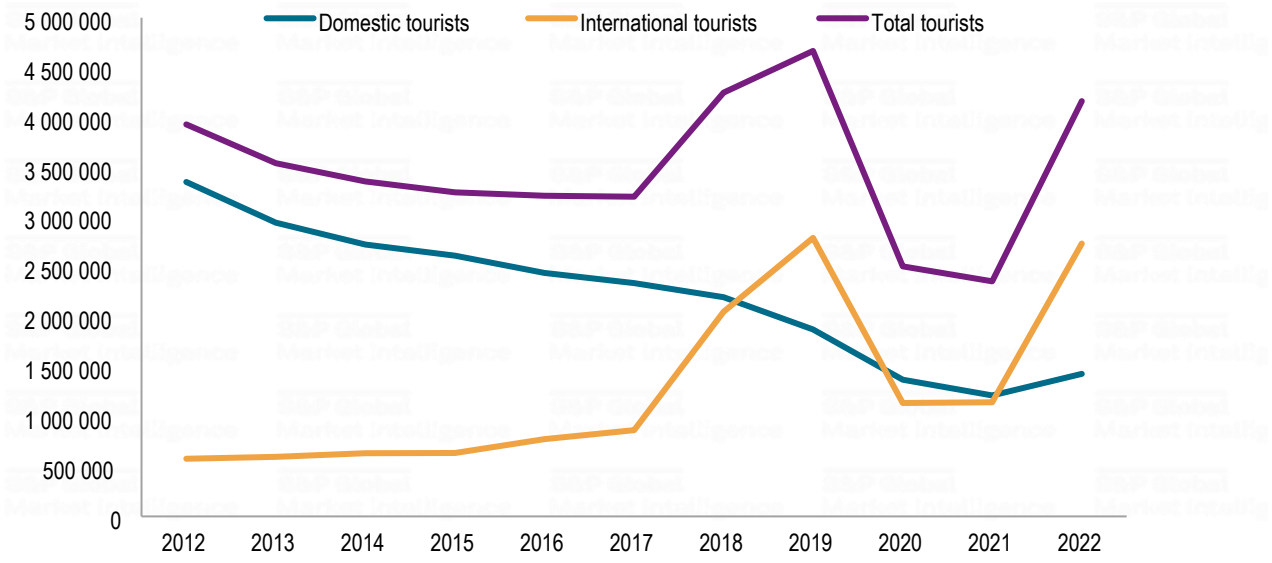
CHART 45. Growth in tourism (using bednights) by origin - Buffalo City Metropolitan Municipality, 2012-2022 [Number]



Source: South Africa Regional eXplorer v2443.

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 35. Total tourism spending - Buffalo City, Eastern Cape and National Total, 2012-2022 [R billions, Current Prices]

	Buffalo City	Eastern Cape	National Total
2012	3.1	16.4	229.8
2013	3.4	17.8	253.3
2014	3.7	19.4	275.4
2015	3.3	17.5	253.9
2016	3.6	19.3	277.6
2017	3.4	18.2	264.0
2018	3.8	20.8	293.2
2019	5.6	32.1	411.3
2020	3.3	20.0	241.5
2021	4.1	25.8	290.8
	4.8	29.9	333.1
Average Annual growth 2012-2022	**4.37%**	***6.22%***	***3.78%***

Source: South Africa Regional eXplorer v2443

Buffalo City Metropolitan Municipality had a total tourism spending of R 4.78 billion in 2022 with an average annual growth rate of 4.4% since 2012 (R 3.12 billion). Eastern Cape Province had a total tourism spending of R 29.9 billion in 2022 and an average annual growth rate of 6.2% over the period. Total tourism spending in South Africa increased from R 230 billion in 2012 to R 333 billion in 2022 at an average annual rate of 3.8%.

1.5.1.4 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 36. Tourism spend per resident capita - BCMM and the rest of EC, 2012,2017 and 2022 [R Thousands]

	2012	2017	2022
Buffalo City	R 3,859	R 3,980	R 5,252
Nelson Mandela Bay	R 4,480	R 4,551	R 5,325
Sarah Baartman	R 6,306	R 6,898	R 13,633
Amatole	R 1,468	R 1,647	R 3,115
Chris Hani	R 1,352	R 1,348	R 2,656
Joe Gqabi	R 1,130	R 1,151	R 2,483
O.R.Tambo	R 976	R 1,054	R 1,757
Alfred Nzo	R 961	R 1,015	R 1,734

Source: South Africa Regional eXplorer v2443

In 2022, Buffalo City Metropolitan Municipality had a tourism spend per capita of R 5,250 and an average annual growth rate of 3.13%, 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 13,600 which reflects an average annual increase of 8.01% from 2012. The metropolitan municipality that ranked lowest in terms of tourism spend per capita is Alfred Nzo with a total of R 1,730 which reflects an increase at an average annual rate of 6.08% from 2012.

1.5.1.5 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 37. Total spending as % share of GDP - Buffalo City, Eastern Cape and National Total, 2012-2022

	Buffalo City	Eastern Cape	National Total
2012	5.3%	5.7%	6.4%
2013	5.4%	5.8%	6.5%
2014	5.5%	5.9%	6.7%
2015	4.6%	4.9%	5.7%
2016	4.7%	5.1%	5.8%
2017	4.2%	4.5%	5.2%
2018	4.5%	4.9%	5.5%
2019	6.3%	7.3%	7.3%
2020	3.8%	4.7%	4.3%
2021	4.3%	5.5%	4.7%
2022	4.8%	6.0%	5.0%

Source: South Africa Regional eXplorer v2443

In Buffalo City Metropolitan Municipality, the tourism spending as a percentage of GDP in 2022 was 4.77%. Tourism spending as a percentage of GDP for 2022 was 5.97% in Eastern Cape Province, 5.02% in South Africa

6. 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.

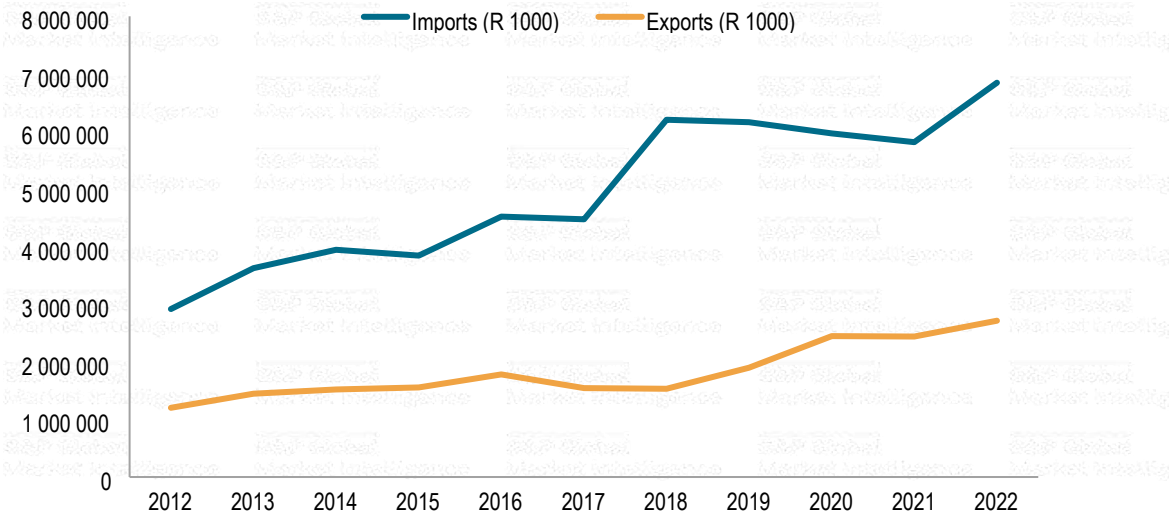
TABLE 38. Merchandise exports and imports - Buffalo City, Eastern Cape and National Total, 2022 [R 1000, current prices]

	Buffalo City	Eastern Cape	National Total
Exports (R 1000)	2,713,957	73,461,195	2,013,485,000
Imports (R 1000)	6,846,598	74,201,008	1,791,905,000
Total Trade (R 1000)	9,560,555	147,662,203	3,805,390,000
Trade Balance (R 1000)	-4,132,640	-739,813	221,580,000
Exports as % of GDP	2.7%	14.7%	30.4%
Total trade as % of GDP	9.5%	29.5%	57.4%
Regional share - Exports	0.1%	3.6%	100.0%
Regional share - Imports	0.4%	4.1%	100.0%
Regional share - Total Trade	**0.3%**	**3.9%**	**100.0%**

Source: South Africa Regional eXplorer v2443

The merchandise export from Buffalo City Metropolitan Municipality amounts to R 2.71 billion and as a percentage of total national exports constitutes about 0.13%. The exports from Buffalo City Metropolitan Municipality constitute 2.71% of total Buffalo City Metropolitan Municipality's GDP. Merchandise imports of R 6.85 billion constitute about 0.38% of the national imports. Total trade within Buffalo City is about 0.25% of total national trade. Buffalo City Metropolitan Municipality had a negative trade balance in 2022 to the value of R 4.13 billion.

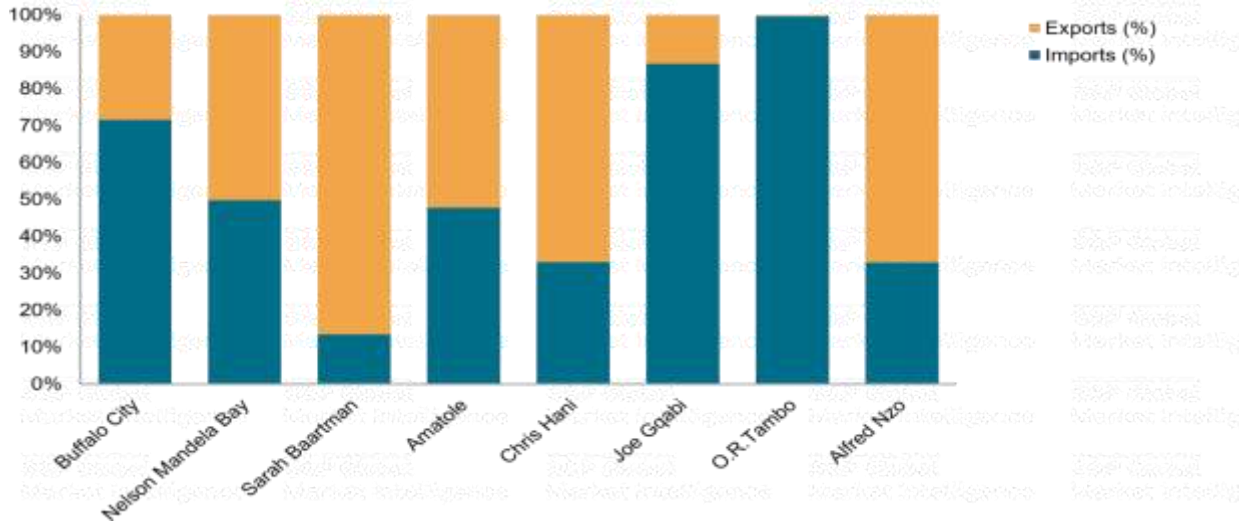
CHART 46. Import and Exports in Buffalo City Metropolitan Municipality, 2012-2022 [R 1000]



Source: South Africa Regional eXplorer v2443.

Analysing the trade movements over time, total trade increased from 2012 to 2022 at an average annual growth rate of 8.79%. Merchandise exports increased at an average annual rate of 8.48%, with the highest level of exports of R 2.71 billion experienced in 2022. Merchandise imports increased at an average annual growth rate of 8.91% between 2012 and 2022, with the lowest level of imports experienced in 2012.

CHART 47. Merchandise exports and imports - Buffalo City and the rest of Eastern Cape, 2022 [Percentage]



Source: South Africa Regional eXplorer v2443.

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 climactic factors. However, past political engineering, current tenure arrangements and population densities have impacted on the type of land cover. The Land Cover plan illustrated in the figure below indicates 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 constitutes about 7,8% of land cover.

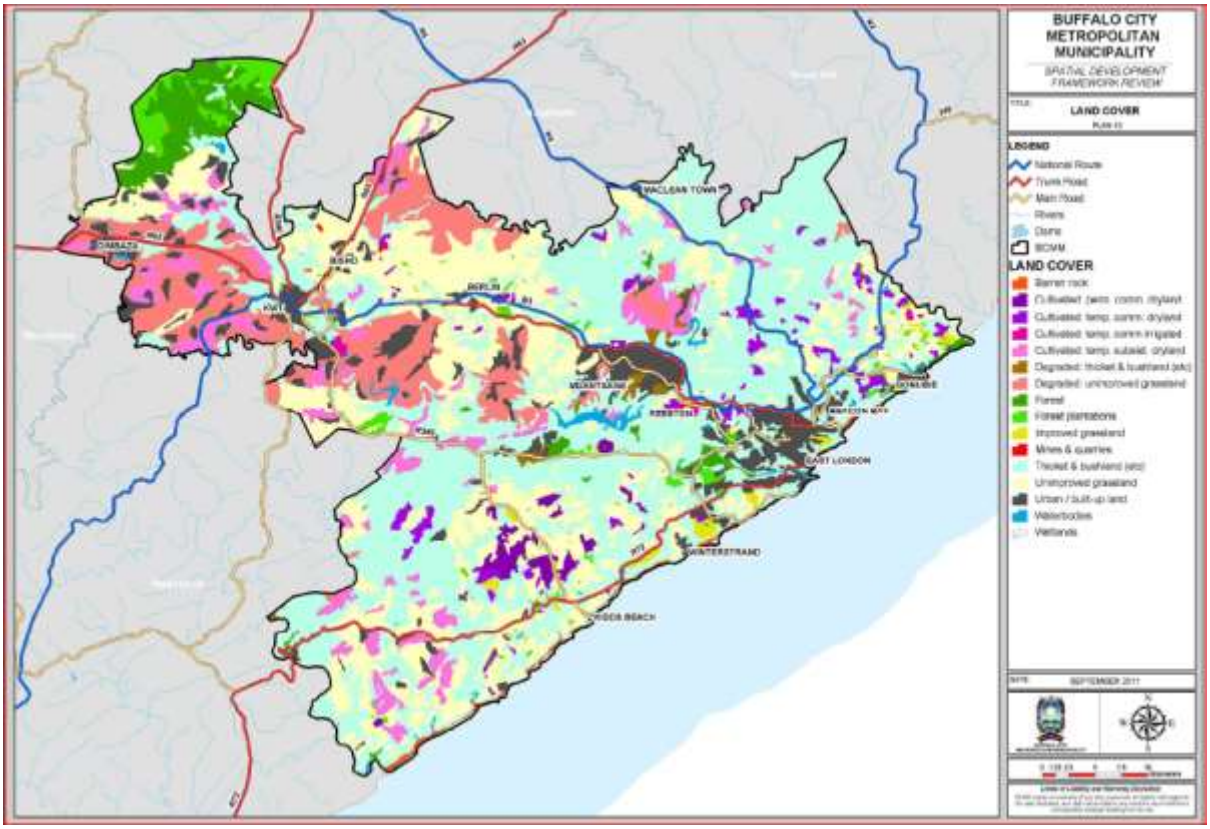


Figure 50: Plan E.1 Land cover plan showing agricultural and urban areas

BCMM has a rich floral and faunal biodiversity, primarily due to its coastal location and altitudinal variation, ranging from sea level to approximately 2 100m in the Amathola Mountains. BCMM falls 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 identifies critical biodiversity areas and provides for biodiversity land management uses (BLMC) or guidelines for permissible land uses to conserve biodiversity. The plan has been developed for the entire Eastern Cape Province and should be used as a planning tool for the whole area.

From the biodiversity plan in the following figure, it can be seen that Biodiversity Land Management Class 1 (Critical Biodiversity Area 1) - 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. Biodiversity Land Management Class 2 (Critical Biodiversity Area 2) - BLMC 2 (CBA 2) - occupies a further 29% of the land cover.

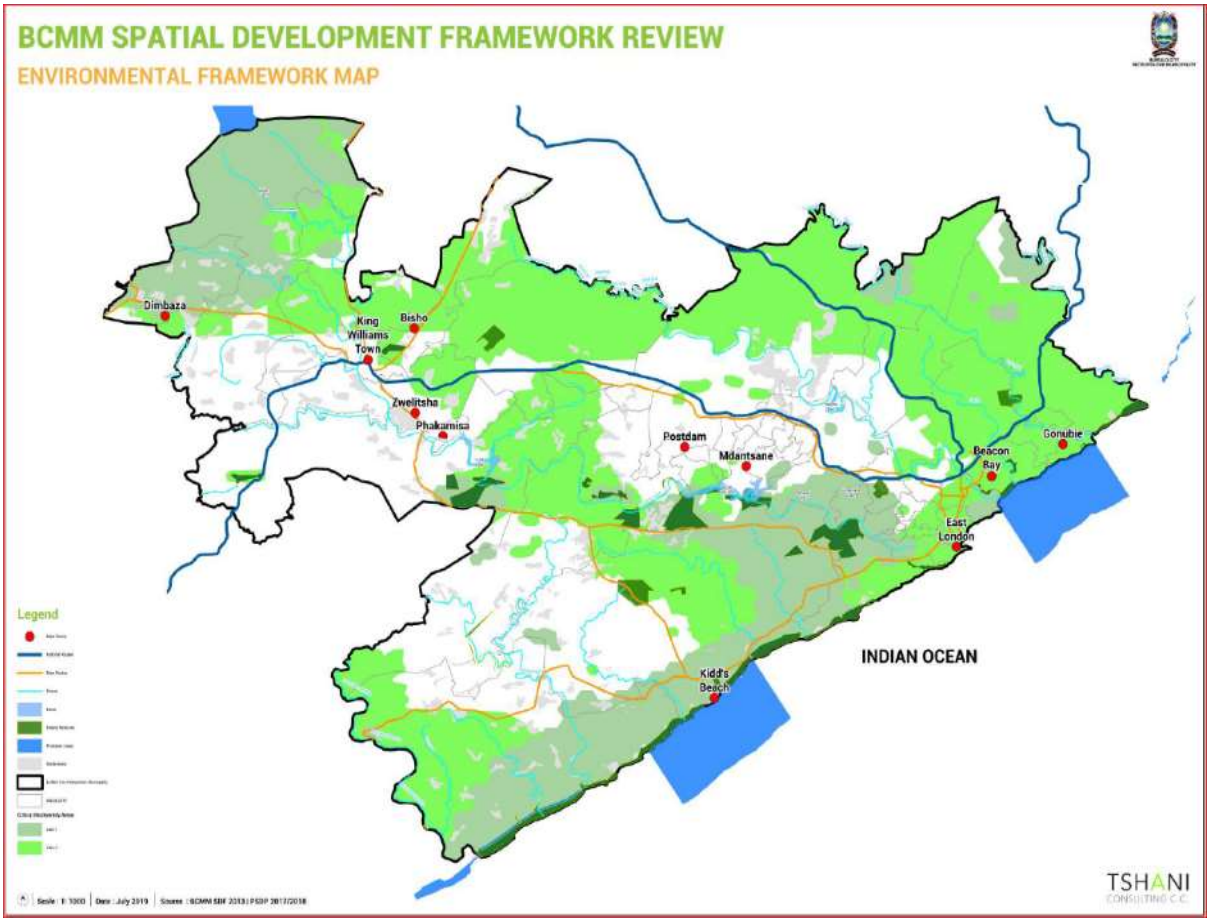


Figure 51: Plan E.2 Biodiversity and environmentally sensitive areas

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 the Figure and Table below:

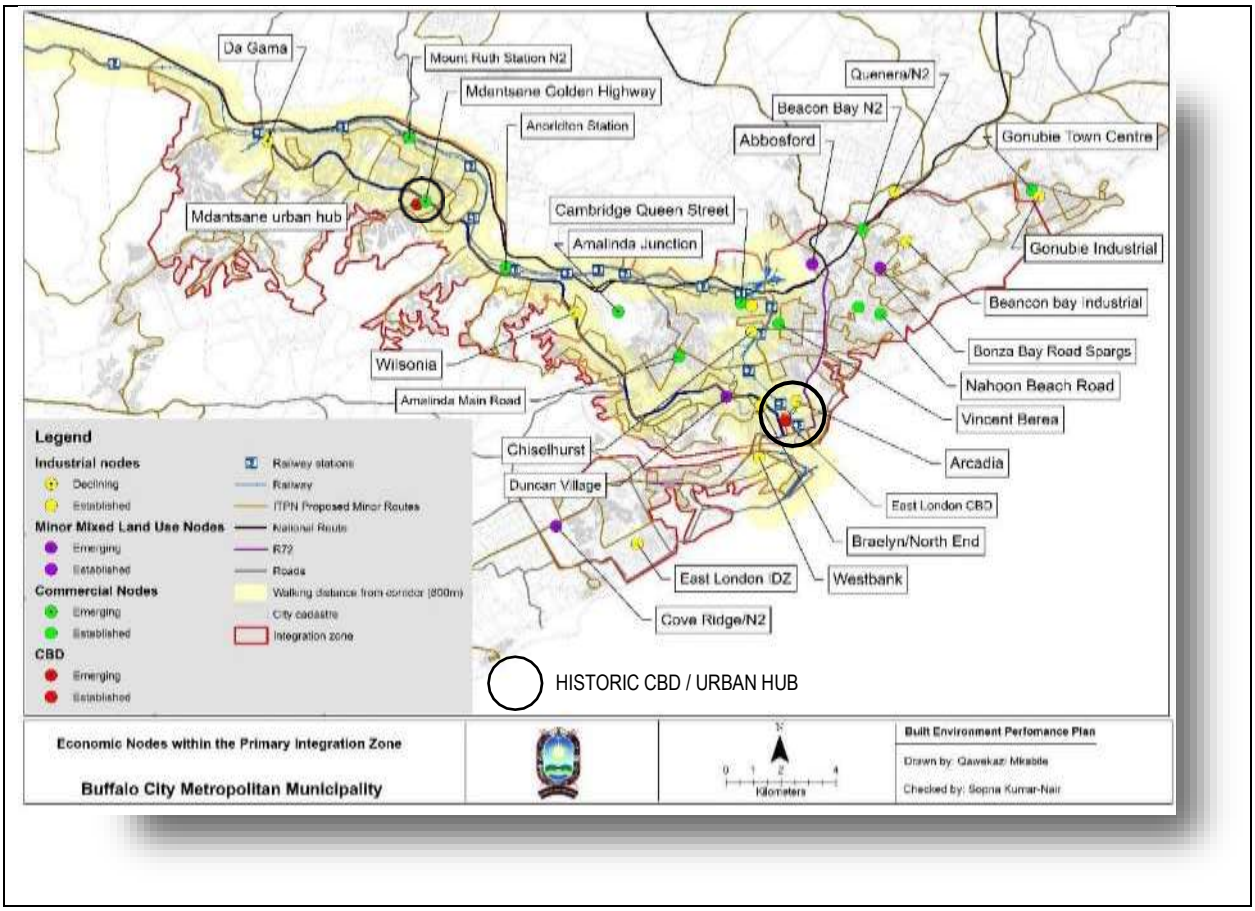


Figure 52: Plan E.3 BCMM development nodes

Table 26: Development nodes and localities

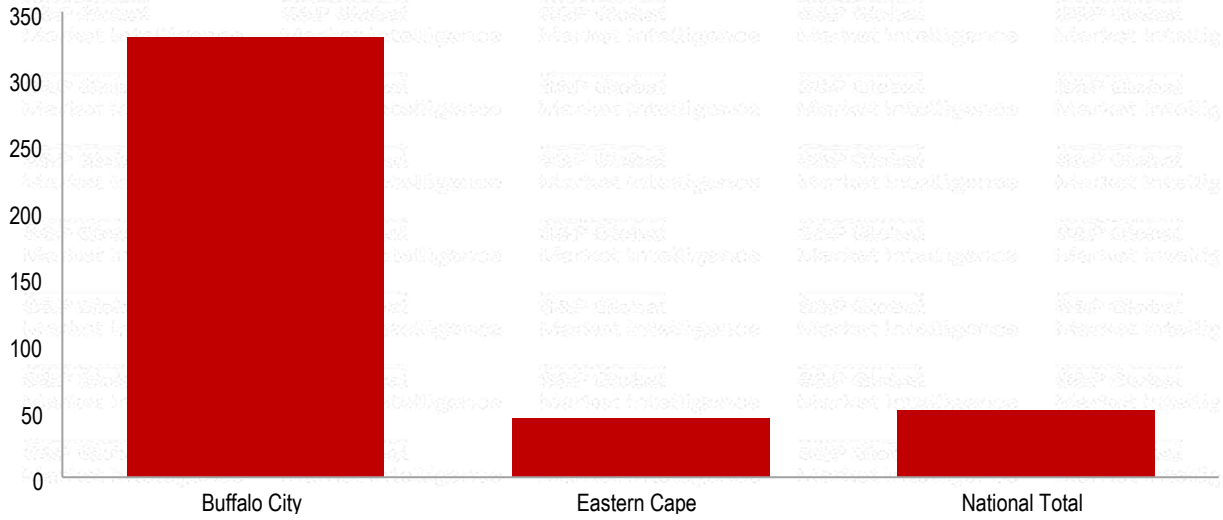
NODES	
NODE TYPE	**AREA/DESCRIPTION OF LOCALITY**
PRIMARY NODES:	
Central Business Districts (CBDs)	• East London • Qonce • Mdantsane • Dimbaza
	• Mount Ruth Station • Arnoldton Station • Amalinda Junction
LOCAL NODES	
Minor Mixed Land Use Nodes (Existing)	• Meisies Halt • Bonza Bay Road (Sparg's Centre) • Ndende (Duncan Village) • Golden Highway (Mdantsane) • Berlin town centre • Zwelitsha town centre
Minor Mixed Land Use Nodes (Potential)	• Quenera

NODES	
NODE TYPE	**AREA/DESCRIPTION OF LOCALITY**
PRIMARY NODES:	
	• Brakfontein • Chester Road • Cove Ridge • Nahoon Valley • Mdantsane Station • Mtsotso Station • Needs Camp • Zone CC (Mdantsane) • Fort Jackson Station • Ndevana • Phakamisa Junction
Administrative Node	• Bhisho
Commercial Nodes	• Vincent Park • Beacon Bay Retail Park/The Hub
Industrial Node	• East London IDZ • North end • Fort Jackson • Berlin • Qonce Zwelitsha
Coastal Nodes	• Kidd's Beach • Sunrise-on-Sea
Rural Service Centre (Existing)	• Crossways • St Luke's (Newlands) • Kidd's Beach Interchange
Rural Service Centre (Potential)	• Khwetyana Intersection (Newlands) • Kuni Village • Upper eJojweni Village (Tyolomnqa) • Drayini Village (Yellowwoods)

7.2 Spatial Density and Spatial Planning

CHART 48. **Definition**: Population density measures the concentration of people in a region. To calculate this, the population of a region is divided by the area of that region. The output is presented as the number of

people per square kilometre. **Population density - Buffalo City, Eastern Cape and National Total, 2022 [number of people per km]**



Source: South Africa Regional eXplorer v2443.

In 2022, with an average of 331 people per square kilometre, Buffalo City Metropolitan Municipality had a higher population density than Eastern Cape (44.2 people per square kilometre). Compared to South Africa (50 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 39. Population density - Buffalo City and the rest of EC, 2012-2022 [number of people per km]

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Buffalo City	293.74	297.25	300.87	304.64	308.42	312.35	316.20	320.11	324.02	327.33	330.92
Nelson Mandela Bay	609.50	619.41	629.20	638.95	648.37	657.74	666.71	675.50	684.13	691.38	698.74
Sarah Baartman	8.00	8.15	8.29	8.43	8.57	8.70	8.84	8.97	9.10	9.21	9.32
Amatole	40.92	40.80	40.75	40.77	40.84	40.99	41.18	41.41	41.68	41.89	42.19
Chris Hani	22.53	22.63	22.77	22.93	23.10	23.30	23.51	23.74	23.96	24.15	24.37
Joe Gqabi	14.00	14.12	14.25	14.40	14.55	14.72	14.88	15.05	15.22	15.35	15.50
O.R.Tambo	116.44	117.50	118.67	119.94	121.21	122.56	123.96	125.36	126.76	127.90	129.17
Alfred Nzo	76.95	77.56	78.25	79.00	79.77	80.61	81.47	82.32	83.16	83.82	84.57

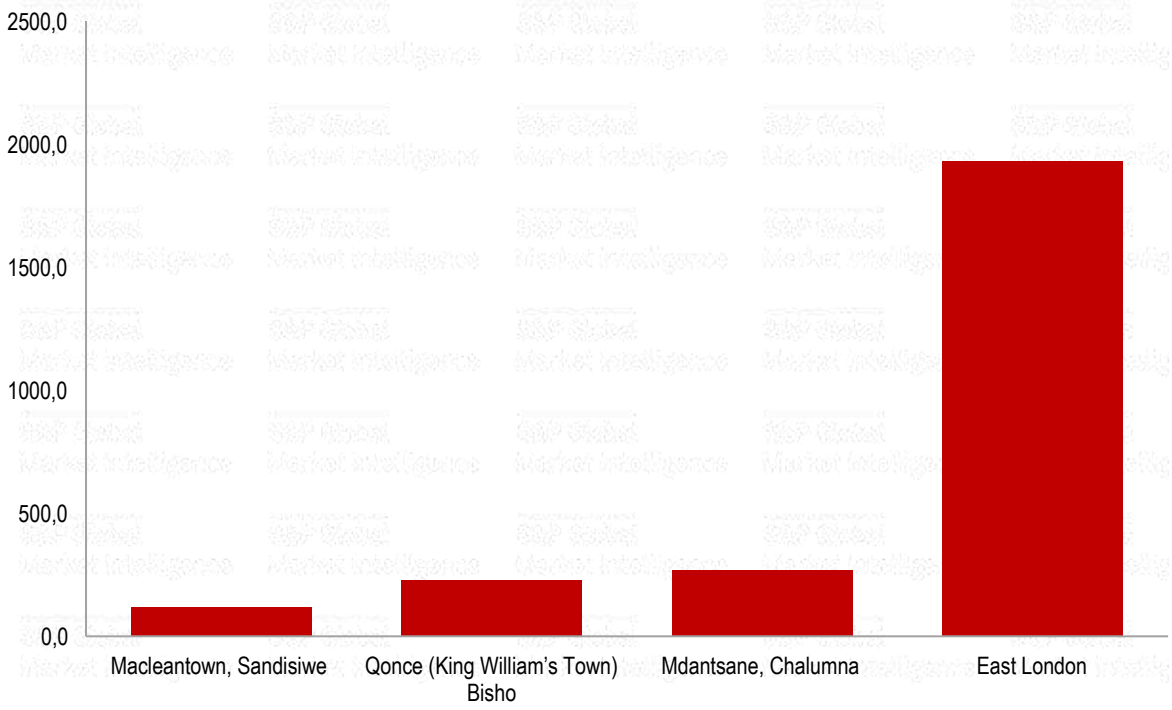
Source: IHS Markit Regional eXplorer version 2201

In 2022, Buffalo City Metropolitan Municipality had a population density of 331 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 699 per square kilometre per annum. In terms of growth, Buffalo City Metropolitan Municipality had an average annual growth in its population density of 1.20% 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 1.53% per square kilometre. In 2022, the region with the lowest population density within Eastern Cape Province was Sarah Baartman with 9.32 people per square kilometre. The region with the lowest average annual growth rate was the Amatole with an average annual growth rate of 0.31% 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 49. Population Density - sub-metro regions and the rest of Buffalo City Metropolitan Municipality, 2022 [Number of people per KM]



Source: South Africa Regional eXplorer v2443.

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 1 930 people per square kilometre. The lowest population density can be observed in the Macleantown, Sandisiwe Sub-metro Region with a total of 117 people per square kilometre.

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.

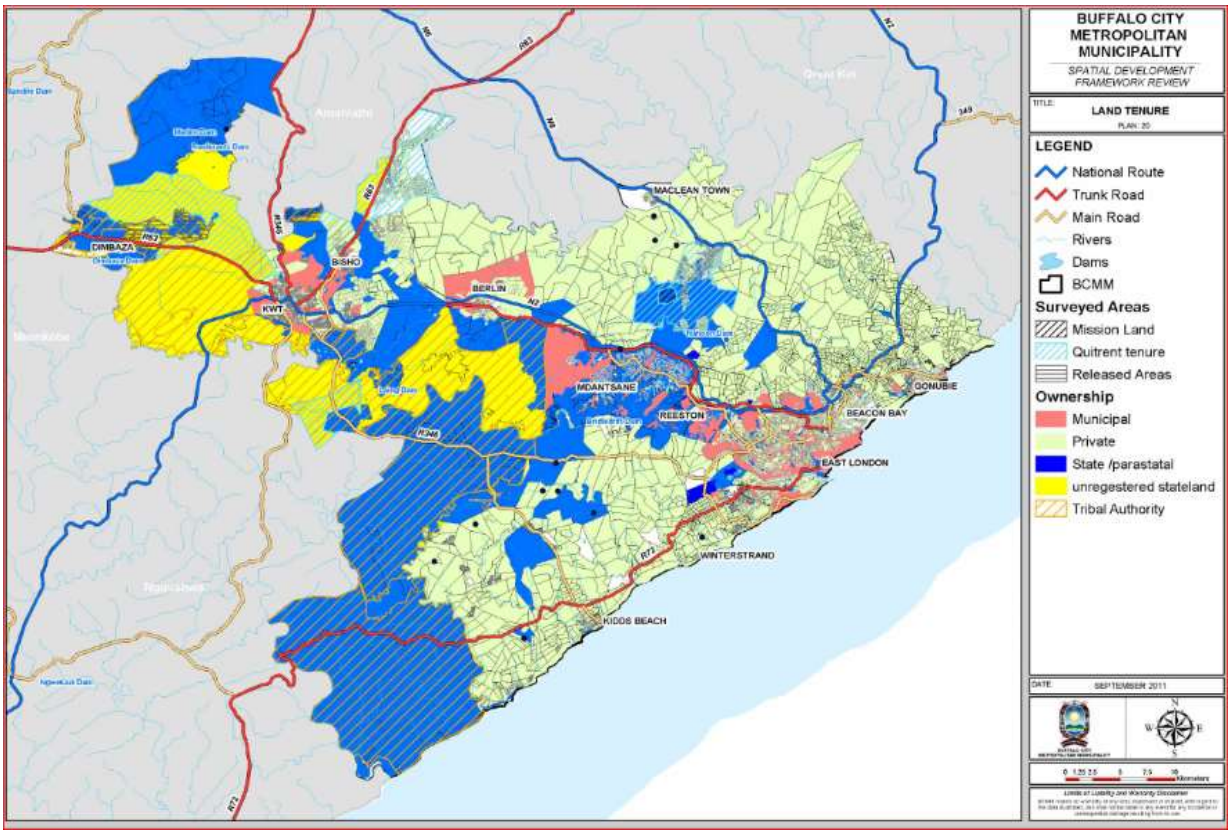


Figure 53: Plan E.4 BCMM land tenure and ownership patterns

7.3 Movement Patterns within the Region

The current lines of travel in BCMM, illustrated in the Figure below, shows a concentration along the corridor between East London and Mdantsane and in the Qonce area, where Qonce 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 BCMM functional transport area.

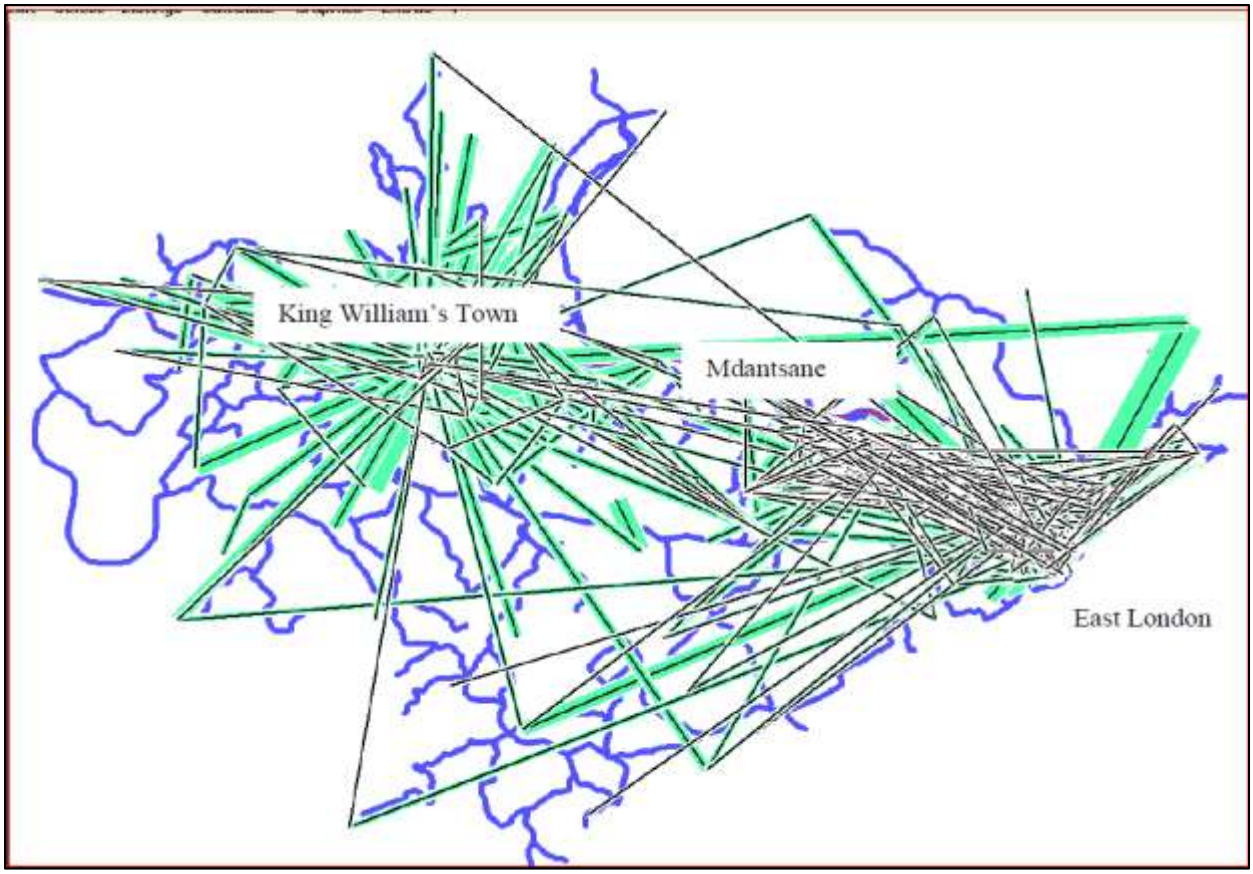


Figure 54: Plan E.6 BCMM transport movement patterns

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 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 waking in the BCMM area.

The 2013 National Household Travel Survey (NHTS) indicated 65 000 more work-related trips compared to the 2003 NHTS.

The plan below shows the major transport/mobility corridors within BCMM:

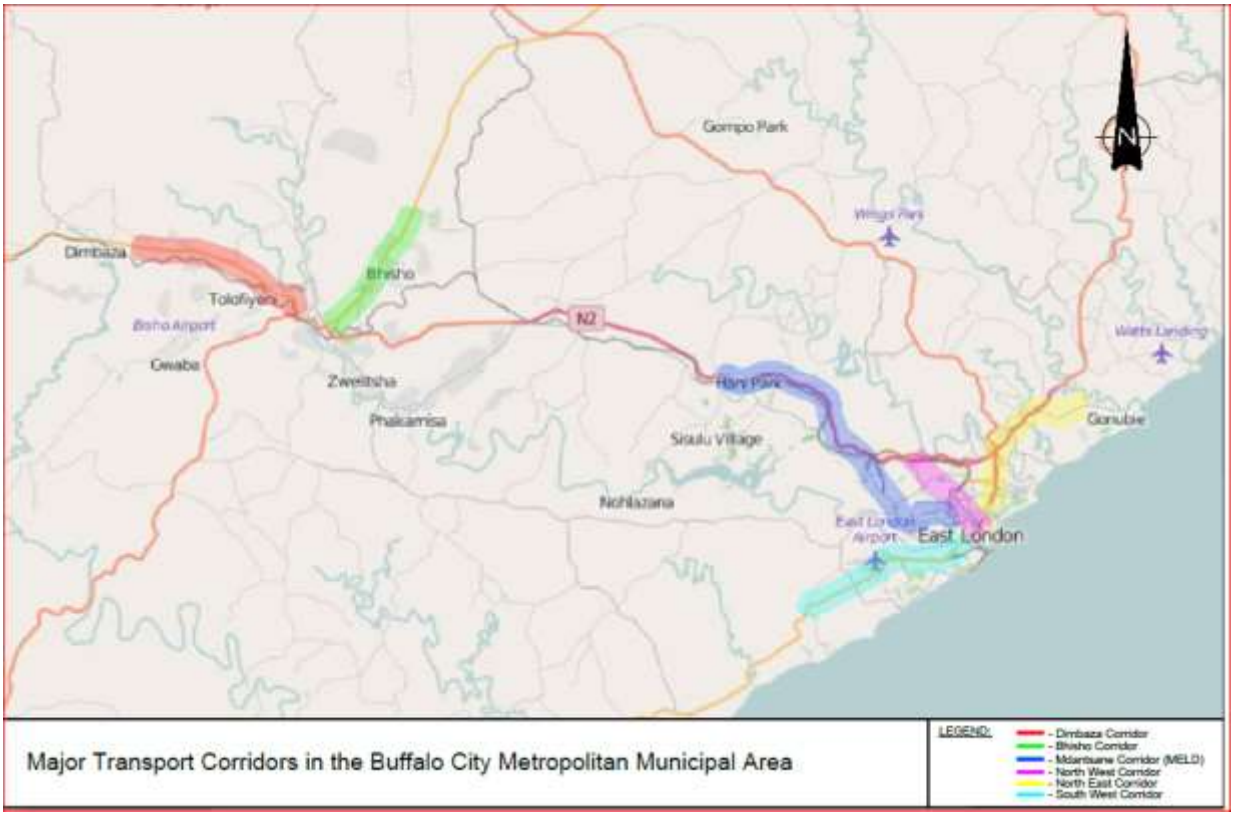


Figure 55: Plan E.7 BCMM transport corridors

7.4 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 refocused. Since the creation of BCMM in 2001, the first SDF of 2003 proposed that the focus for infrastructure development and service delivery should be on the urban core area – Mdantsane and East London – because this contained the bulk of the population. The BCMM SDF has since identified that the new West Bank should be the focus of infrastructure development because of the increase in economic activity that is being proposed in the area. As the number of informal areas has grown on the fringes of the city, this has also had implications for the prioritisation of service delivery.

8. SITUATIONAL ANALYSIS PER BCMM STRATEGIC OUTCOME AND KEY FOCUS AREA

Strategic Outcome

1

AN INNOVATIVE AND PRODUCTIVE CITY

SITUATIONAL ANALYSIS

1. STRATEGIC OBJECTIVE

To enhance the quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment.

2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcomes, Strategic Objectives and Key Focus Areas is depicted as follows:

Table 27: Alignment between Strategic Outcome One, Objectives and Key Focus Areas

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 and Training (External)
		KFA 6: Rural Development and 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 Strategic Outcome 1 were 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 a highly constrained fiscal space made worse by a series of ratings downgrades. Crime, grime, and non-enforcement of by-laws are a major investment constraint.
- Ease of setting up and operating businesses in South Africa is still a challenge for many investors and has 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 had a negative impact on the attractiveness of the BCMM location.
- Non-fiscal incentives have, since inception, been the saving grace of the East London Industrial Development Zone (ELIDZ) in the absence of a strong and effective fiscal incentives basket. This is because the non-fiscal incentives have helped to reduce the cost of setting up and doing business in the ELIDZ and have been attractive for investors.
- These incentives have included funding of investor buildings, land and building rental rates, rent holidays, reduced electricity and other utility tariffs, which have enabled the competitiveness of the ELIDZ.
- There is an opportunity for BCMM and ELIDZ to co-create location-specific incentives that could assist in counteracting some of the locational disadvantages and create a distinct advantage for investors that locate in the city.
- Recently, Buffalo 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 BCMM's service delivery challenges, inefficiencies, and lack of integration through digitising 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.
    - Improve regional economic competitiveness and firm-level productivity through innovation and enhanced capabilities in ICT infrastructure and services.
    - Promote digital access, closing the digital divide, and ensuring 4IR benefits flow to entrepreneurs and citizens in townships and other marginalised residential spaces.
- BCMM has experienced de-industrialisation and subsequently massive job-shedding over the past couple of decades. Most affected were industrial areas that were in close proximity to or located within major townships such as Mdantsane, Ilitha, Dimbaza, etc.
- The BCMM has a limited export base. Very few large exporters are capitalising on the existence of the port infrastructure or air freight. There is a need to assist SMMEs access international markets and deal with barriers, including non-tariff barriers. Local companies also have not been able to tap into or access national export incentives for various reasons. The plan is to assess their export readiness status and implement suitable interventions.
- The BCMM has limited capacity to provide all-round support to existing and potential investors. Therefore, it has entered into a partnership with the Border-Kei Chamber of Business (BKCOB) 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 the COVID-19 pandemic. Those businesses that managed to survive are struggling to operate or to make major investments in their businesses. This is prevalent in the lack of maintenance in some of their properties and facilities. Many businesses have reduced their staff complement, resulting in 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 in a reduced demand for tourism products. The cut in budget allocated for tourism, due to fiscal constraints, limits BCMM's ability 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.
- BCMM is experiencing unprecedented high levels of unemployment, particularly among the youth. The City also has universities and TVET colleges, among other institutions of further and higher education, and has a large contingent of unemployed graduates. Most of these graduates require experiential learning to improve their chances of employability, including self-employment.
- Most farmers in BCMM are operating at 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 Eastern Cape Province, which results in large cash leakages. BCMM has extensive arable and grazing lands lying fallow in rural areas, which belong either to communities or the state. This represents a considerable opportunity for horticulture and livestock farming. The challenge is lack of infrastructure, as agriculture has evolved and requires mechanisation 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 centralise and strengthen resource mobilisation and sharing.
- The existing strategy was developed in 2006. A lot has changed since then, 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, reducing the cost of doing business and addressing 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.
- 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.
- Revival and growth of the tourism industry of Buffalo City.

Table 1.2 provides an overview of the criteria applied in South Africa to determine if a business is an MSME and, if so, the category of MSME applicable to that entity. Understanding what business entities is deemed to be MSME's is important in framing the exact nature of the entities that this Strategy must be tailored to suit. Aside from the above definitions provided, there is the dichotomy that exists within the MSME space that centres on informal versus formal MSMEs.

Formal versus Informal MSMEs

Racially driven spatial and economic policy over the course of the twentieth century has resulted in a fragmented national economy. This is exhibited, in part, by the dichotomy in the structure of the MSME segment of the economy. Within this segment of the economy, it is evident that there exists both an informal sector and formal sector within the South African economy (OECD, 2020).

Defining the difference between the formal and informal sectors can be oversimplified but in the interests of acknowledging the difference can be deemed the lack, or presence, of formal registration of a business or business operation (Ligthelm, 2013). Thus, informal MSME's are those that are not formally registered businesses. Formal MSME's are those that are.

There has been some misconception over the informal MSME's particularly as regards their operation, credibility, and profitability (Ligthelm, 2013). Any such stigmas should be dismissed on the grounds of increasing evidence that informal MSMEs perform as well as their formal counterparts, indeed there are indications that they may perform better across several metrics given the fact that they are not required to adhere to the regulations or tax provisions of their formal counterparts (Bureau for Economic Research, 2016).

Research reflects that there is a higher number of informal MSMEs than there are formal MSMEs within the Eastern Cape as well as the general sectors of the economy they tend to be engaged in. This is presented below in Table 1.3.

Table 1. 3: Key MSME indicators for the Eastern Cape

Key Indicators	2020: Quarter 3
Number of MSMEs	231 011
Number of formal MSMEs	51 041
% Formal	22%
Number of informal MSMEs	160 861
% Informal	70%
Percent in Trade	39%
Percent in Construction	19%
Percent in Community Service	16%
Percent in Agriculture	7%
Percent in Finance	7%

Percent in Manufacturing	6%
Percent in Transport	5%
Percent registered for VAT	20%
Percent registered for income tax	30%

Source: (Kavese, 2021).

If the structure and relative size of the MSME sector can be assumed to have stayed the same then the structure provided below is likely to indicate the present structure across South Africa. With the recent economic fallout associated with the COVID-19 pandemic, it is not unreasonable to make the previous assumption.

Given Table 1.3, it is evident that:

a) **More informal MSMEs:** the ration of informal:formal MSMEs is above 3:1. This indicating that for every formal MSME there are close to additional informal MSMEs;
b) **Many are in Trade & Accommodation:** A significant portion of the MSMEs operate in the trade and accommodation sector; and
c) **A third or less are registered for tax purposes:** between 20% and 30% of the MSMEs are registered in the public tax system. This is problematic not only in terms of tax revenue generation but from a monitoring and evaluation as well as research perspective as well.

The structure of the national MSME sector has implications for the provincial MSME sector as well as the local MSME sector.

In light of the above the City is committed 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 MSMEs 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 MSME 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 national as well as 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 hence the City still plans to continue to roll out the Teenentrepreneurship programme in partnership with the schools.

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.

The Buffalo City Metropolitan Municipality has a number of interventions that has been injected towards supporting MSMEs as a way of growing their businesses. MSMEs 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.

The City is in the process of development an MSME Strategy that will clearly outline how the sector will be supported aligned to the Provincial MSME Strategy.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
▪ 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 Eastern Cape MSME Strategy 2022-2025	▪ 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 2023 to date	**Challenges**
▪ Roll out of infrastructure for informal traders in Wards 49, 45, and 21: Construction of hawkers' stalls for informal traders to the value of R 8 000 000. ▪ Upgrading of Sekunjalo Skills Centre in Mount Coke to capacitate youth with various skills. The centre has mixed incubation hubs for businesses in production and manufacturing	▪ 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

<table>
<tr><th colspan="2">STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY</th></tr>
<tr><td>

Development of the Car Wash by-law in All wards: Development of the Car Wash by-law to regulate the sector.
Equipment procurement support for SMME within BCM wards to the value of R500 000 was offered to the following SMMEs

Idyllic Treats Eatery
Glam Goddess Salon
Rest and Be Remembered Funeral Home
Gcawa Holdings
Ukhanyo Youth Development
TK Cabinet Works
Lathitha Trading and Projects
Akahlulwa Trading

</td><td>
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.)
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

</td></tr>
<tr><td>Current State</td><td>Action Plans</td></tr>
<tr><td>

The focus of the city is to support MSMEs to implement the full recovery plan
Debt Restructuring Facility (for SEFA-funded MSMEs), 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.

</td><td>

Training / Capacity building
Teen entrepreneur programme
Coca-Cola partnership programme
Equipment and machinery for SMMEs/ Cooperatives
Roll out of infrastructure for informal trading
Youth Work Readiness Programme
Supplier Development Programme
Women in Business Programme
Buffalo City Fashion Show
Incubation Hub / Ihub
Seminars
MSME Fund
Spaza Shop Development Programme
Access to markets

</td></tr>
<tr><td colspan="2">KFA 2: Trade and Investment Promotion</td></tr>
<tr><td colspan="2">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.</td></tr>
</table>

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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 MSMEs, 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 2023 to date	**Challenges**
▪ Revitalization of industrial parks (Dimbaza) in Ward 36: Both phase 2 of the upgrading of the roads and services and phase 3 refurbishment of electrical infrastructure is complete. Phase 4 is Wastewater Treatment Works and contractor has is on site. Currently the contractor is on site. The budget for the project is R2 500 000. ▪ BCMM Export Help desk initiative in partnership with ECDC and the programme implements exporter development programmes and has been funded with an amount of R1000 000 ▪ Trade and investment promotion programmes R500 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) ▪ 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 R500 000.	▪ 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)
Current State	**Action Plans**
▪ 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.	▪ 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

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- 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

  Huge opportunities to deepen auto supply chain (2nd and 3rd tier suppliers) – East London supplier park highly successful but needs incubator for 2nd and 3rd tier suppliers (proposal developed by ELIDZ with dti committing 50%, additional 50% funds required).

- Export Development
- Revitalisation of Industrial Areas-Dimbaza
- Investment Centre

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 2023 to date	**Challenges**
▪ Memorandum of Understanding with Universities (University of Fort Hare and Walter Sisulu university).	<u>Knowledge Management Forum and Policy:</u> ▪ BCMM does not have functional Knowledge management forum where meaningful

- IKM unit is currently the member of WSU Advisory board on Curriculum transformation.
- Member of the BCMM Interdepartmental Disaster Risk management team.
- Placement of In- service training and Learnership of students from Walter Sisulu University through the unsigned MOU (2023 -2024).
- Customer Satisfaction survey is going to be done through Stats SA through an MOU (agreed in principle) and availability of budget.
- 2023/2024 Policy Register in place including Action plan for improvement.
- SharePoint and Electronic Document Management System in place and functional Information Knowledge Management System
- Research topic lists available for Directorates to benchmark(2022/2023)
- Functional BCMM Research process and procedure in place.

engagement could take place except for an Internal Task team forum that was established in February 2020 but collapsed due to Covid 19.

- IKM policy is available but has not been adopted by Council and will be taken to Top Management for discussions and inputs.
- Lack of response and cooperation from BCMM Directorates on reviewal of policies.
- Risk of policies not reviewed annually as a norm.

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.

Tourist numbers

The tourism industry is showing signs of recovery. There has been an increase in the number of tourists that visited Buffalo City. The total number of tourists visiting Buffalo City increased from 847 000 in 2021 to 988 000. Out of the 988 000 tourists, a total of 952 000 are domestic tourists whilst 35 600 are international tourists. Most visitors to Buffalo City are visiting friends and relatives accounting for 62,8%, followed by leisure at 18,8%, business at 7,25% and other at 10,9%.

Tourism spending

The total tourism spending in Buffalo City accounts for R4,7 billion which is an increase from R4,1 billion in the previous year. The total spending as a percentage of the GDP is 4,8% which shows an increase compared to 4,1% in the previous year.

Accommodation supply

The emergence of COVID-19 in 2020 has had a devastating impact in the tourism industry leaving many businesses struggling to operate. Approximately 65 accommodation establishments closed in Buffalo City reducing the number of accommodation establishment from 320 to 255 thus reducing the number of beds from 7940 to 6985. However, post covid there has been several new tourism establishments that have opened its doors. These includes two boutique hotels, 4 bed & breakfasts, 3 restaurants. As the situation improves there are more businesses that are likely to open.

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.

Most 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 increased from 2021 (831 000) to 2022 (952 000). The tourists visiting from other countries increased from 15700 in 2021 to 35 600 in 2022. International tourists constitute 3.61% of the total number of trips, with domestic tourism representing the balance of 96.39%.

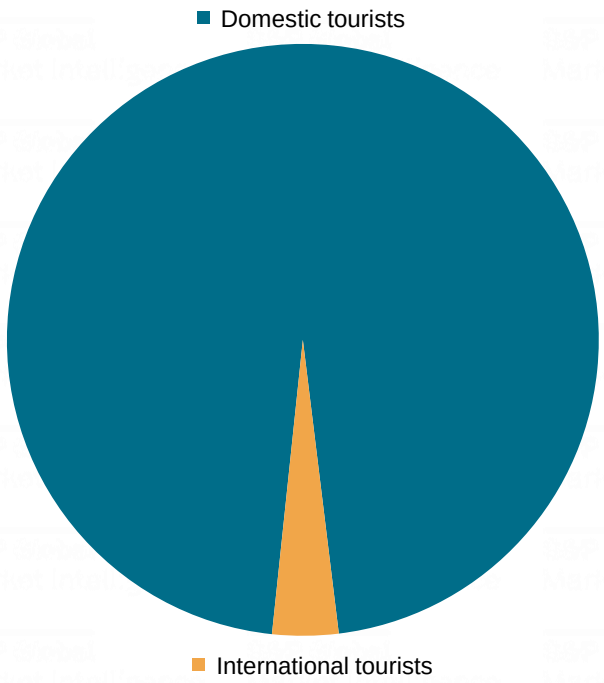


CHART 1. Tourists by origin - Buffalo City Metropolitan Municipality, 2022 [Percentage]

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024

Purpose of visit

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

- Leisure / Holiday
- Business
- Visits to friends and relatives
- Other (Medical, Religious, etc.)

In Buffalo City Metropolitan Municipality, the Business, relative to the other tourism, recorded the highest growth from 46 700 in 2021 to 2022 (71 600) . Visits to friends and relatives recorded the highest number of visits in 2022 at 621 000. Leisure trips also grew from 123 000 in 2021 to 187 000 in 2022. Other had the lowest growth from 94200 in 2021 to 109 000 in 2022.

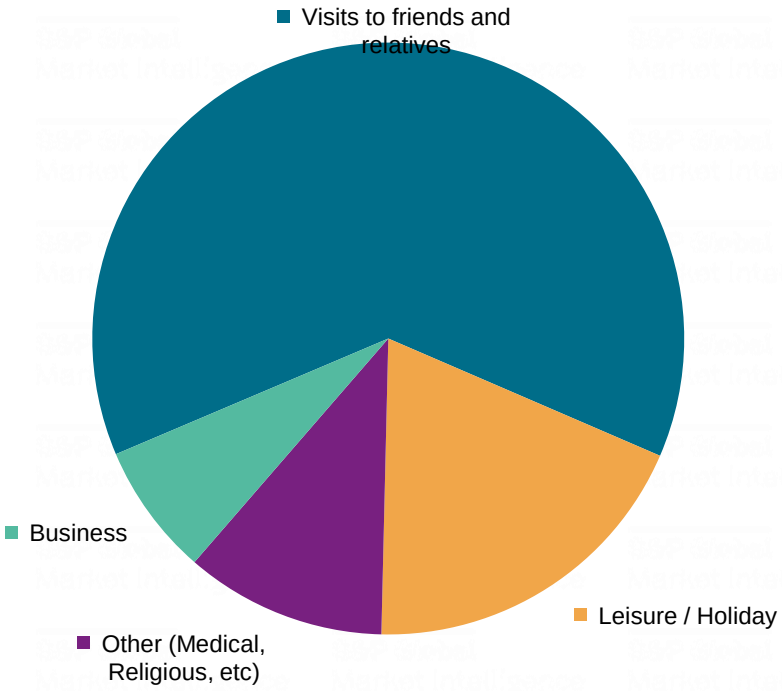


CHART 2. Trips by purpose of trip - Buffalo City Metropolitan Municipality, 2022 [Percentage]

Source: South Africa Regional eXplorer v2443.
Data compiled on 15 Jan 2024.
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The Visits to friends and relatives at 62.87% has largest share the total tourism within Buffalo City Metropolitan Municipality. Leisure / Holiday tourism had the second highest share at 18.89%, followed by Other (Medical, Religious, etc) tourism at 10.99% and the Business tourism with the smallest share of 7.25% of the total tourism within Buffalo City Metropolitan Municipality.

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 was estimated to start recovering in the last quarter of 2023 however the tourism sector indicated its strength and started recovery as early as 2022. This growth will be carried through to the coming years.

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- a number of sites have been identified for development and upgrading. These include amongst other the following: Court Crescent which has been completed and launched, Latimers landing which is currently underway for upgrading, water world which is currently underway for upgrading, Joan Harrison Swimming Pool which has been refurbished and continues to be maintained and upgraded to attract major aquatic events etc.
- 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**
▪ 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	▪ 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

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

Progress & Achievements to date	Challenges
▪ Development of the Tourism Sector Growth Strategy which was adopted by council in 2018. ▪ Increase in the number of visitors to Buffalo City from 847 000 – 988 000. ▪ Increase in the total tourism spending in the city from 4.1 billion to 4.8 billion. ▪ Achieved the City of Literature designation by UNESCO. ▪ Supported some of the tourism businesses with operational equipment. ▪ Continued to provide in-kind support to event organisers who are hosting events in the city e.g. assist with compliance issues, assist with marketing these events in the municipality's online platforms. ▪ Strengthened the relationship with the tourism industry. ▪ Developed a MICE (Meetings, Incentives, Conference and events) bidding document and standard operating procedure.	▪ Lack of funding to implement programmes that will support the growth of the tourism sector and these include tourism business support programme, destination marketing programe, tourism events sponsorship programme, tourism infrastructure programme. ▪ 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
Current State	**Action Plans**
• Tourism sector is showing signs of recovery, however more work needs to be done to promote Buffalo City as a tourism destination. • Number of events have been resuscitated and hosted in the city however this number is lower than the number of events that were hosted in the city pre-covid. • Whilst the number of international visitors has increased compared to the previous year, there is a need to revive all partnerships that were established in key source markets pre-covid to improve visitor numbers. ▪ Buffalo City has significant competitive advantage in tourism assets – beaches, unspoilt nature, and cultural heritage. This should be packaged and promoted.	▪ Implement campaigns to address seasonality. ▪ Brand exposure 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. ▪ Implement support programmes targeting tourism operators, accommodation establishments, event organisers etc.

▪ There has been a decline in service level standards provided in some of the tourism businesses. Training needs to be conducted to improve skills in the tourism sector. ▪ There have been fewer cruise liners that docked at the East London Port. ▪ There has been a significant decline in the budget allocated for tourism programmes and projects this is due the fiscus constraints. ▪ Delay in implementation or completion of high impact projects e.g. marina glen B, water world due to COVID 19 ▪ Improved look and feel of the beachfront following the completion of the court crescent development.	▪ Visibility in all tourism marketing platforms created by the tourism industry locally, provincially, nationally and internationally. ▪ Implement tourism sector specific training programmes, workshops, awareness in order to support tourism SMMEs to comply with tourism protocols and regulations. ▪ Development and promotion of tourism routes. ▪ Development of key tourism infrastructure/attractions. ▪ Hosting of major business tourism event (MICE): ▪ Market and promote Buffalo City as a cruise liner tourism destination to attract more cruise liners. ▪ Continue to identify new high impact tourism projects, package them for investment.

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	Action Plans
▪ Learning Interventions (Graduates) ▪ Artisans Training ▪ Community Works Programme ▪ 150 learners have been rolled out in partnership with BCC College in funeral service, end-user computer, generic management and occupational health and safety	▪ 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 ▪ MBSA skills development programme ▪ Facilitate placement of COGTA (CWP) learners at BCFPM Food Hub and to local farms for upskilling and improvement of local production

KFA 6: Rural Development & Agrarian Reform

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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.

The agricultural sector contributes about 2% in the economy of Buffalo City Metropolitan Municipality and it is growing at a very slow pace of about 1% after COVID-19. Jobs are lost as more commercial farmers are pulling out of the industry due to a number of reasons (crime, global warming, etc). More agro-processing industries either closing down or leaving BCMM for other cities. Major employers in BCMM are automotive and manufacturing industries.

BCMM developed an Integrated Agriculture and Rural Development Strategy as a way to address agriculture and rural development. The strategy is expected to be reviewed in 18/19 financial year. The strategy puts emphasis on integrated approach to agriculture and rural development. It seeks to promote coordination among various role players to avoid duplication. Strategies to involve youth and women in agriculture and rural development had to be formulated, highlighting the need for accredited training, working with relevant SETAs.

Buffalo City Metropolitan Municipality (BCMM) supported farmers with farming infrastructure to promote conducive agricultural environment. Fencing of two (2) vegetable gardens and construction of two (2) piggery infrastructure. Nineteen (19) 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.

Buffalo City Metropolitan Municipality (BCMM) was funded by National Treasury and initiated Public Employment Programme through Neighbourhood Development Partnership Grant (NDPG). The programme (PEP) seeks to alleviate the impact of Covid-19 on disadvantaged communities, and it is part of economic recovery plan. The Public Employment Programme (PEP) is implemented through Urban Food Systems, Call to Action and Integrated Environment Management in BCMM. The Directorate of Economic Development and Agencies is championing the implementation of Urban Food Systems, through appointed service provider, Ruliv. The intended outcome of the Public Employment Programme concept is to contribute to food security and nutrition in the Metro by focusing on food gardens, while imparting kills.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
▪ Agricultural Extension Act 87 of 1996 - the objective is to ensure that farmers adopt new farming technical innovations to improve production ▪ Livestock Improvement Act 62 of 1998 – for the genetic improvement of livestock ▪ Marketing of Agricultural Products Act 47 of 1996 – the objective is to ensure enforcement of the regulatory measures to intervene in the	▪ 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.

marketing of agricultural products, including introduction of levies on agricultural products.	Integrated Agriculture and Rural Development Strategy Increase market access opportunities for smallholder farmers (Market Farmer Outreach Programme) through the BCFPM Food Hub supply concept. This initiative will contribute towards achievement of the above BCMM Strategies respectively.
Progress & Achievements 2023 to date	**Challenges**
▪ Support youth through Public Employment Programme (PEP), while imparting skills in vegetable production (Food gardens) ▪ Hydroponics project in Ward 24: Construction of hydroponics tunnel for vegetable production to the value of R 5 000 000. ▪ Support farmers and rural communities from various wards with production inputs (seedlings, fertilizer, farming equipment, animal feed and farming chemicals) ▪ Creation of Agri-village Farmer Support Centre at Ward 33 ▪ Cropping: Support farmers with maize production inputs to the value of R 4 000 000. ▪ Piggery and poultry infrastructure in Wards 31 and 36: Support to emerging farmers with poultry and piggery infrastructure to the value of R 600 000. Fencing of vegetable gardens at Ward 23 and 40 to the value of R500 000	▪ 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) Lack of basic infrastructure (irrigation, dipping tanks, fencing of arable and grazing lands, semi-processing facilities, testing facilities, etc.
Current State	**Action Plans**

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY	
▪ 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	▪ 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
Current State	**Action Plans**
▪ 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	▪ 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

- Plans for agricultural support infrastructure - Berlin agro-park, cold storage at EL Airport, Dimbaza etc – remain at concept and require activation and project preparation support
  Huge potential for African markets (ACFTA), following success of SA retailers

KFA 7: Arts, Culture and Heritage Resource Management

The Directorate is responsible for the development, management and promotion of arts, culture and heritage. In executing this mandate, the Directorate implements a number of projects and programmes which are as follows:

- Development/upgrading of heritage infrastructure
- Commemoration of national days
- Artist support programme
- Geographical name change
- Exhumation, repatriation and reburial programme
- Hosting of Cultural Festivals

Development/upgrading of heritage infrastructure

Buffalo City has many sites of historical importance. These sites are located throughout the city. Some of the sites are developed but lack maintenance whilst others are not developed at all. It is the goal of the municipality to develop, manage and promote its rich heritage. This can only be done if the heritage sites are maintained and well conserved.

Commemoration of National Days

As a sphere of government closest to the people, it is the role of the municipality to educate and empower people on issues of importance. South Africa has a number of days which are significant.

Artist Support Programme

Buffalo City has many young people who are involved in creative arts either through being visual artists or performing artists. The majority of them are struggling because they either lack the knowledge on what opportunities are out there or they do not have access to the market. Artists support programme is aimed at providing artists with training and capacity building, create awareness about the opportunities in the industry and support artists to participate in platforms that will give them access to the market.

Through the market access programme, the Department of Tourism, Arts, Culture and Heritage assists local artists to attend platforms such as Grahamstown National Arts Festival. These platforms provide artists with an opportunity to showcase their talent.
In the last two years, there has not been many platforms created for artists to showcase their talent. There was limited support provided to the artists as there was no budget allocated for the programme.

Exhumation, Repatriation and Reburial Programme

Exhumation, Repatriation and Reburial Programme is a programme aimed at supporting families who have members who were victims of conflict and have their mortal remains buried away from their families. The programme is aimed at helping these families to find closure 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 William's Town was changed to eQonce, East London Airport was changed to King Phalo Airport and Berlin was changed to Ntabozuko. The pandemic has delayed the process of name change as it requires consultation with stakeholders.

Hosting of cultural festivals

Since 2020 Buffalo City has not been able to host any events. This is due to the fact that lockdown regulations prohibited the hosting of events. Prior COVID Buffalo City Metro partnered with various stakeholders including the Traditional Leadership, Department of Sports, Recreation, Arts and Culture, Artists, Guild Theatre hosts two annual arts and cultural festivals i.e. the Ubuntu Bethu Cultural Festival and Umtiza Arts Festival. Both these events are aimed at showcasing the rich arts, culture and heritage of Buffalo City. Furthermore, it provides a platform for our local artists to showcase their talent.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
▪ Constitution of the Republic of South Africa, 1996 ▪ White Paper on Arts, Culture and Heritage, 1996 ▪ National Heritage Council Act 11 of 1999 ▪ Municipal Finance Management Act 56 of 2003 ▪ Service Delivery Budget Implementation Plan 2020/2021. ▪ Provincial Policy on Exhumation, Repatriation and Reburial of Victims of conflicts, 2013 ▪ National Heritage Resources Act (No.25 of 1999)	▪ 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 2023 to date	**Challenges**
▪ 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: ▪ Supporting artists to participate in both national and international platforms in order to showcase their talent; and	▪ 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

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY	
▪ Hosting of skills development programmes.	▪ Formation of tourism heritage routes ▪ Non grading of heritage sites by grading institutions or entities.
Current State	**Action Plans**
▪ 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 Standard Operating Procedure for the film industry in the City. ▪ Non- availability of grant funding to support arts initiatives. ▪ Lack of a coherent Arts, Culture and Heritage Strategy for the City.	▪ 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

Council Priority 2: Safety, Security and Emergency Services

Current State

- Currently, the Emergency Services Department 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 and 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. This 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 (1996) 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 BCMM 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 risks to public safety, electricity supplies, provision of water, communications, and transportation (among others), and has a negative impact on the Metro's economy, society, and infrastructure.
- Essential infrastructure-related offences are becoming increasingly more organised and are often committed by armed and dangerous criminal groups.
- Cases of vandalism of essential infrastructure has spiked in Buffalo City, with more than 484 cases reported to the police recently. However, that does not include cases that are not reported. In the 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 in loss of assets and inventory (machinery, tools, infrastructure, fleet, cables, diesel, etc.), thus affecting operations and service delivery negatively.

Council Priority 2: Safety, Security and Emergency Services

Anticipated Outcomes

- A well-managed, efficient, effective, and proactive Emergency Services department, 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 closed circuit television system in identified crime hot spots, integrated emergency services and mainstreaming of safety matters into government programmes.
- Customer satisfaction is improved through the enabler of an effective information and knowledge management system.
- Improved safety and security of the 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: a contractor has been appointed and the project is 90% complete

Anticipated Outcomes

- Development of the NU3 Community Hall: once the contractor has been appointed, the project will commence to the next stage within the 2023/2024 Financial Year.

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

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 2023 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

Challenges

- Prevalent inconsistencies amongst BCMM sport federations make it difficult for the Metro to work together with all of them.
- Sport Development Unit is understaffed
- Prevalent inconsistencies amongst BCMM sport federations make it difficult for the Metro to work together with all of them.
- The fact that sports facilities and sports programmes are not under the same directorate poses a great operational challenge (internal fragmentation)

Current State	Action Plans
▪ 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	▪ 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 2023 to date	**Challenges**

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- 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 sports fields.
- 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 William's 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 contractor is onsite. It will be completed by end of quarter 3 of 2020/21 (service provider on-site) to the value of R 16 000 000.00
- Development of Egesini community hall in ward 7: Installation of perimeter fence and gates. In the process of structure demolition and levelling of site to the value of R 2 013 749.00
- Development of N.U 3 community hall in ward 8: Installation of perimeter fence and gates for R1 500 000.00
- Upgrade and refurbishment of N.U 10 community hall in ward 30: Roofing, doors, windows, burglar proofing, gates & suspended ceiling to the value of R 2 278 476.00. Other trades to follow once additional budget is availed
- Upgrading and refurbishment of existing halls in wards 31, 09, 34, 26, 28, 19, 05, & 23 with the cost of R 12 591 035.00: Projects completed in Airport, Breidbach, Clement Kadalie, Dimbaza, Macleantown, Mzamomhle, Parkside, Schornville, Robbie De Lange, Scenery Park, & Potsdam
- Upgrading of swimming pools (Joan Harrison, Parkside, KWT & Zwelitsha) in Wards 04, 19, 37, 41 respectively: Upgrading of males and females ablutions and changerooms at a cost of R2 854 000.00
- Upgrading of Sisa Dukashe Stadium in Ward 42: Upgrading done to meet national (PSL) standards. Various work undertaken at a cost of R7 586 829.00.
- Upgrading of the East London Zoo in Ward 47: Upgrading involved boundary wall and animal enclosures to the value of R 795 927.00
- Upgrading of the Jan Smuts Stadium in Ward 47: Upgrading was installation of floodlights to the value of R1 400 000.00.

- 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.
- 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)

- 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

Current State	Action Plans
▪ 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. ▪ The impact of vandalism and theft on these facilities is very high, and the cost of repairs is rising as a result of this.	▪ 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

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.

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

Progress & Achievements 2023 to date	**Challenges**
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 bring work readiness programmes and to deal with many social issues affecting the youth of Buffalo City. ▪ 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 William's 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	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 reasonable steps to secure its properties. Insufficient funding has been allocated in the budget.
Current State	**Action Plans**
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	Libraries ▪ Container Library Project – Greenfields Library – Completion Anticipated further projects within the Libraries are: • 2 X Container Libraries (Inland Region) • Refurbishment of Public Libraries (East London Central Library & Berlin Library)

- 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.

- Procurement of Mobile Libraries (4x Mobile Buses)

Halls

- Development of Community Halls - Nompumelelo Hall
- Development of Gesini Hall
- Development of NU3 Community Halls
- Upgrade and refurbishment of community Halls

KFA 11: Emergency and Disaster Management

Emergency Services:

The Emergency Services Department consists of the Fire & Rescue Services and Disaster Management.

Fire and Rescue Services

Functional areas of Fire and Rescue Services are:

- Suppression of fires (firefighting)
- Fire safety (including prevention)
- Fire training
- Fire Inspections
- Fire investigations
- Rescue and Recovery

Disaster Management:

Disaster Management is defined in legislation as a continuous and integrated multi-sectoral, multi-disciplinary process that plans and implements:

- Establishment of multi sectoral disaster risk management structures
- Assessment of disaster risk
- Prevention of disaster risk
- Mitigation of the severity and consequences of disasters
- Emergency preparedness
- Rapid and effective response
- Post disaster recovery and response

The Buffalo City Metropolitan Municipal Council adopted the Disaster Risk Management Policy Framework on 26 February 2014. The Policy Framework is due for review in the financial year 2023/24. Disaster Risk Management Policy Framework was approved on 25th October 2023 and is scheduled to be advertised in January 2024. 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. BCMM currently does not have a Disaster Management Plan. Additionally, the current centre is not fully functional and does not meet the requirements of the Disaster Management Act. In terms of the risk assessment, the scientific risk assessment is required and must be conducted by a qualified service provider. This will be addressed in the MTREF period.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
Fire & Rescue Services • Constitution of the Republic of South Africa, 1996 • Municipal Structures Act, 117 of 1998 • Fire Brigade Services Act 99 of 1987 • South African National Standards (Various) • National Veld and Forest Fire Act 101 of 1998 • Fire brigade Act 99 of 1987, • SANS 10090: 2003 Community Protection against Fire, • SANS Codes :10087, 10089, • SANS 10040 National Building Regulations Act 103 of 1977 • National Veld and Forest Fire Act 122 of 1998, • Explosives Act 15 of 2003 Disaster Management • Constitution of the Republic of South Africa Act, 1996 • Municipal Structures Act, 117 of 1998 • Disaster Management Act 57 of 2002 • BCMM Disaster Risk Management Policy Framework, Budget & Implementation Plan • Safety at Sports and Recreational Events Act 2 of 2010	Fire & Rescue Services There are no Sector Plans under Fire & Rescue Services, however, operations are executed in terms of the various South African National Standards Codes applicable to Fire Departments, fire detection, firefighting equipment, liquified petroleum gas, petroleum products, fire detection, dangerous goods and National Building Regulations. Disaster Management Disaster Management By-law, 2021 Disaster Management Response, Recovery and Rehabilitation Protocol

Progress & Achievements 2023 to date

Emergency Services: Fire & Rescue Services

- Procurement of Fire Engines:
  - Supply and Delivery of one Water/Foam Tanker, initiated in the 2020/21 Financial Year, to the value of R5,985,000 was delivered in October 2022.
  - Supply and Delivery of one Major Pumper Fire Engine, Fully Equipped (2021/22 Financial Year) at a cost of R 6,618,651 was delivered in October 2022.
  - Supply and Delivery of one 9000 litre Water Tanker with fitted pump for firefighting, initiated in the 2022/2023 Financial Year, to the value of R5,368,689, is anticipated to be delivered in the financial year 2023/24.
- Upgrade to Electrical Installation on one Engine Bay Doors at Fleet Street Fire Station and refurbishment of three front machine bay doors. (2022/2023 Financial Year) at a cost of R611,713,50.
- Upgrade to Electrical Installation on one Engine Bay Doors at Fleet Street Fire Station. (2022/2023 Financial Year) at a cost of R309,007,30.

- Upgrade to Electrical installation on one Engine Bay Door at Gompo Fire Station and refurbishment of three machine bay doors initiated in the 2021/2022 Financial Year, completed in the 2022/2023 Financial Year at a cost of R376,058,50.
- Complete refurbishment of Greenfields Fire Station: kitchen refurbishment, painting outside and inside the fire station, construction of new ablution facilities and plumbing, replacement of one geyser, replacement of tiles (2022/2023 Financial Year) at a cost of R717,068,00
- Complete refurbishment of Mdantsane Fire Station roof (2021/2022 Financial Year) at a cost of R565,040.
- New Fire Station Berlin for Wards 22, 25, 40, 44, 45, 49: Erf Subdivision and Flood line 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. The construction is expected in the 2023/2024 Financial Year.

Emergency Services: Disaster Management

- An amount of R7 081 950.70 (inclusive of VAT) was set aside by the Municipality for the Tactical Radio Network project. This project will benefit all wards within BCMM area. To date, three repeater sites together with backup power have been installed, together with seven base stations and 156 of the 175 mobile radios procured now installed and 107 portable radios procured and distributed to the Emergency Services departments. This project is ongoing in the 2023/24 financial year where R1 500 000 has been allocated, with completion scheduled for April 2024. Equipment for the Windyrigde repeater site has been procured and will be installed once a lease has been concluded in terms of the identified structure on which to mount the equipment.
- Distribution of emergency relief in all wards: Emergency relief packages distributed to victims of fires.
- Establishment of both the Municipal Interdepartmental Disaster Risk Management committee and the BCMM Disaster Management Advisory Forum has been achieved in the 2022/23 financial year.
- BCMM Disaster Management Centre does not meet the standard as per the Disaster Management Act therefore the municipality is in the process of acquiring an existing building that will be converted to a functioning Disaster Management Centre.

Challenges

Fire & Rescue Services

- Extensive upgrading of fire station buildings required, including ICT infrastructure.
- Additional personnel required to cover the vast BCMM jurisdiction as well as the New Fire Station in Berlin, once completed.
- Additional funding required for the maintenance of the Emergency Services System to operate effectively on capturing, record all emergency, non-emergency calls and guide the control room operators on how to handle hazardous substances during emergencies.
- Additional funding required for diesel and petrol for the day-to-day operations and standby generators during loadshedding.
- Budget allocation for the purchase of foam concentrate to control, manage, and extinguish flammable liquid fires.
- Budget allocation for the purchase of pitzorb and hydro carb fix to control and manage spillages and prevent accidents.
- Additional budget required for the protective clothing and uniform for the existing personnel and the new Berlin personnel once Berlin fire station has been completed.
- Additional budget required to purchase new Major Pumpers fully equipped and Aerial Appliances as the existing fleet is ageing.

Disaster Management

- Disaster Management is not practiced in an Integrated and Coordinated, Multisectoral, Risk focused manner in Buffalo City Metropolitan Municipality.

- There is a need to incorporate the Sendai Framework and Sustainable Development Goals into the management of disaster risk in the Buffalo City Metropolitan Municipality.
- Fires – Informal settlements, industrial and vegetation
- Severe storms and flooding affecting rural and informal settlements.
- Poverty
- Climate Change causing more severe and frequent disasters.
- Inadequate funding for disaster Management Activities
- Insufficient Disaster Management human capacity
- Disaster risk management focus is on response instead of vulnerability.
- Non -implementation of the CSIR Green Book Adapting Settlements for the Future as a tool for ensuring sustainable development.

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:

Fire and Rescue Services responded to incidents over the 2021-22 to 2023/24 financial years as listed below.

Fire Incidents:-

	2021/2022	2022/2023	July - Oct 2023
Residential dwellings	267	262	85
Vegetation/grass fires	1178	1381	650
Commercial fires	42	57	8
Informal dwellings	802	744	329
Refuse/illegal fires	158	133	101

Other incidents attended to were:-

	2021/2022	2022/2023	July - Oct 2023
Motor vehicle accidents	66	63	25
Special services, e.g. pumping water from flooded houses	35	14	9

Fire Safety:-

	2021/2022	2022/2023	July - Oct 2023
Building plans inspected	395	208	71

Trade licence applications processed	869	864	237
Fire safety and flammable installations inspected	2100	1124	748
Lectures/demonstrations to the public	153	324	13
Number of internal and external persons that received training in respect of various fire related aspects	294	551	42

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 in turn forwards the relevant information to the South African Social Security Agency, BCMM Human Settlements Directorate, Social Development, NGO's and if applicable, the Infrastructure Directorate (Roads and Stormwater Department) for attention. Other partners are also brought on board where disaster relief is required eg Gift of the Givers, Red Cross etc.

STRUCTURAL FIRE DAMAGE

During the period 1 July 2021 to 31 January 2023 Disaster Management distributed disaster relief packages to 4294 people affected by 763 fires destroyed or damaged 1396 formal and informal structures.

SEVERE FLOODING ON 13 DECEMBER 2021 & 8 JANUARY 2022

Severe flooding occurred in BCMM on the 13 December 2021 & 8 January 2022. Sadly, these incidents resulted in the loss of nine (9) lives. The Disaster Management Services & Fire & Rescue Services worked closely and continuously with the ward councillors and NGO's to assist the families and victims of the floods with shelter and food. 1380 victims were affected and the relevant departments were contacted for assistance.

SEVERE STORM 8 AUGUST 2022

- A severe storm struck the Inland and Midland regions of the Buffalo City Metropolitan Municipality on 8 August 2022 resulting in damage to houses and property and lifeline services including powerlines.
- No deaths or injuries were reported, despite extensive damage.
- Department of Social Development and South African Social Security Agency (SASSA)were contacted for humanitarian assistance.
- Provincial Disaster Management Centre
- Buffalo City Human Settlements
- 1908 damaged structures were assessed 660 were found to be severely affected and 1248 suffered minor damages.

FLOODING 15 FEBRUARY 2023

- Heavy rain caused flooding in several areas of Buffalo City Metropolitan Municipality on 15 February 2023.
- Disaster Management – Liaised with the ward councillors and coordinated with the following services and organizations:
  - ✓ Roads and Stormwater Department to deal with debris on roads and unblocking blocked stormwater drains.
  - ✓ Traffic Department Road to effect road closures
  - ✓ EMS – Transportation of Patients to Hospital
  - ✓ Fire Services, SAPS and NSRI responsible for Search and Rescue
  - ✓ Fire Services to deal with fires
  - ✓ Municipal halls for emergency accommodation
  - ✓ District Health Department – to provide Primary Health Services at the accommodation sites.
  - ✓ Department of Social Development South African Social Security Agency (SASSA) and NGO's -provision of humanitarian relief.
- A total of 34 structures were assessed 19 were seriously damaged and 15 suffered minor damages.
- The events of December 2021 and January 2022 have been classified as national disasters and this assigns the primary responsibility of the national executive to attend to the disaster in conjunction with provincial departments and municipalities.

- This emphasises the need for sector departments to plan and budget for these areas of responsibility and the need for coordinated response.

FLOODING 12-14 MAY 2023

- Heavy rain caused flooding in several areas of Buffalo City Metropolitan Municipality on 12-14 MAY 2023.
- Disaster Management – Liaised with the ward councillors and coordinated with the following services and organizations:
  - ✓ Roads and Stormwater Department to deal with debris on roads and unblocking blocked stormwater drains.
  - ✓ Traffic Department Road to effect road closures
  - ✓ EMS – Transportation of Patients to Hospital
  - ✓ Fire Services, SAPS and NSRI responsible for Search and Rescue
  - ✓ Fire Services to deal with fires
  - ✓ Municipal halls for emergency accommodation
  - ✓ District Health Department – to provide Primary Health Services at the accommodation sites.
  - ✓ Department of Social Development South African Social Security Agency (SASSA) and NGO's -provision of humanitarian relief.
- A total of 2050 structures were assessed and 201 were seriously damaged whilst 1857 suffered minor damage.

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.
- The following list of the more significant events shows a range of diversity:
- State of the Province Address
- State of the City Address
- Switching on of lights (King William's Town and East London)
- Berlin November
- Conferences

COMMUNITY BASED RISK REDUCTION

- During the 2021/2022 Financial Year no awareness campaigns had been conducted.
- During the 2022/2023 Financial Year, nineteen (19) Awareness Campaigns were conducted in schools and communities to capacitate them on how to deal with disasters.
- During the month of November 2023, the BCMM Disaster Management Centre conducted an International Day for Disaster Risk Reduction for the purpose of commemorating the Disaster Management Day.

Action Plans

Fire & Rescue Services

- Purchase of four major pumpers fully equipped.
- Construction of the Berlin Fire Station
- Refurbishment of Fleet Street, Gompo, Western Avenue, Mdantsane 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.
- 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.

- The Municipal Interdepartmental Disaster Risk Management committee and the BCMM Disaster Management Advisory Forum sit on a quarterly basis.

KFA 12: Safety and Security

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 extend over the BCMM area of jurisdiction. 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/PRDPs issuing, applications and renewals. The testing of roadworthiness of vehicles as well as the registration and licencing of vehicles.

Collaboration between Traffic Services, Law Enforcement, SAPS, the community, and other external agencies is 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.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) 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 ▪ The Protection of Personal Information Act (PoPI Act)	▪ Traffic Safety Plan ▪ Roads Master Plan ▪ Parking Meters By-Law ▪ SAPS Strategic Plan ▪ Operations ▪ Law Enforcement Traffic Control ▪ Impoundment of vehicles ▪ Memorandum of Agreement between BCMM & ECLB ▪ Execution of Directives issued by National Department of Transport ▪ SLA between BCMM & NDOT ▪ Crime Prevention Strategy

Challenges

- Finalisation rate of infringement notices
- Extension of full services to all areas within the regions of BCMM
- Road Infrastructure
- Shortage of human resources
- Shortage of logistical resources
- Integrated Planning
- Skills Development
- Parking Management System
- Lack of interdepartmental collaboration
- Unconducive buildings and facilities due to inadequate budget for repairs and maintenance
- Lack of proper CCTV & security leave the buildings vulnerable to break-ins which has resulted in theft/loss of property and damage to infrastructure.
- Lack of proper infrastructure to cater to the increased public that frequent Traffic Services for assistance.

- Services rendered by Traffic Services have been detrimentally affected as the department is currently operating on a booking system and also bookings are done electronically or online.

Progress & Achievements 2021 - 2023

Public Safety: Traffic Services

- **The re-establishment of the Alcohol Evidence Centre:** It has long been acknowledged that road safety is everyone's responsibility and that partnerships between government and private concerns are paramount to the successful implementation of national, provincial and local strategies. The formation of such partnerships is not only encouraged but universally endorsed by authorities as this practice facilitates the pooling of resources and the achievement of objectives that would otherwise not be feasible or possible. The South African Breweries approached the BCMM Traffic Services with a proposal that would hopefully result in the establishment of a road safety partnership. The proposal entailed South African Breweries employing its corporate responsibility initiatives to partner with the BCMM Traffic Services to provide much needed assistance in the reduction of motor vehicle crashes within the BCMM area for the re-establishment of the Alcohol Evidence Centre which was launched on the 2nd of December 2021.
- It is well documented that the biggest problem in South Africa 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. The then Minister of Transport Mr. Fikile Mbalula released a statement on the 18th of January 2022 where he commented that: ***"The Eastern Cape recorded the largest decline in fatalities reduction of 7.9% or 210 fatalities compared to the same period last year, when we had 228 fatalities. We want to congratulate and commend the Eastern Cape leadership for the sterling work as they marshalled their troops towards attainment of this significant reduction"*** . This proves that BCMM has acted on the calling of the Minister to curb road accident fatalities which is a great achievement for BCMM in the Eastern Cape.
- Traffic fatalities in BCMM were reduced by 3.19% at the end of the 2022/2023 financial year. Target was set at 5% reduction. The 1st quarter for the 2023/2024 recorded a number of forty (40) fatalities, which equates to a 0.83% reduction.
- **The total revenue collection** for outstanding fines for the previous financial years has increased significantly totalling to the amount of +/-R 97 567 000.39 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 Unit to assist in the increase in the collection of traffic fines revenue in the Inland Region.
- **The current collection** for outstanding fines for the 2023/2024 FY to date stands at R 3 704 295.00 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 2021 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 revolution in technological enhancements. The implementation of the Tactical Radio Network has been successfully installed and has improved response time to incidents and arrest 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 are utilised at Roadblocks for the testing of vehicles, which improves road safety as non-compliant vehicles can be impounded immediately.
- **Implementation Of a New Computerised Learner's Licence Testing System** by the National Department of transport (NDoT): The installation of the equipment makes provision for the 4th revolutionary move to more technological advancement in the field of learner's licence testing. These advancements from the manual system to the installation of randomised technological testing equipment are also a deterrent for corrupt behaviour. These Technological enhancements are transforming our processes by being

highly integrated and more optimized. They save time by speeding up the internal workflow process, thus increasing 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 William's Town and Wilsonia. The online booking system allows the public to the Natis website (to book either for Learners or Drivers licences, renewals or PRDP application). Once completed the applicant will receive a pre-booking reference number, however the applicant will need to visit the DLTC to confirm that the booking is received within 3days, failing to do so will result in the pre-booking appointment expiring and nullified. Payment for the booking will still be done at the DLTCs until such time when the online booking system is extended to allow for payments.
- **Implementation of the Mobile Alcohol Evidence Centre-** Ensuing from the original Memorandum of Understanding South African Breweries further sought to enhance its relationship in Road Safety with Buffalo City Metropolitan Municipality by procuring a Mobile AEC. The Mobile Alcohol Evidence Centre will be the first of its kind in Buffalo City Metropolitan Municipality which will further improve on road safety within the Metro. On the 31st of October 2022 the Buffalo City Metropolitan Traffic Services received one (1) Mobile Alcohol Evidence Centre which forms part of the Traffic Services and South African Breweries (PTY) LTD initiative and road safety partnership in creating safer roads in our Metro. This vehicle will become an asset of the Metro and because the fully equipped unit is not static, it can and will be utilized throughout BCMM.
- The launch of the additional Automatic Number Plate Recognition (ANPR) unit on the 24th of November 2023 for the detection of outstanding fines and traffic enforcement operations for the Mdantsane (Midland) region further improved the capabilities of the Traffic Department. This unit will join the ANPR units currently operating in the Coastal and Inland region. These units will be used not only for the awareness of paying outstanding fines, but also as an enforcement tool for various traffic violations such as vehicle roadworthiness, driver fitness, spot checks, vehicle licenses, driver licenses, etc.
- The launch of the additional fully equipped Automatic Number Plate Recognition (ANPR) vehicle on the 24th of November 2023 will also be an added deterrent and will over and above other services, be used for spot checks.
- The launch of School Road Safety Trailer on the 24 November 2023 which is fully stocked with road safety tools (little traffic lights, light traffic signs, little traffic cones, safety posters and one wheel push bikes, etc.) will be utilized during school safety campaigns.

Public Safety: Law Enforcement and Security Services:

The Primary function of Law Enforcement Services is to enforce by-laws, prevent crime and deal with traffic contraventions in the three (3) Regions of the Metro. Crime has become syndicated and sophisticated with vandalism of municipal infrastructure on the rise. In order to respond these challenges, the Metro in June 2023, launched the Community Safety Forum to ensure proper coordination of efforts and resources. The whole of society approach to fighting crime is entrenched in a functional multi-stakeholder Community Safety Forum. Currently law enforcement services do not operate on a 24/7 basis. A process to implement a 24/7 shift is underway.

Additionally, Security Services are provided by in-house Security Officers and private security providers. CCTV cameras assist with the monitoring of crime in the City through technology. There are other technological advances that the City is exploring to enhance the Tactical Response capability of law enforcement agencies to crime.

- The purchase of seven (7) 2 litre GTI specialised vehicles (3 x vehicles for Law Enforcement Services and 4 x vehicles for Traffic Department). To provide enforcement of Municipal Bylaws, provide quicker response to crime scenes and escorting duties, traffic duties, crime prevention duties as well as patrolling the outskirt areas.

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY

- Appointment of seven (7) skilled Constable officers for Wards 1-50: with the shortage of manpower to conduct operational duties, enforcement of Municipal Bylaws & Crime prevention duties. The appointment of seven (7) of additional officers was much needed as it ensured more visible policing to provide a safer and secure metro.

Current State	Action Plans
▪ BCMM Traffic Services' an organization for the control, management, and guidance, of stationary and moving traffic namely, trucks, vehicles, bicyclists, pedestrians, etc. Traffic services has offices in the following areas in BCMM viz Qonce (King William's Town), Gonubie and Mdantsane areas, with the main central office which is situated in East London (Braelyn). The services rendered to the community are meant to create an environment that will further the social and economic development of the community and enforcement or /deter unlawful behaviour in non-accident violations. ▪ 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:**	▪ Establishment and Implementation of a 24hour shift. Thus, enabling Traffic Services to operate 24/7. ▪ 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. ▪ Implementation of the Evidentiary Breath Alcohol Testing (EBAT). ▪ 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 driver's 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 a service provider for the finalisation of traffic offences increased the metros revenue collection. Currently 23/24 the revenue

2022/2023	**Statistics**
Testing of Roadworthiness	87
Testing of Learners Passes Failed	10327 3961 6365
Testing of Drivers Passes Fails	3351 1998 1291
Registered and renewal of Vehicles	38871 96172
Drivers licence card issued	10023

Traffic Law Enforcement 2022/2023

Infringements	**Statistics**
Section 56 Notices Section 341 Notices	27161 14128
Warrants of arrests executed	923
DIC arrests Other arrests	71 13
Section 54 summons	93
Section 44 vehicles	2402
Warrants operations	138
Speeding operations	115
Special roadworthy operations	44
Drunken driving campaigns	20

- During 2022/2023 the Traffic Department had 2 capital projects which was being undertaken & implemented.
- Construction of Public Ablution facilities for the Mdantsane learners centre which officially opened on the 14th of March 2022
- Traffic & Law Enforcement Equipment
- Office furniture & equipment
- In the financial year 2023/2024 the Traffic Department has 3 Capital projects which are currently being undertaken.
- Installation of backup power sources
- Traffic & Law Enforcement equipment
- Refurbishment of Traffic & Law enforcement offices
- During 2022/2023 Law Enforcement Services had 2 capital projects, which 1 of those projects was undertaken and implemented.
- Law Enforcement Vehicles
- CCTV Cameras

collected is at +/- R 3 704 295.00 million will enable Traffic Services to collect on outstanding fines as well as serve proxies held by companies within the metro.

- 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 process to consider a parking management solution for the City is underway.
- The procurement of back-up generators is at an advanced stage.
- The refurbishment of the traffic stations is underway:

STRATEGIC OUTCOME (SO1): AN INNOVATIVE AND PRODUCTIVE CITY	
• Currently 2023/24 The Law Enforcement vehicles: 7x GTI's were launched on 26/10/2023. 3x vehicles for Law Enforcement and 4 vehicles for Traffic Department. • Refurbishment of Traffic and Law enforcement Building: Extension of Law Enforcement Offices. • Informal Tender: For Supply and Delivery of Office Furniture department is waiting for the delivery. • Implementation of the Evidentiary Breath Alcohol Testing (EBAT). • Currently in 2023/24 Traffic Department has 5 Capital projects which are currently being undertaken. • Construction of Public Ablution facilities for the Mdantsane learner's centre • Procuring a cattle truck • Installation of back-up power • Traffic & Law Enforcement equipment	

Strategic Outcome

2

A GREEN CITY

SITUATIONAL ANALYSIS

1. STRATEGIC OBJECTIVE

To promote an environmentally sustainable City with optimal benefits from our natural assets.

2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcomes, Strategic Objective and Key Focus Areas is depicted as follows:

Table 28: Alignment between Strategic Outcome Two, Strategic Objective and Key Focus Areas

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
		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

- Upgrading and refurbishment of community halls: a contractor has been appointed and the project is 90% complete.
- BCMM has a climate change strategy that is currently due for review in the 2023/2024 Financial Year.
- The City has forged a partnership with the CSIR with the intention of aligning the reviewal process of the climate change strategy as embedded in the Metro review of project outcomes. The City is currently implementing climate change adaptation and mitigation programmes to counteract the effects of climate change.
- The City's Integrated Environmental Management Plan is also under review.
- BCMM is implementing an Air Quality Management Plan (AQMP) and intends to strengthen atmospheric emission compliance. The City has three air monitoring stations and is in the process of procuring a station

for the 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 and 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 (MHS) 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, which compromises the delivery of services to the communities. The refurbishment of NU 6 project has been earmarked as a project for this current financial year.
- 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 three 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 four Buy-Back Centres in the Coastal Region, and a plan is underway to establish further Buy-Back Centres in the other two regions.
- The City has developed waste minimisation, recycling, awareness and separation of waste programmes.
- 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 the 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. The solid waste fleet is inadequate and the vehicles that are available are sometimes not operational due to delayed repairs and maintenance.
- The City has established three 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 four Buy-Back Centres in the Coastal Region, and plans to do the same in the other two 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 in beach areas and Coastal Nature Reserves is ageing and is being upgraded and refurbished.
- The estuaries of the City's coastline are faced with major pollution issues due to upstream activities and non-compliance along the rivers leading to the estuaries.

Anticipated Outcomes

- Reviewed and implemented environmental management and climate change strategic planning tools.
- Carbon footprint and air pollution reduced.
- Reviewed and implemented the Coastal Management Programme.
- Refurbished beach infrastructure.
- Improved grass cutting and vegetation control operations.
- Improved biodiversity conservation, ecosystem management and nature reserve infrastructure.
- Refurbished the 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, reuse, 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 programme 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.

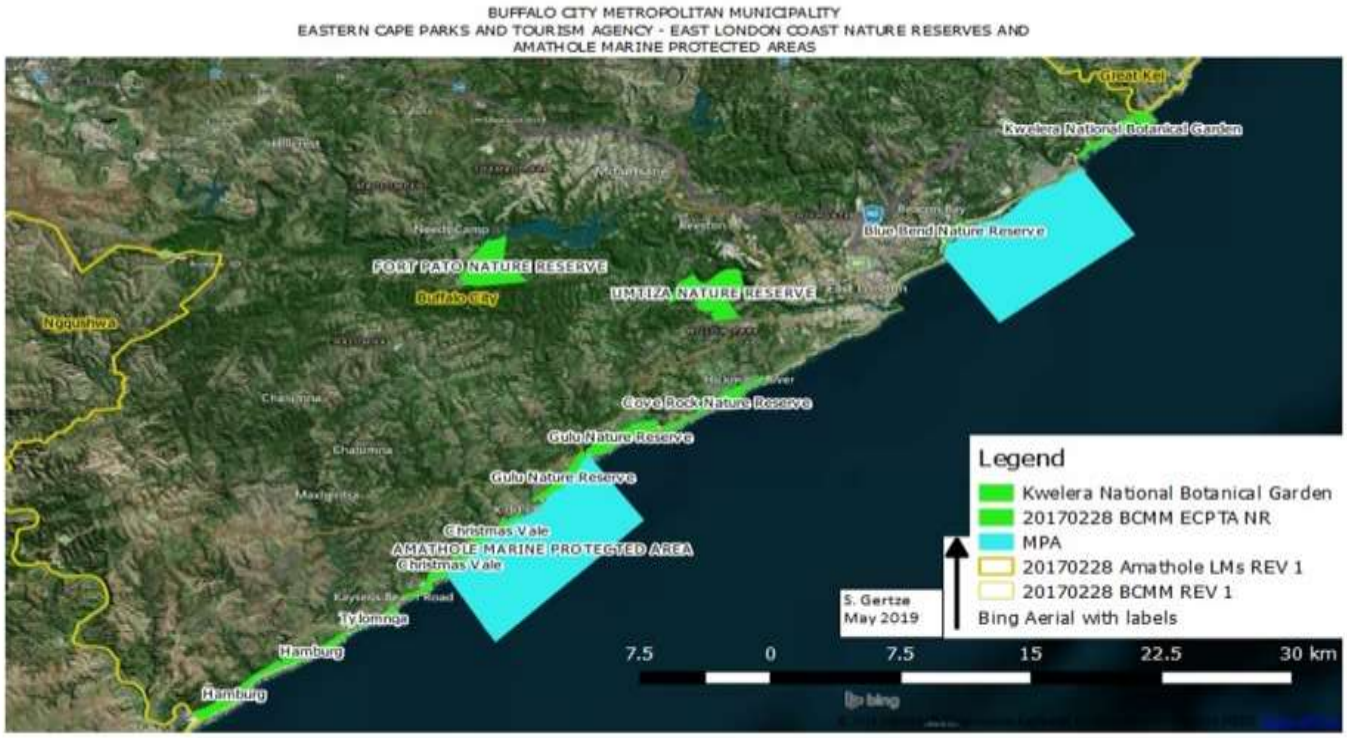
Climate Change is already having a direct impact on the ability of many South African municipalities to meet their developmental objectives. The challenge is our inability to predict with certainty the future conditions to which adaptation is needed. It is crucial to recognise that every directorate 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 & 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	Link to BCMM Strategies, Sector Plan(s) and Policies
• The National Climate Change Response (NCCR) White Paper (2011) outlines priority impact and response categories identified as part of a lengthy specialist input and consultation process that began with the National Climate Change Summit in March 2009. The White Paper outlines impacts to key sectors and systems. The possible climate change impacts on sectors and systems within BCMM are diverse.	• 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

STRATEGIC OUTCOME (SO2): A GREEN CITY

- 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 2023 to date

Implementation of the Annual Green Forum resolutions

The actions that emanate from the forum are as follows:

- Establishment of Eco clubs for schools namely Ebenezer High School, Bisho High School, Lumko High School. These identified schools are from the previously disadvantaged communities.
- Upscaling the level of awareness on climate change in communities and encourage active citizenry through community workshops at Scenery Park and Nu.1 Mdantsane
- Strengthen recycling programmes & explore waste reduction alternatives.
- The city to have a demarcated pathway for non-motorized transport system (cycling and walking)
- Develop air pollution by-laws with tariffs for enforcement (in Progress)
- Adoption of Climate Risk and Vulnerability Assessment to intensify city's endeavours towards the implementation of climate change mitigation and adaptation measures.

Environmental Education and Awareness

- Environmental education and awareness-raising activities for environmental management, biodiversity and ecosystem protection is one of the critical functions of the City. The effort to educate and change behaviour towards environmental issues, on an ongoing basis the city implemented its programme on awareness on increasing climate change effects and global environmental issues including biodiversity. Youth is the target group they are taken to school excursions and door to door campaigns are also conducted. Youth was given an opportunity to ongoing visit the Municipal owned Nature Reserves (Nahoon Estuary Nature Reserve and Nahoon Point Nature Reserve). Both reserves are designated as Environmental Education Centres. The aim of the excursion to these Nature Reserves was to raise awareness on the importance of wildlife found within BCMM as well as the importance of the different indigenous flora found within the metro
- 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)
- Nahooh Estuary Management Forum,
- Nahoon Point Monitoring Committee, etc.

- Implementation of the Buffalo River and Nahoon Estuarine Management Plans
- Refurbishment of Boardwalks at Nahoon Point Nature Reserve and Nahoon Estuary Nature Reserve
- Phase 1 Wetland rehabilitation was conducted at N.U.1 Mdantsane
- Phase 2 Wetland rehabilitation was conducted at John Dube Wetland at Scenery Park.
- Biodiversity Assessment for Nahoon Point Nature Reserve was completed, and it will be followed by the proclamation of this nature reserve to obtain a Provincial status.

Challenges

- Lack of stakeholder engagement (internal and external) poses a major threat to service delivery issues. This affects the sitting of Environment and Climate Change Committee and implementation of some of the Environmental Management programmes within the City.
- Environmental education and awareness programmes in schools were halted by Covid 19 regulations.
- Illegal structures and encroachments along BCMM coastline

Current State

- The City is directed by its Strategic Integrated Environmental Management Plan which gives guidance and determines how Buffalo City Metropolitan Municipality fulfils its responsibility with regards to the environmental management and protection of the natural environment. The environmental management and protection involve development of a sets of tools, systems and actions to influence human activities that might negatively impact on the natural environment.
- The city is located within a special biodiversity hotspot known as the Albany Thicket Biome which is commonly referred as the Valley Bushveld. It comprises of various number of endemic plant species that are rare to find elsewhere. These may include Euphorbias, aloes, cycads, and many succulents abound. This area also consists of unique animals, birds and fish like the Golden Mole, Orange Breasted Sunbird and the Giant Earthworm. Such animals and plants that are found only within the Buffalo City region makes it more special and significant.
- The city consists of a range of ecosystems which include: its 82 km of coastline, the Albany Thicket Biome, the Savannah Biome, indigenous forests, grassland, wetlands and estuaries.
- Rivers and dams: The city area consist of seven main river catchments: Kwelerha, Gqunube, Nahoon, Buffalo, Gxulu, Tylomnqa and Keiskamma. All water sources in the environment depend on biodiversity for cleanliness and general usefulness.
- Estuaries: The city consists of 22 river estuaries within its boundaries of which range from large open system to small closed systems. The Nahoon Estuary is considered to have the highest conservation significance within the municipal area. The Nahoon Estuary is the only estuary that has been afforded formal protection through the proclamation of the East London Coast Nature Reserve, which extends from the coast inland and encompasses most of the estuary. An Estuary Management Plan has been compiled for this 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 Tourisim (DEDEAT) in collaboration with Buffalo City Metropolitan Municipality is in a process of developing the Qinira Estuary Management Plan. The plan is currently undergoing council processes towards adoption by Council.

Action Plans

- Development of Management Plans for Nature Reserves
- Adoption and Implementation of Qinira Estuary Management Plan
- Implementation of Green Forum Resolutions
- Implement Environmental Education Programmes
- Coordination and mainstreaming of Climate Change Adaptation and Mitigation Programmes
- Clearance of Invasive Alien Plants
- Wetlands rehabilitation
- Implementation of Nahoon Estuary Management Plan and Buffalo River Management Plan
- Review of By-Laws to address illegal activities along the Coastline

KFA 14: Air quality

In terms of the Air Quality Act no.39 of 2004 Buffalo City Metropolitan Municipality is mandated to manage and implement Environmental Pollution and Air Quality Management activities within its area of jurisdiction.

Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) 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.	▪ BCMM Air Quality Management Plan ▪ BCMM Air Quality By-Laws ▪ BCMM Air Quality Assurance and Quality Control System

- National Dust Control Regulations No. R827 of 1 November 2013

Progress & Achievements 2023 to date

- 2016/17 - Air Monitoring station for All Wards: Upgrading of BCMM's three air quality monitoring stations. Budget - R 700 000
- 2017/18 - Air Monitoring station for All Wards: A panel of specialist service providers to supply, install and commission air quality monitoring station equipment for period of two year. Budget - R 800 000
- 2017/18 - Review of the Air Quality Management Plan (AQMP): Review Buffalo City Metropolitan Municipality Air Quality management plan. Budget - R 600 000
- 2018/19 - Air Monitoring station for All Wards: A panel of specialist service providers to supply, install and commission air quality monitoring station equipment for period of one year. Budget - R 900 000
- AQMP was reviewed in 2018/19 financial year.
- BCMM AQO was appointed & designated in 2018/19 financial year.
- 2019/20 - Air Monitoring station for All Wards: A panel of specialist service providers to supply, install and commission air quality monitoring station equipment for period of three years. Budget - R 1 200 000

Ambient air monitoring stations

- During the financial year of 2017/18 BCMM air monitoring stations started reporting live/ sending data to South African Weather Services (SAWS).
- Manage to generate 80% of data coverage from all three stations.

Atmospheric Emission Licence (AEL)

- Achieved 100% of Atmospheric Emission Licences issued for each year.
- During the financial year of 2017/18 Atmospheric Emission Licence tariffs for new applications; renewal applications; transfer applications; provisional licence applications; application fee and section 22A administrative fine in terms of Section 21 of the Air Quality Act No 39 of 2004 was approved by council.

Implementation of the Air Quality Management Plan (AQMP)

- During the financial year 2018/19 AQMP was reviewed (every five years).
- The Chief Air Quality Officer was appointed and designated as BCMM Air Quality officer by council in 2018/19 financial year.
- During the financial year of 2019/20 five official attended Air quality management course and training of National Emission Information System (NAEIS) and South African Atmospheric Emission Licence Portal (SAAELIP).
- The Senior Air Quality Officer was appointed in 2020/21 financial year.

Challenges

- More staff need to be trained as Environmental Management inspectors (EMI) to implement compliance and enforcement of environmental issues
- Development of air quality management by-laws
- Compliance and Enforcement tariff fines for non-compliance of industries

Current State	**Action Plans**

• Chapter 3 of the National Environmental Management: Air Quality Act 39 of 2004 (NEM: AQA) tasks all South African Municipalities with the development and implementation of an AQMP as part their Integrated Development Plan (IDP). Where applicable, the AQMP must:
  • Improve air quality;
  • Identify and reduce the negative impact on human health and the environment of poor air quality;
	• Implementation of the Ambient Air Quality goals as recommended and adopted by BCMM.
	• Upgrading of air quality monitoring stations equipment

- Address the effects of emissions from the use of fossil fuels in residential applications;
- Address the effects of emissions from industrial sources; and
- Address the effects of emissions from any point or non-point source of air pollution

KFA 15: Beaches *(to be included in final IDP)*

KFA 16: Parks and Open Spaces

The Parks Department is responsible for the enhancement of the natural environment through the development, maintenance and management of Community Parks and Open Spaces, Arboricultural and Horticultural activities.

Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
▪ NEMA (National Environmental Management Act) ▪ NEMBA (National Environmental Management Biodiversity Act)	▪ Municipal Open Spaces System (under review)
Progress & Achievements 2023 to date	**Challenges**
▪ 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	▪ Vandalism and theft ▪ Increased levels of illegal dumping
Current State	**Action Plans**
▪ 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.	▪ 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/tramping, Lack of buffer zones next to wetlands and Lack of buffer zones next to wetlands. To streamline and improve the management of wetlands, the city is implementing the Local Action for Biodiversity: Wetlands South Africa (LAB: Wetlands SA) programme with support from ICLEI Africa Secretariat (ICLEI AS). The LAB: Wetlands SA project aims to ensure the protection of priority natural wetland resources, thus enabling the supply of ecosystem services, and promoting resilient communities and sustainable local economies under a changing climate within South Africa local governments. Through the development of the Wetland Report, ICLEI AS will assist the Buffalo City in identifying the gaps in management and assist with devising new and better wetlands management strategies going forward.

Protected areas- The Eastern Cape Parks and Tourism Agency (ECPTA) is the management authority as per the National Environmental Management: Protected Areas Act (No 57 of 2003) of various provincial protected areas. Protected areas under the management of the ECPTA within the BCMM jurisdiction is the East London Coast Nature Reserve, the Amathole Marine Protected Area and the Kwelera National Botanical Garden. East London Coast Nature Reserve and Amathole Marine Protected Area are solely managed by the ECPTA, whereas the Kwelera National Botanical Garden is co-managed with the South African National Biodiversity Institute. Management Plans have been developed for all protected areas managed by the ECPTA within jurisdiction of BCMM.

East London Coast Nature Reserve

East London Coast Nature Reserve (ELCNR) is a name coined to refer to a series of nature reserves and state forests situated primarily on the coastline between Great Fish River and the Great Kei River. The coastal Nature Reserves/State Forests include inter alia (from north-east to south-west) Cape Morgan, Double Mouth, Cape Henderson, Cintsa West & East, Blue Bend, Cove Rock, Gulu, Kidd's Beach, Kayser's Beach, Chalumna, Kiwane and Hamburg (including Forest 224). The remaining two nature reserves (Umtiza Forest and Fort Pato) are located inland, approximately 14km and 25km north of East London on the south-western banks of the Buffalo River. The ELCNR is approximately 3 424ha in size and represents approximately 60% of the 300km coastline between these two rivers.

The ELCNR comprises of a mosaic of coastal forests, thicket, bushveld and grassland vegetation. It consists of five main vegetation types, including: Transitional Coastal Forest, Valley Thicket, Eastern Thorn Bushveld, Eastern Dune Thicket and Coastal grassland.

Several species of conservation importance are found within the boundaries of ELCNR, including Ptaeroxylon obliquum, Buxus macowanii, Umtiza listerana, Encephalartos altensteinii and E. villosus. Agricultural practices, rural and urban development have virtually established the two inland reserves as islands of original Mesic Kaffrarian Thicket and its associated fauna, which includes several endangered species.

While the majority of the large mammals have become locally extinct over the last century many animals still occur in ELCNR – including the Samango Monkey at Umtiza. Rare fauna found in the ELCNR as a whole include the Leopard, Blue Duiker, Giant Golden Mole, and Tree Dassies. Cape Parrots used to be observed at Umtiza but have not been seen for many years. Other species of interest include Crowned Eagles, Knysna Lourie and Narina Trogon. The African Black Oystercatcher also occurs along the coast and is regarded as the second most threatened bird on the South African Coast.

Kwelera National Botanical Garden

Situated about 18km northeast of East London within the municipal boundaries of Buffalo City Metropolitan Municipality between the Gonubie and Kwelera Rivers, the Kwelera National Botanical Garden (KwNBG) is the first National Botanical Garden to be established in the Eastern Cape.

The declaration of the KwNBG in 2014 marked a significant step towards delivering on the National Department of Environmental Affairs Outcome 10 commitments. The Kwelera Nature Reserve (KNR), which is already declared and managed by the Eastern Cape Parks and Tourism Agency (ECPTA) as a Protected Area, is the anchor site for the KWNBG. The South African National Biodiversity Institute (SANBI) only added about 10ha of landscape garden to the anchor site. Under the signed Memorandum of Agreement, the Nature Reserve will remain under ECPTA but be co-managed with SANBI as the natural portion of the new Kwelera National Botanical Garden. The KWNBG is an important biodiversity corridor in the region and comprises 160ha of pristine coastal dune forest, marine frontage and coastal grasslands. Currently, the KwNBG is not fully operational. An Environmental Impact Assessment process is currently in process for proposed infrastructure developments within the KwNBG.

Amathole Marine Protected Area

The Amathole Marine Protected Area (MPA) lies in the Eastern Cape Province between the Kei Mouth, Gonubie and the Gxulu Rivers at East London and extends three nautical miles to the sea (Refer to map). The Amathole MPA located within the jurisdiction of three municipalities, namely Buffalo City Municipality, Great Kei Municipality under Amathole District Municipality.

Two Sections of the three sections of the Amathole MPA fall within the jurisdiction of BCMM. The area of the two sections within the BCMM is as follows:

- The Gonubie area encompasses the sea area (excluding any estuary) between the high-water mark and a distance of three nautical miles seaward, and between, as southern-western boundary, a line drawn 145° from Nahoon Point (32° 59' .778 S; 027° 57' .096 E), and, as north-eastern boundary, a line drawn 145° from Gonubie Point (32° 56' .485 S; 028° 02' .120 E). The south-eastern offshore boundary is a straight line running 045° , which joins the southern corner (33° 02' .213 S, 027° 59' .119 E) and the eastern corner (32° 58' .955 S; 028° 04' .125 E) of the area.
- The Gxulu area encompasses the sea area (excluding the estuary) between the high-water mark, and a distance of three nautical miles seaward, and between, as southern-western boundary, a line drawn 149° from Christmas Rock (33° 11' .560 S; 027° 38' .626 E), and, as north-eastern boundary, a line drawn 144° from the Gxulu River Mouth (33° 07' .145 S; 027° 43' .893 E). The south-eastern offshore boundary is a straight line running 045° , which joins the southern corner (33° 14' .018 S; 027° 40' .422 E) and the eastern corner (33° 09' .513 S; 027° 45' .913 E) of the area.

Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
• The National Climate Change Response (NCCR) White Paper (2011) outlines priority impact and response categories identified as part of a lengthy specialist input and consultation process that began with the National Climate Change Summit in March 2009. The White Paper outlines impacts to key	• BCMM Integrated Environmental Management Plan (IEMP),2004 amended 2015 (Adoption Date) • BCMM Integrated Coastal Zone Management Plan (ICZMP), 2004 amended 2015(Adoption Date)

sectors and systems. The possible climate change impacts on sectors and systems within BCMM are diverse. • The National Environmental Act 1998 as amended • Draft climate change bill, 2018 • Sustainable Development Goals • National Development Plan	• BCMM 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
▪ 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 m^2 of vegetation control (bush clearing and noxious weed eradication) was done across the 3 regions of BCMM during the last financial.	▪ 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
▪ National Health Act (NHA), 2003 (Act 61 of 2003) ▪ National Environmental Management Act (NEMA),1998(107 of 1998)	▪ Municipal Health Services Plan ▪ Municipal Health By-laws. ▪ Environmental legislation. ▪ Environmental Management By-laws.

Progress & Achievements 2023 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.

STRATEGIC OUTCOME (SO2): A GREEN CITY

- Health and Hygiene awareness campaigns in All 50 BCMM Wards: 10 Health & Hygiene Education & Awareness Campaigns/ Events were arranged and held at venues across the Region. Budget – R 853 509
- Food Safety Equipment (3 x cold storage facilities and 3 x ATP meters for All 50 BCMM Wards: The equipment was procured to bolster MHS capacity's facilities to render efficient food control services to the region. ATP metres are portable instruments used to detect bacteria on surfaces within few minutes and without detailed Lab analysis at a cost of R 329 296,00.

Current State	Action Plans
▪ 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.	▪ 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 wate 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 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

<u>Street Cleaning</u>

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

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.

STRATEGIC OUTCOME (SO2): A GREEN CITY

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.

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

STRATEGIC OUTCOME (SO2): A GREEN CITY

- 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 2023 to date	Challenges
▪ 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 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.	▪ 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.
Current State	**Action Plans**
▪ 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.	▪ Implement Waste diversion from disposal towards waste beneficiation and waste economy. ▪ To Develop Waste to energy projects. ▪ Implement Separation of waste at source programmes.

STRATEGIC OUTCOME (SO2): A GREEN CITY

- 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.
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- 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.
- 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

A CONNECTED CITY

SITUATIONAL ANALYSIS

1. STRATEGIC OBJECTIVE

To maintain a word class logistics network.

2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcome, Strategic Objective and Key Focus Areas is depicted as follows:

Table 29: Alignment between Strategic Outcome Three, Strategic Objective and Key Focus Areas

Strategic Outcomes	Strategic Objectives	Key Focus Areas
STRATEGIC OUTCOME 3 (SO3): A connected City	To maintain a world class logistics network	KFA 20: Roads and Storm water Infrastructure
		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 a significant backlog in roads maintenance work.
- IPTN grant withdrawn.
- East London port will receive R4,3 billion from the Transnet National Port Authority (TNPA) over the 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, and prioritise, support, and mobilise 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

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.
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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.

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**
▪ 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

Progress & Achievements 2023 to date	**Challenges**
• Upgrading of Mdantsane gravel roads to surfaced standards - cluster 1 – phase 3 in Wards 11, 12,14,17, 42: Upgrading of a 23,4 km gravel road to surfaced standard with associated stormwater. ▪ Start date: 28 June 2016 ▪ End Date: 31 July 2020 ▪ Cost: R 136 667 544.53 • Upgrading of Mdantsane gravel roads to surfaced standards - cluster 2 – Phase 3 in Wards 11, 20,30,48: Upgrading of a 20 km gravel road to surfaced standard with associated stormwater. ▪ Start date: 15 July 2016 ▪ End Date: 05 July 2018 ▪ Cost: R 128 745 195.48 • Upgrading of Mdantsane gravel roads to surfaced standards - cluster 3 – phase 3 in Wards 21,22,23: Upgrading of a 15 km gravel road to surfaced standard with associated stormwater ▪ Start date: 11 June 2018 ▪ End Date: 01 June 2020 ▪ Cost: R 96 020 846.17 • Reconstruction and Rehabilitation of Fleet Street – link to R72 and NE Expressway in Ward 47: To reconstruct and rehabilitate the road layer works and surfacing of Fleet Street 1,5 km. ▪ Start Date: 25 July 2016 ▪ End Date: 01 December 2017 ▪ Cost: R 134 348 213,92 • Upgrading of Gonubie Main Road in Wards 27,28: Upgrading of Gonubie Main Road CRCP (Continuously Reinforced Concrete	ROADS PROBLEM STATEMENT Generally, it is acceptable to have a backlog of between 5% to 10% of the roads network in a Poor to Very Poor condition at any given time. Based on the assessments done by the department, the current proportion of roads in the Poor to Very Poor condition grade is ± 45% of the Surfaced roads and ± 35% of the Gravel roads network. At the current levels of Capital funding allocation, it is impossible to address all the backlogs and have a significant improvement in the overall condition of the network. STORM WATER PROBLEM STATEMENT There is more than 610km of storm water pipes and culverts within the Metro, many of which are very old, and corroded and in need of replacement. There is a significant backlog in the maintenance and upgrade of the existing stormwater drainage systems in the city with 21% of the infrastructure in a Poor condition. There is an urgent need to make additional funding available to replace/rehabilitate and upgrade the stormwater network. The need for improved stormwater drainage systems is increasingly important due to changing climatic conditions due to Global Warming (Severe Drought and Severe Flooding).

Pavement) 4 km long dual carriageway, along with intersections, cycle path and stormwater drainage.
  - Start Date: April 2013
  - End Date: October 2016
  - Cost: R 150 581 826.72
- Beacon Bay and Gonubie Link Road, Phase 2 in Ward 27: Construction of 650 m of dual carriageway road and a major concrete culvert along with sidewalks, electrical reticulation and stormwater drainage.
  - Start Date: 11 July 2017
  - End Date: 19 March 2019
  - Cost: R81 545 300.03
- 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

- **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 Stomwater unit is responsible for the rehabilitation, maintenance and upgrade of all existing BCMM owned Stormwater drainage and Bridges within the BCMM area. The existing infrastructure consists of ±70Bridge Structures, ±21 000 manholes, kerb inlets, headwalls and ±610 km of pipe.

Action Plans

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

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

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 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	**Progress & Achievements 2023 to date**
• 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	• Fibre roll-out for All Wards: East London to Qonce (previously known as KWT) ▪ East London to King William's 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	**Action Plans**
• COVID-19 has accelerated digital transition and revealed our shortcomings	• 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)

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

	• Strong potential growth in global business services sector (Global Business Services), with a number of investors secured - Key aim is to unlock digital access and inclusion (link to public employment programmes) – Partnership with BCMDA, CSIR, Think Wi-Fi • Digital and High-end skilling (Digital Skills Hub with Harambee, ELIDZ Science Park and MBSA's Learning Academy) • Master Data Management

• KFA 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.

There is an **Integrated Transport Planning Co-ordinated Committee (ITPCC)** that is chaired by the EC DOT. The members of the ITPCC are the following:

i. Buffalo City Metro Municipality (BCMM) – ITP and IPTN/PTS BCMM
ii. Nelson Mandela Bay Metro Municipality (NMBMM) – ITP and IPTN NMBMM
iii. PRASA
iv. TRANSNET
v. National Roads projects SANRAL
vi. 6.Alfred Nzo DM (ANDM) ANDM
vii. Amathole DM (ADM) ADM
viii. Chris Hani DM (CHDM) CHDM
ix. Joe Gqabi DM (JGDM) JGDM
x. OR Tambo DM (ORTDM) ORTDM
xi. 11.Sarah Baartman DM (SBDM) SBDM

The meetings are held on a quarterly basis and each organisation gives a progress report on Transport Planning and Operation activities. New developments on Transport related matters related to policy/legislation are presented by the relevant authorities as and when required. Key issues are elevated to the provincial structure of the Head of Departments and the MECs.

• **Alignment with the National and Provincial Plans and Policies**	**Link to BCMM Strategies, Sector Plan(s) and Policies**

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

- 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.
-

- Comprehensive Integrated Transport Plan – deals with an overall perspective of the BCMM transport planning documents.
- Non-Motorised Transport Plan – deals with plan on the implementation of priority projects in terms of non-motorised transport (sidewalks, bicycle lanes, traffic safety plans).
- Traffic Safety Plan – reduce the number of severity of collisions & casualties within its area of operations.
- Transport Register – must provide a description of all the scheduled and unscheduled services operating in, to or from the Buffalo City area and all public transport facilities and infrastructure in the Buffalo City area. The Transport Register is to include a register of all changes to operating licenses and permits in the Buffalo City area and new ones issued.
- Freight Plan – to survey the current freight movement and the modes by which such freight is being transported, and which has defined certain strategic freight corridors.
- Arterial Road Network Development Plan – Transport Planning is a dynamic process, as forecasting future needs is dependent upon current priorities, planning and development. This plan is used to assist in the formulation of an implementation programme for the next five years, and as a guide for planning in years beyond.
- Public Transport Plan – this plan assists the City in planning for public transport services and their various systems.

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.

Progress & Achievements 2023 to date

- Construction of Pedestrian Bridges Programme (R 12.909 million)
  - 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:

Challenges

- 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

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

these areas, however, have not historically favoured the sustainability of most modes of mass-based public transport.

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 densify Reeston and Amalinda, Mdantsane Access Rd, and N2-R72 Bypass), as well as bulk sewerage and bulk energy infrastructure required for projected economic and population growth.

STRATEGIC OUTCOME (SO3): A CONNECTED CITY

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 to date in this financial year 160 household received electricity for the first time, improving their living standard. The continued electrification of RDP houses to prioritized to ensure that the backlog of around 2% is maintained or reduced.

Electrification of Informal Dwellings

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

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.

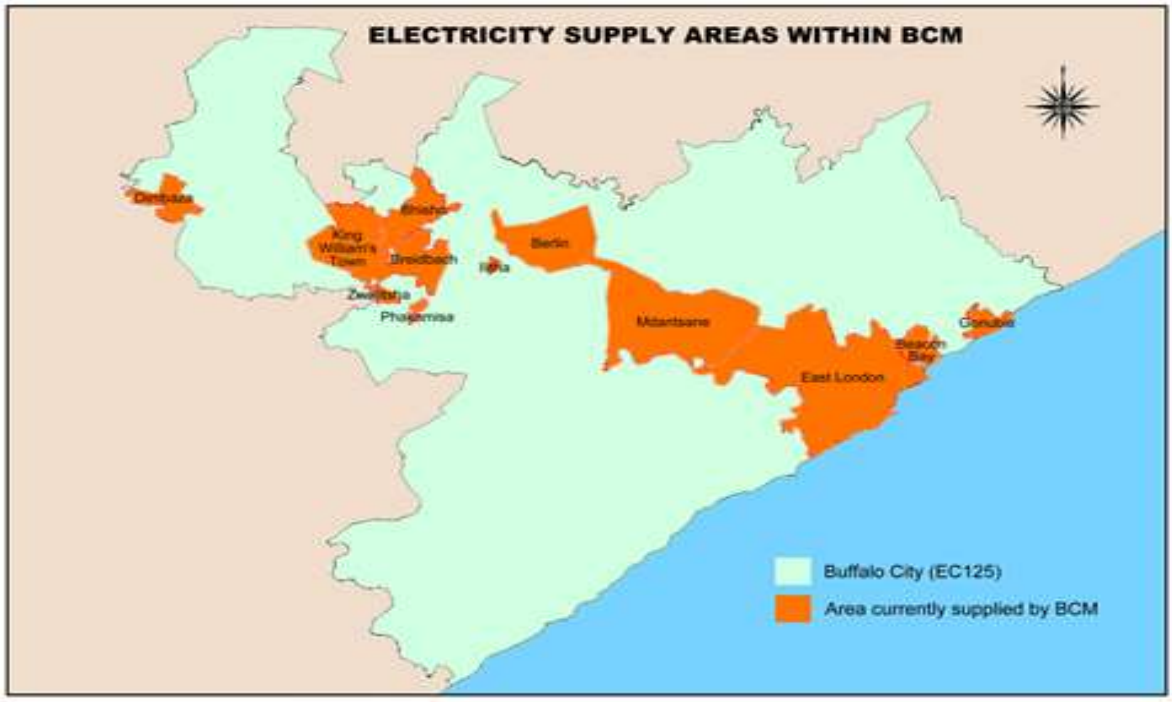


Figure 56: Electrical Supply Areas within BCM

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.
- Hydropower: Investigation will be conducted through the Energy Audit as to the potential for Hydro power within BCMM river systems
- Wind energy: Currently ongoing 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 project needs to proceed to National Treasury and National Department of Energy for approval.

To meet its mandate in terms of its issued licences, the department has three distinct business unit, with the mandate to ensure that the electrical network is well maintained and provides an acceptable electrical service to all paying consumers.

- Development, Contracts and Asset Management,
- Operation and Maintenance
- Customer and Revenue Protection Services 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
  - Responding to customer queries and complaints
  - Repairs and replacement of non-functioning meters
  - Inspection of meters and financial recovery of non-technical losses
  - Removal of illegal connections and Electricity Bylaw enforcement
  - Investigation of theft, vandalism, illegal connections, internal corruption
  - Joint disruptive non-ferrous inspection exercises with SAPS and other key stakeholders
  - Technical management of the smart metering system
  - Monthly consumption analysis of all large power users

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 monthly.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) 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	▪ Electricity master plan: is being reviewed. • Energy audit / Alternative energy strategy: this will be included in the Master Plan
Progress & Achievements 2023 to date	**Current State**
▪ Electrification (Infills and extensions) in various wards throughout the City R8, 000,000 ▪ Installation of 6 x High Mast lighting structures in various areas at a cost of R5, 000,000 ▪ Further upgrade in a phased approach of the 132 kV Electrical Network of Stafford, Stoneydrift, Woodbrooke and Progress, this includes the ordering of 6 x 40 Mva transformers – R50, 000,000 ▪ SCADA (4IR) in throughout the City. Installation of monitoring equipment for control and network visibility. Cost – R7, 100,000 • MV & LV Network in throughout the City in numerous Wards, Replacement, refurbishment of	• Electricity and Energy services mandate is to provide sustainable electricity and energy to all BCMM authorized electricity consumers in a reliable and safe manner. • 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 8000 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

Medium Voltage & Low Voltage lines. Cost – R15, 000,000	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 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. • 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.

Strategic Outcome

4

A SPATIALLY TRANSFORMED CITY

SITUATIONAL ANALYSIS

1. STRATEGIC OBJECTIVE

To develop and maintain world class infrastructure and utilities.

2. MUNICIPAL STRATEGIC ALIGNMENT MATRIX

The alignment between the Strategic Outcome, Strategic Objective and Key Focus Areas is depicted as follows:

Table 30: Alignment between Strategic Outcome Four, Strategic Objective and Key Focus Areas

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 Wastewater
		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 were 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.
- 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; a 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 agricultural 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:
  - o Address BCMM's service delivery challenges, inefficiencies, and lack of integration through digitising 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.
  - o Improving regional economic competitiveness and firm level productivity through innovation and enhanced capabilities in ICT infrastructure and services.
  - o Promoting digital access, closing the digital divide, and ensuring that 4IR benefits flow to entrepreneurs and citizens in townships and other marginalised residential spaces.

Council Priority 6: Transform the spatial form of the City

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, reducing the cost of doing business and addressing 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 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 themselves through 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 and needs of customers

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

KFA 24: Water and waste water

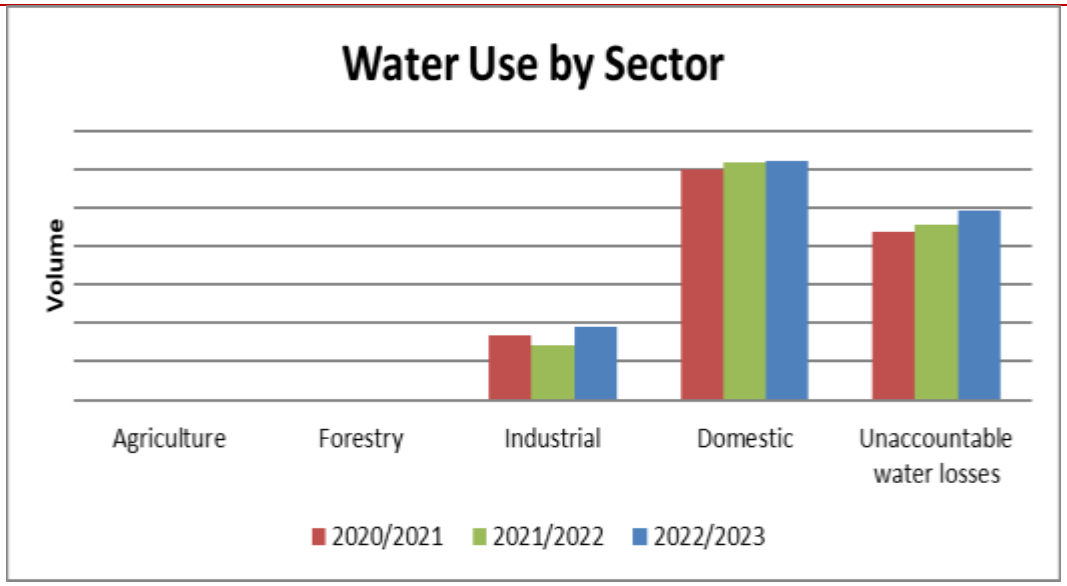
The Water Services Authority is responsible for the planning, design, construction, operations and maintenance of all water and sanitation services.

It performs a comprehensive function of directing the various divisions to plan their business, so they meet BCMMs 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. BCMM is responsible for the treatment and reticulation of water to residents of City, while National Government, through the Department of Water and Sanitation, is responsible for bulk water supply and infrastructure. The City is part of the Amatola Water Supply Reconciliation Strategy (AWSRS), which is mainly getting its water from five major rainfall-fed dams. BCMM accounts for approximately 65% of water use in the AWSRS, with the remaining is used by other users such as agriculture and other nearby municipalities.

In doing so the unit has achieved progress to serve up to 95% of BCMM citizens with adequate sanitation, the 5% 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. This is the document that guides/directs the overall planning of Water and Sanitation.

<u>Water Use by Sector</u>



The Amatola Water Supply 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 with the hope to delay it through the intense implementation of effective Water Conservation and Demand Management (WCWDM) and Effluent Re-use scheme. The metro has reliably provided 98% water supply assurance to communities. A total volume supplied in the 2022/2023 financial year is still within the average of about 5 million cubic meters. The municipality has prioritized water losses and Non-Revenue Water through implementation of a pipe and water meter replacement programs which is also used as a infrastructure maintenance plan while treatment works & pump station uses Plant man tool. The programme is yielding positive results as we managed to maintain the non-revenue water at 37%.

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.
During the Blue Drop Certification last audit, with results published in 2023, BCMM received a score of 83% which is less than what is required to get certificate. This achieved score does not mean that the municipality water that is below the standard in terms of water quality. The quality of the water supplied to our consumers is above 95% compliance, and the municipality has achieved 99% water quality compliance with national standards (SANS 241) in the past four financial years consecutively.

The levels of service (LOS) for water services have been broken into two categories, with rural areas or households outside the urban edge and informal settlements supplied with communal standpipes based on RDP standard of access to water within 200-meter radius. Households situated within the urban edge are supplied with full pressurised water supply with erf connection. The municipality has also identified a few illegal water connections, particularly in the rural supply schemes to communities, and infrastructure vandalism is a major challenge. The municipality has installed water service points to informal settlements to ensure access to water services. Communities together with the Ward Councillors identify needs within informal settlements to which the municipality responds. Further to this, 250 (5 per ward) ward-based community members were employed to address leaks at standpipes and to undertake repairs on indigent households beyond the water metre. The municipality operates a 24-hour call centre every day, where service disruptions and/or complaints can be registered. Furthermore, complaints can be logged during office hours at the help desks of the various service centres.

The municipality provides sanitation services to all its households in urban, peri-urban, and rural areas. The municipality maintains a waterborne system as a minimum level of sanitation services to urban areas and peri-urban areas, either through a reticulation system, or

through septic/conservancy tanks as on-site sanitation in some areas not yet reticulated. Rural areas are serviced through Ventilated Improved Pit Latrines.

Currently, the reticulated wastewater network is served by 15 wastewater treatment works (WWTW), which include 5 Activated Sludge Systems, 5 Biological Trickling Filter Systems, 4 Ponds Systems, and a Marine Discharge System in Hood Point in the West Bank area. It is the municipal plan to decommission 3 wastewater plants due to their functionality and divert all the sewage to the upgraded Zwelitsha Regional Wastewater treatment plant. The status of the WWTW is assessed as fair with major upgrades required in few WWTW.

The municipality has a reticulation network of various pipe sizes, totally approximately 2442 km, with 97 sewerage pump stations and rising mains in some areas.

Progress & Achievements 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 to 6 800 households covering Ncera, Amahleke, Siyathemba, Newlands, Kidds Beach water supply schemes. Cost – 80.6 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.
- Upgrade Water Networks: Upgrading of bulk infrastructure to Newlands water supply scheme - consists of construction of 1.5ML concrete reservoir, 3900m of 315mm rising main and upgrading of pumps at Nahoon dam. Cost - R9 291 420.00. Multiyear Project to complete in May 2020.

Wastewater

- Berlin sewer upgrade in Ward 45: Provision of conveyancing capacity to connect area serviced by conservancy tanks in the Berlin CBD to include capacity for future expansion of CBD to the value of R 25 million
- Bhisho, KWT and Zwelitsha Phase 2 in Wards 25, 35, 37, 41, 44: Upgrading of Zwelitsha Wastewater Treatment Work to 15Ml/d to accommodate diversion of effluent from Schornville, Bhisho and Breidbach treatment works to the value of R 450 million
- Upgrading of Reeston Wastewater Treatment Works in Ward 13: Upgrading of Reeston Wastewater Treatment Works to 12Ml/d to accommodate diversion of effluent from Central WWTW to the value of R 220 million
- Ablution Facilities to Informal Settlement in Wards 1,2,6,7,9,10,12,13, 14, 15, 16,17, 19,21, 23, 24, 28,29, 25: Provision of communal Ablution Facilities to Informal Settlements which include seats and associated water points to the value of R 25 million
- Rural Sanitation in Wards 17,22,24,25,26,27,31,32,33,35,36,37,38,40,43,44,45,49,50: Provision of Ventilated Improved Pit-latrines (VIPs) to rural communities in eradicating sanitation backlogs to the value of R 260 million

  Hoodpoint Outfall sewer in Wards 19,46, 31: Provision of the outfall sewer to the west bank wastewater treatment facility in compliance with NEMA. 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, Zwelitsha regional WWTW upgrade is underway
- Water capacity challenges in midlands rural, some inland urban areas and areas supplied via groundwater.
- 95% 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.
- Insufficient budgets for infrastructure recapitalisation and replacement.

Current State	Action Plans
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 household's pit toilets. ▪ The region with Buffalo City with the highest number of flush toilets is East London Sub-metro Region with 71 100 or a share of 36.55% of the flush toilets within Buffalo City. ▪ The region with the lowest number of flush toilets is Macleantown, Sandisiwe Sub-Metro Region with a total 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.	▪ 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

- **Millenium Development Goal 11** – Target 11.3 -Inclusive and sustainable urbanisation -
- **National Development Plan's** vision for spatial transformation – creating liveable, inclusive and resilient towns and cities while reversing the apartheid city
- **Integrated Urban Development Framework**- steering urban growth towards a sustainable model of compact, connected and coordinated towns and cities.
- **Spatial Planning and Land Use Management Act, 2013 (Act No.16 of 2013) -** Development Principles i.e
  - Spatial Justice
  - Spatial sustainability – promoting development in locations that are sustainable and limiting urban sprawl.
  - Efficiency
  - Spatial resilience
- **Eastern Cape Provincial Development Plan** (2030): Goal 2 – An enabling infrastructure network

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

- Buffalo City Metropolitan Municipality Spatial Development Framework (SDF serves to guide and inform the Municipal Sector plans.
- Supports the development vision, objectives and strategies identified in the Buffalo City Municipality's Integrated Development Plan (IDP).

Progress & Achievements 2023 to date

- The BCMM SDF Review was approved by Council on 11 December 2020.
- 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

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

- Creation of Approved General Plans for Township Establishments in Wards 10, 11, 12, 16, 17, 20, 21, 27, 39 and 45: A total number of twenty (20) general plans consisting of 3770 residential plots across all three BCMM operational regions were approved at a cost of R 5 500 000,00 as follows:
  - Coastal = 2708 Plots
  - Midland = 504 Plots
  - Inland = 558 Plots
- Creation of approved general plans:
  - Ward 10 - 1037 residential plots have been created in East Bank Resititution and Ndancama. Cost - R 963 000,00
  - Ward 11 - 86 residential plots have been created in Hani Park, Hlalani and Phola Park. Cost - R 211 000,00
  - Ward 12 - 340 residential plots have been created in Dacawa. Cost - R 159 691,00
  - Ward 16 - 412 residential plots have been created in Cambridge West. Cost - R 382 146,00
  - Ward 17 - 203 residential plots have been created in Masibulele. Cost - R 127 965,00
  - Ward 20 - 144 residential plots have been created in Empilisweni, Khayelitsha and Matsheni Park. Cost - R 290 403,00
  - Ward 21 - 71 residential plots have been created in Soga. Cost - R 144 482,00
  - Ward 27 - 919 residential plots have been created in Mzamomhle. Cost - R 600 369,00
  - Ward 39 - 165 residential plots have been created in Ginsberg areas. Cost - R 320 100,00
  - Ward 45 - 342 residential plots have been created in Emarantiyeni and Ilitha park. Cost - R 321 080,00
  - Ward 17 - Tachy survey to facilitate planning proceses (feasibility and township establishment) and engineering design. Cost - R 1 687 257,00
  - Ward 12 - Tachy survey to facilitate planning proceses (feasibility and township establishment) and engineering design. Cost - R 634 938,00
- Replacement of old lifts in various Municipal owned buildings with new lifts. Cost - R 8 000 000. Lifts have been installed to the City hall, Electricity House, Central Library, Old Mutual Building, Munifin Centre, Planning and Engineering Centre.

Challenges

- Departments do not implement or consider the information and proposals in the Spatial Development Framework (SDF) or the Local SDF's approved by Council.
- Pressure from developers, property owners and politicians to develop in areas which are not in line with spatial policies and which contribute to urban sprawl and fragmentation
- 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.
- 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.
- The constant increase in Informal Settlements and the pressure to formalize them. The numbers are too large to deal with and not sufficient capacity in Settlement Planning
- Illegal land invasions occur on the land when the Township Establishment process is underway. This delays the projects as the cadastral survey and installation of services cannot happen.

Action Plan

- The City and Regional Planning Division will produce a series of Conceptual Framework Plans for the Integrated Sustainable Human Settlement Areas identified in the approved BCMM SDF. This is subject to the availability of funding.

KFA 26: Sustainable Human Settlements

The key role of the Human Settlements Directorate is the creation of sustainable human 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 (TRU's) 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 quantums 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 (DVRI) – This is the Presidential Catalytic Programme which has the backing of the Inter-spherical Support of National and Provincial Departments of Human Settlements and BCMM

Alignment with the National and Provincial Plans and Policies

The Housing Act, 1997 (Act No. 107 of 1997)

- The National Housing Act of 1997 defines the roles of different spheres of government in relation to the delivery of housing in South Africa. In terms of the responsibilities of Local Government in relation to housing delivery it states (Part 4 Sec 9.1).
- The Act defines the functions of national, provincial and local governments in respect to housing development and provides for financial arrangements for housing development. Furthermore, every municipality must as part of the municipality's process of integrated development planning take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to: -

  Ensure that: -
  - The inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis;
  - Conditions not conducive to the health and safety of the inhabitants of its area of jurisdiction are prevented or removed; and
  - Services in respect of water, sanitation, electricity, roads, stormwater drainage and transport are provided in a manner which is economically efficient.

  Set housing delivery goals in respect of its area of jurisdiction.
  Identify and designate land for housing development.
  This Act further creates the provision for all spheres of government to give priority to the needs of the poor in respect of housing development.

National Housing Code, 2009

- The purpose of the National Housing Code is to set out clearly, in one comprehensive document, the National Housing Policy of South Africa. National Housing Policy comprises an overall vision for housing of South Africa and the way in which this vision should be implemented. The requirements for the establishment of the National Housing Code are set out in Section 4 of the Housing Act, 1997 (Act No. 107 of 1997). This act requires the Minister of Housing to publish a code to be called the National

Housing Code. The code must contain National Housing Policy and administrative guidelines, in order to facilitate the effective implementation of the National Housing Policy.

Breaking New Ground ‘BNG’, 2004

- This document suggests a number of progressive changes to the delivery of housing in South Africa. Since the documents approval in September 2004 a number of these suggested changes have been incorporated, the following is a summary of the major relevant shifts in housing delivery strategy currently being incorporated into policy based on this document.
- The new human settlements plan reinforces the vision of the Department of Housing, to promote the achievement of a non-racial, integrated society through the development of sustainable human settlements and quality housing.

Spatial Planning & Land Use Management Act (Act 16 of 2013)

- The Spatial Planning & Land Use Management Act (Act No. 16 of 2013) was signed into law by the President on 5 August 2013.

  Whilst the Act is yet to be operationalised and much work needs to be done to prepare the different spheres of government for its use, the Act is to become the framework legislation guiding the practice of Spatial Planning and Land Use Management in South Africa in the future. As such, the Act is to be noted at this juncture.

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 2024/2025 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 2023 to date	**Challenges**

▪ Mdantsane Cluster 1 in Ward 12: 1459 Units and, Associated Services. An amount of R 380 m spent to date, 1469 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. ▪ Peelton Cluster in Ward 43: Provision of 2174 Top Structures to 4 Peelton Clusters. For recently award cluster 1 and cluster 3 had been awarded. Cluster 1 is almost complete at 76%, Cluster 3 at 13%. ▪ Mdantsane Zone 18cc in Ward 22: Provision of 1500 Top Structures and associated Services. An amount of R 200m has been spent to date, project currently at Implementation Stage. ▪ Postdam Village Phase1 completed with 500 top structures with rail water tanks as a rural housing development. ▪ National Government Awards - Best Performing Metro of the year award in 2018/19 financial year	▪ 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. ▪ Poor performance on major project implemented by Housing Development Agency (H.D.A) awarded contractors.
Current State	**Action Plans**
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. ▪ Housing Development Agency has awarded on major projects for the implementation of housings units and assassinated infrastructure services. 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	▪ Verification and Installation of Bulk Services at D-Hostel and Gompo Site ▪ Conclusion of the accredited Service Providers reservation process in terms of Municipal Finance Management Act Regulation section 14 . ▪ 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. ▪ Review of performance indicators for Housing Development Agency on existing MoU.

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 ±114 500 prospective beneficiaries contained in the National Housing Needs Register (NHNR). In respect of informal settlements, the BCMM has ± 60 000 households who are residing in informal settlements. Once they are registered and captured on the system they will wait on the system until strategic well-located land and budget is available from 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	**Link to BCMM Strategies, Sector Plan(s) 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.	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.

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

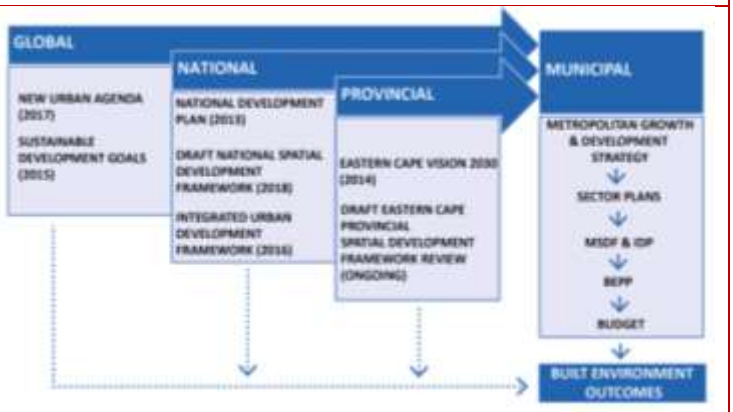
Integrated Urban Development Framework (IUDF)

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

BCMM given its jurisdiction within a predominantly rural development context, the IUDF's emphasis on the rural-urban continuum and the ability of urban areas to respond to in-migration in a manner that optimises the urban dividend stresses the need to focus on poverty alleviation, job creation and the creation or 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



Relationship with strategic documents (Source: BCMM BEPP 2020-2021)

Progress & Achievements 2023 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.

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.

STRATEGIC OUTCOME (SO4): A SPATIALLY TRANSFORMED CITY

Established Catalytic Programmes that form part of the strategic interventions of the city over the past few years include: ▪ The East London CBD & Inner-City Catalytic Programme ▪ The MELD Corridor (Central) Programme ▪ Mdantsane Urban Hub Programme ▪ West Bank Economic Corridor (Port – MBSA – ELIDZ – Airport). ▪ Bhisho-Qonce-Zwelitsha Corridor	▪ 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.

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	**Link to BCMM Strategies, Sector Plan(s) 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
	● **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 2023 to date	**Challenges**
▪ 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	▪ 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.

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 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.	▪ The Urban and Rural Nodes Regeneration Strategy will then incorporate the two components, that is Urban and Rural Nodes.
Current State	**Action Plans**
• 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.	• 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	Link to BCMM Strategies, Sector Plan(s) 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	▪ 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

- 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
- National Heritage Resources Act No. 25 of 1999

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.
- 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.
- 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 probhibitary 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 alterative accommodation which is non-existent on many cases

Progress & Achievements 2023 to date

- Enhanced Extended Discount Benefit Scheme to All Wards: The Department of Housing, Local Government and Traditional Affairs (Department) announced the introduction of the State Discount Benefit Scheme, which was aimed to achieve the following:
  - To assist beneficiaries to acquire State financed rental housing and to assist existing debtors to settle their outstanding balances.
  - The discount benefit relates to State financed property, which was first occupied before 01 July 1993 and to units or stands contracted for by 30 June 1993 if allocated to individuals by 15 March 1994.
  - To date the number of transfers effected to rightful beneficiaries amounts to 669
  - The project is funded by the Provincial Department of Human Settlements
- Land Acquisition for construction of Quenera Road in Ward 27: Acquisition of Portion 1 of farm 1234 E.L. for Quenera Road for enhancement of Gonubie Corridor and further development of the area at a cost of R2 300 000,00
- Acquisition of a building for office Accommodation in Ward 47: Erf 63589 E.L., held by Certificate of consolidated Title Number T18418/2019 situate in Buffalo City Metropolitan Municipality, Division of East London, Province of the Eastern Cape previously known as the Reserve Bank was acquired for office accommodation at a cost of R10 900 000,00
- Sonwabiso Informal Settlement: Land Acquisition for Human Settlements Purposes in Ward 17:
  - Mdantsane Unit 3 was registered in the name of BCMM on the 27 November 2018 held by Deed of Transfer No. T 19230/2018 (R142 000,00);
  - Erf 9965 Mdantsane Unit 3 was registered in the name of BCMM on the 3 September 2019, held by Deed of Transfer No. T14093/2019 (R142 000,00);
  - Erf 9967 Mdantsane Unit 3 was registered in the name of BCMM on the 3 September 2019 held by Deed of Transfer No. T14117/2019.
  - Erf 9848 Mdantsane Unit 3 was registered in the name of the Municipality on the 9 September 2020 and the Deeds Office information not as yet updated on the system (R2 865 000,00).
- Opening of Township register:
  - Ward 12 - BCMM has registered the general plan in respect of Erf 396 Mdantsane North (Masibulele) at the Deeds Registry Office, KWT on the 19 September 2019. Value - R28 462,00

- Ward 42 - BCMM has successfully registered the general plan in respect of Dacawa at the Deeds Registry Office, KWT on 29 May 2020. Now that the townships have been duly registered at the Deeds Registry Office, KWT, the individual transfers in favour of the rightful beneficiaries can be initiated through their respective housing projects. Value - R82 970,00

- Upgrading of municipal buildings to be disability friendly
  - Wards 42,14,11, 30,23: Zone 2,4,5,11,14,16: These municipal buildings have been rendered universally accessible and disability friendly. Access path and ramps constructed. Cost - R750 000,00
  - Ward 47: City Engineering Building – Ablution upgraded, universally accessible and disability friendly. Cost - R525 601
- Upgrading and refurbishment of municipal buildings:
  - Ward 47: Beaconsfield Health Department Refurbishment - R4 000 000
  - Ward 47: Fleet Street Fire Station Refurbishment - R2 500 000
  - Ward 47: New Air conditioner replaced at Caxton Street - R1 250 000
  - Ward 29 - Gonubie Traffic Department Refurbishment - R2 500 000
  - 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	Link to BCMM Strategies, Sector Plan(s) and Policies
▪ NEMA (National Environmental Management Act) ▪ HEALTH ACT 2003 ▪ SAHRA (South African Heritage Resources Act) ▪ Air Quality Act ▪ Births and Deaths Registration Act	▪ Air Quality Management Policy
Progress & Achievements 2023 to date	**Challenges**
▪ 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	▪ 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	**Action Plans**
▪ There are 32 formal cemeteries, approximately 247 informal (rural) cemeteries and 1 crematorium. The majority of burial sites is in the rural areas are either located on unsuitable or	▪ 8 cemeteries will be upgraded and developed

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.	

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:

Table 31: Alignment between Strategic Outcome Five, Strategic Objective, and Key Focus Areas

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 and 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

Strategic Outcomes	Strategic Objectives	Key Focus Areas
		KFA 41: Gender, Elderly, Youth and Disabled (Vulnerable Groups)
		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, instil 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 are under review.
- International Relations Strategy Review.
- The current state of M&E is driven by segmented departmental cultures, with no uniform standards 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 providing a quarterly 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, thus 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 PMS: existing PMS Policy for review, ending service provider appointment.
- Existing Employment Equity Plan expires on 30 June 2023.
- Infrastructure Skills Development Grant Internship Programme near completion and getting ready for new intake.

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

- Workplace Skills Plan (WSP) 2022/2023 rollout; WSP 2023/2024 is under development.
- Electronic Performance Management and Development. Organisational culture change management: service provider procurement at BEC. Manual PMS rollout currently.

Anticipated Outcomes

- To encourage open, honest, and accountable two-way dialogue between BCMM 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 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 that current and new international relations agreements and engagements are structured, well-coordinated and impactful to attract investment, projects, and capacity building programmes for BCMM.
- Clean audit outcomes for the City.
- An institutionalised M&E practice/culture, training, and highly skilled and capacitated staff.
- The youth are well Integrated, coordinated, organised, and have impactful youthful programmes in the 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.
- Promote a culture of good performance management, highly productive employees, automated PMS.
- 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 implements 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 plans to be developed and implemented as of 1 July 2023, as stated in the 2022/2023 WSO Annual Report. WSP 2023/2024 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 static, 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.
- Capital expenditure decreased from R1,86 billion in 2018/2019 to R1,65 billion in 2019/2020 as result of the impact of COVID-19, and increased in the 2020/2021 Financial Year to R1,69 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) compared with R1,14 billion (2020/2021). The main contributing factor to this decrease was the substantial own funding injection that was 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 factor to 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 in and do business, but it is certainly not among the cheapest, and is currently ranked number five 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

- 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, and grant funding. Programme and Project Preparation (PPP) has been developed and it is currently at BSC stage.
- Develop 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 LTFM and 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

- Financial sustainability : inability to meet set revenue collection targets
- Supply Chain Management: Non compliance to laws and regulations leading to increase in irregular expenditure.
- Safety and security of Municipal assets: Vandalism, theft of municipal assets and infrastructure
- Roads and Stormwater**:** Poor condition of roads and stormwater and incapacity of stormwater drainage system
- ICT Network: Inadequate development and management of ICT network and infrastructure a
- Electricity: Illegal & non-metered electricity connections, including theft and tampering

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
▪ Municipal Finance Management Act 56 of 2003 ▪ King IV Report on Corporate Governance ▪ Public Sector Risk management framework ▪ COSO framework ▪ ISO 3100	▪ Enterprise-wide Risk Management Policy

Challenges

- The Major challenge within the risk management is that the City's risk profile has not improved and as such many of the identified risks have materialised.

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

- **Mitigation strategies committed are rather long-term in nature which impacts on the slow move in changing the profile of the City.**
- Though there is improvement in terms of including risk management in planning processes of the City, there is still a gap in terms of risk management and performance management. The two are really feeding into each other, as it ought to be.
- 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.
- **Risk management processes not yet automated**
- **There were delays in concluding investigations of whistle blowing cases, as the City does not have a contract for a panel of investigators.**

Current State	Action Plans
The Enterprise Risk Management Plan was approved by the Risk Management Committee and the following have been implemented: ▪ Continuous risk assessments both at strategic and operational level have been conducted. ▪ Progress reports on risk mitigation plans had been tabled to the Risk Management Committee together with the Audit committee quarterly. ▪ Policies have been reviewed and awaiting Council approval in April 2024. ▪ Combine assurance model has been adopted by Council. ▪ There is an active risk management committee that is chaired by an external person who plays an oversight responsibility on the effectiveness of risk management. Council had adopted in 2021 a fraud risk management framework, which includes the fraud mitigation plan. The framework has been reviewed and awaiting Council approval in April 2024, the following activities are being implemented: ▪ Awareness: use of the service desk to share information with the staff on different topics on anti-fraud and corruption. ▪ 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. ▪ The City has secured a contract from the EC Provincial treasury for a panel of investigators.	▪ Implementation of the Enterprise risk management strategy ▪ Fraud Risk Assessment and resolution of whistle blowing cases ▪ Prioritising Project risk management ▪ Implementation of the combined assurance framework. ▪ Investigate the cases reported through the whistle blowing platform.

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

KFA 32: Stakeholder Participation and Customer Relations

The goal of the Buffalo City Metro on Good Governance and Public Participation is to realize a viable and caring institution that will promote and support a consultative and participatory local government. Good governance is in the main a participatory, transparent, democratic and accountable system of governance. Developmental local government legislation put in place mechanisms for community interface so as to create enablers to realize good governance within a municipality. The key focal area within good governance is that good governance is a responsibility of all service delivery directorates / units and as such must find a concrete expression in their operational plans. The strategic intent of good governance and public participation is to ensure that BC Metro is accessible to its citizens. This is in keeping with the current municipal vision "A responsive, people-centred and developmental City".

Mechanisms to promote a culture of community participation

In terms of Section 43 of the Municipal Structures Act, a municipality through appropriate mechanisms, processes and procedures must involve the local community in the development, implementation and review of the Municipality's management system. The Metro shall strive to build a strong leadership, with clear vision, maximum participation by the community, the private sector and all stakeholders to meet the basic needs of all and build a solid foundation for growth and lasting prosperity".

Buffalo City Metro has within its realm of development established different platforms to enhance participatory local governance.

Involving our communities

The National draft policy guideline on public participation details the following basic assumptions of public participation:

- Public participation is designed to promote the values of good governance and human rights;
- Public participation acknowledges a fundamental right of all people to participate in the governance system;
- Public participation is designed to narrow the social distance between the electorate and elected institutions.

Mechanisms in brief

Tools	Example
BCMM Public Participation Strategy	There is an approved Public Participation Strategy adopted by Council in 2011 to provide for mechanisms by which the public may participate in the affairs of the Municipality and to clarify roles and responsibilities of all the role players and interested parties. The Public Participation Strategy demonstrates 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 29 CDWs working in 50 wards of BCMM, 15 (East London), 7 (Mdantsane) 7 (Qonce (previously known as KWT)). 21 Wards have no CDWs however those wards are serviced by closest CDW available. 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 development initiatives, poverty alleviation initiatives and other development undertakings being planned and implemented in partnership with ward committees.
Moral Regeneration Movement	Moral Regeneration is a civil society led movement to facilitate the elimination of all social ills. The Moral Regeneration Movement seek to assist in the development of a caring society through the revival of the spirit of Ubuntu and the actualisation and realization of the values and ideals enshrined in the Constitution, using all available resources and harnessing all initiatives in government, business and civil society.
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.

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.

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.

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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 que 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 e.g. the Port are discussed, IDP outreaches and timelines are provided so sector departments can participate, feedback from the Imbizos is shared for input, introduction of government models for implementation are communicated and general government information and concerns are raised and shared. In addition, BCMM also holds IGR Roundtable Sessions with Sector Departments and relevant BCMM departments to resolve issues raised in the IGR Forum meetings. Furthermore, BCMM also holds the IGR Core Group comprised of the OTP, COGTA and BCMM departments to discuss the agenda for the IGR Forums and also to look at approaches to resolve challenges that could be hindering the smooth coordination of IGR amongst all spheres of government.

The municipality is engaged in inter-municipal planning; however, this occurs across the municipality and there is no formal reporting by departments on these planning sessions. This needs more strengthening as the Buffalo City Metro is regarded as a regional hub and has a huge impact on its neighboring municipalities and vice versa and more strategic sessions need to be held with neighboring municipalities especially in the Amathole region.

More recently due to climate change effects the need for inter-municipal planning became apparent. Through the Cooperation with the City of Oldenburg in Germany, an awareness raising water project was approved for BCMM. BCMM brought aboard Amathole District Municipality and Amahlati Municipality together with Department of Water Affairs and Amatola 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
▪ Section 152 and 153 of the Constitution of the Republic of South Africa (Act 108 0f 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	● 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

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;
  - 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
  - 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.
- 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.

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

Progress & Achievements 2023 to date

- 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

Challenges

<u>International Relations</u>

- 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.

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- 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
- 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

Intergovernmental Relations

- 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 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

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

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.

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 flaw of the information required for external communication.
- Increasing feedback capacity to transfer information through outreach communication media.

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It is vital for stimulating the role of councillors and all employees in being ambassadors of local government communication in the environmental media, awareness and education.

Alignment with the National and Provincial Plans and Policies

Legislation/ prescripts governing Communications (Internal and External) include:

- The Constitution of South Africa, Act 108 of 1996 contains The Bill of Rights which is a cornerstone of democracy in South Africa. It enshrines the rights of all people in our country and affirms the democratic values of human dignity, equality and freedom.
- The Municipal Systems Act 32 of 2000 as amended, emphasises on communication that encourages participation of communities / stakeholders in the affairs of a municipality.
- Section 21 of the Municipal Systems Act states that a must notify or communicate with local communities about anything in terms of the Systems Act or other relevant legislation, using local newspapers of its area which is circulated in its area and determined by Council as a newspaper of record or by means of radio broadcast covering the area of the municipality, and such notification must be in the official languages determined by the council, having regard to language preferences and usage within its area.
- Section 21 A, details that Documents to be made public (1) All documents that must be made public by a municipality in terms of a requirement of this Act, the Municipal Finance Management Act or other applicable legislation, must be conveyed to the local community.
- by displaying the documents at the municipality's head and satellite offices and libraries;
- by displaying the documents on the municipality's official website, if the municipality has a website as envisaged by section 21B;
- by notifying the local community, in accordance with section 21, of the place, including the website address, where detailed particulars concerning the documents can be obtained.
- The Promotion of Access to Information Act 2 of 2000 gives effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights prescribes how communities can access information.
- The Promotion of Administrative Justice Act (PAJA) aims to make the administration effective and accountable to people for its actions. Together with the Constitution it embraces the Batho Pele principles and promotes South African citizens' right to just administration.
- Electronic Communications Act 36 of 2005. The Electronic Communications Act 36 of 2005 ("the ECA") is the primary legislative instrument governing the transmission of electronic communications in South Africa. It promotes the convergence in the broadcasting, broadcasting signal distribution and telecommunications sectors and to provide the legal framework for convergence of these sectors; to make new provision for the regulation of electronic communications services, electronic communications network services and broadcasting.
- Government Communication Policy
- National Development Plan
- The National Government Communication Framework
- GCIS Communications Handbook
- Local Government Communication System (LGCS) Guidelines for Municipal Communication
- SONA, SOPA, SOCA

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

- Communications strategy
- Communications action plan
- Communications policy

Progress & Achievements 2023 to date	Challenges
▪ Communications Policy: Review of Communications Policy is underway and it is being done in-house. Awaited the process for Cabinet approved communications policy.	<u>Internal Communication</u> ▪ Lack of understanding of the communications role within some municipal departments ▪ Non-alignment of municipal programmes

- Digital and Social Media platforms: Risk identified for a need to audit, register and professionalise BCM social media platforms: i.e., Facebook, X (Twitter). Auditing of platforms done.
- Community Media: Service Level Agreement in place with the City ' s community radio stations in order to ensure maximum reach of information to stakeholders. Cost - R800 000
- Website revamping and redesign
- Strengthening of Digital Media Platforms. Increasing of followers and updates on social media platforms. These are done through video boosting, live short videos Infographics and live host watching.
- National award for most active Municipality on social media in 2023
- 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
- Advancement of usage of digital platforms like screens, live streaming, short videos
- Effective and advance media monitoring tools

- Information leakage and handling of confidential information is vital, and lack thereof possess many legal and reputational risks for the institution
- An intranet is a private network accessible only to an organization's staff. The Communications Department has a vital role to play on the intranet in that it provides support to the ICT Department towards the look and feel and the type of information to be made available on the Intranet. The current BCMM intranet needs improvement
- Flooded emails: Internal emails are a vital component of internal communications. Emails are immediate, fast, cost effective and are good for record keeping. Whilst the custodians of emails and their functionality is ICT, Communications has a key role to play in the type of messaging that is being sent out on emails. Currently there are no guiding principles on internal emails. Communications, through policies, guidelines and advisory, should guide the language, content and frequency at which email communication is being disseminated. Communications should also guide email banners, signatures, slogans, taglines and quotes that are to be used.
- Reach on workers that are not on emails both in terms of access to information; the utilisations of notice boards/ internal screens and the usage of the isi-Xhosa language

<u>External Communication</u>

- Hostile media towards government
- Lack of information on how government works and lack of understanding of different roles and functions within municipality and different government departments
- Limited feedback to communities on the state of service delivery
- 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

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Current State	Action Plans
▪ Communications policy and strategy needs to be reviewed, in order to align with the new term of office ▪ Training of Executive on media ▪ 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	▪ 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)

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.
- 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 is: 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.)
- 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	Link to BCMM Strategies, Sector Plan(s) 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.	▪ 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

▪ 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	
Progress & Achievements 2023 to date	**Challenges**
▪ Review of Communication strategy ▪ Creation of corporate identity manual ▪ Implementation of communication innovations ▪ Costing of branding review process	▪ 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	▪ 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

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

- Efficient revenue management, which aims to ensure not less than 92.5% annual collection rate over the medium term for property rates and other key service charges.
- Achievement of full cost recovery of specific user charges especially in relation to trading services.
- The City is striving to ensure that all its trading services are financially self-sustainable.
- Move from a flat-rate billing system to all consumers billed according to consumption.
- Implementation of an automated billing system as opposed to a manual meter reading process.
- Update of the valuation roll through implementation of monthly supplementary valuations until the implementation of the next General Valuation on 1 July 2023 and every four years thereafter in terms of the Municipal Property Rates Act.
- Creating a conducive environment to attract potential investors.
- Review of the Spatial Development Plan to allow for human capital resources to be closer to economic and job opportunities.
- BCMM bills the consumers on a monthly basis as per the norms and standards of revenue management.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
• Municipal Finance Management Act 56 of 2003	• Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city
Progress & Achievements 2023 to date	**Challenges**
• General Valuations Roll for all wards: Compilation of the General Valuation Roll every 4 years in terms of Section 32 of the Municipal	• Non-achievement of the targeted collection rate

Property Rates Act. Two General valuation Rolls successfully implemented to the value of R18 523 854. ▪ GV2013 – valid June 2014 to June 2018 and, ▪ GV2017 – valid July 2018 to June 2022. • 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.	• 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.
Current State	**Action Plans**
• 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.	• 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.

KFA 37: Expenditure and Supply Chain Management

BCMM SCM system is premised on section 217 of the South African Constitution which must be, fair, equitable, transparent, competitive and cost effective. The BCM SCM Policy is reviewed annually as prescribed by section 3 of the MFMA and during the 2017/2018 financial year the SCM policy was reviewed and approved by Council in May 2018.

The SCM department is constituted in line with the SCM system and comprises of: -

a. Demand Management and Supplier Development Section
b. Acquisitions Section (Buying and contracts)
c. Logistics, Warehouse and Disposal Sections
d. Risk and Compliance Management Section and
e. Contracts Performance Management Section

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
• Municipal Finance Management Act 56 of 2003	• Supply Chain Management Policy

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

Progress & Achievements 2023 to date	Challenges
• 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. • 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 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. • 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	**Action Plans**
• 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.	• 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

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 mangers are responsible in meeting these targets.

The aim is to manage and apply resources to meet public needs with limited resources which need to be allocated according to priority. The budget reflects municipality's strategic direction and delivery potential to include:

- Implications of new infrastructure and programmes
- Maintenance of existing infrastructure
- Sustaining existing service levels
- Ring fencing – specific projects and programmes
- Balance between social and economic infrastructure investment

The delivery of services is dependent on the compilation of budget to identify resources and applying them to meet the objectives of an organisation. The budget is used as a management tool to control spending (Actual vs. Budget) within the allocated budget, maximise potential of available resources, basis for performance assessment, linkage to non-financial targets / objectives and support accountability and financial management. Administration is aware of the targets that need to be met and how they have been determined so that they can report accordingly during review process.

The Budget and Treasury department is responsible for:

- Ensure the strategic objectives of their organisation are achieved.
- Contribute to the Efficient Allocation of Resources within the municipality.
- Funding is available to meet daily operational and capital expenditure requirements by effectively managing cash resources.
- Source loan funding for capital expenditure projects which will generate favourable return on investment.
- Cash and Cash Equivalent resources are managed in order to remain financially viable and sustainable.
- Basis of determining fees and charges which are implemented in order to generate funding for the budget.
- Implement cost reflective tariffs for specific user charges especially in relation to trading services were this is feasible.
- Impact assessment of changes in policies, responsibilities, priorities and events.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**

• Municipal Finance Management Act no. 56 of 2003
  ▪ Budget Preparation - S68
  ▪ Budget Implementation - S69
  ▪ Impending Shortfalls, Overspending and Overdraft - S70
  ▪ Long term Debt Management - S46
  ▪ Cash Management and Investment - S13
  ▪ Monthly Budget Statement - S71, S52 and 72
• Municipal Budget and Reporting Regulations, 2009
• 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)
	• 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

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Progress & Achievements 2023 to date	Challenges
• Automation of supply chain management process to eliminate risk and interferences including payment and receipting: Supply Chain has relaunched the Acquisition Management Module of the Electronic Procurement System (E-Procurement). • The purchase requisitions for goods and/or services between the value of R0 - R30 000, out of contract, none-stock items are processed online using the E-Procurement System only • The contract module has been activated in the solar financial system to enable automation of the process of capturing contracts. • The linking of CSD Codes onto solar financial system under the contracts management module is being undertaken in order to upload contracts.	• Shortfall in funding the City's capital programme as well as operating budget • Cash and Cash Equivalent is reflecting a declining trend. • Non-achievement of the targeted collection rate
Current State	**Action Plans**
• 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)	• 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.

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Improving asset management continues to be a focus for Buffalo City Metropolitan Municipality, as it is the area from which services are delivered to the inhabitants of the Municipality and subsequently the primary area of revenue generation. The Metro has engaged a service provider to assist with asset management and reporting, including the review and updating of the Infrastructure Asset Management Policy.

In deciding which projects to implement and also which assets to maintain, the relevant Buffalo City Metropolitan Municipality user departments undertake needs analyses to establish the communities' priority needs and individual asset maintenance needs. This information is then fed into the IDP and Budget and used to make informed decisions with regard to which assets require prioritization.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
• MFMA, Act no. 56 of 2003 • GRAP framework • mSCOA regulations	• 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 2023 to date	**Challenges**
• 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	• 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**
• 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.	• 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.

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

In line with the Municipal Systems Act 32 of 2000 which requires municipalities to develop their human resource capacity for optimisation of their competencies and performance, BCMM has implemented systems and controls to improve staff capacity.

- Critical scarce skills have been addressed by BCMM implementing the following strategies:
  - Total of 142 interns in an internship programme in BCMM.
  - Bursary for staff is allocated to scarce skills
  - ISDG programme funded by National Treasury wherein interns in the Built Environment are assisted towards professional registration.
- Workplace Skills Plan and HRD Policy are in place.
- HRD Policy was approved in 2019 and it includes Succession Planning, Talent Management, Bursary and Training of staff.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
▪ 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	▪ 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 2023 to date	**Challenges**
▪ 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.	▪ 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**
▪ 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	▪ 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 acquisiton of the prescribed unit standards within 18 months will also be developed accordingly.

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 ▪ 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 human resource development initiatives, 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.	▪ 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. ▪ 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.

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	Link to BCMM Strategies, Sector Plan(s) 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)	▪ 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
	- 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 2023 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	**Action Plans**
▪ 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.	▪ 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:

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	▪ 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

Roll-out of Performance Management (PMS) in BCMM has been implemented in accordance with the Municipal Systems Act 32 of 2000 for the Accounting Officer and Section 57 senior officials and administered by the Department of Integrated Development Planning and Performance Management.
PMS is still at an initial stage of implementation at the lower levels following those of the Section 57 senior officials and no performance rewards have been issued as yet.

BCMM ICT Department assisted Performance Management unit with the designing of a customised integrated electronic performance management system. However, due to unprocedural appointment of a service provider that was designing customised integrated electronic performance management system, the contract was terminated.

The institution further approved a budget for the introduction of an Institutional Cultural Behaviour and Change Management project for the next three (3) years commencing in the 2018/19 financial year. The aim of this project is to implement Change Management to all staff to change the organization's culture to an ethical, accountable and performance-oriented culture.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
• The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). • The White Paper on Transforming Public Service Delivery (Batho-Pele) (1997). • The White Paper on Local Government (1998). • The Municipal Systems Act, 2000 (Act 32 of 2000) • DPLG Performance Management Guidelines 2001 • Municipal Planning and Performance Management Regulations (2001). • Municipal Finance Management Act 2003 (Act 56 of 2003) • Municipal Performance Regulation for Section 57 Employee (2006)	▪ Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city ▪ Integrated Development Plan (IDP) ▪ BCMM PMS Framework ▪ BCMM Employee Performance Management Policy

Challenges

- Lack of capacity
- Creating a balance between compliance and quality of performance reports (unreasonable timeframes)
- Lack of quality of Quarterly performance reports
- Inaccurate performance information / data reported by Directorates
- Directorates not meeting set deadlines for performance reporting
- 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.

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

Current State	Action Plans
• The Directorate is currently reviewing the BCMM PMS Framework to ensure alignment with MGDS and other policies that have an impact on PMS. • 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.	• Finalising designing of customised integrated electronic PMS (for both Institutional and Individual electronic PMS) • 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

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 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.

STRATEGIC OUTCOME (SO5): A WELL GOVERNED CITY

Alignment with the National and Provincial Plans and Policies	Link to BCMM Strategies, Sector Plan(s) and Policies
▪ Recapitalization of fleet using National Treasury contract RT 57. ▪ MFMA ▪ National Road Traffic Act	▪ Metro Growth & Development Strategy (vision 2030) – Strategic Outcome 5: A well-governed city ▪ BCMM fleet management policy ▪ BCMM Supply Chain Management Policy
Progress & Achievements 2023 to date	**Challenges**
▪ 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	▪ 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**
• 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. The first EPMDS policy and framework that was adopted by Council on June 21, 2013 has been replaced by a reviewed and amended version that Council adopted on August 25, 2023 (Resolution VBCMC 565/23). The amended policy is in line with the Municipal Staff Regulations of June 2022 and informs an improved manual Performance Management System is being implemented, after the manual system that was re-introduced in 2011 proved to be inefficient and ineffective while an electronic system.

Due to technicalities in the procurement process in 2021/22 financial year, a request was made and granted, to have a budget re-approved for 2022/23 financial year, again, to procure a service provider to supply and implement Electronic Performance Management System and Culture Change project with all staff for the next three (3) years, commencing in the 2023/24 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

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A service provider was eventually appointed in August 2023, to introduce an electronic Performance Management System. The electronic system that is being developed is at its initial stages. A pilot plan will focus on introducing the electronic system to all employees from TASK GRADE 15 upwards in 2024/25 financial year, and all the lower levels thereafter until the end of 2025/26 financial year.

Alignment with the National and Provincial Plans and Policies	**Link to BCMM Strategies, Sector Plan(s) and Policies**
• The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996). • The White Paper on Transforming Public Service Delivery (Batho-Pele) (1997). • The White Paper on Local Government (1998). • The Municipal Systems Act, 2000 (Act 32 of 2000) • DPLG Performance Management Guidelines 2001 • Municipal Planning and Performance Management Regulations (2001). • Municipal Finance Management Act 2003 (Act 56 of 2003) • Skills Development Act, Act 97 of 1998 • Local Government: Municipal Staff Regulations (September, 2021)	▪ 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 ▪ Buffalo City Rewards & Incentives Policy Buffalo City Workplace Skills Plan
• **Progress & Achievements 2023 to date**	**Challenges**
▪ Amended EPMD Policy and framework are in place ▪ As part of Culture Change Management introduced by the internal Employee Performance & Development Unit, the following have been done, on-going: o Team Cohesiveness sessions to promote a positive performance culture are ongoing o Marketing and communication of a positive performance culture are on-going. o Heads of Departments are encouraged to take ownership of the Performance Management System ▪ Amended Human Resources policies have been approved by Council (VBCMC 565/23): o Employee Performance & Development Policy o Rewards & Incentives Policy o Mayoral Awards for Best Employee of the Year	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 actions needed to be taken by line management, to ensure compliance.
Current State	**Action Plans**
▪ The Top Management Meeting of the 24th of February 2020 that resolved that manually submissions of performance management agreements be discontinued until the roll-out of Electronic Performance Management System has been reconsidered. An improved manual Performance Management System is being implemented. ▪ Rewards & Incentive Policy has been adopted by Council. ▪ Amended Employee Performance Management & Development Policy has been approved by Council.	▪ Develop, test, and implement an electronic Performance Management System with all staff by the end of 2025/26 financial year. ▪ Reward system for 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. ▪ Roll out the Organisational Culture Change Management Project to take place alongside

▪ Service Provider appointed for the implementation and roll-out of Organisational Culture Change management and electronic performance management system for the next 3 years.	introduction of the electronic Performance Management System. ▪ Facilitation of arrangement of training in line with expressed needs to be activated in partnership with Human Resource Development by August 2024.

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	**Link to BCMM Strategies, Sector Plan(s) 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	▪ 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 2023 to date	**Challenges**
▪ 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	▪ 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

- ISDG Project: To professionalise graduates in the built environment. The cost amounts to R50 000 000.00 (National Treasury Grant for 5yrs).

Current State

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 and the Head of Directorate of Sport, Recreation and Community Development had been appointed.

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.

Action Plans

- 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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Recruitment and Selection

The current Employment Equity Plan is expiring at 30 June 2021. In complying with the legislation, the process of preparing and developing the successive plan has been initiated and it is anticipated that it would be table in the May Council meeting for approval.

KFA 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

- MFMA 165(2) The internal audit unit of a municipality and municipal entity must
  - Prepare a risk based and audit program for each year
  - 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.)
  - Perform such other duties as may be assigned by the accounting officer.

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

- 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 2023 to date

- The City has an established in-house unit.
- 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.

Challenges

- 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

- The Governance and Internal Audit unit reports administratively to the City Manager's office and operationally to the Audit Committee, which Committee continues to be fully functional with appointed members.
- The unit also has established and healthy working relationships with other assurance providers such as the external auditors (Auditor-General South Africa, "AGSA"), Provincial COGTA, as 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.

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 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 2023 to June 2024 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 upcoming years.
- 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 Audit Software to move away from manual collation of audit evidence) – funding sourcing in process.
- Leading the implementation of the Council approved combined assurance model for the City Governance and Internal Audit Workshops.

SECTION C: SPATIAL DEVELOPMENT FRAMEWORK

1. INTRODUCTION

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 SDF 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 SDF forms a component of the Municipality's Integrated Development Plan (IDP). In essence, the SDF 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 Municipality 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: MSA, No. 32 of 2000, read with Sections 12 and 20 of SPLUMA, No. 16 of 2013, 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 2013 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 well-being of the Buffalo City Metropolitan area).

The Consultative Process Followed

In compiling the SDF 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 SDF was advertised for 60 days for comment as required by SPLUMA.

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 IDP:

'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 reinvented itself through its transformation from a spatially and socially divided past to consolidate its position as a Çity-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 SDF 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 prerequisite 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, which 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, and 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 NSDF Regions for the BCMM are:

Buffalo City is identified as one of five Key Urban Regions. The identified urban regions play a vital role as Global Gateways, serving as catalysts for transformation, fostering inclusive economic growth, and promoting well-being. As such, a number of game-changing interventions are required from each urban region:

1. Consolidate urban growth in a network of more compact, densified, and diversified urban core regions.
2. Enable a generation of young people to reap the benefits of urbanisation through
    a. human capital development, and
    b. the opening-up of urban economies to enable and support a multiplicity of livelihood options.
3. Maintain and strengthen international trade, ports, transport, through-routes, and related infrastructure.
4. Support diversification of economies, tourism, the knowledge economy, the entertainment industry, the green economy, and alternative energy-related enterprise development.
5. Use effective land administration and urban land reform to guide and manage the interface between settlement, land-use, and infrastructure planning in fast growing cities.

Specifically, the NSDF has proposed national **coastal spatial development corridor** which affects the Eastern Cape and Buffalo City

Figure 57: The coastal transformation corridor

As result the Industrial Development Zone (ELIDZ) and other industries on the West Bank have 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 to 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 – approximately 71 340 residential 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 (2 000 residential 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 – approximately 6 009 residential units
- Arnoldton mass housing development area – approximately 25 695 residential 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 – Bhisho

Key Development Proposals

- KWT-Bhisho Development Corridor – Catalytic Programme Area – approximately 6 144 residential units
- Ginsberg mass housing development area – approximately 14 190 residential units
- Township revitalisation – Zwelitsha, Ndevana, Illita, Dimbaza.
- The Bhisho Revitalisation Mixed-Use Precinct
- 'Green Energy' Hub located at Berlin
- Revitalisation 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 – approximately 26 595 residential 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 ecotourism and agriculture and agro-processing

Key Projects and Structure

- 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

6.2 Key Spatial Development Proposals in the Municipal SDF include the following:

6.2.1 Promoting Spatial Transformation

The NDP; NSDF; the IUDF; National Treasury's Circular 88; and SPLUMA have clearly defined and set the Spatial Transformation Agenda as an imperative that Council must adhere to. The SDF 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. Four Development Corridors as Catalytic Programme areas
   i. MELD Corridor
   ii. Northwest Corridor – capacity for approximately 2000 residential units
   iii. Bhisho Corridor
   iv. West Bank Economic Corridor (as part of the National Coastal Transformation Corridor)

B. Two Key Development Nodes as Catalytic Programme areas
   i. Mdantsane CBD/Hub
   ii. East London CBD and Inner City

C. Development of 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 approximately 71 340 residential units
ii. Bhisho Corridor Precinct – capacity for approximately 6 144 residential units
iii. Ginsberg Extension – capacity for approximately 14 190 residential units
iv. Quenera – capacity for approximately 26 595 residential units
v. Amalinda Junction – capacity for approximately 6 009 residential units
vi. Arnoldton/Reeston North – capacity for approximately 25 695 residential 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-subsidising 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 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 Development (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 incentivising 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 prioritisation.

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 agro-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. Repositioning Berlin Industrial area as a 'Green Energy hub'.

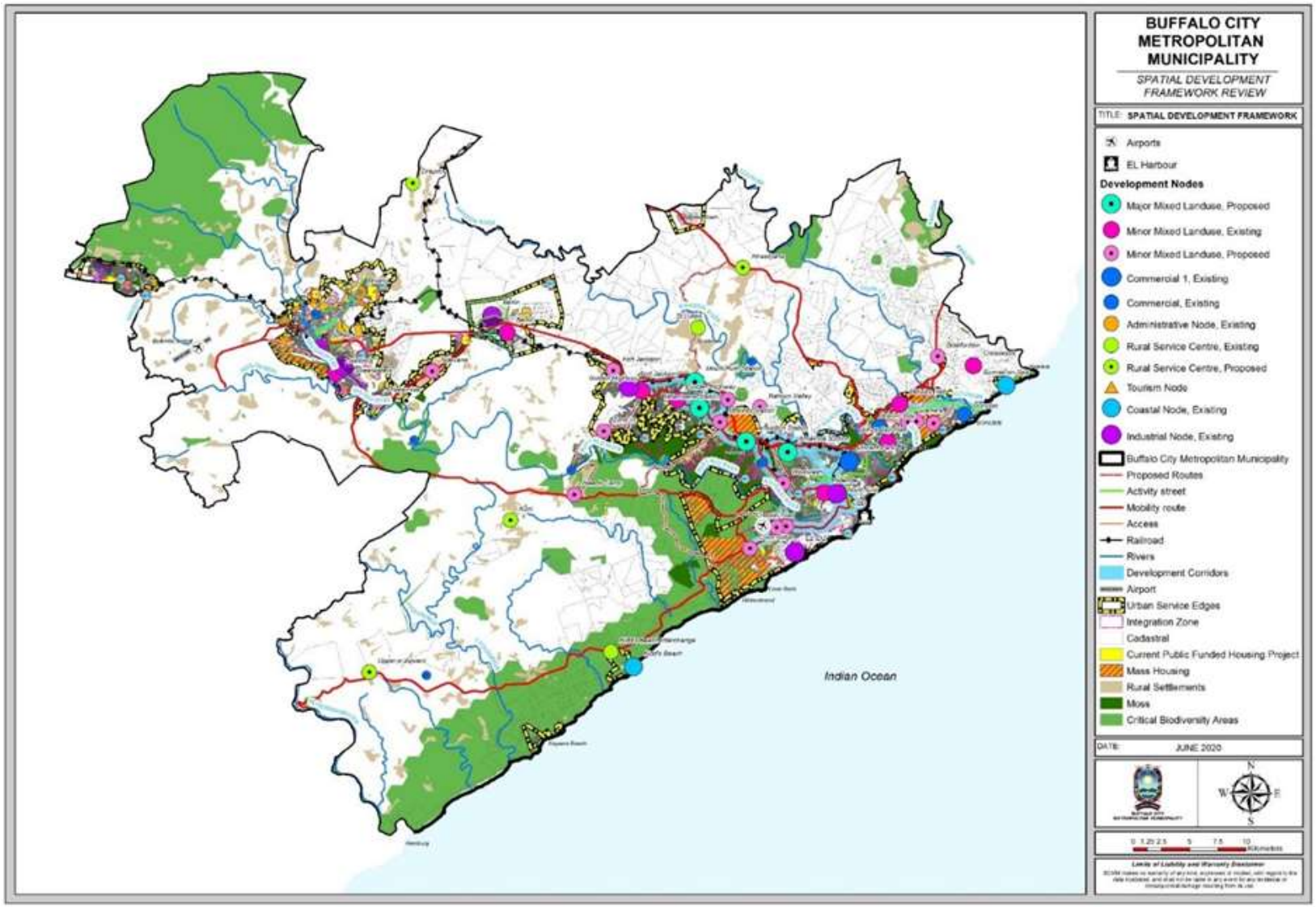

Figure 58: **Development nodes (SDF Review)**

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

1 INTRODUCTION

The District Development Model (DDM) 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, where there is a higher performance and accountability for service delivery and developmental outcomes to be not only coherent, but also effective: in other words, an 'All of Government and Society Approach'. The DDM influences spatialisation and reprioritisation of government planning, budgeting, implementation, and reporting. The DDM articulates outcomes and commitments agreed upon as 'One Plan', or Intergovernmental Plan. This is in relation to each space or sphere over the short, medium, and long-term.

The two interrelated processes, spatialisation and reprioritisation, implement 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 BCMM 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 realise 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, synthesises, 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 the 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)

BCMM 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 timeframe 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 with the IDP process.

1.4 Integrated Development Plan

Section 25 of the MSA 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 MSA 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, MGDS, and IDP

The One Plan does not replace the IDPs 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:

Table 32: 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.	Determines 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.	Elaborates 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 indicate that the main purpose of national and provincial participation is to ensure that sector priorities are reflected, and development actions are aligned with 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 SDF 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 taking part in the long-term development and growth of the City, mainly to strengthen our three-sphere 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 BCMM One Plan:

Table 33: Diagnostic summary on transformational areas for the Buffalo City Metropolitan One Plan

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
1. DEMOGRAPHIC CHANGE and PEOPLE DEVELOPMENT		
POPULATION		
Population, 2020	787 551	• 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)	

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
1. DEMOGRAPHIC CHANGE and PEOPLE DEVELOPMENT		
Youth unemployment rate 15-34 years, 2020	45,10%	
EDUCATION		
Percentage of persons aged 7 to 24 years who attended educational institutions by metropolitan areas, 2021	83,7%	
No schooling	4,00%	
Matric	31,00%	
Higher education	13,70%	
HUMAN DEVELOPMENT		
Mean age of sexual debut	12,8 years	• 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 BCMM 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	7 years	
Mean age of first pregnancy	15 years	
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	• 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		

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
1. DEMOGRAPHIC CHANGE and PEOPLE DEVELOPMENT		
Number of households that experienced specified types of crime during the past 12 months, 2020/21	Housebreaking/burglary: 8294 Damage to dwellings: 3092 Home robbery: 2 332 Assault: 2 260 Theft of motor vehicle: 1 464	• Rising levels of crime
GENDER-BASED VIOLENCE AND FEMICIDE (GBV & F)		• Within the BCMM IDP and PMS 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 marginalisation of vulnerability within its core business mandate as well as the participation and beneficiation of women, children and youth, persons with disability and the aged within Metro planning, budgeting and service delivery processes. • The inclusion of mandatory and shared vulnerability-reducing indicators and targets which are local government-specific would address the drivers of GBV & F.
HEALTH		
Delivery 10-19 years in facility rate, 2019/20	10,2% (a reduction from 11,3%)	• Non-communicable diseases followed by TB 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 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 many 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		There has been a massive decline in business confidence and economic activity in South Africa and similar trends can be observed in Buffalo City. **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 have 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 BCMM economy, although risk remains high given the 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 with global demand.
INVESTMENT RETENTION AND PROMOTION		• 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

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
		business, but it is certainly not among the cheapest, and is currently ranked number five 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 South African city to do 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 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. ▪ 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		▪ 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 struggling 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

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
		economy remains smaller than it was pre-2020, as indicated here. ▪ 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. ▪ 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		• In BCMM, the category Other (Medical, Religious, etc.) recorded a decrease from 2010 (96 600) to 2020 (27 600), or -11,76%. Visits to friends and relatives also decreased in 2020 at 151 000, with an average annual growth rate of -15,57%. Leisure/Holiday tourism averaged an annual growth rate of -7,51% from 2010 (168 000) to 2020 (24 500). • From 2010 to 2020, the number of bed nights spent by domestic tourists decreased at an average annual rate of -5,77%, while in the same period, international tourists showed 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. • BCMM had a total tourism spend of R1,2 billion in 2020 with an average annual growth rate of -8.0% since 2010 (R2.75 billion). Eastern Cape Province had a total tourism spend of R6,69 billion in 2020 and an average annual growth rate of -7.3% over the period. Total tourism spending in South Africa decreased from R188 billion in 2010 to R95,8 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	• Between 2010 and 2020, the index of buying power within BCMM increased to its highest level in 2015 (0,01528) from its lowest in 2020 (0,01463). The buying power within BCMM is relatively small compared to other regions and it decreased at an average annual growth rate of -0,25%.
GVA GROWTH AND GDP		

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		
Largest contributor to Gross Value Added (GVA) by broad economic sector – BCMM, 2020	Community Services Sector – R23,7 billion or 31,5%	• In 2020, the community services sector is the largest within BCMM accounting for R23,7 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 BCMM 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 BCMM is the mining sector with a contribution of R29,4 million or 0,04% of the total GVA.
INTERNATIONAL TRADE		
Merchandise exports and imports – Buffalo City, Eastern Cape and National Total, 2020 [R1000, current prices], 2020	R34,6 billion and 2.48% share of total national exports	• The merchandise export from BCMM amounts to R34,6 billion and as a percentage of total national exports constitutes about 2,48%. The exports from BCMM constitute 41,26% of total BMMC GDP. Merchandise imports of R24,7 billion constitute about 2,23% of the national imports. Total trade within Buffalo City is about 2,37% of total national trade. B had a positive trade balance in 2020 to the value of R9,83 billion. • The COVID-19 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		
<u>Ease of Setting up and Operating Business</u> • Ease of setting up and operating businesses in South Africa is still a challenge for many investors and has, 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 have 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 was immediately attractive to 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 to 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. <u>Enabling Infrastructure</u> • *Logistics Infrastructure*: Overwhelming dissatisfaction about logistics infrastructure that supports the ELIDZ is one of the key deterrents for investment into the Buffalo City Region and the ELIDZ and has, in fact, led to the loss of significant investment for the ELIDZ.		

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

2. ECONOMIC POSITIONING

- The existence of an under-capacitated port which had not been upgraded to accommodate contemporary 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*: There are 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 Technological 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 its 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.

<u>The Renewable Energy Sector</u>

- The ELIDZ is currently under immense pressure to allow for renewable energy generation to take place within the zone. Tenants 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 to be enabled.
- The ELIDZ would also like to request net metering options for generation that takes place in Berlin, but with 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.

<u>Rates and Incentives Request</u>

- The ELIDZ currently has received 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:
  - A rebate at a flat rate of 26% to be applied to 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% year 3, 35% year 4, 25% year 5 and 10% year 6
  - Bulk water to be discounted by 25%

DIAGNOSTIC SUMMARY PER TRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	QUICK STATISTICS	TRENDS / CHALLENGES / OPPORTUNITIES
2. ECONOMIC POSITIONING		

- Electricity wheeling fee to be revised to 1%
- Sewerage to be discounted by 26%

Key Opportunities Identified

- *Aquaculture Pilot*: The ELIDZ through one of its investors, King Fish Enterprises, 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 1A of the ELIDZ.
- *General Manufacturing – Black Industrialist Development*: ELIDZ has identified various common challenges that have contributed to the failure of 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 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.

DIAGNOSTIC SUMMARY PERTRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
2 SPATIAL RESTRUCTURING and ENVIRONMENTAL MANAGEMENT		
GEOGRAPHICAL SIZE		
Area	2515 km²	• 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
Coastline	68 km	
SPATIAL FORM		

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		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		• 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		• The current lines of travel in Buffalo City show a concentration along the corridor between East London and Mdantsane and in the Qonce (previously known as KWT) area where Qonce 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. 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 data for work related-trips indicated 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

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		requires particular attention, given the transport burden faced by the poor and working class in the City, and the complex trade-offs that require to be brokered among diverse interests in the transport sector. • PRASA is investing R483 472 028 over the 2022/2023 – 2024/2025 Medium Term Expenditure Framework (MTEF) towards the upgrading of a number of train stations located in Buffalo City.
SPATIAL REFORM		
		• Peri-urban development mushrooming along main corridors beyond where urban level of services can be feasibly provided. • Preliminary findings: 30 00 in 2007 to 40 000 formal houses in 2022 (Component Study by Umhlaba for the Buffalo City Water Services Master Plan by Mariswe). • Middle income housing. • Tribal 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 neighbouring areas for access to amenities and services: o retail and commercial facilities o education and health care facilities o social and community amenities • Six mass integrated human settlements with total estimated residential yield of 150 693: o West Bank - 71340 o Quenera - 26595 o Arnoldton/ Reeston North - 25695 o Ginsberg Extension - 14910 o Bhisho Precinct - 6144 o Amalinda Junction - 6009 • Mass Housing approach is intended to: o accommodate a range of socio-economic groups in a range of housing types in a fully Integrated human settlement; o be developed at high density and can include social housing flats, high rise RDP, Gap housing, plots for self-build housing, managed land settlement; o include business sites and community facilities.
DENSIFICATION		

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2 SPATIAL RESTRUCTURING and ENVIRONMENTAL MANAGEMENT		
Average number of people per square km, 2020	324	• In 2020, with an average of 324 people per square kilometre, BCMM 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 BCMM than in South Africa. • In terms of growth, BCMM 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 and SANITATION INFRASTRUCTURE		
Wastewater pump stations	103	• 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 a 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 kilolitres 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 who 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 infrastructure investment and expenditure shows our commitment to 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
Combined asset value	R12 billion	
Total storage capacity	250Ml	
Number of management zones	45 (urban)	
Sewer conveyance	2 400km	
Wastewater works	15	

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		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. • To meet 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.
ROADS and TRANSPORTATION NETWORKS		
Provincial Roads	472km surfaced roads and 1 083km of gravel roads	• There are 472km of surfaced and 1 083km of gravel provincial roads located within the BCMM area, most of which are arterial or access roads. • Many of these 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 rightly upset about the condition of the roads and are not interested in which road authority the road falls under. They are demanding that the roads be maintained, and the Municipality is the first port of call for claims and complaints from the residents. • 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, in order of priority, highlight some of the critical roads which have a significant negative impact on the operations and development of the Metro: ○ 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 ○ Schafli Rd, DR02730 ○ Voortrekker Rd/Old King Rd, R102

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3 INFRASTRUCTURE ENGINEERING		
		○ 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 is in the planning stage. • Budget shortfalls have restricted progress on other key roads (NW Expressway, Beacon Bay-Gonubie, etc.). • Flood damage has necessitated a huge increase in roads maintenance work (potholes) but there is still a significant backlog.
BCMM roads network	Surfaced roads network: approximately 1 680km Gravel roads network: approximately 1 640km	• The BCMM roads network consists of approximately 3320 km of surfaced and gravel roads network, with an estimated replacement cost of R9,4 billion. • The surfaced roads network which includes asphalt, concrete and block paved roads consists of approximately 1 680km of roads with an estimated replacement cost of R7 billion and a gravel roads network of approximately1640km with an estimated replacement cost of R2,4 billion. • Required annual resurfacing budget – R500 million • Current annual roads maintenance budget – R98 million • During December 2021 and January 2022, there were 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 storm water infrastructure throughout the Metro. ○ Storm water infrastructure damage ○ Roads damage ○ Accelerated deterioration of existing road and storm water 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 R1 500 000 000,00
Bridges and storm water	Bridge structures: approximately 20 300 manholes, kerb inlets and headwalls	▪ The existing infrastructure consists of approximately 70 bridge structures, approximately 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.

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	Storm water pipes and culverts: More than of 600km	▪ There is a significant backlog in the maintenance and upgrade of the existing storm water 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 storm water network. The need for improved storm water drainage systems is increasingly severe due to changing climatic conditions arising from 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	▪ 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 and benefit the entire east of the province. Automotive suppliers are also making a strong case for airborne 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 five growth nodes. ▪ The East London Port management team, working with local stakeholders, has developed a plan for port widening and deepening to allow larger modern 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. ▪ Also, part of the proposition is the upgrade of the rail link to Johannesburg which will be a key ingredient of 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.
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 forecasted Traffic for the year FY20/21, but has seen a 70% improvement in traffic for 21/22	

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		▪ ACSA'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 (recognised 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 utilising integrated systems and data, and is still highly manual, compromising data integrity. ▪ There are a number of innovative ICT and digitisation 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 BMMC's service delivery challenges, inefficiencies and lack of integration through digitising 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. ▪ Improve 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

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		facilities, digital skills facilities, artificial intelligence and other 4IR capabilities, and dedicated purpose-built facilities for research and innovation (such as the ELIDZ Science and Technology Park). The BCMM, the ELIDZ and the DTI are also working on a proposal for a digital hub. In a number of cases, synergies and linkages need to be facilitated to optimise 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. ▪ Promote digital access, close the digital divide, and ensure 4IR benefits flow to entrepreneurs and citizens in townships and other marginalised residential spaces. This includes the rollout of broadband and Wi-Fi 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 Wi-Fi installing free Wi-Fi 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 digitising government, digital ambassadors linked to free Wi-Fi rollout, 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

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3 INFRASTRUCTURE ENGINEERING		
		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 conceptualised 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 realise 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 double or triple by 2035. The challenge going forward is to convince national government and key SOEs 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		• 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 and ELECTRICITY		
		• High electricity losses and the related matter of illegal connections. • Serious concerns over BCMM's electricity supply infrastructure and capacity to accommodate future industrialisation 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.

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4 INTEGRATED SERVICES PROVISION		
		• 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. Electricity backlog in the City is due to three main causes: ▪ Backlog 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 1 500 a year due the time needed for completion of houses. Electrification of the completed houses is usually completed within the next year. ▪ The second reason for electricity services backlog is the mushrooming of informal dwellings within BCMM. These households require both housing and electrification. ▪ BCMM has implemented a Standard Operating Procedure (SOP) to expedite informal areas that meet the electrification criteria but for a few minor concerns such as re-blocking, and 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 obstacle to electrification is that many of the extensions 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 redistributed 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

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		standard. The continued electrification of RDP houses is prioritised 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 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 Occupational Health and Safety Act. In the year under review 900 informal dwellings received electricity. ▪ The Metro has continued to invest capital funding of approximately R87,4 million into the aging electrical network by upgrading, refurbishing, and replacing equipment which has reached its useful lifespan. ▪ The 4IR SCADA (supervisory control and data acquisition) project has continued and has provided the Electricity and Energy Department with much needed control and monitoring of the electrical network and provides safer and more efficient operating during load shedding events.
PUBLIC FACILITIES		
Primary Health Care (HPC) facilities	79	• Communities, predominantly from rural settlements, repeatedly request 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) 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 loss in following up on TB and HIV treatment due to these migration patterns. • Bhisho, Grey, Cecilia Makiwane and Frere Hospital were also renovated in 2020/21 as part of the COVID-19
Clinics	74	
Community Health Centre	5	
District Hospital	2	
EMS Station	3	
Mobile Service	33	
Provincial Tertiary Hospital	1	
Regional Hospital	1	
Satellite Clinics	5	
Specialised Hospitals	3	

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4 INTEGRATED SERVICES PROVISION		
		response in order to increase the number of hospital beds available for COVID-19 patients.
WATER and SANITATION		
Total population supplied (urban)	498 000	• Most informal settlements have been 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. • No development due to bulk sewerage 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 wastewater treatment works servicing the three operational districts. Due to the new developments and housing rollout, the 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 threaten the environment. This limits development, in particular the development potential of industrial development in some catchment zones. In order to address some of the identified challenges, BCMM established and is 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 are a number of villages that still require to be provided with basic sanitation in the form of VIP toilets. The department is rolling out approximately 3000 VIP toilets a year.
Number of properties (urban)	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 m^3	
Non-revenue water	36%	
Effluent treated per day	120 million m^3	
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%	• BCMM is currently addressing compliance issues of the Beacon Bay garden transfer station.
Permitted general leachate-based (GLB+) landfill sites	• King William's Town	

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permitted to accept non-hazardous waste	• Roundhill Landfill Site	• There is one privately owned garden transfer station situated at Gonubie and also servicing the Gonubie community. • The City has no hazardous waste landfill site, although a pilot project is underway to develop means of dealing with hazardous waste within the City.
Registered garden transfer stations	• Kayser's Beach • Kidd's Beach	
Buy-Back Centres	• Southernwood – operational • East London CBD – operational • Settlers Way – not operational yet • Quigney – not operational yet	
Daily refuse removal services	• Seventeen areas in the Coastal region • Nine areas in the Midland region • Twelve areas in the Inland region	
FREE BASIC SERVICES	10% growth in number of indigent households requiring free basic services	• 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 number of indigent households requiring free basic services grew by at least 10%.
LIQUORSALES and MANUFACTURING REGULATION		
Licenced liquor traders	On/off consumption – 653 On consumption – 240 Off consumption – 162 Micro-manufacturing – 2	• BCMM holds a liquor trading by-law (2013). Under such by-law, 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.
Non-renewed liquor licences	On/off consumption – 44	

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4 INTEGRATED SERVICES PROVISION		
	Off consumption – 11 On consumption – 9 Micro-manufacturing – 0	**Proposed Areas of Collaboration with BCMM** • Building and business regulations • Compliance enforcement • Complaints management • By-law 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.

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5 GOVERNANCE and FINANCIAL MANAGEMENT		
MUNICIPAL FINANCIAL PLANNING (BUDGETING)		
Surplus, 2020/21	R662 million	• 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 R2,86 billion in the past three years).
MUNICIPAL FINANCIAL MANAGEMENT (EXPENDITURE)		
		▪ 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 reasons for the decline in cash and cash equivalent are the following cost drivers: o 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 in demand for services. o The high level of investment in capital infrastructure, thereby increasing the balance sheet but decreasing reserves. o The ongoing continued increase in water and electricity losses, due to theft. o The application of the revaluation method to account for depreciation of the municipal assets, thus posing a

DIAGNOSTIC SUMMARY PERTRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
5 GOVERNANCE and FINANCIAL MANAGEMENT		
		significant material decrease in the value of BCMM assets, without equivalent rehabilitation or upgrading of assets. o 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. o The continued increase in employee related cost and overtime. • Capital expenditure decreased from R1,86 billion in 2018/2019 to R1,65 billion in 2019/2020 as result of the impact of COVID-19 and increased in the 2020/2021 Financial Year to R1,69 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) 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 in Buffalo City between 2016/17 and 2020/21) Financial Years, 2022	8,8%	▪ 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 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.

<table>
<tr><th colspan="3">DIAGNOSTIC SUMMARY PERTRANSFORMATIONAL FOCUS AREA</th></tr>
<tr><th>KEY ISSUES</th><th>QUICK STATISTICS</th><th>TRENDS / CHALLENGES / OPPORTUNITIES</th></tr>
<tr><td colspan="3">5 GOVERNANCE and FINANCIAL MANAGEMENT</td></tr>
<tr><td>Total Debtors Book as at 31 October 2022</td><td>R5 833 270 529</td><td><table><tr><th>Total debtors book</th><th>R5 833 270 529</th></tr><tr><td>Total debtors – Government</td><td>R164 114 571</td></tr><tr><td>Total debtors – Business</td><td>R1 821 851 473</td></tr><tr><td>Total debtors – Households</td><td>R3 847 304 485</td></tr></table></td></tr>
<tr><td colspan="3">UNFUNDED MANDATES</td></tr>
<tr><td>Number of unfunded mandates performed by the Metro</td><td>Two – Library function and construction of housing top structures</td><td>BCMM has two unfunded mandates, namely, the library function and the construction of the housing top structures, which are funded through the Human Settlements Development Grant (HSDG). These unfunded mandates have a negative effect and put a strain on 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.</td></tr>
<tr><td colspan="3">AUDIT OUTCOMES</td></tr>
<tr><td colspan="3">5.2 The Buffalo City Metropolitan Municipality Finance Profile

5.2.1 Overall Financial Performance & Expenditure of the Buffalo City Metropolitan Municipality (BCMM)</td></tr>
</table>

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

5 GOVERNANCE and FINANCIAL MANAGEMENT

Description	2019/20	2020/21	2021/22
R thousands	Audited Outcome	Audited Outcome	Audited Outcome
Financial Performance			
Total Revenue (excluding capital transfers and contributions)	6 641 385	7 738 963	8 249 591
Total Expenditure	7 680 117	8 207 573	9 201 071
Surplus/(Deficit)	**(1 038 732)**	**(468 610)**	**(951 480)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1 010 413	1 065 032	686 636
Contributions recognised - capital & contributed assets	–	14 979	2 294
Surplus/(Deficit) after capital transfers & contributions	**(28 319)**	**611 401**	**(262 551)**
Share of surplus/ (deficit) of associate	105 684	(26 628)	29 869
Surplus/(Deficit) for the year	**77 365**	**584 773**	**(232 682)**
Capital expenditure & funds sources			
Capital expenditure	**1 654 229**	**1 690 102**	**1 465 623**
National Government	1 317 760	1 098 015	707 259
Provincial Government	1 580	542	–
Borrowing	–	230 800	35 311
Internally generated funds	909 556	860 389	855 691
Total sources of capital funds	**2 228 896**	**2 189 745**	**1 598 261**
Financial position			

DIAGNOSTIC SUMMARY PERTRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**

5 GOVERNANCE and FINANCIAL MANAGEMENT

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

Table 34: Previous 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	R229 million	Impracticable to determine		
Electricity losses	R295,1 million	R368,2 million	R413,4 million	
As a percentage (%)	19,35	22,80	20,47	
Water losses	R126,1 million	R125,5 million	R139,3 million	
As a percentage (%)	36,31	36,27	37,5	
Material impairment allowances			R1 billion	
Underspending on conditional grants			R274,3 million	

In 2020/2021 the City obtained a qualified audit opinion on its Annual Financial Statements.

HUMAN RESOURCE CAPACITY

Vacancy Rate, 2020/2021	9,03%
Turnover Rate, 2022	2,6%

- The figure for 2021/22 below represents the turnover rate as at January 2022.

	Turnover Rate	
Details	**Total appointments as of beginning of financial year**	**Terminations during the Financial Year**
	No.	**No.**
Year 2018/2019	5116	120
2019/2020	5641	134
2020/2021	5663	271
2021/2022 (Jan 2022)	5552	146

INTERGOVERNMENTAL RELATIONS

Number of IGR meetings held	26	BCMM held the following IGR sessions:

DIAGNOSTIC SUMMARY PERTRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
5 GOVERNANCE and FINANCIAL MANAGEMENT		
		• 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 and 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 • 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 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;

DIAGNOSTIC SUMMARY PERTRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
5 GOVERNANCE and FINANCIAL MANAGEMENT		
		• 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 Professional Growth Development Plan (PGDP) and NDP; • Ensure more realistic and credible IDP and One Plan 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.

PUBLIC PARTICIPATION

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 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 BCMM 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 demonstrates community involvement in the IDP development.
Ward Committees	These are critical platforms or organs of peoples' power that our communities use to interface with their municipality throughout the 50 wards to informing the community of council decisions, community rights and duties, and municipal affairs, etc. The community also thereby informs the Ward Councillors 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 is constant interaction between government and communities. There are 32 CDWs working in 50 wards of BCMM: 16 (East London), 7 (Mdantsane) 9 (Qonce). 18 Wards have no CDWs; however, those wards are serviced by the nearest CDWs. They have a fully equipped office with IT equipment and telephone. They get assistance with their operational needs, i.e., stationery and transport, to enable them to perform their functions efficiently and effectively. CDWs assist with community mobilisation and participate in Metro public participation programmes i.e., IDP Budget Roadshows and coordinating signing of development initiatives, poverty alleviation initiatives and other development undertakings 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 issues that concerns the inhabitants.
Council meetings open to public	Informing the community of council decisions, community rights and duties, municipal affairs etc.

DIAGNOSTIC SUMMARY PERTRANSFORMATIONAL FOCUS AREA		
KEY ISSUES	**QUICK STATISTICS**	**TRENDS / CHALLENGES / OPPORTUNITIES**
5 GOVERNANCE and FINANCIAL MANAGEMENT		
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 meetings 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/ Representative Forums	Metro involves stakeholders in the IDP, Budget, PMS, 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 59: Six 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 five 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 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 so that planning, budgeting, procurement, delivery, financial and performance management takes place in an effective, efficient, accountable, and transparent manner. It also includes spatial governance, which refers to the process of assessing and directing land development, as well as undertaking effective land use management and release of municipal/public land, in order to achieve spatial transformation goals.

4.3 Situating the Transformational Focus Areas within the Buffalo City context

The partners of the Buffalo City One Plan contextualise the Transformational Focus Areas, which are strategic elements driving the One Plan, in the following manner:

Table 35: Transformational Focus Areas within the Buffalo City context

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, reducing the cost of doing business and addressing 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 and 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 its 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 its apartheid spatial form. Key to this is increased densification, equalisation 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 marginalised 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 supports the economic positioning and transformed spatial structure.

Desired Future

All stakeholders understand the social and economic value of different infrastructure investment options, and prioritise, support and mobilise 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 SOPs 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 high quality, accessible and consistently strive towards ensuring value for money. The systematic and prioritised elimination of basic service delivery backlogs ensures that people have access to socio-economic opportunities, good services, and public amenities.

Governance and Financial Management

Vision Statement

The City flourishes under a stable and capable leadership which 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 prioritisation 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 95 below.

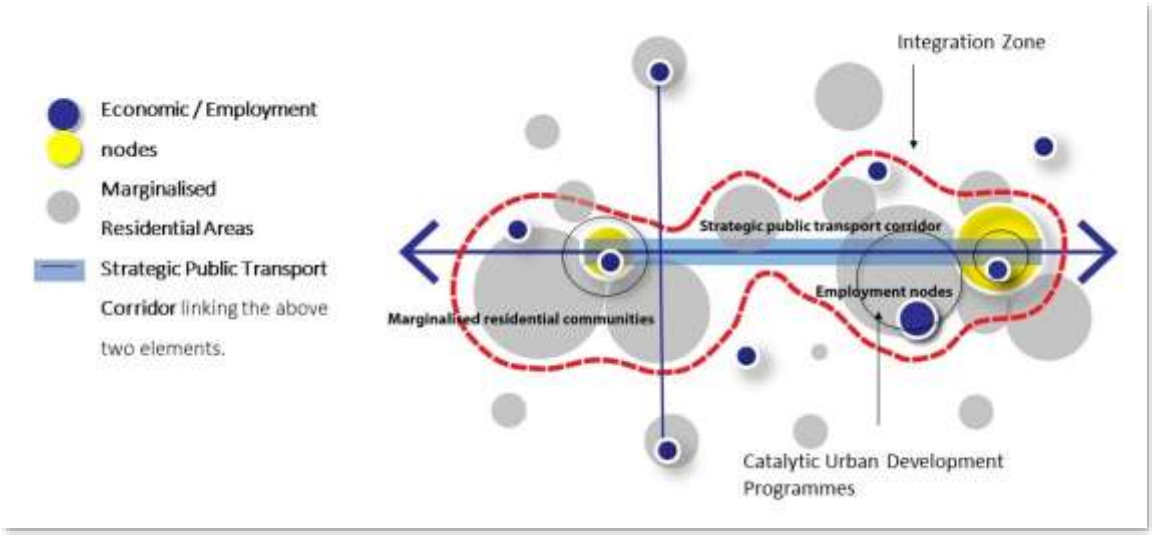

Figure 60: Spatial targeting structuring elements: public transport corridors and nodes

(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.

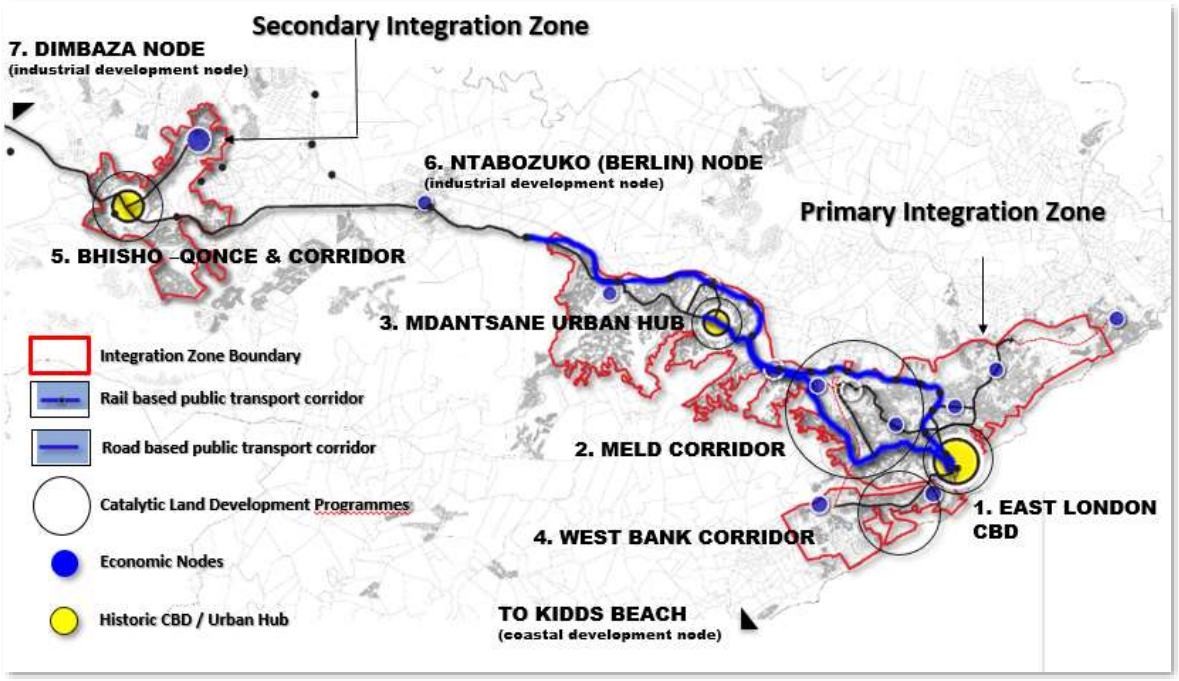

Figure 61: BCMM Urban network strategy (Source: BCMM BEPP 2022-23)

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 **Mdantsane/East London Development (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's largest housing projects, **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 and Inner City
2. The MELD Corridor (Central)
3. Mdantsane Urban Hub
4. West Bank Economic Corridor (Port–MBSA–ELIDZ–Airport–Logistic Hub).

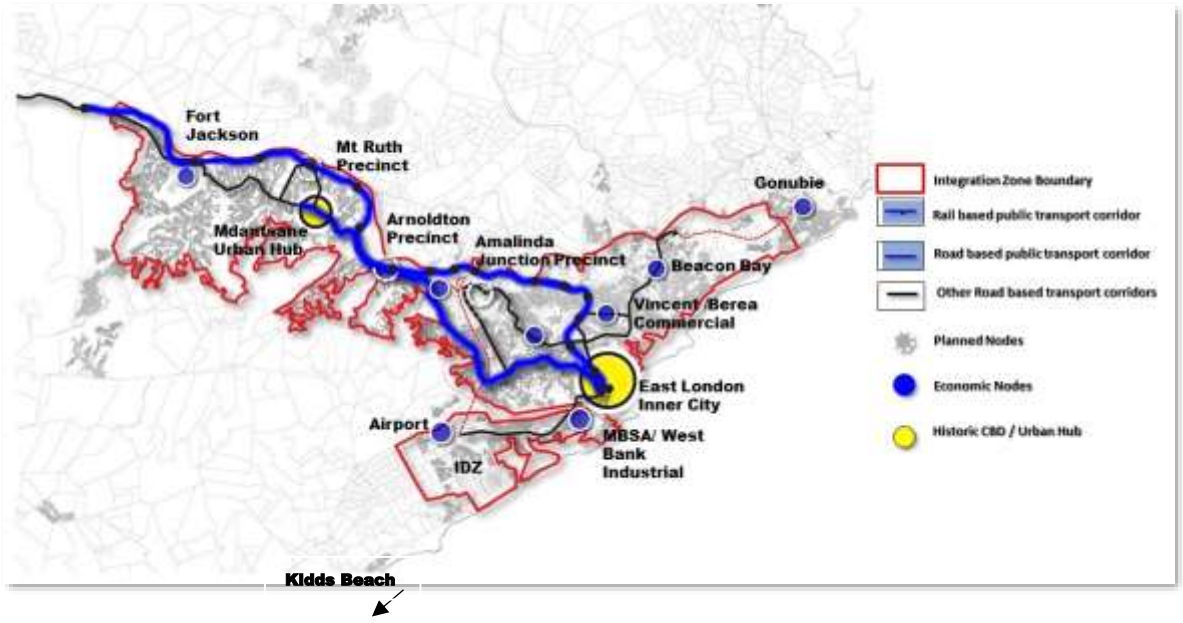

Figure 62: Spatial targeting: nodes and corridors within Primary Integration Zone (Source: BCMM BEPP 2019-20)

- Strategic Development Corridors: Secondary Integration Zone

The Secondary Integration Zone for BCMM is formed around and includes the following focus areas:

5. Qonce – Bhisho – Zwelitsha zone, including the R63 corridor between KWT and Bhisho

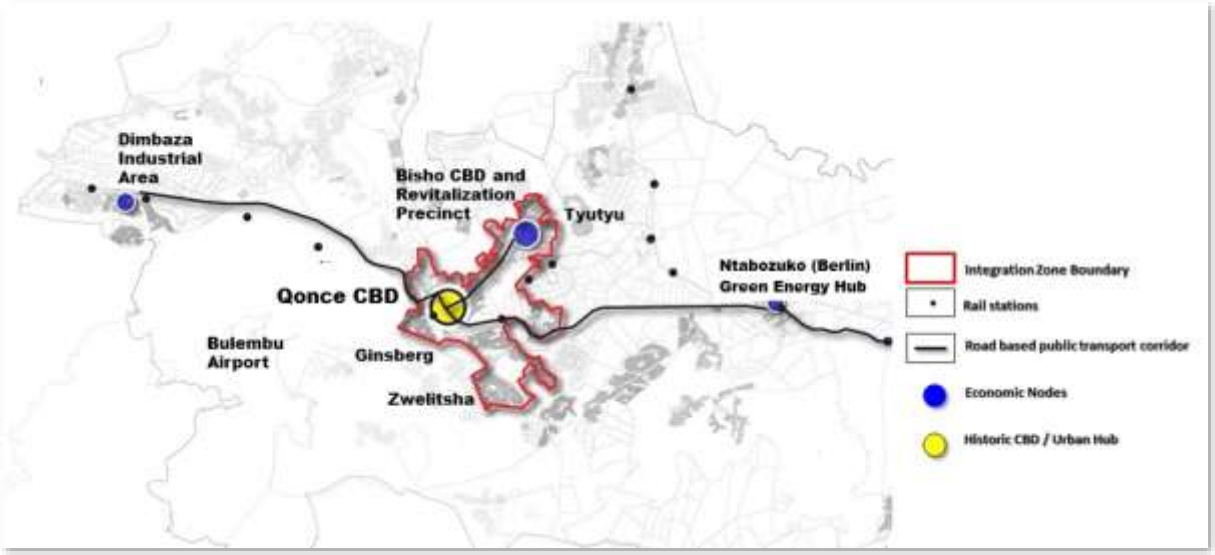

Figure 63: Spatial targeting: Secondary Integration Zone (Source: BCMM BEPP 2019-20)

The Secondary Integration Zone is made up primarily of the historic CBD/hub of Qonce 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 the figure above, the Secondary Integration Zone incorporates the administrative hub of Bhisho which forms a strategic employment node within this Zone. The **R63–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 as 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 64: 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.

Table 36: East London CBD and Inner City Regeneration Programme resourcing

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 37: East London CBD and Inner City Regeneration Programme: Budget 2023/24

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

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

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 (Including Water world - BCMDA)	Public Space Upgrade on the East London Beachfront	Operationalisation	R5 000 000,00	R7 000 000,00	-
Public Realm Upgrades and Greening (PPPSG)	Integrated Design Framework for Public Transport and Public Realm Upgrades and Greening in the EL CBD and Inner City (PPPSG)	Planning Stage	R 3 000 000,00	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	R 500 000,00
Refurbishment of the Aquarium	Upgrade enhance the esplanade precinct	Planning stage	R 700 000,00	R800 000,00	-
Upgrade of Ubuhlanti Park (Marina Glen B) & Little Mauritius (BCMDA)	Integrated plans for infrastructural upgrades at Ubuhlanti and Little Mauritius	Planning Stage	To be informed by current work	To be informed by current work	
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		
Development of the Sleeper Site (BCMDA)	Development of publicly owned land in the East London CBD	Planning Stage / Turnkey / BOT	N/A		
Upgrading of the Zoo	Upgrading of the Zoo	Planning Stage	R1 000 000,00	R 1 100 000,00	-

MELD Corridor Central Programme

The MELD Corridor is the area straddling the main transportation routes (roads and railway) and links the townships of Mdantsane and other previously disadvantaged areas to East London's Central Business District.

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 upgrading 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 Catalytic Land Development Programme (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:

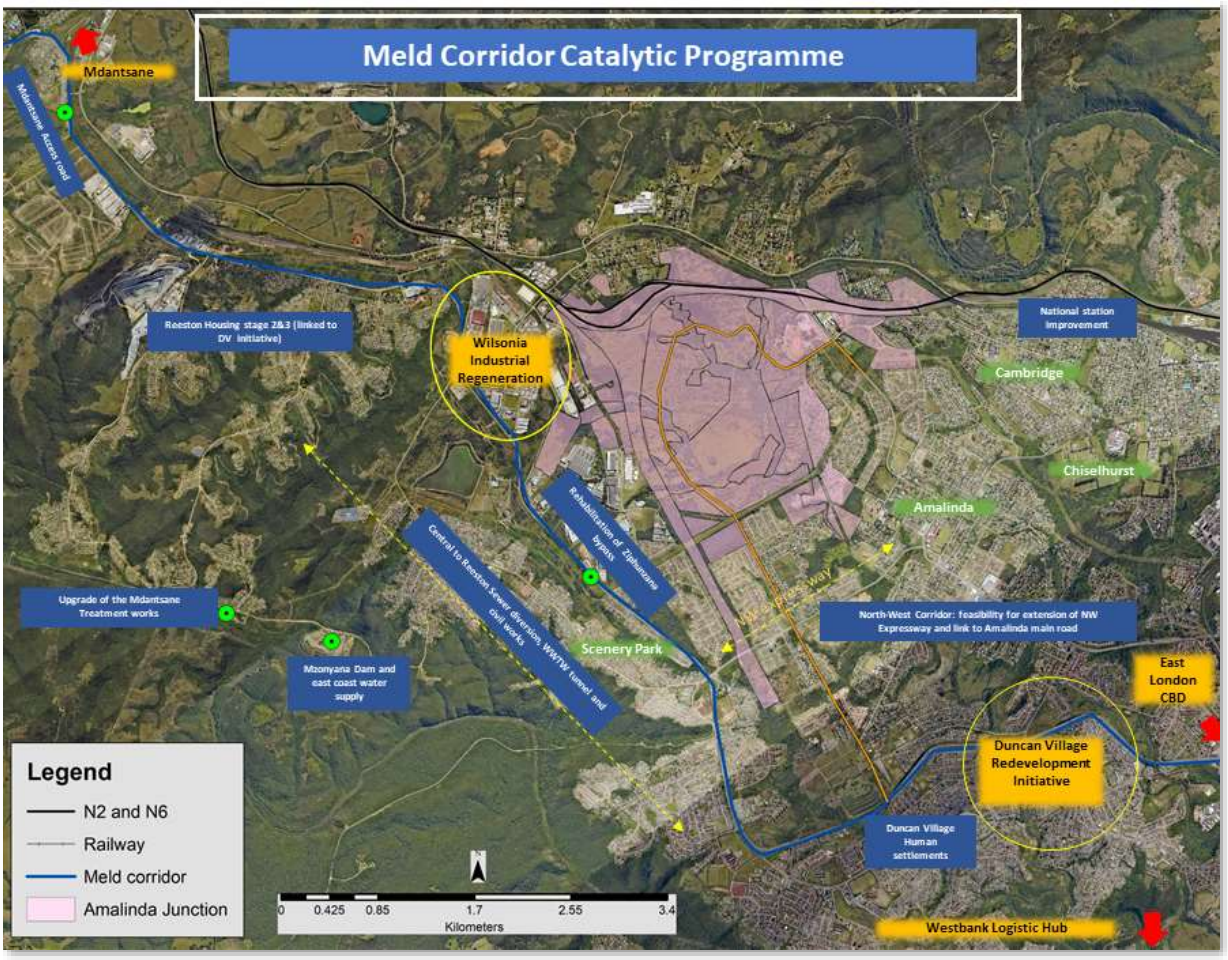

Figure 65: BCMM: Current and planned projects within the MELD Corridor Urban Development Programme (Source: BCMM Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: MELD CORRIDORCATALYTIC PROGRAMME

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

Table 38: MELD Corridor Central Programme Resourcing: Final Budget 2023/24

CATALYTIC PROGRAMMES: 2023/24

MELD CORRIDOR CENTRAL PROGRAMME RESOURCING: 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 29,500 (ISUPG &USDG)	R 20,200 (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		→	→	R 35, 598 (ISUPG)		
Umzonyana Dam and East Coast Water Supply		→	→	R 25,000 (USDG)		

Table 39: Meld Corridor Central Programme: Final Budget 2023/24

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

MELD CORRIDOR CENTRAL PROGRAMME: 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. Phase 1 - Dualization of Qumza Highway from NU12 intersection to the Sasol Intersection in Fort Jackson.	Construction Stage	R66 082 040 .00	R20 000 000.00	R20 895 993.00
Mdantsane Access Road	Widening of the Mdantsane Access Road from Vergenoeg 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	R500 000.00	R1 000 000.00	R 1 044 798,00
DVRI: C Section and Triangular Site		Implementation stage	R500 000.00	R1 500 000.00	R 2 089 595.00
DVRI: D Hostel		Implementation stage	R3 000 000.00	R3 148 320.00	R 3 827 396.00
Reeston Housing linked to DVRI relocations	Phase 3, Stage 2	Implementation Stage	R 25 000 000.00	-	-

Table 40: Meld Corridor Central Programme: Final Budget 2023/4

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

MELD CORRIDOR CENTRAL PROGRAMME: 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. Phase 1 - Dualization of Qumza Highway from NU12 intersection to the Sasol Intersection in Fort Jackson.	Construction Stage	R66 082 040 .00	R20 000 000.00	R20 895 993.00
Mdantsane Access Road	Widening of the Mdantsane Access Road from Vergenoeg 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	R500 000.00	R1 000 000.00	R 1 044 798,00
DVRI: C Section and Triangular Site		Implementation stage	R500 000.00	R1 500 000.00	R 2 089 595.00
DVRI: D Hostel		Implementation stage	R3 000 000.00	R3 148 320.00	R 3 827 396.00
Reeston Housing linked to DVRI relocations	Phase 3, Stage 2	Implementation Stage	R 25 000 000.00	-	-

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

MELD CORRIDOR CENTRAL PROGRAMME: 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	R19 598 320	R34 278 348.00	R29 783 590.00
Umzonyana Dam and East Coast Water Supply Upgrade	Water supply coastal and midlands area	Implementation	R25 000 000,00	R 18 127 604.00	R18 939 714.00
Rehabilitation of the Ziphunzana Bypass	Rehabilitation	Planned Implementation	R19 000 000,00	R500 000.00	R522 400.00
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, basketball 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 with 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)

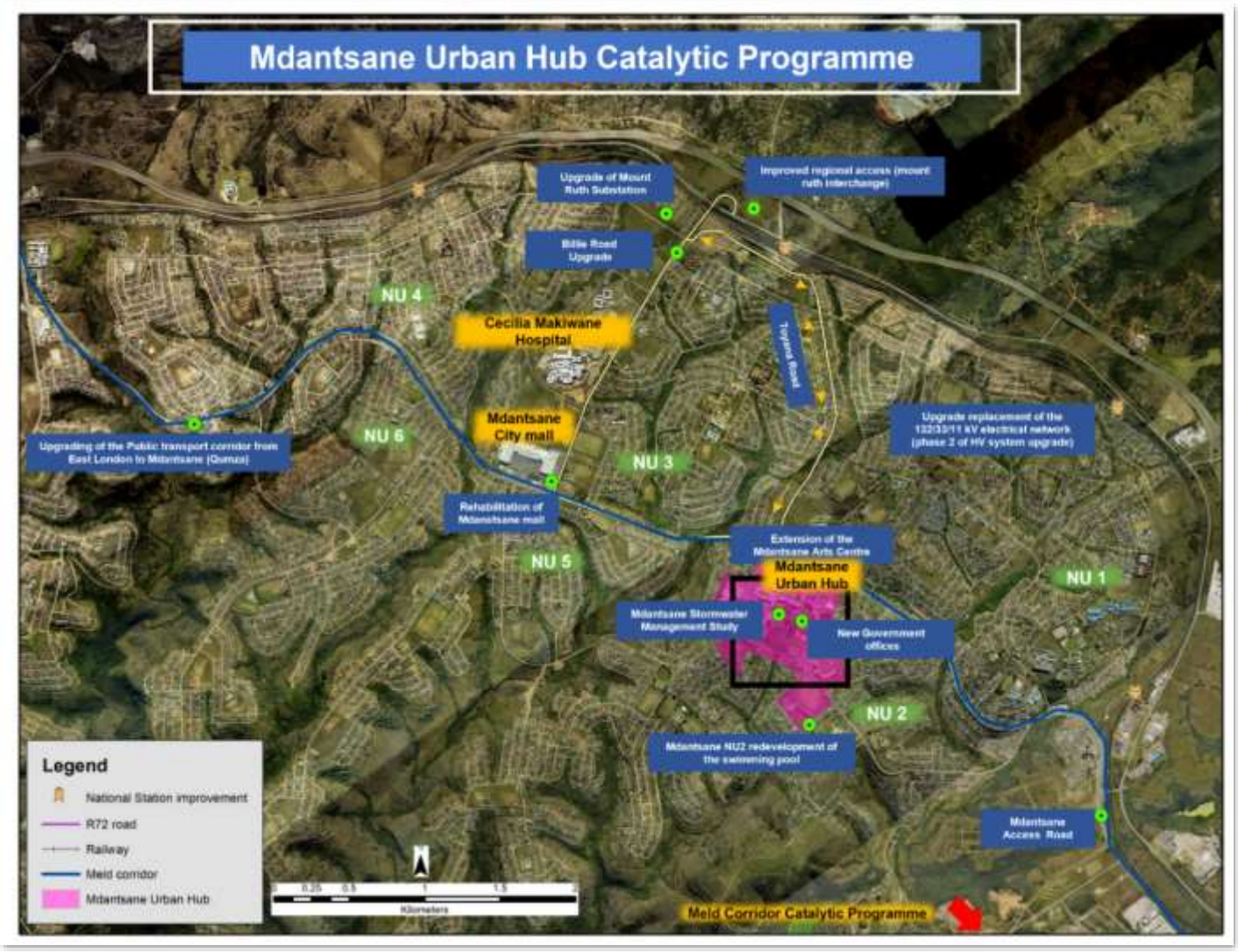

Figure 66: BCMM: Current and planned projects within the Mdantsane Urban Hub Urban Development Programme. (Source: BCMM Final BEPP 2022-23)

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.

Table 41: Mdantsane Urban Hub Programme Resourcing

Table 42: Mdantsane Urban Hub Catalytic Programme

CATALYTIC PROGRAMMES: 2023/24

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			R58, 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	TBD			R2,000 (PPPSG)		

Table 43: Mdantsane Urban Hub Programme: Final 2023/24 Budget

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

MDANTSANE URBAN HUB PROGRAMME: 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	R58 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 Mdansane Urban Hub. Improved vehicular and pedestrian traffic flow and landscaping. Upgrade of the Billie Road to enhance the movement to the Mdantsane Urban Hub and CM Hospital	Construction Stage. The sidewalks are 90% complete now and are expected to be complete this financial year. Streetlighting is complete and construction of the zones will continue. Billie Road upgrade is in the design stage of the dual carriageway.	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	R7 000 000,00
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 Management Study	Stormwater management study	Planning	R2 000 000,00	R2 500 000,00	R2 300 000,00

West Bank Economic Corridor and Logistics Hub

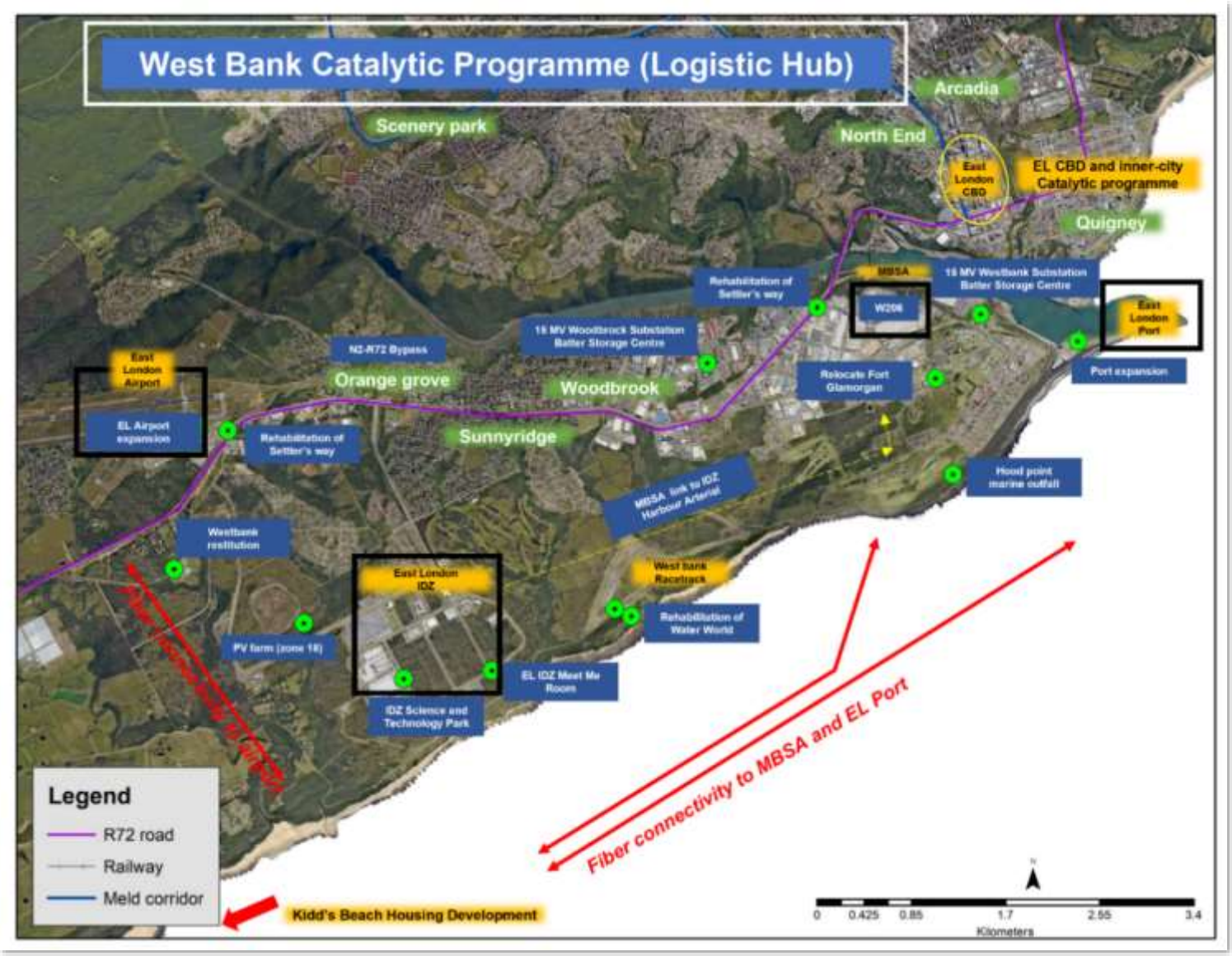

Figure 67: BCMM: Current and planned projects within the West Bank Economic Corridor Programme. (Source: BCMM Final BEPP 2022-23)

The West Bank Catalytic Programme is a recently established one 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
- East London 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 swop 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

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.

Table 44: West Bank Economic Corridor Programme Resourcing

CATALYTIC PROGRAMMES: 2023/24

WEST BANK ECONOMIC CORRIDOR PROGRAMME RESOURCING: 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	TBC					(EL IDZ)
PV Farm (ZONE 18)	TBC					(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 Expansión	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 45: West Bank Economic Corridor Programme Resourcing: Final Budget

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 Expansión	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 46: West Bank Logistics Hub: 2023/24 Final Budget

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

WEST BANK LOGISTICS HUB: 2023/24 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 (including Court Crescent upgrade)	Upgrading of Recreational Facility	Construction	R5 000 000,00	R7 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.	R25 000 000,00	R 40 424 463,00	R 42 235 464,00
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

BUFFALO CITY METROPOLITAN MUNICIPALITY

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), and the link southwards to the township of Ginsberg as well as the R63 – Bhisho link northwards from 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 R63 – 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:

- 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 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)

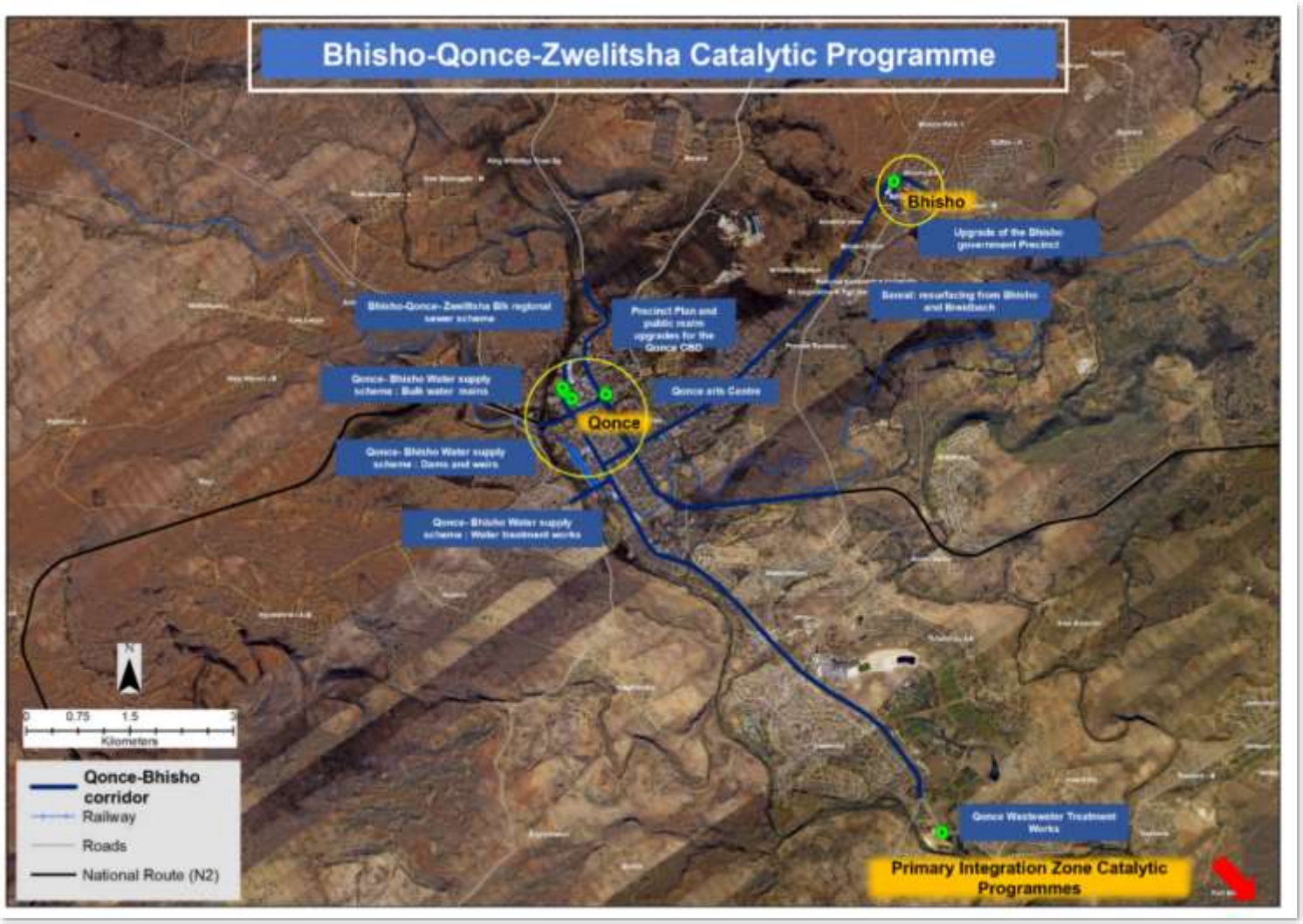

Figure 68: BCMM: Current and planned projects within the Qonce / Bhisho Urban Development Programme
(Source: Final BEPP 2022-23)

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.

Table 47: Bhisho Qonce (King William's Town) Corridor Programme Resourcing

CATALYTIC PROGRAMMES: 2023/24

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.	TBC			R3,000 (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 48: Bhisho-Qonce (KWT) – Zwelitsha Corridor: 2023/24 Final Budget

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

BHISHO- QONCE (KWT) - ZWELITSHA CORRIDOR: 2023/24 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
Qonce (KWT) and Bhisho Bulk Mains Infrastructure:	Infrastructure	Construction	R13 000 000,00	R15 000 000,00	R 15 671 995
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	R3 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

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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 focused on renewable energy projects which seek to broaden the energy mix as well as diversify the BCMM Economy. Proposals include manufacturing and agro-processing as part of the Green Energy Hub/Solar Farm proposals by the IDZ and the bio-fuel waste to energy programme.

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)

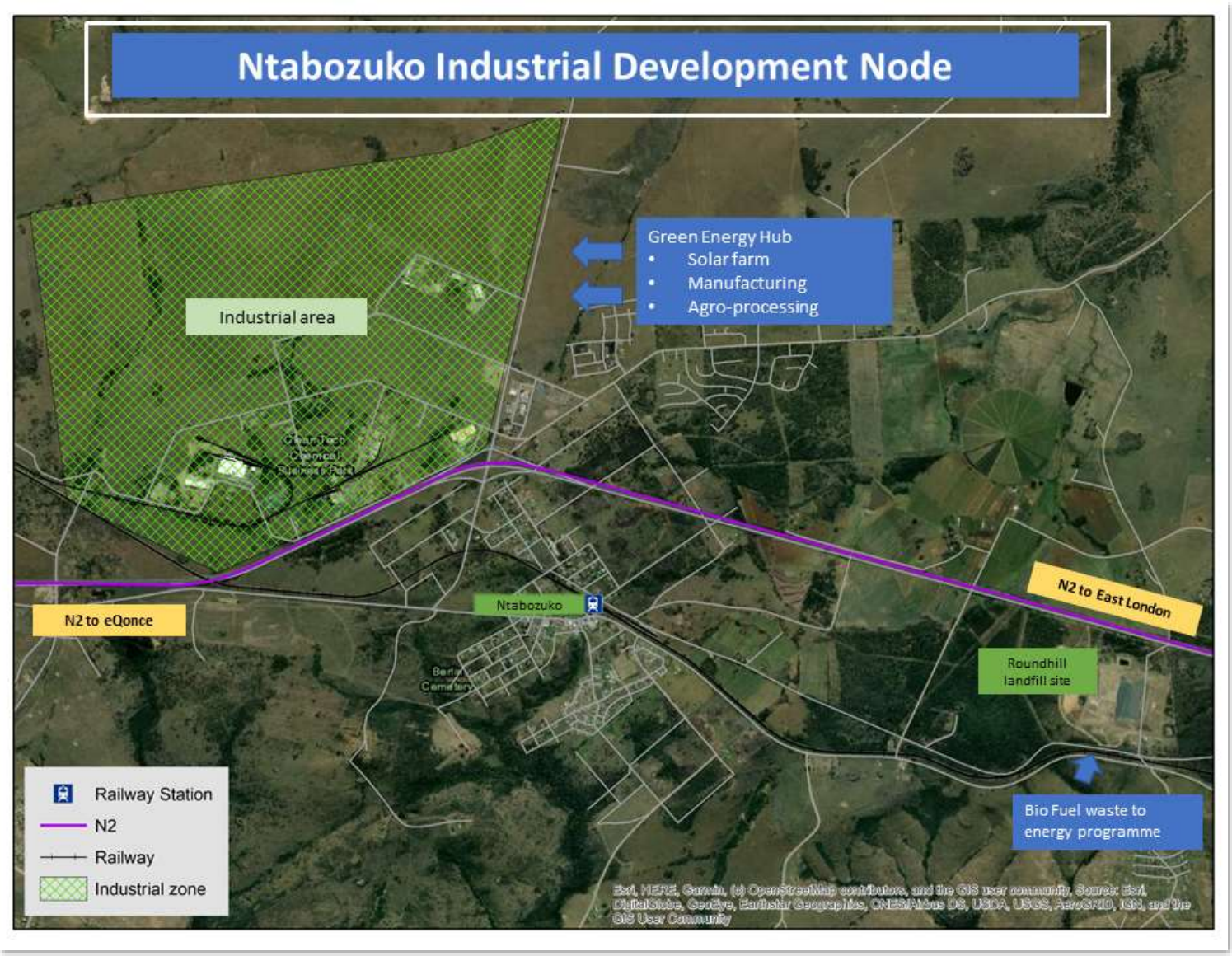

Figure 69: BCMM: Current and planned projects within the Ntabozuko Industrial Development Node (Source: Final BEPP 2022-23)

INTERGOVERNMENTAL PROJECT PIPELINE: NTABOZUKO (BERLIN) NODE RESOURCING

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

Table 49: Ntabozuko (Berlin) Node Resourcing

CATALYTIC PROGRAMMES: 2023/24

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)		
Berlin Waste Water Treatment Works	TBC			R3,000 (USDG)		

Table 50: Ntabozuko (Berlin) Node: 2023/24 Final Budget

CATALYTIC PROGRAMMES BUDGETARY ALLOCATIONS OVER THE MTREF: PRIMARY INTEGRATION ZONE

NTABOZUKO (BERLIN) NODE: 2023/24 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	-
New Berlin Fire Station	Construction of new facility	Construction	R12 187 900,00	R 6 000 000,00	R3 000 000,00
Berlin-Lingelitsha Phase 1: Water	Water infrastructure	Construction	R5 000 000,00	R5 000 000,00	R5 223 998,00
Berlin Wastewater Treatment Works	Infrastructure	Upgrade	R3 000 000,00	-	-

Dimbaza Node

A fully fledged business case has been developed for the revitalisation of the Dimbaza Industrial Area, championed by the Eastern Cape Development Corporation (ECDC), supported by the Department of Trade, Industry and Competition (DTIC) and the Department of Rural Development and Land Reform (DRDLR). The main intervention is the development of and Agri-Park focusing 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)

Intergovernmental 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 70: 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.

Table 51: Dimbaza node resourcing

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 - Development of Incentive schemes for potential investors	TBC			**USDG R2.500**		**ECDC & DTI**
Dimbaza Tourism development as part of the East London-Duncan Village-Mdantsane-Ntabozuko-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 52: Dimbaza node: 2023 Final Budget

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 revititalsation	TBC	R2 500 000,00	-	-

Table 53: Summary of projects funded through the PPPSG

PROGRAMME AND PROJECT PREPARATION SUPPORT GRANT

Summary of Projects funded through the PPPSG

PROGRAM FUND	PROJECT DESCRIPTION	2023/2024 DRAFT OPEX BUDGET	2024/2025 DRAFT OPEX BUDGET	2025/2026 DRAFT OPEX BUDGET
PPPSG	WESTBANK AND WOODBROOK BATTERY STORAGE FACILITIES	5 145 902	5 300 000	5 000 000
PPPSG	PRECINCT PLAN, INTERGRATED DESIGN FRAMEWORK & IMPLEMENTATION PLAN FOR PUBLIC REALM & NMT UPGRADES IN THE KING WILLIAM'S TOWN CBD	3 000 000	1 500 000	1 500 000
PPPSG	INTEGRATED DESIGN FRAMEWORK & IMPLEMENTATION PLAN FOR PUBLIC TRANSPORT, NMT & PUBLIC REALM UPGRADES IN THE EAST LONDON CBD & INNER CITY	2 883 000	1 500 000	1 500 000
PPPSG	THE INVESTMENT CENTRE:CATALYTIC NODES ECONOMIC ANALYSIS AND ACTION PLAN	-	1 000 000	1 000 000
PPPSG	MDANTSANE TAXI RANK & SHOPPING CENTRE	-	2 000 000	1 500 000
PPPSG	WATER & SANITATION PROJECT PREPARATION	3 000 000	3 000 000	4 000 000
PPPSG	HARBOUR ARTERIAL	2 879 098	2 498 000	2 896 000
PPPSG	MDANTSANE STORMWATER MANAGEMENT PLAN	2 000 000	2 500 000	2 300 000

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Budget Facility for Infrastructure (BFI) Proposal

BULK SEWERAGE, ENERGY, AND ROAD INFRASTRUCTURE TO CATALYSE 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 (DED) 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 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 BCMM to the National Treasury's Budget Facility for Infrastructure (BFI). The timing of this proposal is highly relevant. COVID-19 and the ensuing lockdown 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 (Mercedes-Benz Learning Academy), and planned ICT infrastructure (including an ICT centre, undersea 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: -

Table 54: BFI programme requirements

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**

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:

Table 55: BFI Security of electricity supply sub-programme

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%*

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 works in progress 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. Settlers 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 third 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 East London Port, other than Settlers 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 conceptualised and planned.

N2-R72 Bypass

The West Bank is disconnected from both the core marginalised 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 is the North West Express Way (NWX), located very strategically within BCMM's primary integration zone, and close to both the CBD and West Bank industrial node. The ARNDP (RP East London 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 East London 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 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 the final stages of design development. The sub-programme summary is as follows:

Table 56: BFI roads and transport corridor sub-programme

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

Roads and Transport Corridor Sub-programme			
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%*

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 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; the 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 BCMM'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 (six 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:

Table 57: Bulk Sewerage Upgrade and Effluent Reuse Sub-Programme

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%*

The Effluent Re-Use Project aligns with the Department of Water Affairs' (DWA) reconciliation strategy study for the Amathole Bulk Water Supply System (ABWSS), which led to the Amathole 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 minimise 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 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 reuse include the following treatment works (which will form part of the West Bank Logistics Hub and the Mdantsane-East London Corridor Catalytic Programme)

Table 58: Coastal WWTW's return flows

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

[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.

Table 59: Project/programme budget statement

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									
R72 Settlers Way Road upgrade		R400 000	R41 000	R180 000	R104 000	R75 000			
Northwest Express Way	Phase 1	R800 000		R20 000	R228 000	R228 000	R228 000	R96 000	
	Phase 2	R400 000			R20 000	R133 000	R133 000	R80 000	R34 000
Mdantsane Access Road		R580 000		R45 000	R220 000	R220 000	R70 000	R25 000	
Harbour Arterial Road	Phase 1	R80 750		R5 000	R5 000	R40 000	R25 000	R5 750	
	Phase 2	R94 250			R1 000	R5 000	R18 000	R60 000	R10 250
Buffalo River Bypass between the R72 and the N2	Phase 1	R1 380 000		R20 000	R30 000	R240 000	R360 000	R420 000	R280 000
		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									

Project	Phase	Project Cost ('000)	Rem 2020	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Works – R700m currently funded by BCMM 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 Ml/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**
BCMM Contribution (15%) BFI Request Total		**(R1 104 547)** **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 with its anticipated outcomes. Notwithstanding the justification, the submission was identified as having 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, and 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, and 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 proposal and solution, including technical configurations, as well as outline the advantages and disadvantages of each proposed solution. Further, 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 the 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.
- The rigour of the option analyses must be improved in order to demonstrate why the preferred option meets the objectives more effectively and how it provides the best value for money for government compared to the alternatives.

SUMMARY OF ONE PLAN

Table 60: Summary of One Plan

BUFFALO CITY METRO DDM VISION

DDM ONE PLAN	
6	Transformation Focal Areas
32	Strategies
15	High Impact Projects
R45.2b	Key Development Interventions

Political Champions	National Political Champion	**Deputy Minister Nkosi P Holomisa**
	Provincial Political Champion	**MEC Peters**
	Metro Political Champion	**Executive Mayor: Cllr Faku**
BUFFALO CITY METRO		

- ❑ Six Catalytic Development Corridors – MELD Corridor & North West Development Corridors; West Bank Economic Corridor/Logistics Hub; Bhisho-Qonce-Zwelitsha Development Corridor; East London CBD & Inner City and Mdantsane Urban Hub.
- ❑ Six Mass Integrated Human Settlement Development Interventions that require DHS, DWS, DALRRD, DPWI and other land-owning Departments.
- ❑ Public Health Care Facilities.
- ❑ Anticipated inter-governmental and SOE developments in the Bhisho-Qonce-Zwelitsha CLDP (Social/gap housing)- inclusive of multiple stakeholders: R1 403 000 000,00.
- ❑ Anticipated inter-governmental and SOE developments in the Ntabozuko node include (Berlin / Ntabozuko Green Energy Hub) inclusive of multiple stakeholders: BCMM commitment is R 9 000 000,00 and PPP commitments and National Treasury: TBC.
- ❑ Revitalisation of the Dimbaza Industrial Park (ECDC)- BCMM Commitments R 8 500 000,00 and ECDC commitment TBC

ELIDZ finds expression in the BCMM DDM as a key developmental intervention- ELIDZ commits more than 15 000 jobs created by 2027 through:

- ❑ ELIDZ Aquaculture and Ocean Economy Catalytic Project is a Proposal and uncommitted.
- ❑ 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). Potential Developments Initiatives are:
    - o International Sea Cable o Science and Technology Park
    - o Photovoltaic Farm o Fort Glamorgan Prison Proposed land swop to free up land for industrial use.
- ❑ Extend the Industrialization Footprint and Automotive Industry- MBSA- C-Class potential development from 2028-2035 & Manufacturing Incubator Programme. DTI partnership required to fund the MBSA collaboration shortfall.
- ❑ King Phalo Airport Expansion Plan.
- ❑ Bulk Sewerage, Energy, and Road Infrastructure to Catalyze Development of the West Bank Logistics Hub and Mdantsane-East London Corridor – **R1b**
- ❑ West Bank Smart Logistics Hub: The West Bank is BCMM's core economic and employment node. Recent MBSA W206 investment (Stakeholders including the TNPA, ACSA, BCMM, the ELIDZ, DEDEAT, and MBSA) (of **more than R10 billion).**
- ❑ Mdantsane-East London Corridor Development- (Security of Electricity Supply, Bulk Sewer & Roads and Transport Corridor) - required funds **R 7 636 648**
- ❑ Electricity supply infrastructure (secured electricity supply is required to support further industrial development on the West Bank and ELIDZ, West Bank and Reeston/ Amalinda Junction.) **BFI Funding R1.97b**
- ❑ Roads and Transport Corridor (Settlers Way, Harbour Arterial Road, N2-R72 Bypass, North West Express Way & Mdantsane Access Road) **BFI Funding** - **R3.73b**
- ❑ Bulk Sewer Upgrade (Department of Water Affairs' (DWA) in Reeston & Westbank– **R1.9b**

7. PROGRESS WITH IMPLEMENTATION OF CATALYTIC PROGRAMMES

A detailed account of progress with implementation of BCMM 2022-23 projects within the catalytic programmes is found in the Table below. The Cost to date and comments column is based on information recorded as at 31 April 2023.

EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials/ Estimated number of beneficiaries**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status / Percentage Expenditure**	**Comments / Challenges**
Sleeper Site Road	New Road to unlock the Sleeper Site Development	Transport Planning and Operations	Phase 1 construction is complete and Phase 2 is currently underway	TBD	25 000 000	25 000 000	100%	The project is complete, the contractor is busy with the snag list.
Court Crescent Implementation (inclusive of Water World)	Public Space Upgrade on the East London Beachfront	BCMDA	Contractor on site doing snag	All Public, Citizens	29 625 289.00	29 625 289.00	100%	The project is complete.
Tourism Development, Tourism Route and Public Art Strategy Development (city-wide sites)	Tourism Route Development Programme	BCMDA	Duncan Village Route story lines and concept completed and implementation is underway. Mdantsane Route development commenced . To date story lines have been developed and opportunities identified. A consultation process for the Mdantsane Route storylines is planned for the second quarter of this financial year.	All Public, Citizens	1 000 000	TBC	TBC	Public art and place making initiatives have commenced including the refurbishment and public art features at the Rubusane gravesite. Additional beautification and public art features are planned for the East London Beach front during the las quarter of the financial year.

EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials/ Estimated number of beneficiaries**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status / Percentage Expenditure**	**Comments / Challenges**
Integrated Public Realm Upgrades	Preparation of a design framework for Public Realm Upgrades in the East London CBD and Inner City.	EPMO	Planning Stage	All Public, Citizens	2 883 000	1 335 840	46%	A multi-disciplinary team of consultants have been appointed and work is underway. The Detailed Phasing of the Project has been concluded and the Presentation to all Stakeholders is scheduled for End March 2024.
Refurbishment of the Aquarium	Refurbishment of Aquarium viewing deck	Sports, Recreation and Community Services	Implementation	All public, tourists, citizens	700 000	132 344	18%	Contractor on site
Upgrading of the Zoo	Upgrade of zoo enclosures	Sports, Recreation and Community Services	Implementation	All Public, Citizens	900 980	99 020	10,9%	Completion and purchase of plant equipment expected second week of March.
Marina Glen B	Integrated plans for infrastructural upgrades at Ebuhlanti and Little Mauritius	BCMDA	Implementation	All Public, Citizens	400 000	TBC	TBC	TBC

EAST LONDON CBD AND INNER-CITY CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials/ Estimated number of beneficiaries**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status / Percentage Expenditure**	**Comments / Challenges**
Marina Glen A	Development of publicly owned vacant land parcels on the East London Beachfront (Mixed use retail, office space)	BCMDA	Investor has been identified and deal negations are scheduled to commence in early Q4 (April 2023)	All Public, Citizens	Turnkey / BOT / Funding from Developers. BCMDA to budget for transactional advisory services	N/A	N/A	BCMDA prioritise gathering key site information i.e. SG diagrams, town planning reports. This assist in the fast tracking of project completion
Sea View Terrace	Development of publicly owned vacant land parcels on the East London Beachfront (Hotel development)	BCMDA	Notarial lease signed with Investor and land transferred. Project at Development agreement phase. Deal conclusion estimated Q1 (July 2023)	All Public, Citizens	As above	N/A	N/A	Project is on track. A vital element to conclude the project with be the investors ability to conclude all financial obligations leading to financial close.
Sleeper Site Development	Development of publicly owned land in the East London CBD	BCMDA	Investor has been identified and deal negations are scheduled to commence in early Q4 (April 2023)	All Public, Citizens	As above	N/A	N/A	BCMDA prioritise gathering key site information i.e. SG diagrams, town planning reports. This assist in the fast tracking of project completion.

Figure E.1: Progress on the East London CBD and Inner City Land Development Programme. (Source: BEPP 2023-24)

MELD CORRIDOR CENTRAL CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 Feb 2024**	**Status / Percentage Expenditure**	**Comments/ Challenges**
Mdantsane Access Road	Public Transport	Transport Planning and Operations	Implementation	All Public transport users	Current phase complete, planning underway for next phase for which funding is allocated in 2024/25	N/A	N/A	N/A
Duncan Village Proper	Development of Duncan Village to provide roads, houses and hostels, business premises for the community of Duncan Village As above	Human Settlements	Implementation Stage		500 000	0.00	0%	The implementing agent Asla is currently busy with Bulk Services assessment exercise.
Duncan Village Composite Site			Implementation Stage		500 000	0.00	0%	The implementing agent is busy with the survey.
C Section and Triangular Site			Implementation Stage		500 000	0.00	0%	The implementing agent (Asla), is currently busy with Bulk Services assessment exercise.
D Hostel			Implementation Stage		3 000 000	0.00	0%	The implementing agent Asla is currently busy with Bulk Services

MELD CORRIDOR CENTRAL CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 Feb 2024**	**Status / Percentage Expenditure**	**Comments/ Challenges**
								assessment exercise.
Block Yard TRA			On-hold					Site invaded by illegal occupants
North West Corridor: Feasibility for extension of NW Expressway and link to Amalinda Main Road. This includes a feasibility study for the Chiselhurst High Density Housing	Dual carriage way road from the Amalinda Main Road (SPCA) to Ziphunzana Bypass near Traffic Department	Transport Planning and Operations	Planning	All public transport users	No funding has been allocated in the 2023/2024 financial year	N/A	N/A	the preliminary design process is complete. A report and presentation is to be done to Top Management and Council. Once approval has been acquired, the implementation process will commence funding dependent
Upgrade of Mzonyana Dam	Mzonyana Dam Upgrade and East Coast water supply	Infrastructure Services	Implementation	All Users	25 000 000	10 051 923	40%	Project is well in progress
Reeston Housing	Construction of 2500 low cost housing units for the residents of Reeston	Human Settlements	Implementation	2500 Beneficiaries	25,200,000	2 227 257	9%	The contractor is on site for Phase 3 Stage 2 of the project, although there is a slow progress on site due to cashflow challenges by the contractor, consultant is busy with tender document for the remaining scope of works. For Stage 3 Phase 3 of the project, the process of land transfer is not yet finalised between BCMM and the the Department of Land Reform and rural development, for the remaining 66 sites.

MELD CORRIDOR CENTRAL CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 Feb 2024**	**Status / Percentage Expenditure**	**Comments/ Challenges**
Upgrading of the Mdantsane Treatment Works	Upgrade of the Mdantsane Treatment works from 120ML per day to 150ML per day.	Infrastructure Services		All Users	19,598,320	13 699 647	70%	Contractor is on site and project progressing well
Market Hall Upgrade	Internal Banking Hall Alterations and banana ripening rooms	Spatial Planning	Procurement		6,600,000	2 914 940	44%	Installation of extraction fans is at 90%. Invoices for completed work have been submitted for payment. A contractor is on site busy with the digging of trenches, installation of water pipes and laying of concrete. Work is done outdoors and the rain is delaying the project. Invoices will be submitted as work is completed.

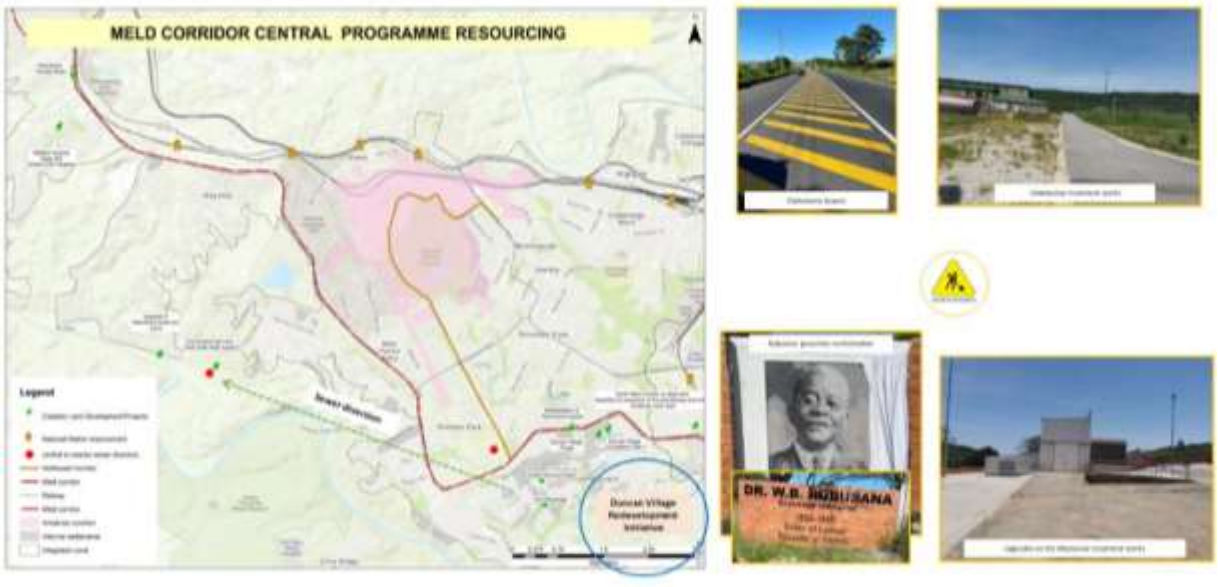


Figure E.2: Progress on the MELD Corridor Land Development Programme. (Source: BEPP 2023-24)

MDANTSANE URBAN HUB CATALYIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status / Percentage Expenditure**	**Comments/ Challenges**
Upgrading of the Public Transport Corridor from East London to Mdantsane	Qumza Highway Phase 7 - Phase 1 & 2	Transport Planning and Operations	Implementation	All Public Transport users	58 082 040	23 946 333	41%	Sub-base layer has been completed on the first section of the works and final layer will be laid down in Mid-Feb 2024.
Mdantsane Urban Renewal - Mount Ruth Node	Mount Ruth Grade Separated Interchange	Transport Planning and Operations	Planning Stage Complete. Awaiting budget.	All Public Transport users	N/A	N/A	N/A	Detailed Designs complete and project awaiting funding allocation
Toyana Road Pedestrian link to Station	Pedestrianization and beautification of the Toyana Road to enhance the movement of pedestrians from Mount Ruth Train station to the Mdantsane Urban Hub	Infrastructure	Implementation	All users and Mdantsane residents	14,581,000	2 528 610	17%	SCM has generated the works order for zone 2 and zone 5 the contractors are on site.
Mdantsane Stormwater Management study	Roads and Stormwater	Roads and Stormwater	Planning / Project Preparation	Mdantsane residents	1,500,000	1,500, 000	100%	Study Completed. Awaiting Design design stage
Extension of Mdantsane Arts Centre	Extension of Mdantsane Arts Centre to accommodate more art forms.	Economic Development and Agencies	Planning stage.	All users and Mdantsane residents	12 800 000	0	0%	The tender to appoint the service provider to implement phase one of the project is currently was submitted BAC but referred back to BEC for minor changes.
Redevelopment of Mdantsane Sports Precinct NU2 Swimming Pool	Earthworks and Refurbishment of the NU2 swimming pool, filtration system and buildings	Municipal Services	Implementation. Nearing completion	All users and Mdantsane residents	3 179 021	0	0%	Bill Of Quantities for the finalization of the redevelopment of swimming pool was finalised on the 13th October 2023.

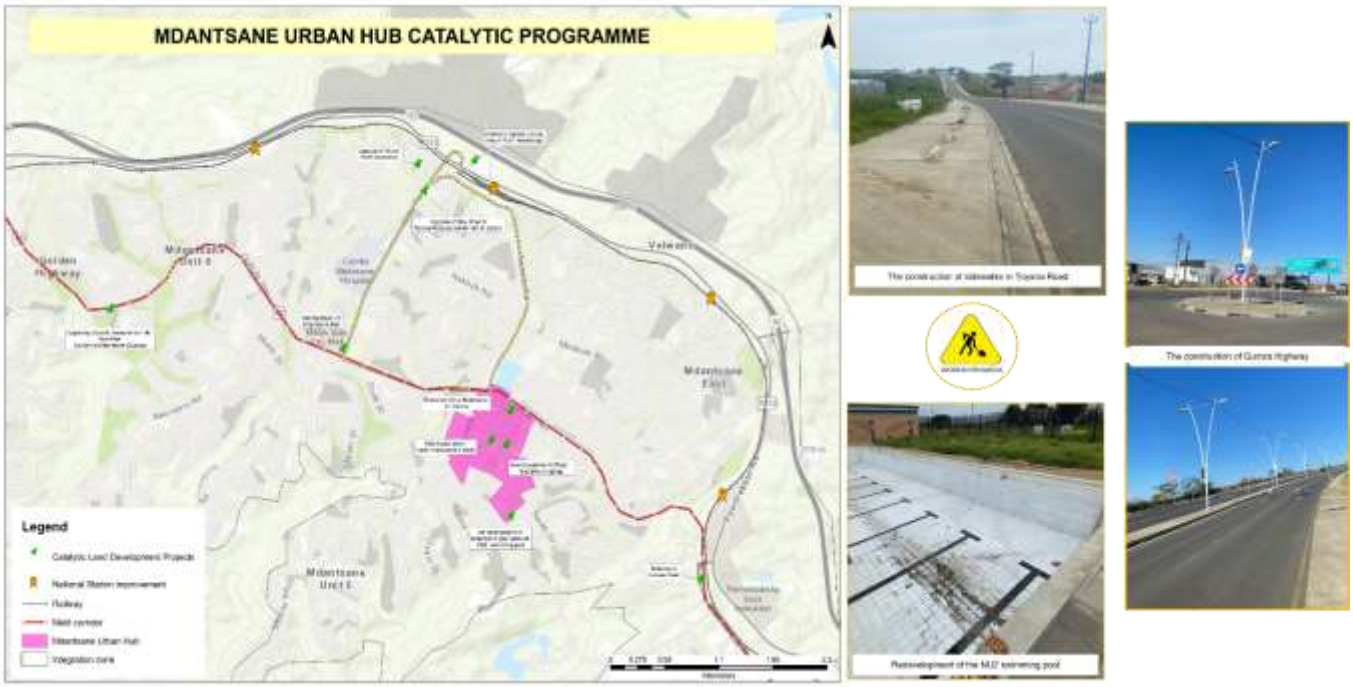


Figure E.3: Progress on the Mdantsane Urban Hub Land Development Programme. (Source: BEPP 2023-24)

WEST BANK CORRIDOR CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-Financials/ Estimated number of beneficiaries**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status Percentage Expenditure**	**Comments Challenges**
Water World (retail & commercial development)	Development of retail and commercial space in Waterworld precinct	BCMDA	Investor has been identified, deal negations concluded and notarial lease near final stages of completion	All Public, Citizens	Turnkey / BOT / Funding from Developers. BCMDA to budget for transactional advisory services	N/A	N/A	Town planning challenges regarding access road to hotel site and race track. Meeting scheduled to take place on the 22nd May 2023 to discuss DEDEATs' input of the Harbour Arterial Project and to determine how proposed commercial development layout perimeters could be affected
Water World (Race track development)	Upgrade and development of the East London race track	BCMDA	Project at inception stage (investor identification).	All Public, Citizens	Turnkey / BOT / Funding from Developers.	N/A	N/A	Request for proposals to be issued to BCMDA panel of fund originators/ investors/

WEST BANK CORRIDOR CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-Financials/ Estimated number of beneficiaries**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status Percentage Expenditure**	**Comments Challenges**
					BCMDA to budget for transactional advisory services			developers. Meeting scheduled to take place on the 22nd May 2023 to discuss DEDEATs' input of the Harbour Arterial Project and to ascertain how the layout perimeters of the proposed Racetrack development could be affected
West Bank Restitution	Construction of 2000 residential units internal services (storm water, sanitation, roads and water)	Human Settlement	Project Implementation	2000 beneficiaries	10 000 000	5 221 064	48%	Project implemented by HDA
Rehabilitation of Settlers Way	Expansion of 4 lanes to 6	Transport Planning and Operations	Project Implementation	Public, Citizens, Tourists	0	0	0 %	Project is complete
Harbour Arterial	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.	Transport Planning and Operations	Project Preparation	Business	2 879 098	639 058,60	22.2%	Feasibility studies are on progress
15 MV Wood Brook and Westbank Substations and Battery Storage Centres	Alternative energy supply	Electricity	Project Preparation	Public Citizens and Investors	2 137 902	0	0	Letter requesting National Treasury GTAC to register the project and appoint the Transactional Advisory Consortium will be forwarded

WEST BANK CORRIDOR CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-Financials/ Estimated number of beneficiaries**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status Percentage Expenditure**	**Comments Challenges**
								from the City Manager's Office. The Transactional Advisory Team will be conducted detailed feasibility

Figure E.4: Progress on the West Bank Catalytic Land Development Programme. (Source: BEPP 2023-24)

BISHO-KING WILLIAMS TOWN-ZWELITSHA CORRIDOR CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials / Estimated number of beneficiaries of the project**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status Percentage Expenditure**	**Comments Challenges**
Zwelitsha Regional Bulk Sewage Scheme	Upgrade of Bulk Sewage Scheme Phase 2	Infrastructure Services	Phase 1 - Complete Phase 2 - Construction	Breidbach, Zwelitsha, Bhisho	20 000 000	20 000 000	100%	Project is progressing well.

BISHO-KING WILLIAMS TOWN-ZWELITSHA CORRIDOR CATALYTIC PROGRAMME								
Project Name	**Project Type (Description)**	**Department**	**Project Status**	**Non-financials / Estimated number of beneficiaries of the project**	**Budget Allocated: 2023-24**	**Actual Expenditure as at 29 February 2024**	**Status Percentage Expenditure**	**Comments Challenges**
Qonce Business Improvement District Initiative: Upgrade of Taylor Street	Improvement of an identified business district area as part of the Business Improvement District Strategy (BIDS)	BCMDA	Project in progress	Citizens	1 040 000.00	To be confirmed	TBC	TBC
Integrated Development of Victoria Grounds	Development of retail center and reallocation of sporting fields in Qonce (King Williamstown)	BCMDA	Investor has been identified, deal negations concluded and notarial lease near final stages of completion All Public, Citizens	Citizens	Turnkey / BOT / Funding from Developers. BCMDA to budget for transactional advisory services	N/A	N/A	TBC

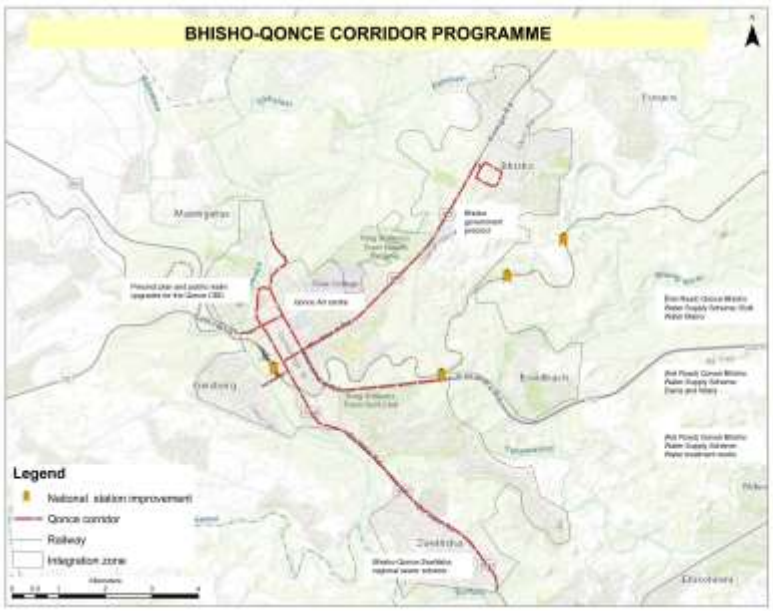


Figure E.5: Progress on the Qonce CBD and Inner City Land Development Programme. (Source: BEPP 2023-24)

SECTION E: DEVELOPMENT OBJECTIVES, STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS 2021 – 2026 (to be revised for 2024/2025)

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 MSA 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) of the MSA, and the Local Government: Municipal Planning and Performance Management Regulations (GNR. 796 of 24 August 2001). Reg 2(1)(c), contains IDP objectives, KPIs, 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 are 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, specifically, 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 directorates 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 THE 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 institutionalised 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 South Africa (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, inter alia, of:

- 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 (PMS). Further, the MSA and the 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 the 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 organisation 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, the BCMM PMS constitutes the primary mechanism to plan, monitor, review and improve the implementation of the objectives set in the municipality's Integrated Development Plan (IDP). The PMS process includes the following objectives that the system should in addition fulfil.

2.1.1. Facilitate increased accountability

The 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 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 IDP.

2.1.3. Provide early warning signals

The 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 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, clarifying objectives and strategies and promoting the accountability of groups and individuals.

- Implementing focused management linked to an early warning system.
- Continuously reassessing structural functionality and enabling effective organisational alignment with objectives and strategies.
- Evaluating the job analysis information and rectifying faulty aspects thereof.
- Understanding the role, duties, and responsibilities of employees.
- Delegating unambiguous and realistic responsibilities to employees.
- Assessing the adequacy or inadequacy of resources available to employees.
- Identifying and addressing training and development needs in a focused and structured manner to make use of the opportunities provided by the Skills Development Act.
- Developing the human resources of the Municipality; and
- Providing 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 embedded in 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 71: Performance cycles

The Performance cycle can be summarised in the following diagram and each cycle will be addressed in the remainder of this framework:

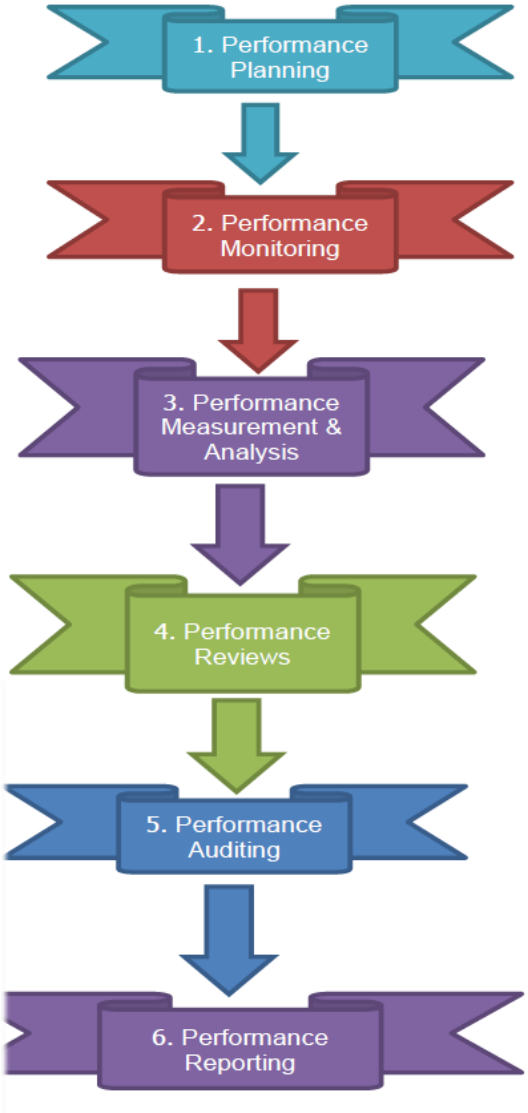


Figure 72: Performance management cycle

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 KPAs and KPIs are designed to address the IDP objectives, and 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 a particular area. Where targets have not 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 addressed during the following year-end's 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 outcomes.
c) Design strategic focus areas.

2. Prioritise capital projects for budgeting purposes aligned with municipal strategy and approved methodology.
3. Start with budget processes.
4. Determine organisational KPIs in terms of strategy, budget, and other key strategic plans.
5. Obtain baseline figures and past year's performance.
6. Set multi-year performance target dates.
7. Determine steps/plans to achieve budget and KPIs.
8. Assign strategic focused KPIs to senior management (top layer SDBIP)
9. Assign organisational KPIs 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).
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:

Table 61: Roles and responsibilities during the IDP process

Role Player	Roles and Responsibilities

Council	• 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:
	  ○ All relevant stakeholders are appropriately involved.
	  ○ Appropriate mechanisms and procedures for public consultation and participation are applied.
	• The planning process is related to the real burning issues in the municipality, and is a strategic and implementation-orientated process.
	• Adopt and approve the IDP/Review.
	• Final decision making.
	• Approval of the reviewed IDP documentation.

Role Player	Roles and Responsibilities
	• Adjust the IDP in accordance with the MEC for Local Government's proposals. • Ensure that the annual business plans and municipal budgets are linked to and based on the IDP.
Mayor	• Decide on the process plan. • Overall management, coordination and monitoring of the process and drafting of the IDP/review documentation, or delegation of this function. • Consider, adopt, and approve the process plan. • Provide strategic input for IDP/ Review.
Councillors	• 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	• Overall monitoring of the public participation process
IDP Manager	• Preparations and finalisation of the process plan. • Be responsible for overall management, coordinating and monitoring of the process and drafting the IDP/Review. • Be 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 properly aligned with the IDP proposal.
Directors and Officials	• Prepare selected sector plans. • Provide relevant technical, sector and financial information for analysis and determining priority issues. • Contribute technical expertise in the consideration and finalisation of strategies and identification of projects. • Provide departmental, operation and capital budgetary information. • Be responsible for the preparation of project proposals, the integration of projects and sector programmes after strategic review in areas of expertise.
Local Communities, Residents and Stakeholders	• Represent interests and contribute knowledge and ideas in the IDP process by participating in and through the ward committees to: ○ Analyse issues, determine priorities and provide input. ○ Keep their constituencies informed on IDP activities and their outcomes. ○ Discuss and comment on the draft IDP.

Role Player	Roles and Responsibilities
	○ 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	• Some roles and responsibilities relate to the preparation of a district IDP. The District Municipality must also prepare a District Framework (Section 27 of the MSA). • Fulfil a coordination and facilitation role by: ○ Ensuring alignment of the IDPs of the municipalities in the District Council area. ○ Ensuring alignment between the district and local planning. ○ Facilitation of alignment of IDPs with other spheres of government and sector departments. ○ Preparing joint strategy workshops with local municipalities, provincial and national role players, and other subject matter specialists.
Provincial Government: Department of Local Government	• 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: ○ Guiding the provincial sector departments' participation in and their required contribution to the municipal IDP process, and; ○ 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 the IDP. • Assist municipalities in the IDP drafting process where required. • Coordinate and manage the MEC's assessment of IDPs.
Sector Departments	• Contribute relevant information on the provincial sector departments plans, programmes, budgets, objectives, strategies, and projects in a concise and accessible manner. • 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. The PMS serves to measure the performance of the municipality on meeting its IDP.

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 PMS serves to measure the performance of the municipality on meeting its long, medium- and short-term plans, which are the MGDS, IDP, and SDBIP. The MGDS is 'BCMM's Vision 2030', whereas the IDP is BCMM's five-year plan and the 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 five 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 the BCMM community:

- Promote arts and culture and preserve heritage;
- Promote participation in sports and recreation;
- Promote a well maintained, vibrant and liveable City;
- Promote equal opportunities, inclusion, and redress; and
- Improve community safety.

b) To maintain inclusive and sustainable economic growth:

- Increase government-led job creation initiatives;
- Promote more diversified export trade;
- Support SMME development;
- Promote industry-focused skills development;
- Promote innovation and the knowledge economy;
- Promote business competitiveness; and
- Enhance 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; and
- 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 and 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; and
- Develop the ICT infrastructure.

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; and
- Revitalise the 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;
- Enhance community participation;
- Enhance corporate governance;
- Enhance BCMM sustainability;
- Promote alignment of corporate planning and implementation; and
- 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. Directorate SDBIP, which is also the performance of the HODs (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: MSA through the Employee Performance Plan.
4. Performance of Service Providers rendering Municipal Services in terms of a Service Provider Performance Plan.
5. Performance of the municipal entity Buffalo City Metropolitan Development Agency (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:

- The majority of members of the Audit Committee are not councillors or employees of the municipality;
- The 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 the BCMM PMS 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, a 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, the 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. The BCMM Accounting Officer conducts a 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 MSA. 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 best practice 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-related, shared responsibility or attributed to the poor performance of individuals.

2.8.3. Review of 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 MSA. The management must initiate the review of the 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 KPIs must be established to serve as a yardstick for measuring individual and organisational performance. These KPIs 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 PMS which will contribute to improving the municipal performance and enhance service delivery. The framework is developed to provide details which describe and represent 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 PMS must be seen as a learning process, where we are continuously improving the way the system works to fulfil its objectives and address the emerging challenges from a constantly changing environment.

3. BCMM MUNICIPAL SCORECARD (2021/2026) TO BE REVIEWED FOR 2024/2025

Table 62: BCMM scorecard, 2021/2026

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 Actual Performance**	**2021/22 Baseline**	**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 100 000 population	KFA 11	FD 1.11	Percentage compliance with the required attendance time for structural firefighting incidents (formal and informal)	44%	35,36%	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 finalise business license applications	New indicator	8 working days	15 working days	15 working days	15 working days	15 working days
Economic Development	Maintain inclusive and sustainable economic growth	N/A	KFA 5	LED1.21	Number of work opportunities created by the municipality through Public Employment Programmes (Incl.	6164	6006	5621	5621	5621	5621

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
					EPWP, CWP and other related employment programmes)						
BCMM INDICATORS											
Safety	To develop and maintain world class infrastructure and utilities	N/A	KFA 11	FE 1.1/IPC 2	Number of fire stations refurbished	1	1	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	1	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
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	857	600	600	600	600

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Economic Development	Maintain inclusive and sustainable economic growth	N/A	KFA 7	IPC 6	Number of Arts, Culture and Heritage projects implemented	2	9	8	12	12	12
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	11	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	3	3	3	3
Economic Development	Maintain inclusive and sustainable economic growth	N/A	KFA 2	IPC 9	Number of interventions implemented on export development and promotion for emerging exporters on a quarterly basis	12	12	14	13	13	13

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Economic Development			KFA 6	IPC 11 (a)	Number of Agricultural farmer support programmes implemented	7	6	7	8	10	10
Operations & Maintenance of Revenue-generating Assets	To promote an environmentally-friendly city	Percentage utilisation rate of sports fields	KFA 9	HS 3.4/IPC 12	Number of sports facilities upgraded	4	3	2	2	2	2
Operations & Maintenance of Revenue-generating Assets	To promote an environmentally-friendly city	N/A	KFA 4	IPC 13	Number of aquarium facilities upgraded	0	0	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	N/A	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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
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 16	Number of swimming pools upgraded	0	1	1	1	1	1
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	N/A	N/A	1	1
Infrastructure	To promote an integrated spatial form	Percentage utilisation of community halls	KFA 10	HS 3.2/IPC 18	Milestones achieved towards upgrading of KWT war memorial hall	0	4	Plumbing and Related works, fitting/installation of aluminium windows and flooring works	N/A	N/A	N/A
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	0	1	1	1	1

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Road traffic fatalities per 100 000 population Average number of fatalities per fatal crash	KFA 12	IPC 20	% reduction in road traffic fatalities on BCMM roads	2,64%	2,85%	5%	5%	5%	5%
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	3	3	3	3
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
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Institutional Service Delivery & Operating Model	KFA 5	IPC 60	Number of youth development programmes supported	New Indicator	4	4	4	4	4
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/BCMM Code**	**Key Performance Indicator**	**2020/21 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Environment	To promote an environmentally-friendly city	Annual number of days with good air quality	KFA 14	ENV1.12	Percentage of Air Quality (AQ) monitoring stations providing adequate data over a reporting year	81,3%	42%	75%	75%	75%	75%
Waste Economy	To promote an environmentally-friendly city	Percentage of households with basic refuse removal services or better	KFA 18	ENV 3.11	Percentage of known informal settlements receiving integrated waste handling services	100%	100%	100%	100%	100%	100%
Environment	To promote an environmentally-friendly city	Ecosystem/Vegetation type protection level	KFA 16	ENV 4.21	Percentage of biodiversity priority areas protected	48.85%	69%	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 %	3.8 %	2.6 %	2.6 %	2.6 %	2.6 %
Environment	To promote an environmentally-friendly city	Ecosystem/Vegetation type protection level	KFA 18	ENV 5.11	Percentage of coastaline with protection measures in place	72%	73.2%	72%	72%	72%	72%
Environment	To promote an environmentally-friendly city	Recreational water quality (coastal)	KFA 18	ENV 5.12	Number of coastal water samples taken for monitoring purposes	New Indicator	817	400	400	400	400

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Environment	To promote an environmentally-friendly city	Recreational water quality (inland)	KFA 18	ENV 5.21	Number of inland water samples tested for monitoring purposes	New Indicator	469	400	400	400	400
BCMM INDICATORS											
Environment	To promote an environmentally-friendly city	N/A	KFA 18	ENV 5.21a	Number of Midland water samples taken for monitoring purposes	New Indicator	New Indicator	200	200	200	200
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	2	4	4	4	4
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 recyclables diverted from Landfills to Buy-Back Centres	New Indicator	61171,15 tons	80	80	80	80

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
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											
Infrastructure	Develop and maintain world-class logistics infrastructure	Percentage of households with access to electricity Renewable energy capacity available within the municipal jurisdiction as a percentage of Eskom supply capacity to the municipality	KFA 22	EE1.11	Number of dwellings provided with connections to the mains electricity supply by the municipality	1560	643	400	1000	1000	1000
Infrastructure	Develop and maintain world-class logistics infrastructure	System Average Interruption Duration Index Customer Average Interruption Duration Index	KFA 22	EE3.11	Percentage of unplanned outages that are restored to supply within industry standard timeframes	100%	100%	100%	100%	100%	100%
Infrastructure		System Average Interruption Frequency Index	KFA 22	EE3.21		83.3%	84.8%	70%	70%	70%	70%

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
	Develop and maintain world-class logistics infrastructure	Customer Average Interruption Frequency Index			Percentage of planned maintenance performed						
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)	5.925% (79.99KM)	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	1.439%	1.439%	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 approved embedded generators on the municipal distribution network	29,5kw	1750.56kW	0kW	0kW	0kW	0kW
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	93%	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/BCMM Code**	**Key Performance Indicator**	**2020/21 Actual Performance**	**2021/22 Baseline**	**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 22	TR6.13	KMs of new municipal road network	New Indicator	15 km	15 km	15 km	15 km	15 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	2	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	N/A	1	1	1
Infrastructure	Develop and maintain world-class logistics infrastructure	N/A	KFA 20	CC 7	Number of BCMM Halls and Offices with Fibre Network installed	2	1	2	1	1	1
Infrastructure	Develop and maintain world-class logistics infrastructure	N/A	KFA 20	CC 4	Number of Municipal Offices and Halls with WiFi hotspots installed	2	3	1	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/BCMM Code**	**Key Performance Indicator**	**2020/21 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Infrastructure	Develop and maintain world-class logistics infrastructure	N/A	KFA 20	CC 200	Digitilise SCM Documentation -	New Indicator	New Indicator	Q3- 20% Q4 – 30%	80%	90%	100%
Infrastructure	Develop and maintain world-class logistics infrastructure	N/A	KFA 20	CC 201	Number of servers procured for disaster recovery	New Indicator	New Indicator	2	2	2	2
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	10.363km	6km	6km	6km	6km
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	N/A	1	1	1
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	2	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	0	1	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

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Infrastructure	Develop and maintain world-class logistics infrastructure	Road traffic fatalities per 100 000 population	KFA 21	TR 7.1/CC 11	Number of speed humps constructed	46	43	60	0	0	0
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	6	8	8	8
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	312	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	347	300	300	300	300
Infrastructure	Develop and maintain world-class logistics infrastructure	Total per capita consumption of water	KFA 23	WS5.3	Percentage of total water connections metered	89%	92%	95%	95%	95%	95%
Infrastructure	To promote an integrated spatial form	Rateable residential properties as a percentage of total households in the municipality	KFA 28	LED3.13	Average number of days taken to process building applications of	173.33	177.55	60	60	60	60

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
					500 square meters or more						
Infrastructure	To promote an integrated spatial form	N/A	KFA 28	HS2.22	Average Number of days taken to process residential Building applications of 500 square meters or less	140.65	122.34	30	30	30	30
Housing	To promote an integrated spatial form	Percentage of households living in adequate housing	KFA 25	HS1.11	Number of subsidised housing units constructed using various Human Settlements Programmes	137	213	546	460	480	500
Housing	To promote an integrated spatial form	Percentage of households living in adequate housing	KFA 25	HS1.12	Number of serviced sites	671	322	629	900	950	1000
Land	To promote an integrated spatial form	Percentage of households living in adequate housing	KFA28	HS1.13	Hectares of land acquired for human settlements in priority housing development areas	New Indicator	New Indicator	57.4191 hectares	N/A	N/A	N/A

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
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	2	5	5	5	5
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	97	119	119	119	119
Infrastructure	To promote an integrated spatial form	N/A	KFA 29	STC 3	Number of cemeteries upgraded	5	5	5	5	5	5
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	16	16	16	16
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	2024	2010	2010	2010	2010

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 Actual Performance**	**2021/22 Baseline**	**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	KFA28	STC13	Number of Parks Depots upgraded	3	2	2	2	2	2
			KFA 28	STC 50	Number of Resorts Upgraded	New Indicator	New Indicator	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%	10%	13%	10%	10%	10%
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%	99%	85%	87%	90%	92%
		Percentage of municipal skills development levy recovered									

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
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	R6.589,842.88	R10,000,000.00	R10,000,000.00	R10,000,000.00	R10,000,000.00
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Number of alleged fraud and corruption cases reported per 100 000 population	KFA 46	GG 5.11	Number of active suspensions longer than three months	36	20	20	20	20	20
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	LED2.12	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	N/A	KFA 37	HS2.21	Number of rateable residential properties in the subsidy housing market entering the municipal valuation roll	382	360	400	500	550	600

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
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	Percentage of total residential electricity provision allocated as Free Basic Electricity (FBE)	11.20%	10%	10%	10%	10%	10%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Frequency of sewer blockages per 100kms of pipeline	KFA 32	WS3.11	Percentage of Complaints/Callouts responded to within 24 hours (sanitation/waste water)	100%	100%	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Frequency of mains failures per 100kms of pipeline	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	Percentage of wastewater samples compliant o water use licence conditions	KFA 23	WS 4.2	Percentage of industries with trade effluent inspected for compliance	26.30%	20%	20%	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	KFA 30	GG2.11	Percentage of ward committees with 6 or more ward committee	100%	94%	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/BCMM Code**	**Key Performance Indicator**	**2020/21 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
		quorate, and have an action plan)			members (excluding ward councillors)						
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 that have held at least one councillor-convened community meeting	4 Public Meetings Convened per Ward = 200 public meetings for 50 Wards.	0.5%	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA 30	GG3.12	Percentage of councillors who have declared their financial interests	100%	80%	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of informal settlements upgraded to phase 3	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 informal settlements upgraded to phase 3	KFA 25	HS1.32	Number of informal settlements upgraded to phase 2	19	47	22	22	22	22

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Number of potholes reported per 10kms of municipal road network	KFA25	TR6.21	Percentage of reported pothole complaints resolved within standard municipal response time	New indicator	New Indicator	60%	60%	60%	60%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of drinking water samples complying to SANS 241	KFA25	WS4.11	Percentage of water treatment capacity unused	New indicator	17%	10%	10%	10%	10%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA25	W4.31	Percentage of waste water treatment capacity unused	New indicator	49%	40%	40%	40%	40%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Total water losses	KFA25	WS5.21	Infrastructure leakage index	New indicator	6%	<7.3	<7.3	<7.3	<7.3
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	36 Learners	40	40	40	40

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 Actual Performance**	**2021/22 Baseline**	**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 46	GG 1.22	Percentage of vacant posts filled within 3 months	New indicator	48,5%	30%	50%	50%	50%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Protest incidents reported per 10 000 population	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	KFA37	LED 1.11	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area	80%	80%	85%	85%	85%	85%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA37	LED 3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	270 days	180 days	160 days	160 days	160 days	160 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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA37	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%	85%	85%	85%	85%
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%

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 Actual Performance**	**2021/22 Baseline**	**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 expenditure against total budget	KFA37/39	FM1.11	Total Capital Expenditure as a percentage of Total Capital Budget	New Indicator	New Indicator	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of expenditure against total budget	KFA37/39	FM1.12	Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	New Indicator	96%	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of expenditure against total budget	KFA37/39	FM1.13	Total Operating Revenue as a percentage of Total Operating Revenue Budget	New Indicator	98%	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of expenditure against total budget	KFA37/39	FM1.14	Service Charges and Property Rates Revenue as a percentage of Service Charges and Property Rates Revenue Budget	New Indicator	104%	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and	Municipal budget assessed as funded (Y/N) (National)	KFA37/39	FM1.21	Funded budget (Y/N) (Municipal)	New Indicator	New Indicator	Funded budget (Yes)	Funded budget (Yes)	Funded budget (Yes)	Funded budget (Yes)

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
	administrative capabilities										
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change in cash backed reserves reconciliation	KFA37/39	FM2.21	Cash backed reserves reconciliation at year end	New Indicator	New Indicator	Reconciliation report	Reconciliation report	Reconciliation report	Reconciliation report
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change in cash and cash equivalent (short term)	KFA37/39	FM3.11	Cash/Cost coverage ratio	New Indicator	New Indicator	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	Percentage change in cash and cash equivalent (short term)	KFA37/39	FM3.12	Current ratio (current asset/current liabilities)	New Indicator	New Indicator	1.5:1	1.5:1	1.5:1	1.5:1
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change in cash and cash equivalent (short term)	KFA37/39	FM3.13	Trade payables to cash ratio	New Indicator	New Indicator	<0.5:1	<0.5:1	<0.5:1	<0.5:1
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change in cash and cash equivalent (short term)	KFA37/39	FM3.14	Liquidity ratio	New Indicator	New Indicator	>1.6:1	>1.6:1	>1.6:1	>1.6:1

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change of unauthorised, irregular, fruitless and wasteful expenditure	KFA37/39	FM4.11	Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure	New Indicator	New Indicator	0%	0%	0%	0%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of total operating expenditure on contracted services	KFA37/39	FM4.31	Creditors payment period	New Indicator	New Indicator	30 days	30 days	30 days	30 days
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change of own funding (Internally generated funds and Borrowings) to fund capital expenditure	KFA37/39	FM5.11	Percentage of total capital expenditure funded from own funding (Internally generated funds and Borrowings)	New Indicator	56%	47%	47%	47%	47%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change of own funding (Internally generated funds and Borrowings) to fund capital expenditure	KFA37/39	FM5.12	Percentage of total capital expenditure funded from capital conditional grants	New Indicator	44%	53%	53%	53%	53%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change of renewal/ upgrading of existing Assets	KFA37/39	FM5.21	Percentage of total capital expenditure on renewal/upgrading of existing assets		59%	61%	61%	61%	61%

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA37/39	FM5.22	Renewal/Upgrading of Existing Assets as a percentage of Depreciation/Asset impairment	New Indicator	60%	47%	47%	47%	47%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change of repairs and maintenance of existing infrastructure	KFA37/39	FM5.31	Repairs and Maintenance as a percentage of property, plant, equipment and investment property	New Indicator	2%	2%	2%	2%	2%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA37/39	FM6.12	Percentage of awarded tenders [over R200k], published on the municipality's website	New Indicator	New Indicator	100%	100%	100%	100%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA37/39	FM6.13	Percentage of tender cancellations	New Indicator	New Indicator	15%	15%	15%	15%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change in Gross Consumer Debtors' (Current and non-current)	KFA37/39	FM7.11	Debtors payment period	New Indicator	New Indicator	680 days	680 days	680 days	680 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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage change in Gross Consumer Debtors' (Current and non-current)	KFA37/39	FM7.12	Collection rate ratio	New Indicator	83,5%	85%	85%	85%	85%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of net operating surplus margin	KFA37/39	FM7.31	Net Surplus/Deficit Margin for Electricity	New Indicator	New Indicator	-20%	-20%	-20%	-20%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of net operating surplus margin	KFA37/39	FM7.32	Net Surplus/Deficit Margin for Water	New Indicator	New Indicator	31%	31%	31%	31%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of net operating surplus margin	KFA37/39	FM7.33	Net Surplus/Deficit Margin for Wastewater	New Indicator	New Indicator	46%	46%	46%	46%
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Percentage of net operating surplus margin	KFA37/39	FM7.34	Net Surplus/Deficit Margin for Refuse	New Indicator	New Indicator	37%	37%	37%	37%

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	Audit Opinion	KFA37/39	GG3.11	Number of repeat audit findings	New Indicator	New Indicator	0	0	0	0
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	2	1	3	3	3
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%	72%	85%	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	272	250	250	250	250

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
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	30454	1000	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	KFA37	WGC 31	Percentage of registered billing queries	New Indicator (Mayoral Lekgotla)	Less than 2.5 percent of the total billing	Less than 3,5 percent of the total billing	N/A	N/A	N/A
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	N/A	KFA 37	WGC22	Total increase in the amount of revenue collected for traffic fines	R 504 168.92	12530796.35	5 500 000	5 500 000	5 500 000	5 500 000
Operations & maintenance	Promote sound financial and administrative capabilities	Total water losses Percentage of non-revenue water Total per capita consumption of water	KFA 37	WGC24	Number of kilolitres reduced (physical water losses in terms of system losses)	4 881 016kl	850 000 Kl	850 000 Kl	850 000 Kl	850 000 Kl	850 000 Kl

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 Actual Performance**	**2021/22 Baseline**	**2022/23 Target**	**2023/24 Target**	**2024/25 Target**	**2025/26 Target**
			KFA39	WGC16	Debt to revenue percentage (the extent of the total borrowings in relation to total operating revenue).	New indicator	2.64%	Less than 45%	Less than 45%	Less than 45%	Less than 45%

Table 63: Key Performance Indicators from National Treasury [CIRCULAR 8]

No.	KFA No.	Additional indicators from National Treasury, Circular 88 for reporting only	Total number/ %
C1.	KFA 46	Number of signed performance agreements by the MM and section 56 managers:	
C2.	KFA 30	Number of Exco or Mayoral Executive meetings held in this quarter:	
C3.	KFA 30	Number of Council portfolio committee meetings held in this quarter:	
C4.	KFA 30	Number of MPAC meetings held in this quarter:	
C5.	KFA 30	Number of traditional councils within your municipal boundary:	
C6.	KFA 30	Number of formal (minuted) meetings between the Mayor, Speaker, Chief Whip and MM were held in the quarter to deal with municipal matters:	
C7.	KFA 30	Number of formal (minuted) meetings – to which all senior managers were invited- held in the quarter:	
C8.	KFA 41	Number of councillors completed training in this quarter:	
C9.	KFA 41	Number of municipal officials completed training in this quarter:	
C10.	KFA 46	Number of work stoppages occurring in the quarter:	
C11.		Number of litigation cases instituted by the municipality in the quarter:	
C12.		Number of litigation cases instituted against the municipality in the quarter:	

No.	KFA No.	Additional indicators from National Treasury, Circular 88 for reporting only	Total number/ %
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.

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 2024/2025 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) Spatial Development Framework (SDF) and
d) Built Environment Performance Plan (BEPP).

The city continues to strive for 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. 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 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 78% 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. Creating a conducive environment to attract potential investors.
v. Review of the Spatial Development Framework to allow for human capital resources to be closer to economic and job opportunities.
vi. Full compliance with MFMA Circular 126, 128 and the Municipal Revenue Enhancement Strategy.

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.
v. Enforcement of Cost Containment Regulations through reducing other expenditure line items and prioritising repairs and maintenance.

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. Considering the Budget Facility for Infrastructure (BFI) funding and donor funds for Economic Infrastructure.

1.5 Financial Sustainability and Asset Management

i. It is 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 cognisant 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 2024/2025 MTREF period is growing from R10.68 billion in the 2023/2024 to R11.26 billion in the 2024/2025 financial year, it further grows to R12.06 billion and R12.89 billion in the 2025/2026 and 2026/2027 financial years respectively.

The financial plan includes an Operating Budget (table 4 & table 6 below) and the Capital Investment Programme per directorate, per source of funding and per function (table 9, 10 & table 11 below), for the three financial years ending June 2027.

2.1 Budget Assumptions

The following assumptions apply to the 2024/2025 Medium-Term Budget Framework (MTREF) and additional details on programme allocations and budget assumptions are provided in the budget document:

Table 1: 2023/2024 to 2026/2027 Budget Assumptions

DESCRIPTION	2023/2024	2024/2025	2025/2026	2026/2027
National Treasury Headline Inflation Forecasts	5,30%	4,90%	4,60%	4,60%
Salaries	5,40%	5,90%	5,60%	5,60%
Electricity Purchases	18,49%	12,70%	15,70%	15,70%
Water Purchases	9,86%	6,54%	6,54%	6,54%
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	R874,79	R933,89	R993,30	R1 057,77
Equitable Share Allocation	R1 138 058 000	R1 218 324 000	R1 298 635 000	R1 381 886 000
Bad Debt Provision	19,50%	22,00%	20,00%	18,00%
Property Rates	0,00%	3,90%	4,60%	4,60%
Refuse Tariff	5,30%	5,20%	4,60%	4,60%
Sewerage Tariff	5,30%	5,20%	4,60%	4,60%
Electricity Tariff	15,10%	15,81%	15,70%	15,70%
Water Tariff	9,86%	8,54%	6,54%	6,54%
Fire Levy	5,30%	4,90%	4,60%	4,60%
Sundry Income	5,30%	4,90%	4,60%	4,60%

2.2 Conditional Grants Allocation

BCMM has been allocated the following conditional grants for the 2024/2025 MTREF.

Table 2: Conditional Grants Allocation for 2024/2025 MTREF

GRANT ALLOCATION	2023/2024 ADJUSTED ALLOCATION	2024/2025 ALLOCATION	2025/2026 ALLOCATION	2026/2027 ALLOCATION
Neighbourhood Development Partnership Grant - Public Employment Programme (PEP)	25 759 494	36 000 000	0	0
Neighbourhood Development Partnership Grant (Capital)	14 581 000	19 655 000	25 000 000	28 700 000
Infrastructure Skills Development Grant	10 770 000	11 000 000	11 000 000	12 500 000
Local Government Financial Management Grant	1 000 000	1 000 000	1 000 000	1 200 000
Expanded Public Works Programme Integrated	5 753 000	2 314 000	0	0
Programme and Project Preparation Support Grant	10 000 000	15 000 000	20 000 000	25 000 000
Informal Settlements Upgrading Partnership Grant	294 556 000	304 707 000	318 357 000	332 943 000
Urban Settlements Development Grant	518 034 000	535 365 000	559 244 000	662 652 000
TOTAL GRANT ALLOCATION	**880 453 494**	**925 041 000**	**934 601 000**	**1 062 995 000**

In the 2022/2023 financial year, BCMM had spent 99% (R859.34 million) of its conditional grants budget of R869.31 million.

Table 3: Spending per Conditional Grant Allocation

GRANT ALLOCATION	2022/2023 ADJUSTED ALLOCATION	2022/2023 AUDITED ACTUALS	2022/2023 UNSPENT ALLOCATION	2022/2023 % SPENT
Finance Management Grant	1 000 000	999 488	512	100%
Infrastructure Skills Development Grant	11 750 000	11 636 579	113 421	99%
Urban Settlement Development Grant	496 166 000	496 165 937	63	100%
Neighbourhood Development Partnership Grant	14 581 000	14 568 071	12 929	100%
Neighbourhood Development Partnership Grant (PEP)	39 192 085	29 350 728	9 841 357	75%
Informal Settlement Upgrading Partnership Grant	282 122 000	282 121 396	604	100%
Expanded Public Works Programme Grant	10 728 000	10 727 111	889	100%
Programme and Project Preparation Support Grant (PPPSG)	13 776 000	13 775 481	519	100%
TOTAL GRANT ALLOCATION SPENT	**869 315 085**	**859 344 790**	**9 970 295**	**99%**

2.3 Operating Budget Estimates

2.3.1 Operating Revenue Framework

In 2024/2025 financial year, the City's own revenue generated by property rates and service charges is 72% of the total revenue, totalling to R7.18 billion and it increases over the MTREF to R7.84 billion in the 2025/2026 and to R8.59 billion in the 2026/2027 financial years.

Electricity service remains the largest contributor to the total revenue mix (inclusive of operational conditional and unconditional grants) which is 28% in the 2024/2025 financial year. Electricity revenue is increasing from R2.46 billion to R2.85 billion in 2024/2025, it further increases to R3.29 billion and R3.81 billion respectively in the two outer years of the 2024/2025 MTREF period.

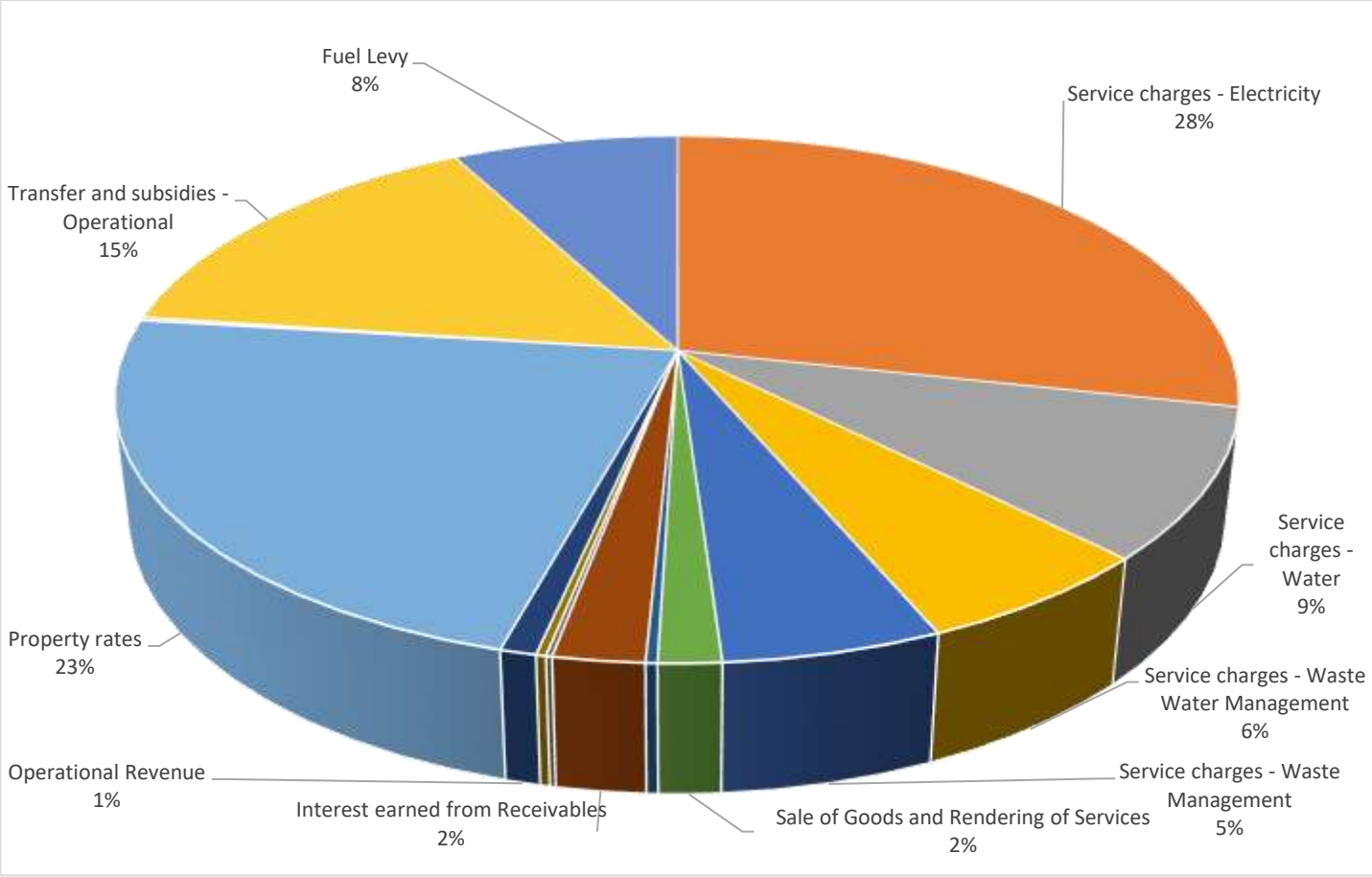
Property rates are the second largest own revenue source with 23% contribution in the 2024/2025 financial year. Property rates increases from R2.27 billion in 2024/2025 to R2.38 billion and R2.49 billion respectively in the two outer years of the 2024/2025 MTREF period.

The revenue for water services contributes 9% to the operating revenue in the 2024/2025 financial year. Water services revenue increases from R0.918 billion in 2024/2025 to R0.978 billion in 2025/2026 and further increases to R1.04 billion in 2026/2027 financial year.

Transfers and subsidies (Transfers recognised - operational) contribute 15% to the operating revenue in the 2024/2025 financial year. Transfers and subsidies totals R1.51 billion in the 2024/2025 financial year and slightly increases to R1.56 billion by 2026/2027. This revenue component reflects a slight increase over the MTREF as a result of reduction in allocations by Provincial and National Government.

The following graph gives a breakdown of the main revenue categories for the 2024/2025 financial year:

Figure 73: Main Operating Revenue categories for the 2024/2025 financial year



The following table is a summary of the draft 2024/2025 MTREF (classified by main revenue source):

Table 4: Operating Revenue by Revenue Source

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue									
Exchange Revenue									
Service charges - Electricity	1 948 603	2 199 541	2 147 071	2 614 161	2 459 296	2 459 296	2 848 110	3 295 264	3 812 620
Service charges - Water	1 214 597	1 255 133	738 617	933 423	845 689	845 689	917 910	977 942	1 041 899
Service charges - Waste Water Management	420 119	470 773	482 231	493 351	573 555	573 555	603 379	631 135	660 167
Service charges - Waste Management	354 026	387 546	398 396	406 053	509 293	509 293	535 777	560 422	586 202
Sale of Goods and Rendering of Services	103 397	109 848	109 051	145 958	145 958	145 958	153 110	160 153	167 520
Agency services	31 910	30 536	23 879	27 261	27 933	27 933	28 177	29 473	30 829
Interest earned from Receivables	119 421	176 561	300 755	211 915	211 915	211 915	222 299	232 525	243 221
Interest earned from Current and Non Current Assets	41 289	33 086	47 660	24 054	38 553	38 553	14 474	15 639	16 898
Rental from Fixed Assets	24 222	21 116	24 501	23 129	23 129	23 129	24 263	25 379	26 546
Operational Revenue	644 933	690 424	48 442	84 138	84 153	84 153	88 261	92 321	96 568
Non-Exchange Revenue									
Property rates	1 589 415	1 733 914	1 791 370	2 208 577	2 208 577	2 208 577	2 272 580	2 377 119	2 486 466
Fines, penalties and forfeits	16 659	12 408	6 974	20 080	9 239	9 239	9 691	10 137	10 603
Licences or permits	12 411	12 128	12 216	17 667	13 367	13 367	14 022	14 667	15 342
Transfer and subsidies - Operational	1 328 218	1 099 255	1 192 815	1 463 862	1 493 946	1 493 946	1 512 526	1 573 328	1 556 453
Fuel Levy	–	–	719 203	741 926	741 926	741 926	777 132	809 215	843 430
Gains on disposal of Assets	4 832	1 362	409	–	–	–	–	–	–
Other Gains	29 576	15 354	9 131	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**7 883 628**	**8 248 985**	**8 052 721**	**9 415 557**	**9 386 530**	**9 386 530**	**10 021 712**	**10 804 718**	**11 594 764**

The draft 2024/2025 MTREF has been directly informed by the IDP revision process and the below table provides a reconciliation between the IDP strategic objectives and operating revenue.

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

Strategic Objective	Goal	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
A WELL GOVERNED CITY	Promote Sound financail and administrative capabilities	2 959 372	3 077 747	3 387 974	3 807 740	3 822 963	3 822 963	3 960 571	4 112 440	4 323 980
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	2 051 817	2 108 722	1 627 409	1 987 792	1 967 145	1 967 145	2 093 299	2 224 862	2 240 067
A CONNECTED CITY	To maintain a world class logistics network	2 006 936	2 221 399	2 242 415	2 692 610	2 533 836	2 533 836	2 933 467	3 387 165	3 897 204
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	513 692	549 405	567 387	589 996	693 236	693 236	727 476	760 238	798 658
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	351 812	291 711	227 535	337 420	369 350	369 350	306 898	320 013	334 855
Allocations to other priorities										
Total Revenue (excluding capital transfers and contributions)		**7 883 628**	**8 248 985**	**8 052 721**	**9 415 557**	**9 386 530**	**9 386 530**	**10 021 712**	**10 804 718**	**11 594 764**

1.1.1 Operating Expenditure Framework

a) **The employee related costs** equate to 31% of the total operating costs; this percentage is within the norm of 25% to 40% as per MFMA Circular 71 guideline. The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 has come to an end and a new agreement is under consultation. A projected increase of CPI+1% has been factored in the employee costs over the 2024/2025 MTREF; i.e. increase of 5.9% in 2024/2025 financial year and an increase of 5.6% in both 2025/2026 and 2026/2027 financial years.

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 2024/2025 budget. A new gazette for the remuneration of Public Office bearers has not been issued to date therefore a CPI+1% average of 5.9% has been utilised to determine the 2024/2025 budget for the remuneration of councillors.

c) **The provision of debt impairment** has been determined based on an annual collection rate of 78% for 2024/2025. The annual collection rate is expected to be at 80% in 2025/2026 & 82% in 2026/2027. For the 2024/2025 financial year this amounts to R1.55 billion, it slightly reduces to R1.54 billion in 2025/2026, it further reduces to R1.52 billion in the 2026/2027 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 amortisation** is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R568.04 million for the 2024/2025 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) **Interest** consists primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0.1% (R8.97 million) of operating expenditure in 2024/2025**.**

f) **Bulk purchases – electricity** in 2024/2025 equates to 28% 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) **Inventory consumed** equates to 3% of total operating expenditure, this includes water inventory consumed.

h) **Contracted services** equate to 9% of the total operating budget, this includes provisions for repairs and maintenance.

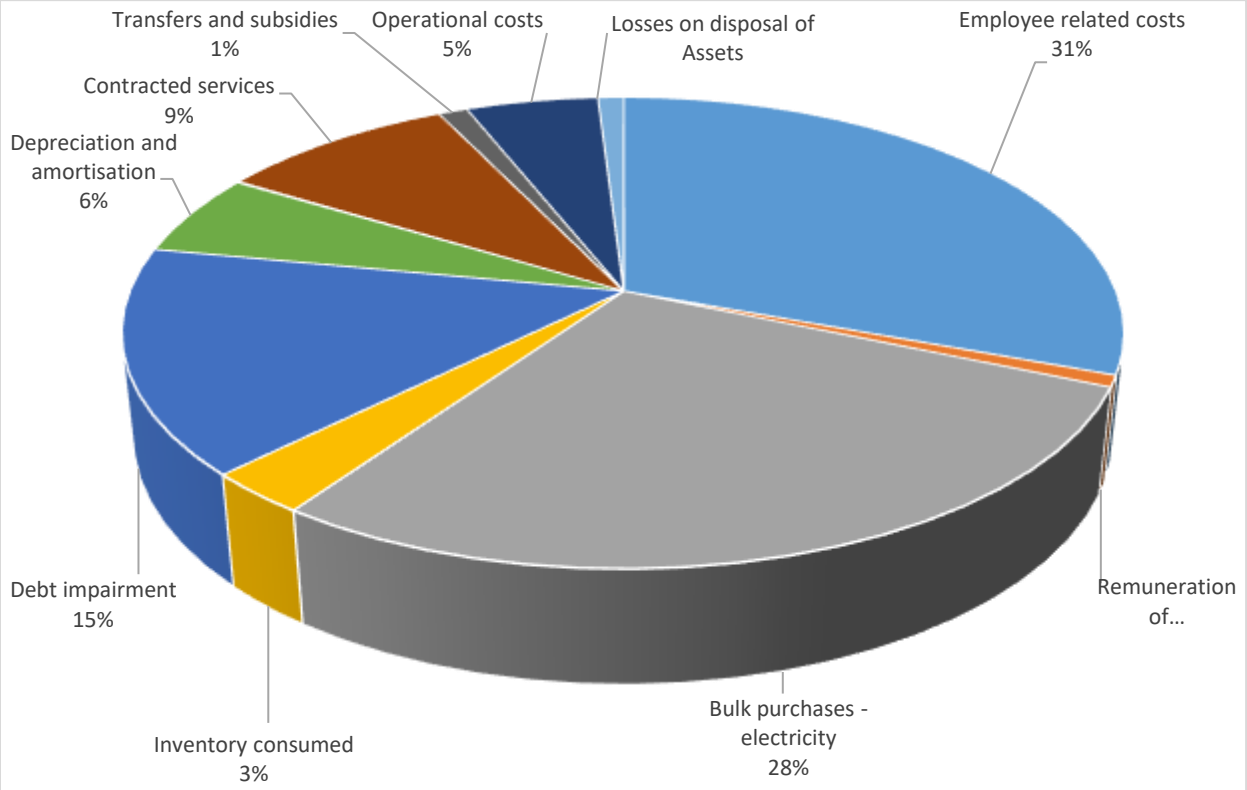
i) **Transfers and subsidies** equate to 1% of the total operating budget.

j) **Operational costs** comprise of various line items relating to the daily operations of the municipality. In order to comply with the provisions of MFMA Circular 126 and 128 guiding principles as issued by National Treasury, the institution undertook a line-by-line analysis of expenditure in an attempt to improve efficiencies and cut non-essential expenditure by implementing cost containment measures:

k) **Repairs and Maintenance** budget is 5.2% of the total Operating budget in 2024/2025. 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.

The following figure gives a breakdown of the main expenditure categories for the 2024/2025 financial year.

Figure 74: Main operational expenditure categories for the 2024/2025 financial year



The following table is a high-level summary of the operating expenditure budget of the draft 2024/2025 MTREF (classified per main type of operating expenditure).

Table 6: Operating Expenditure by Type

Description	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Expenditure By Type									
Employee related costs	2 501 193	2 536 403	2 475 613	2 884 448	2 692 162	2 692 162	3 069 114	3 239 086	3 420 758
Remuneration of councillors	63 813	64 683	66 749	74 057	74 057	74 057	78 426	82 818	87 456
Bulk purchases - electricity	1 631 905	1 922 255	1 936 963	2 512 494	2 512 494	2 512 494	2 831 581	3 276 139	3 790 493
Inventory consumed	284 440	286 508	216 587	286 314	279 053	279 053	289 925	308 055	328 040
Debt impairment	–	1 385 422	897 828	1 328 917	1 483 891	1 483 891	1 549 088	1 539 832	1 518 879
Depreciation and amortisation	1 401 969	1 569 797	1 846 054	609 619	609 619	609 619	568 038	611 935	685 044
Interest	25 757	20 684	16 075	13 567	13 567	13 567	8 966	6 554	4 672
Contracted services	721 453	595 097	698 631	903 924	923 609	923 609	909 536	996 721	967 753
Transfers and subsidies	104 912	127 299	137 495	154 110	143 960	143 960	110 905	92 197	98 200
Irrecoverable debts written off	926 950	–	–	–	–	–	–	–	–
Operational costs	548 907	607 177	629 635	545 352	561 341	561 341	506 320	531 860	558 822
Losses on disposal of Assets	21 457	816	26	–	–	–	–	–	–
Other Losses	755	508	86 326	92 540	92 540	92 540	98 592	105 040	111 910
Total Expenditure	**8 233 511**	**9 116 649**	**9 007 981**	**9 405 342**	**9 386 293**	**9 386 293**	**10 020 491**	**10 790 237**	**11 572 027**

The draft 2024/2025 MTREF has been directly informed by the IDP revision process and the below table provides a reconciliation between the IDP strategic objectives and operating expenditure.

Table 7: The Operating Expenditure is indicated below into the five (5) IDP Strategic Objectives:

Strategic Objective	Goal	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
A WELL GOVERNED CITY	Promote Sound financail and administrative capabilities	1 409 976	1 590 955	1 508 051	1 838 126	1 836 911	1 836 911	1 903 660	1 930 586	1 998 092
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	1 909 356	2 310 518	2 172 861	1 968 413	1 923 747	1 923 747	2 020 960	2 129 395	2 139 652
A CONNECTED CITY	To maintain a world class logistics network	3 228 985	3 816 611	3 905 102	4 144 313	4 144 674	4 144 674	4 528 853	5 068 155	5 677 920
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	744 921	689 849	655 299	633 660	667 973	667 973	725 452	769 886	809 850
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	940 272	708 715	766 668	820 829	812 988	812 988	841 565	892 216	946 513
Allocations to other priorities										
Total Expenditure		**8 233 511**	**9 116 649**	**9 007 981**	**9 405 342**	**9 386 293**	**9 386 293**	**10 020 491**	**10 790 237**	**11 572 027**

1.2 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 slightly increase from R735 million in the 2023/2024 period to R789 million in the 2024/2025, it is expected to increase to R1.06 billion by 2026/2027 financial year.

Table 8: Budgeted Cash Flow Statement

Description	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates	1 300 936	1 375 151	1 502 577	1 777 905	1 722 690	1 722 690	942 750	1 772 612	1 901 695	2 038 902
Service charges	2 809 851	3 019 329	3 223 821	3 579 825	3 422 509	3 422 509	1 961 970	3 826 038	4 371 810	5 002 728
Other revenue	6 202 652	4 579 088	5 038 219	1 006 865	964 726	964 726	2 380 543	1 054 936	1 280 974	847 706
Transfers and Subsidies - Operational	19 956	1 067 836	1 154 816	1 463 862	1 497 273	1 497 273	957 435	1 512 641	1 573 443	1 556 568
Transfers and Subsidies - Capital	899 285	704 365	752 565	760 580	759 480	759 480	676 254	789 798	830 727	950 749
Interest	41 289	29 764	52 353	24 054	38 553	38 553	36 890	14 474	15 639	16 898
Dividends								–	–	–
Payments										
Suppliers and employees	(6 800 300)	(6 387 312)	(6 690 930)	(7 299 129)	(6 873 777)	(6 873 777)	(4 907 099)	(7 526 034)	(8 450 547)	(8 814 699)
Interest	(26 193)	(21 160)	(16 581)	(13 567)	(13 567)	(13 567)	(6 438)	(13 906)	(14 254)	(14 967)
Transfers and Subsidies	(88 342)	(118 735)	(127 370)	(154 110)	(144 057)	(144 057)	(80 432)	(110 905)	(92 197)	(98 200)
NET CASH FROM/(USED) OPERATING ACTIVIT	**4 359 133**	**4 248 326**	**4 889 472**	**1 146 286**	**1 373 831**	**1 373 831**	**1 961 873**	**1 319 654**	**1 417 289**	**1 485 686**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE	4 832	1 347	2	–	–	–	2 417	–	–	–
Decrease (increase) in non-current receivables								–	–	–
Decrease (increase) in non-current investments								–	–	–
Payments										
Capital assets	(1 591 352)	(1 408 515)	(1 425 946)	(1 219 326)	(1 293 895)	(1 293 895)	(601 899)	(1 240 358)	(1 272 578)	(1 321 708)
NET CASH FROM/(USED) INVESTING ACTIVITI	**(1 586 520)**	**(1 407 168)**	**(1 425 944)**	**(1 219 326)**	**(1 293 895)**	**(1 293 895)**	**(599 482)**	**(1 240 358)**	**(1 272 578)**	**(1 321 708)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	–	(3 389)	6 005	5 165	5 165	3 002	3 274	3 340	3 507
Payments										
Repayment of borrowing	(54 396)	(45 191)	(49 141)	(49 141)	(30 246)	(30 246)	(16 720)	(28 814)	(25 086)	(20 829)
NET CASH FROM/(USED) FINANCING ACTIVIT	**(54 396)**	**(45 191)**	**(52 529)**	**(43 136)**	**(25 082)**	**(25 082)**	**(13 718)**	**(25 540)**	**(21 746)**	**(17 323)**
NET INCREASE/ (DECREASE) IN CASH HELD	**2 718 217**	**2 795 967**	**3 410 999**	**(116 176)**	**54 854**	**54 854**	**1 348 673**	**53 756**	**122 965**	**146 656**
Cash/cash equivalents at the year begin:	**1 373 711**	**1 145 407**	**697 457**	**808 648**	**679 975**	**679 975**	**–**	**734 829**	**788 585**	**911 551**
Cash/cash equivalents at the year end:	**4 091 928**	**3 941 375**	**4 108 456**	**692 472**	**734 829**	**734 829**	**1 348 673**	**788 585**	**911 551**	**1 058 206**

1.3 Capital Budget Estimates

The below tables reflect that the consolidated capital budget for capital programme is R1.24 billion in the 2024/2025 financial year, R1.27 billion and R1.32 billion in the 2025/2026 and 2026/2027 financial years respectively.

The City's capital budget has reduced by 4.12% when compared to the 2023/2024 adjusted budget. It then increases by 2.59% from the 2024/2025 to 2025/2026 financial year, it further increases by 3.72% in 2026/2027 financial year. Further breakdown per function of the capital budget is detailed in table 11 below. It depicts that for the 2024/2025 financial year an amount of R119.36 million has been appropriated for the Waste Water infrastructure, R173.09 million for Roads Transport, R180.53 million for Water, R69.31 million for Planning & Development, R61.30 million for waste management, R231.93 million for Human Settlements and R158.39 million for Energy Services. These functions represent 80% of the total capital budget for the 2024/2025 financial year.

Although these functions are not all revenue generating, the budgeted 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 City.

The following table provides a breakdown of budgeted capital expenditure per directorate.

Table 9: Capital Investment Programme Per Directorate

CAPITAL BUDGET PER DIRECTORATE	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET
EXECUTIVE SUPPORT SERVICES	500 000	500 000	500 000
CITY MANAGER'S OFFICE	650 000	750 000	1 000 000
CORPORATE SERVICES	20 700 000	17 700 000	17 200 000

SPATIAL PLANNING & DEVELOPMENT	83 457 810	87 062 259	86 492 049
ECONOMIC DEVELOPMENT & AGENCIES	43 638 554	61 824 701	94 000 000
FINANCE SERVICES	76 202 004	37 615 000	20 615 000
PUBLIC SAFETY & EMERGENCY SERVICES	25 500 000	43 500 000	20 500 000
HUMAN SETTLEMENTS	231 926 643	245 046 792	241 724 964
INFRASTRUCTURE SERVICES	641 363 439	663 643 451	667 017 652
SPORTS, RECREATION & COMMUNITY DEVELOPMENT	37 500 000	23 509 979	84 523 998
SOLID WASTE & ENVIRONMENTAL MANAGEMENT	77 570 000	89 940 792	86 500 000
TOTAL CAPITAL BUDGET: BCMM	**1 239 008 450**	**1 271 092 975**	**1 320 073 663**
BCMDA	1 520 030	1 589 952	0
TOTAL CAPITAL: CONSOLIDATED	**1 240 528 480**	**1 272 682 926**	**1 320 073 663**

The following table provides a breakdown of budgeted capital expenditure per funding source.

Table 10: Capital Investment Programme Per Funding Source

CAPITAL BUDGET PER FUNDING	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET
OWN FUNDING	451 965 229	443 326 302	370 843 223
TOTAL OWN FUNDING	**451 965 229**	**443 326 302**	**370 843 223**
URBAN SETTLEMENT DEVELOPMENT GRANT	488 654 050	509 676 699	603 272 440
FINANCE MANAGEMENT GRANT	115 000	115 000	115 000
INFORMAL SETTLEMENTS UPGRADING PARTNERSHIP GRANT	279 939 201	294 364 926	316 943 000
NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT	19 655 000	25 000 000	28 700 000
TOTAL GRANTS	**788 563 251**	**829 356 624**	**949 230 440**
TOTAL DRAFT CAPITAL BUDGET	**1 240 528 480**	**1 272 682 926**	**1 320 073 663**

The following table provides a breakdown of budgeted capital expenditure per function:

Table 11: Capital Investment Programme Per Function

CAPITAL BUDGET PER FUNCTION	2024/2025 PROPOSED	2025/2026 PROPOSED	2026/2027 PROPOSED

	CAPITAL BUDGET	CAPITAL BUDGET	CAPITAL BUDGET
Governance and administration	**123 552 004**	**72 736 963**	**53 137 049**
Executive and council	1 150 000	1 250 000	1 500 000
Finance and administration	122 402 004	71 486 963	51 637 049
Community and public safety	**311 196 643**	**333 803 192**	**368 114 962**
Community and social services	24 950 000	16 673 998	25 723 998
Sport and recreation	30 320 000	21 082 380	77 800 000
Public safety	16 500 000	40 500 000	16 500 000
Human Settlements	231 926 643	245 046 814	240 090 964
Health	7 500 000	10 500 000	8 000 000
Economic and environmental services	**242 394 491**	**235 216 578**	**261 247 124**
Planning and development	69 307 810	72 375 299	84 304 000
Road transport	173 086 681	162 841 279	176 943 124
Trading services	**519 576 758**	**568 996 564**	**543 574 528**
Energy sources	158 388 195	175 557 457	145 843 223
Water management	180 527 604	177 440 414	201 962 507
Waste water management	119 360 959	147 804 299	132 268 798
Waste management	61 300 000	68 194 394	63 500 000
Other	**43 808 584**	**61 929 629**	**94 000 000**
Total Capital Expenditure - Functional	**1 240 528 480**	**1 272 682 926**	**1 320 073 663**

2. 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 City 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.

2.1 The Financial Framework

The table below gives details of commonly used financial ratios/benchmarks. The information in table 12 below is in terms of the draft 2024/2025 MTREF.

Table 12: Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Borrowing Management											
Credit Rating		A1-/A	A1-/A	0	A1-/A	A1-/A	A1-/A	A1-/A			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1,0%	0,7%	0,7%	0,7%	0,5%	0,5%	0,4%	0,4%	0,3%	0,2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1,0%	0,8%	0,8%	0,7%	0,5%	0,5%	0,4%	0,4%	0,3%	0,2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Safety of Capital											
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%
Liquidity											
Current Ratio	Current assets/current liabilities	1,2	1,2	1,1	1,6	1,2	1,2	1,2	1,3	1,5	1,7
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,8	1,2	1,1	(0,0)	0,4	0,4	1,2	1,3	1,5	1,7
Liquidity Ratio	Monetary Assets/Current Liabilities	0,3	0,3	0,3	1,2	0,8	0,8	0,3	0,9	1,0	1,1
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0,0%	101,7%	99,4%	122,0%	116,7%	113,5%	113,5%	100,3%	110,7%	111,5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		101,7%	99,4%	122,0%	116,7%	113,5%	113,5%	100,3%	110,7%	111,5%	112,3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	92,5%	96,3%	109,2%	14,7%	24,7%	24,7%	140,6%	24,3%	23,5%	22,8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	24,0%	0,0%	0,0%	26,0%	26,0%	26,0%	0,0%	19,6%	21,6%	23,7%
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA's 65(e))	100,0%	0,0%	0,0%	100,0%	100,0%	100,0%	0,0%	100,0%	100,0%	100,0%
Creditors to Cash and Investments		30,9%	30,7%	44,0%	201,9%	268,5%	268,5%	79,8%	647,6%	557,9%	1109,7%
Other Indicators											
	Total Volume Losses (kW) technical	141 521	142 584	130 213	124 955	124 955	124 955	124 955	124 955	124 955	124 955
	Total Volume Losses (kW) non technical	180 581	149 336	119 960	182 465	182 465	182 465	182 465	182 465	182 465	182 465
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)	322 128	291 919	250 173	264 474	264 474	264 474	553 448	623 570	698 398	782 206
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	20,5%	19,2%	24,6%	24,6%	24,6%	24,6%	24,6%	24,6%	24,6%
	Bulk Purchase	25 372	25 428	26 039	26 299	26 299	26 299	26 299	26 562	26 828	27 096
Water Volumes :System input	Water treatment works	34 785	35 440	39 127	39 519	39 519	39 519	39 519	39 914	40 313	40 716
	Natural sources	–	–	–	–	–	–	–	–	–	–
	Total Volume Losses (kℓ)	21 818	22 825	24 540	23 036	23 036	23 036	23 036	23 267	23 499	20 344
	Total Cost of Losses (Rand '000)	125496	139272	152293	142963	142963	142963	142963	144392	145836	126253
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	0	37,5%	37,7%	35,0%	35,0%	35,0%	35,0%	35,0%	35,0%	30,0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	31,7%	30,7%	30,7%	30,6%	28,7%	28,7%	26,4%	30,6%	30,0%	29,5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	32,5%	31,5%	31,6%	31,4%	29,5%	29,5%	46,7%	31,4%	30,7%	30,3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	4,9%	4,9%	5,5%	5,3%	5,4%	5,4%	7,7%	5,2%	5,4%	5,7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	18,1%	19,3%	23,1%	6,6%	6,6%	6,6%	18,3%	5,8%	5,7%	5,9%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	105,1	81,3	110,0	136,9	136,4	175,1	155,8	246,1	286,4	307,3
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	168,3%	168,3%	213,6%	19,9%	40,6%	40,6%	310,1%	38,6%	36,3%	34,1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	8,7	6,8	7,6	1,0	1,1	1,1	3,0	1,1	1,1	1,2

2.1.1 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 draft 2024/2025 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 decreasing from 0.4% in 2024/2025 to 0.3% in 2025/2026 and further decreases to 0.2% in 2026/2027.

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 decreasing from 0.7% in 2023/24 to 0.4% in 2024/2025 and 2025/2026.

2.1.2 Liquidity

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 draft 2024/2025 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 decreasing from 0.4% in 2024/2025 to 0.3% in 2025/2026 and further decreases to 0.2% in 2026/2027.

2.1.3 Revenue Management

The City has adopted an aggressive Revenue Enhancement Strategy which includes but not limited to the following:

- revenue generation,
- accuracy of meter reading,
- reduction of the backlog of queries and improved turnaround time to resolve new queries,
- 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 66.20% as at 29 February 2024 has declined than the projected collection rate of 78%.

2.1.4 Creditors Management

The City has managed to ensure that creditors are settled within the legislated 30 days of statement as stipulated by section 65 (e) of the MFMA, except for those that are under dispute.

2.1.5 Other Indicators

i. Employee costs as a percentage of operating revenue is 30.6% in the 2024/2025 financial year and slightly reduces to 29.5% 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 24.6% in 2024/2025. 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 2024/2025.
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 5.2% in the 2024/2025 financial year.

2.2 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.

2.2.1 Revenue Raising Strategies and Programmes

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

i. Efficient revenue management, which aims to ensure not less than 78% 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 and updating the roll through supplementary valuations every year in terms of the Municipal Property Rates Act.
vii. Creating a conducive environment to attract potential investors for the City.
viii. Review of the Spatial Development Plan to allow for human capital resources to be closer to economic and job opportunities.

Initiatives in progress to ensure the "completeness of revenue" (all properties are billed for all services at the correct tariffs):

i. The reconciliation between the General Valuation and all trading services is performed to identify unbilled services.
ii. The verification of all accounts is ongoing to ensure that all services are raised.
iii. The verification process of the Indigent Register is ongoing.
iv. Reduction in number of metered interim charges by obtaining actual readings.
v. Large power users accounts have been reviewed for completeness of billing (KVA). Results are being implemented.
vi. BCMM bills the consumers on a monthly basis as per the norms and standards of revenue management.

2.2.2 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. Different Sector Asset Management Plans are critical to inform the repairs of assets and asset renewal programme that is funded through repairs and maintenance and capital budget. Sector Asset Management Plans of the City also informs the City of the infrastructure backlogs and failure rates. The City's infrastructure repairs, and maintenance programme is still below the norm, however, it is also 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 City's Infrastructure is old and requires major capital investment from across the stake holders. 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.

2.2.3 Financial Reforms on Municipal Financial Reporting

Municipal Standard Chart of Accounts (mSCOA):

In line with the governance requirements to mSCOA, Buffalo City Metropolitan Municipality has a fully functional steering committee with six work streams, which is sponsored by the Chief Financial Officer. The work streams sit on a monthly basis and the steering committee meets quarterly and submits reports to Finance Portfolio Committee. The above controls are there to ensure effective, efficient and quality reporting to all stakeholders.

The City continues to lead mSCOA compliance in the country as per National Treasury analysis. In the 2023/2024 financial year, the City has launched AFLA modules to promote ease of doing business with the City wherein all building plan applications, wayleave applications, rezoning and citizen engagements is all digitised. This method makes it easy to track all applications by both end user and management.

The rollout of mSCOA does not come without its challenges, however, through consistent application of internal staff and migration to technology driven initiatives, the City plans to ensure that in 2024/2025, the following is implemented:

- Integration of AFLA to Solar
- Rollout Lease Management Module and Contracts Management Module
- Ensure full digitalisation of requisition to payment without any paper-based process
- And develop the Asset Management Module.

In relation to the 15 Business processes, the City embraces all these processes and confident that upon regulation of the processes, the City will be in full compliance. The Municipal Standard Chart of Accounts (mSCOA) remains a major priority for the City in compliance with also the national government requirements.

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.

2.3 Budget Related Policies

BCMM's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies. It is required by legislation that amendments to all budget related policies must form part of the tabled budget.

The following new policy has been developed:

i. Receipting Policy

Amendments have been made on the following budget related policy:

i. Indigent Support Policy

No amendments were made to the following existing BCMM budget-related policies on this financial year's annual review:

i. Tariff Policy
ii. Property Rates Policy
iii. Supply Chain Management Policy
iv. Immovable Asset Policy
v. Movable Asset Policy
vi. Budget Virements Policy
vii. Funding and Reserves Policy
viii. Credit Control Policy
ix. Long-Term Borrowing Policy
x. Capital Infrastructure Investment Policy
xi. Long-Term Financial Planning Policy
xii. Budget Management & Oversight
xiii. Investment Cash Management Policy
xiv. Cost Containment Policy

2.4 Revenue Enhancement Strategy

The City has adopted an aggressive Revenue Enhancement Strategy which includes revenue generation, accuracy of meter reading, reduction of the backlog of queries and improved turnaround time to resolve new queries, 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 66.20% as at 29 February 2024 is expected to improve to 78% in the 2023/2024 financial year.

2.4.1 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.

2.4.2 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 13: Basic social services package per indigent household

SOCIAL WELFARE PACKAGE							
	Total Per Household 2023/2024	Tariff % Increase	Total Per Household 2024/2025	Tariff % Increase	Total Per Household 2025/2026	Tariff % Increase	Total Per Household 2026/2027
Rates	142,41	3,90%	147,97	4,60%	154,77	4,60%	161,89
Refuse	316,82	5,20%	333,29	4,60%	348,62	4,60%	364,66
Sewerage	112,59	5,20%	118,45	4,60%	123,90	4,60%	129,60
Fire Levy	65,93	4,90%	69,16	4,60%	72,34	4,60%	75,67
Total Monthly Subsidy	**637,75**		**668,86**		**699,63**		**731,81**
Electricity - 50kwh p.m	106,55	15,81%	123,40	15,70%	142,77	15,70%	165,19
Water - 6kl p.m.	130,49	8,54%	141,63	6,54%	150,89	6,54%	160,76
Total Poor Relief	**874,79**	**6,76%**	**933,89**	**6,36%**	**993,30**	**6,49%**	**1 057,77**

2.4.3 Property Rates

The property rates tariffs are projected to increase by 3.9% in the 2024/2025 financial year and tariff increases of 4.6% in both 2025/2026 and 2026/2027 financial years 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 from 1 July 2023 and its validity period expires on 30 June 2027. Another valuation roll will be implemented after the expiration of current valuation roll. Supplementary valuations are undertaken on a regular basis. The property valuation roll is currently published on the BCMM website at www.buffalocity.gov.za.

3. BCMM'S AUDIT OPINION IN THE 2021/2022 FINANCIAL YEAR

The Auditor General has issued a qualified audit opinion with findings on the Annual Financial Statements for the year ended 30 June 2023.

The qualification arose due to an inability to provide sufficient appropriate audit evidence for property, plant and equipment that was incorrectly accounted for with respect to the revaluation of the Metro's assets. Service charges pertaining to Sanitation was not adequately recognised resulting in properties not being billed and the sanitation service charges not being adequately recorded resulting in an understatement of receivables and revenue from exchange transactions. Commitments on capital assets work-in-progress were incorrectly disclosed resulting in an overstatement on commitments.

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:
The 2022/2023 Audit Report and Management Report was analysed to develop the Audit Action Plan (AAP) which has been prepared detailing the audit findings together with the required corrective action to be taken.
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 2022/2023 financial year.

In the development of the 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 to date, management does have a system of internal controls, however, internal audit observations reveal that such system is not yet fully effective.

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.

The below is a timetable of processes that is inclusive of all departments contributions towards the preparation of the Annual Financial Statements (AFS). In line with the approved AFS timetable sufficient time is provided for Top Management; Internal Audit; Audit Committee and National Treasury to conduct review before the final submission of AFS to Auditor-General.

TIMETABLE FOR THE COMPLETION OF THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NO.	TASK DESCRIPTION	RESPONSIBLE PERSONS	COMMENCE DATE	ESTIMATED 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	03/07/2023	21/06/2024
2.	Analyse and clear HS010 – Orders and GRN's not invoiced per order)	GMS/PMS	03/07/2023	21/06/2024
3.	Clear suspense votes and balance control accounts / votes	ALL	03/07/2023	12/07/2024
4.	Perform stock count and process adjustments	GMS/PML	02/05/2024	12/07/2024
5.	**Run June 2024 month end and year end on votes ledger**	**GME/PMM/CAF/SAF**	**30/06/2024**	**05/07/2024**
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 2024	ALL	01/07/2024	05/07/2024
7.	**Process Creditors i.r.o. 2023/2024 Financial Year**	**GME/PMC/MAC/PMV**	**01/07/2024**	**12/07/2024**
8.	Clear all outstanding job commitments by running report **JB060** (reset jobbing commitments)	GME/PMM/CAF	01/07/2024	12/07/2024
9.	Process journals for COID, Insurance, Leave Accrual and Debt Impairment Allowance	GMA/PMA/MAI/GME/ PMP/GMR/PMR	01/07/2024	12/07/2024
10.	Process journals for external loans and balance loans register to GL	GMB/PMT/PAT	01/07/2024	12/07/2024
11.	**Finalize and process all other year end journals**	**ALL**	**01/07/2024**	**12/07/2024**
12.	Investigate income and expenditure for misallocations	ALL	01/07/2024	12/07/2024
13.	Balance Conditional Grants and Receipts to GL/BS	GMB/PMB/MBM	01/07/2024	12/07/2024
14.	Balance investment register to GL/BS	GMB/PMT/PAT	01/07/2024	12/07/2024
15.	**Finalize and submit all control votes reconciliations**	**ALL**	**01/07/2024**	**12/07/2024**
16.	Prepare summary of debtors and creditors control accounts	GME/PMM/CAF	01/07/2024	12/07/2024
17.	**Submit all information to Financial Management as per memo's circulated i.r.o. the preparation of the Annual Financial Statements**	**ALL**	**01/07/2024**	**26/07/2024**
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**	**01/07/2024**	**26/07/2024**
19.	Obtain financial statements from IDZ	GME/PMM/CAF	01/07/2024	26/07/2024
20.	Prepare capital work in progress schedule	GMA/PMA/CAA	01/07/2024	07/08/2024
21.	Process all PPE and capitalization journals	GMA/PMA/CAA	01/07/2024	07/08/2024
22.	Process all grant journals i.r.o. PPE funded ex grants	GMB/PMB/MBM	01/07/2024	07/08/2024

NO.	TASK DESCRIPTION	RESPONSIBLE PERSONS	COMMENCE DATE	ESTIMATED COMPLETION DATE
23.	**Produce the Fixed Asset Register including all schedules, tables and appendices in respect of the AFS**	**GMA/PMA/CAA**	**01/07/2024**	**07/08/2024**
24.	**Run final general ledger trial balance**	**GME/PMM/CAF**	**08/08/2024**	**08/08/2024**
25.	**Compile Annual Financial Statements**	**GME/PMF**	**09/08/2024**	**15/08/2024**
26.	Present AFS to City Manager and Top Management	CFO/GME/PMF	16/08/2024	16/08/2024
27.	Submit AFS to Internal Audit and Audit Committee for review	CFO/GME/PMF	19/08/2024	22/08/2024
28.	Present AFS to Audit Committee	CFO/GME/PMF	23/08/2024	23/08/2024
29.	Update Annual Financial Statements	GME/PMF	24/08/2024	28/08/2024
30.	Submit and present final AFS to Audit Committee for approval	CFO/GME/PMF	29/08/2024	29/08/2024
31.	**Submit Annual Financial Statements and Audit File to Auditor General**	**GME/PMF**	**30/08/2024**	**30/08/2024**
32.	Submit AFS and BUF BSA 2024 and BUF CAAA(PPE) 2024 forms to National and Provincial Treasury	GME/PMF	31/08/2024	31/08/2024
33.	Obtain AFS from BCMDA & prepare Consolidated AFS for BCMM	GME/PMF	02/09/2024	23/09/2024
34.	Present Consolidated AFS to City Manager for signature	CFO/GME/PMF	25/09/2024	25/09/2024
35.	**Submit Consolidated AFS to Auditor-General**	**GME/PMF**	**30/09/2024**	**30/09/2024**

4. 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

5. 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

6. BUDGET, PROGRAMMES AND PROJECTS

6.1 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 R1.24 billion in the 2024/2025 financial year, R1.27 billion and R1.32 billion in the 2025/2026 and 2026/2027 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 2024/2025 MTREF are indicated below:

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
EXECUTIVE SUPPORT SERVICES						
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL 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	WHOLE OF METRO
OFFICE FURNITURE AND EQUIPMENT-EPMO	150 000	250 000	500 000	USDG	ALL WARDS	WHOLE OF METRO
TOTAL CAPITAL BUDGET: CITY MANAGER'S OFFICE	**650 000**	**750 000**	**1 000 000**			
CORPORATE SERVICES						
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM	4 000 000	5 000 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
PAY DAY ELECTRONIC ATTENDANCE SYSTEM FOR BCMM	4 000 000	3 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
FIBRE NETWORK	3 000 000	1 000 000	3 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
LTE INFRASTRUCTURE	1 500 000	1 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DISASTER RECOVERY ENHANCEMENT	1 500 000	1 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
PROCUREMENT OF ICT EQUIPMENT	1 000 000	2 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
OFFICE FURNITURE AND EQUIPMENT FOR INTERNS	200 000	200 000	200 000	ISDG	ALL WARDS	WHOLE OF METRO
MASTER DATA MANAGEMENT	3 000 000	3 000 000	3 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
WI-FI	2 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL CAPITAL BUDGET: CORPORATE SERVICES	**20 700 000**	**17 700 000**	**17 200 000**			
SPATIAL PLANNING & DEVELOPMENT						
AERIAL PHOTOGRAPHY AND MAPPING	500 000	500 000	1 000 000	OWN FUNDS	47	COASTAL
PLOTTERS	600 000	600 000	0	OWN FUNDS	47	COASTAL
SURVEY EQUPMENT	400 000	400 000	500 000	OWN FUNDS	47	COASTAL
ORIENT THEATRE REFURBISHMENT	500 000	500 000	0	OWN FUNDS	47	COASTAL
SLEEPER SITE REFURBISHMENT	500 000	500 000	0	OWN FUNDS	47	COASTAL
UPGRADING OF KWT PAYMENTS HALL	0	0	700 000	OWN FUNDS	37	INLAND
LAND ACQUISITION	15 000 000	15 671 963	3 822 049	ISUPG	ALL WARDS	WHOLE OF METRO
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
BRIDGE DESIGNS & IMPLEMENTATION	11 957 810	3 134 399	10 000 000	USDG	14,48	INLAND
GUARDRAILS	300 000	313 440	520 000	USDG	18,21,3,25,39,41	COASTAL
SLEEPER SITE ROAD	25 000 000	37 031 112	12 000 000	USDG	47	COASTAL
GUIDANCE SIGNAGE	200 000	208 960	250 000	USDG	47	COASTAL
SIDEWALKS	1 000 000	1 044 800	5 000 000	USDG	12, 16, 25, 41	COASTAL
TRAFFIC CALMING	1 000 000	1 044 800	1 200 000	USDG	2,9,10,12,21,30,25,39,41,44	WHOLE OF METRO
TRAFFIC SIGNALS	6 000 000	4 179 199	8 000 000	USDG	5, 9	COASTAL
QUMZA HIGHWAY PHASE 7 - PHASE 1 & 2	10 000 000	8 895 993	15 000 000	USDG	21, 20,48	MIDLAND
TAXI RANK INFRAST (ROADS & ABLUTION FACILITIES)	10 000 000	10 447 996	14 000 000	USDG	20, 37,47	COASTAL
TAXI/BUS EMBAYMENTS	0	2 089 599	0	USDG	20, 27, 44	COASTAL
NORTH WEST CORRIDOR	0	0	7 000 000	USDG	16	COASTAL
MDANTSANE ACCESS ROADS - MIDLAND	0	0	7 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL CAPITAL BUDGET: SPATIAL PLANNING & DEVELOPMENT	**83 457 810**	**87 062 259**	**86 492 049**			

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
ECONOMIC DEVELOPMENT & AGENCIES						
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	1 000 000	OWN FUNDS	47	COASTAL
UPGRADING OF BUILDINGS	0	1 000 000	2 000 000	OWN FUNDS	ALL WARDS	COASTAL
UPGRADING OF MARKET HALL	5 500 000	5 746 398	10 000 000	USDG	4	COASTAL
KIWANE RESORT MAINTENANCE & UPGRADE	500 000	1 000 000	2 000 000	OWN FUNDS	32	WHOLE OF METRO
TOURISM HUB	0	2 500 000	3 000 000	OWN FUNDS	41	COASTAL
CONSTRUCTION OF CABIN ACCOMMODATION	0	3 000 000	2 000 000	OWN FUNDS	32	COASTAL
INSTALLATION OF RECREATIONAL FACILITIES	0	2 000 000	1 500 000	OWN FUNDS	32	INLAND
FILM STUDIO DEVELOPMENT	0	3 000 000	1 000 000	OWN FUNDS	ALL WARDS	INLAND
EXTENSION OF MDANTSANE ART CENTRE	0	2 000 000	1 000 000	OWN FUNDS	42	MIDLAND
ART CENTRE	0	2 000 000	3 000 000	OWN FUNDS	37	WHOLE OF METRO
MDANTSANE ART CENTRE	5 000 000	5 000 000	15 000 000	USDG	42	COASTAL
REVITALISATION OF INDUSTRIAL AREAS	0	0	7 000 000	USDG	36,24,5	INLAND
FORT JACKSON JUNCTION HUB	5 000 000	5 223 988	10 000 000	ISUPG	24	WHOLE OF METRO
SMME INCUBATOR: SEKUNJALO TRAINING CENTRE	5 000 000	5 223 998	7 000 000	USDG	33	COASTAL
SMME INCUBATOR	0	500 000	500 000	OWN FUNDS	ALL WARDS	COASTAL
INFORMAL TRADE INFRASTRUCTURE (Hawker Stalls)	9 000 000	9 403 178	10 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
HYDROPONICS AND PACKHOUSE PROJECT	5 319 270	5 557 571	8 000 000	USDG	ALL WARDS	WHOLE OF METRO
AGRI-VILLAGE	7 819 284	8 169 568	10 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
TOTAL CAPITAL BUDGET: ECONOMIC DEVELOPMENT & AGENCIES	**43 638 554**	**61 824 701**	**94 000 000**			
FINANCE SERVICES						
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
OFFICE FURN & EQUIPMENT (DIRECTORATE)	115 000	115 000	115 000	FMG	ALL WARDS	WHOLE OF METRO
SMART METERING SOLUTIONS (ELECTRICITY)	16 476 805	10 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
SMART METERING WATER SOLUTIONS	35 931 036	10 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ASSET REPLACEMENTS - INSURANCE	10 000 000	10 000 000	10 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ACQUIRE ERP SYSTEM (ASSET MANAGEMENT SYSTEM,PROCUREMENT SYSTEM, etc)	3 000 000	3 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
COST REFLECTIVE TARIFFS	2 493 639	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
CONSTRUCTION OF OFFICE ACCOMODATION -CUSTOMER CARE OFFICE-MIDLAND	7 685 524	4 000 000	10 000 000	OWN FUNDS	11, 12, 13, 14, 20, 42, 48, 50, 17, 23, 47, 46, 33	MIDLAND
TOTAL CAPITAL BUDGET: FINANCE SERVICES	**76 202 004**	**37 615 000**	**20 615 000**			
PUBLIC SAFETY AND EMERGENCY SERVICES						
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
EMERGENCY SERVICES CALL OUT & RESPONSE SYSTEM (new	1 500 000	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ESTABLISHMENT OF NEW DISASTER MANAGEMENT CENTRE	2 500 000	0	1 500 000	OWN FUNDS	47	COASTAL
DISASTER MANAGEMENT VEHICLES	4 000 000	2 000 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
EARLY WARNING SYSTEMS (AUTOMATED WEATHER STATIONS)	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REFURBISHMENT OF FIRE ENGINES	1 000 000	1 000 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
FIRE ENGINES PROCURED	0	15 500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
FURNITURE & EQUIPMENT BERLIN FIRE STATION	0	3 000 000	0	OWN FUNDS	45	INLAND
FIRE EQUIPMENT	0	1 000 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
NEW FIRE STATION - BERLIN WARD 45	6 000 000	3 000 000	1 500 000	OWN FUNDS	45	INLAND
REFURBISHMENT OF FIRE STATIONS	1 000 000	1 500 000	2 000 000	OWN FUNDS	47	COASTAL
PUBLIC SAFETY SPECIALISED VEHICLES	4 000 000	8 000 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TRAFFIC AND LAW ENFORCEMENT EQUIPMENT	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
CLOSED CIRCUIT TELEVISION NETWORK - CCTV	2 000 000	2 000 000	1 000 000	OWN FUNDS	43,37,25,41,44,34,36, 39	WHOLE OF METRO
BACK-UP GENERATORS	0	3 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REFURBISHMENT OF TRAFFIC SERVICES / LAW ENFORCEMENT BUILDINGS	0	1 000 000	1 000 000	OWN FUNDS	47	COASTAL
DRONES FOR PUBLIC SAFETY DEPARTMENT	0	0	1 000 000	OWN FUNDS	47	COASTAL
MOBLIE INCIDENT COMMAND VEHICLE	0	0	1 000 000	OWN FUNDS	47	WHOLE OF METRO
FENCING OF PUBLIC SAFETY & EMERGENCY SERVICES BUILDINGS	1 000 000	0	1 000 000	OWN FUNDS	47	COASTAL
TOTAL CAPITAL BUDGET:PUBLIC SAFETY & EMERGENCY	**25 500 000**	**43 500 000**	**20 500 000**			

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
HUMAN SETTLEMENTS						
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
AMALINDA 179 MILITARY VETERANS	16 000 000	16 716 794	24 716 794	USDG	9, 16	COASTAL
POTSDAM IKHWEZI BLOCK 1	10 000 000	10 000 000	10 000 000	ISUPG	24	MIDLAND
POTSDAM IKHWEZI BLOCK 2	3 000 000	3 134 393	3 134 393	ISUPG	24	MIDLAND
POTSDAM NORTH KANANA	4 603 130	4 988 529	4 988 529	ISUPG	24	MIDLAND
DUNCAN VILLAGE PROPER	500 000	522 399	522 399	ISUPG	1, 6	COASTAL
MDANTSANE Z 18 CC PHASE 2	14 000 000	14 627 195	14 223 998	USDG	23	MIDLAND
CLUSTER 1	4 000 000	5 223 988	5 223 988	ISUPG	12,14,17	MIDLAND
CLUSTER 2	200 000	208 960	208 960	ISUPG	11,17,20,21,30,48	MIDLAND
CLUSTER 3	5 000 000	5 000 000	5 000 000	ISUPG	1, 6	COASTAL
DUNCAN VILL COMP/SITE	1 000 000	1 044 798	1 044 798	ISUPG	1, 6	COASTAL
BRAELYN EXT 10	5 000 000	5 223 988	5 223 988	ISUPG	9;10	COASTAL
TYUTYU PHASE 3	2 000 000	2 272 593	2 272 593	ISUPG	43	INLAND
WESTBANK RESTITUTION	40 424 463	42 235 464	30 925 597	USDG	19	COASTAL
C SECTION AND TRIANGULAR SITE	1 500 000	2 089 595	2 089 595	ISUPG	7	COASTAL
D HOSTEL	3 148 320	3 872 396	3 872 396	ISUPG	2	COASTAL
FORD MSIMANGO	500 000	522 399	522 399	ISUPG	6	COASTAL
N2 ROAD RESERVE	6 000 000	6 447 975	10 611 994	ISUPG	8	COASTAL
HANI PARK - WATER	4 000 000	4 223 988	5 000 000	ISUPG	11	MIDLAND
HLALANI - WATER	4 461 000	4 615 989	4 615 989	ISUPG	11	MIDLAND
PHOLA PARK - WATER	5 000 000	5 223 988	2 723 988	ISUPG	34	INLAND
BERLIN LINGELITSHA - PHASE 1 - WATER	5 000 000	5 223 988	5 223 988	ISUPG	45	INLAND
ILITHA SPORTSFIELD - WATER	5 000 000	5 223 988	5 223 988	ISUPG	45	INLAND
EMPILISWENI - WATER	5 000 000	5 223 988	5 223 988	ISUPG	20	MIDLAND
MATSHENI PARK - WATER	5 000 000	5 223 988	5 223 988	ISUPG	29	COASTAL
KHAYELITSHA - WATER	5 000 000	5 223 988	5 223 988	ISUPG	24	MIDLAND
XHWITINJA - WATER	8 000 000	8 358 397	5 558 398	USDG	36	INLAND
KWATSHATUSHU - WATER	2 000 000	2 223 988	2 223 988	ISUPG	44	INLAND
GINSBERG - WATER	5 000 000	5 223 988	5 223 988	ISUPG	39	INLAND
SLOVO PARK - WATER	5 000 000	5 223 988	5 223 988	ISUPG	42	MIDLAND
EKUPHUMLENI - WATER	3 000 000	3 313 583	5 000 000	ISUPG	42	MIDLAND
ETHEMBENI - WATER	3 000 000	3 313 583	5 000 000	ISUPG	11	MIDLAND
EAST BANK RESTITUTION - WATER	3 000 000	3 313 583	5 000 000	ISUPG	10	COASTAL
NONDULA-WATER	9 000 000	9 403 197	7 000 000	USDG	12	MIDLAND
BOXWOOD PROJECT - SEWER	13 000 000	13 582 395	13 582 395	USDG	31	COASTAL
CNIP VICTIMS PROJECT: CAMBRIDGE WEST	2 968 119	3 101 083	3 101 083	ISUPG	4	COASTAL
MZAMOMHLE: PEOPLES HOUSING PROCESS	1 000 000	1 044 800	1 044 800	USDG	27	COASTAL
PARKHOMES FOR DESTITUTES & GBV VICTIMS	1 000 000	1 044 800	1 044 800	USDG	27	COASTAL
ZIPHUNZANA BYPASS RELOCATION SITE (TRAs)	500 000	522 400	522 400	USDG	1	COASTAL
MDANTSANE ERF 81,87 &88 RELOCATION SITE UNITS	1 000 000	1 044 800	1 044 800	USDG	23	MIDLAND
FYNBOSS RELOCATION SITE UNITS	500 000	522 400	522 400	USDG	8	COASTAL
HEMINGWAYS INFORMAL SETTLEMENTS	1 000 000	1 044 798	1 044 798	ISUPG	1	COASTAL
SILVERTOWN	1 000 000	1 044 798	1 044 798	ISUPG	1	COASTAL
KWT GOLF CLUB/ SWEETWATERS (NEW)	16 121 611	16 904 851	15 000 000	USDG	44	INLAND
TOTAL CAPITAL BUDGET: HUMAN SETTLEMENTS	**231 926 643**	**245 046 792**	**241 724 964**			

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS PER PROGRAMME SCHEDULE/PROJECT						
ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
INFRASTRUCTURE SERVICES						
OFFICE OF THE DIRECTOR						
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
	500 000	**500 000**	**500 000**			
ELECTRICITY						
BULK ELEC INFRAS UPGR(RING-FENCED 4%)	117 888 195	132 907 151	98 343 223	OWN FUNDS	7,9,8.10,13,1415,17,22,27,37,42,45,46	WHOLE OF METRO
ELECTRIFICATION PROGRAMME	12 000 000	12 537 596	15 000 000	USDG	ALL WARDS	WHOLE OF METRO
ELECTRIFICATION - INFORMAL DWELLING AREAS - BCMM	15 000 000	15 000 000	20 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
STREET LIGHT & HIGHASTS - BCMM AREAS OF SUPPLY	10 000 000	11 612 710	9 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
TOOLS AND EQUIPMENT (SPECIALISED VEHICLES)	2 000 000	2 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
BUILDING ALTERATIONS -BEACON BAY CIVIC CENTRE & OPERATIONS DEPOT	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
	157 888 195	**175 057 457**	**145 343 223**			
ROADS						
BOWLS ROAD REHABILITATIONN - WARD 3	0		1 500 000	OWN FUNDS	3	COASTAL
CONSTRUCTION OF ROAD INFRASTRUCTURE - TOYANA ROAD	19 655 000	25 000 000	28 700 000	NDPG	14	MIDLAND
REHABILIT OF BCMM BRIDGES AND STORMWATER	2 500 000	2 500 000	8 000 000	USDG	ALL WARDS	WHOLE OF METRO
REHABILITATION OF BEACONHURST DRIVE	4 000 000	0	1 000 000	OWN FUNDS	28	COASTAL
ROADS PROVISION	51 000 000	36 200 000	40 500 000	OWN FUNDS	1,2,3,4,5,6,7,8,9,12,13,16,18,19,20,22,25,26,27,28,29,31,32,34,35,36,39,41,43,44,45,47,50	WHOLE OF METRO
ROADS PROVISION	13 000 000	16 200 000	17 143 124	USDG	1-50	WHOLE OF METRO
RURAL ROADS - WARD 37	1 000 000	1 000 000	1 000 000	OWN FUNDS	37	MIDLAND
RURAL ROADS	40 000 000	40 000 000	37 600 000	USDG	17,22,24,25,26,31,32,33,34,35,36,38,40,43,50	WHOLE OF METRO
UPGRADING OF MDANTSANE ROADS - CLUSTER 1	12 500 000	12 113 652	10 000 000	USDG	11,12,14,17,42	MIDLAND
UPGRADING OF MDANTSANE ROADS - CLUSTER 2	12 231 681	12 779 656	10 000 000	USDG	11,17,20,30,48	MIDLAND
UPGRADING OF MDANTSANE ROADS - CLUSTER 3	10 000 000	10 447 996	12 000 000	USDG	20,21,23,24	MIDLAND
UPGRADE OF NORTH EAST EXPRESSWAY	0	0	1 000 000	OWN FUNDS	18	COASTAL
URBAN ROADS - WARD 37	2 000 000	2 000 000	3 000 000	OWN FUNDS	37	INLAND
URBAN ROADS - WARD 39	3 000 000	3 000 000	3 500 000	USDG	39	INLAND
GONUBIE INTERNAL ROADS REHABILITATION	2 200 000	0	1 000 000	OWN FUNDS	18	COASTAL
GONUBIE INTERNAL ROADS REHABILITATION	0	1 599 975	0	USDG	18	COASTAL
BEACON BAY- GONUBIE LINK ROAD	0	0	1 000 000	OWN FUNDS	18	COASTAL
	173 086 681	**162 841 280**	**176 943 124**			

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS

PER PROGRAMME SCHEDULE/PROJECT

ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
INFRASTRUCTURE SERVICES						
WASTEWATER						
SANITATION FACILITIES IN INFORMAL SETTLEMENTS	10 000 000	10 447 975	0	ISUPG	ALL WARDS	WHOLE OF METRO
BERLIN SEWERS	0	4 179 199	0	USDG	45	MIDLAND
BISHO KWT & ZWELITSHA BULK REG SEWER SCHEME	19 121 611	19 895 993	0	USDG	25, 35, 37, 41 , 44	INLAND
EAST BEACH GRAVITY SEWER UPGRADE	0	8 000 000	0	OWN FUNDS	1, 2, 3, 4, 6, 7, 8, 9, 16, 18, 19, 28, 47	COASTAL
RENEWAL OF INFRASTRUCTURE - RETICULATION, PUMP STATIONS & TREATMENT WORKS	0	21 179 199		OWN FUNDS	ALL WARDS	WHOLE OF METRO
HOOD POINT MARINE OUTF SEWER & AUXILLIARY WORKS	0	4 179 199	0	USDG	19, 31, 46	COASTAL
MDANTSANE WASTEWATER TREATMENT WORKS	18 739 348	28 175 591	0	ISUPG	11, 12, 14, 20, 21, 22, 23, 24, 30	MIDLAND
UPGRADING OF POTSDAM WASTEWATER TREATMENT WORKS	0	4 179 199	0	USDG	23	MIDLAND
UPGRADING OF POTSDAM WASTEWATER TREATMENT WORKS	12 000 000	0	0	ISUPG	23	MIDLAND
UPGRADING OF DIMBAZA WASTEWATER TREATMENT WORKS	0	5 223 998	0	USDG	34, 36	INLAND
DUCATS SANITATION	2 000 000	5 223 998	0	USDG	15	COASTAL
UPGRADING OF FIRST CREEK OUTFALL SEWER	4 000 000	15 947 975	0	ISUPG	11, 12, 14, 20, 21, 22, 23, 24, 30	COASTAL
UPGRADING OF SECOND CREEK OUTFALL SEWER	3 000 000	15 947 975	0	ISUPG	11, 12, 14, 20, 21, 22, 23, 24, 30	COASTAL
INSTALLATION OF NETWORK FLOW MONITORING INFRASTRUCTURE	0	0	20 000 000	USDG	ALL WARDS	WHOLE OF METRO
REFURBISHMENT OF MDANTSANE NETWORK FLOOD DAMAGES	14 000 000	0	0	ISUPG	20,21,23,24	MIDLAND
UPGRADING OF EAST BANK WASTEWATER TREATMENT WORKS	9 000 000	0	0	USDG	47	COASTAL
RENEWAL OF CENTRAL WASTEWATER TREATEMENT WORKS	4 000 000	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
RENEWAL OF SCHORNVILLE WASTEWATER TREATEMENT WORKS	7 000 000	0	0	USDG	39	INLAND
UPGRADING OF NAHOON BULK OUTFALL SEWER	3 000 000	0	0	OWN FUNDS	18	COASTAL
INSTALLATION OF GROUNDWATER MONITORING BOREHOLES FOR WASTEWATER TREATMENT WORKS	1 000 000	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
NEW KIDDS BEACH WASTEWATER TREATMENT WORKS	4 000 000	0	30 000 000	USDG	47	COASTAL
RENEWAL OF WESTBANK INVERTED SYPHON VALVES AND AUXILLIARY WORKS	0	0	1 000 000	OWN FUNDS	47	COASTAL
DECOMMISIONING OF SLUDGE LAGOONS IN QUINERA WWTW	0	0	1 000 000	OWN FUNDS	28	COASTAL
UPGRADING OF BUFFALO RIVER OUTFALL SEWER IN QONCE	0	0	20 000 000	ISUPG	37	INLAND
UPGRADING OF DIMBAZA OUTFALL SEWER	0	0	10 000 000	ISUPG	36	INLAND
UPGRADING OF MZONYANA OUTFALL SEWER	0	0	1 000 000	OWN FUNDS	10	COASTAL
SECURITY UPGRADES TO WASTEWATER TREATMENT WORKS	3 000 000	0	8 000 000	ISUPG	ALL WARDS	INLAND/COASTAL
SECURITY UPGRADES TO SEWERAGE PUMP STATION	4 000 000	0	25 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
SECURITY UPGRADES TO SEWERAGE PUMP STATION	0	0	9 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
	117 860 959	**142 580 300**	**126 000 000**			
WATER DEPT						
PURCHASE OF CRITICAL LABORATORY EQUIPMENT	6 000 000	2 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
KWT & BHISHO INFRASTRUCTURE	8 500 000	12 940 792	15 528 951	USDG	34,37,38,39,40,41,43,44,49,35	INLAND
UPGRADE WATER NETWORKS	19 000 000	19 447 996	16 880 797	USDG	26,31,32,33,36,37,38	INLAND
WATER BACKLOGS	15 000 000	15 671 995	25 164 791	USDG	26,31,32,33,36,37,38,40,50	WHOLE OF METRO
PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	10 500 000	8 000 000	10 000 000	OWN FUNDS	34,35,36,37,38,39,40,41,43,44, 49	INLAND
PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	12 200 000	11 200 000	23 180 000	USDG	34,35,36,37,38,39,40,41,43,44, 49	INLAND
PIPE AND WATER METER REPLACEMENT IN EL	10 000 000	15 000 000	10 000 000	OWN FUNDS	1-10,15,16,18,27,28,29,31,32,33, 46,47,50	COASTAL
PIPE AND WATER METER REPLACEMENT IN EL	7 000 000	7 000 000	14 260 000	OWN FUNDS	10,15,16,18,27,28,29,31,32,33, 46,47,50	COASTAL
PIPE AND WATER METER REPLACEMENT IN MDANTSANE	17 200 000	15 000 000	15 000 000	OWN FUNDS	11,12,13,14,42,48,50,17,20,23	MIDLAND
AMAHLEKE WATER SUPPLY	12 500 000	9 403 197	8 000 000	USDG	36,37,38	INLAND
ALTERNATIVE WATER SUPPLY	7 000 000	7 313 583	10 656 791	ISUPG	ALL WARDS	WHOLE OF METRO
RESERVOIRS EAST COAST SUPPLY	9 000 000	9 403 197	8 000 000	USDG	1-10, 15, 16, 18, 27, 28, 29, 31, 32, 33, 46, 47, 50	COASTAL
UMZONYANA DAM AND EAST COAST WATER SUPPLY UPGRADE	18 127 604	18 939 714	8 000 000	USDG	1-10, 15, 16, 18, 27, 28, 29, 31, 32, 33, 46, 47, 50	COASTAL
W/DEMAND MANGM - WATER CONSERV - PRV STA	6 000 000	6 268 798	9 134 399	USDG	ALL WARDS	WHOLE OF METRO
INFORMAL SETTLEMENTS	24 000 000	25 075 140	34 425 576	ISUPG	34,35,36,37,38,39,40,41,43,44, 49,11,12,13,14,42,48,50,17,20, 231,10,15,16,18,27,28,29,31,32 ,33,46,47,50	WHOLE OF METRO
	182 027 604	**182 664 411**	**208 231 305**			
FLEET						
BCM FLEET PLANT SPEC EQUIP & S/WASTE VEH	10 000 000	0	10 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL CAPITAL BUDGET: INFRASTRUCTURE SERVICES	**641 363 439**	**663 643 447**	**667 017 652**			

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS PER PROGRAMME SCHEDULE/PROJECT						
ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
DIRECTORATE OF SPORTS , RECREATION & COMMUNITY DEVELOPMENT						
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
INSTALLATION OF ALTERNATIVE ENERGY SYSTEM	0	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
PURCHASE OF FLEET,PLANT & EQUIPMENT	0	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DEVELOPMENT, UPGRADE & REFURBISHMENT OF COMMUNITY HALLS & LIBRARIES						
DEVELOPMENT OF C/HALLS & FACILITIES	3 000 000	2 000 000	2 000 000	OWN FUNDS	ALL WARDS	COASTAL
DEVELOPMENT UPGRADE AND REFURBISHMENT OF COMMUNITY HALLS	2 500 000	2 611 999	5 223 998	USDG	ALL WARDS	WHOLE OF METRO
DEVELOPMENT UPGRADE AND REFURBISHMENT OF LIBRARIES	2 500 000	2 611 999	5 000 000	USDG	ALL WARDS	WHOLE OF METRO
DEVELOPMENT UPGRADE AND REFURBISHMENT OF LIBRARIES	1 000 000	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
HALLS-TOOLS AND EQUIPMENT	1 000 000	1 000 000	1 000 000	OWN FUNDS	1,2,4,5,9,12,16,19,20,21,22,24, 26,27,29,47,48	WHOLE OF METRO
UPGRADING & REFURBISHMENT OF ORIENT THEATRE	0	0	1 000 000	OWN FUNDS	ALL WARDS	
UPGRADING OF RESORTS	4 500 000	0	7 800 000	OWN FUNDS	18	COASTAL
UPGRADING OF RESORTS	0	0	5 000 000	USDG	18	COASTAL
DEVELOPMENT, UPGRADE & REFURBISHMENT OF SPORTSFIELDS						
DEVELOPMENT, UPGRADE AND REFURBISHMENT OF SPORTS FIELDS AND STADIUMS	1 500 000	0	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DEVELOPMENT, UPGRADE AND REFURBISHMENT OF SPORTS FIELDS AND STADIUMS	0	0	5 000 000	USDG	ALL WARDS	WHOLE OF METRO
UPGRADING OF SPORTSFIELDS	2 500 000	2 611 994	5 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
UPGRADING OF TENNIS COURTS	0	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
BUILDING OF MEMORIAL STONES	0	0	1 000 000	OWN FUNDS	ALL WARDS	COASTAL
GRAVELLING AND TARRING OF HERITAGE SITES	0	0	1 000 000			
RESTORATION OF HERITAGE SITES	0	0	1 000 000	OWN FUNDS	ALL WARDS	INLAND
UPGRADING OF ZOO	1 000 000	0	500 000	OWN FUNDS	47	COASTAL
PLANT - ZOO	100 000	0	500 000	OWN FUNDS	47	COASTAL
PLANT - AQUARIUM	100 000	0	500 000	OWN FUNDS	47	COASTAL
REFURBISMENT OF AQUARIUM	700 000	0	500 000	OWN FUNDS	47	COASTAL

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS PER PROGRAMME SCHEDULE/PROJECT						
ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
DIRECTORATE OF SPORTS , RECREATION & COMMUNITY DEVELOPMENT						
PLANT - SWIMMING POOL	500 000	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REFURBISHMENT OF SWIMMING POOLS	1 500 000	0	3 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REFURBISHMENT OF SWIMMING POOLS	0	0	10 000 000	USDG	ALL WARDS	WHOLE OF METRO
UPGRADING OF DEPOTS	600 000	0	1 000 000	OWN FUNDS	20,45	
GRASS CUTTING EQUIPMENT	50 000	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DEVELOPMENT OF CEMETRIES	5 950 000	5 450 000	7 500 000	OWN FUNDS	4,5,10,13,19,43,44,24,13,37,25, 41,24,14	WHOLE OF METRO
UPGRADING OF COMMUNITY PARKS	3 000 000	1 500 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ESTABLISHMENT OF RECREATIONAL PARKS	5 000 000	5 223 988	10 000 000	ISUPG	1,5,6	COASTAL
BOTANICAL GARDENS	0	0	500 000	OWN FUNDS	37	INLAND
TOTAL CAPITAL BUDGET: DIRECTORATE OF SPORTS , RECREATION & COMMUNITY DEVELOPMENT	**37 500 000**	**23 509 980**	**84 523 998**			
DIRECTORATE OF SOLID WASTE & ENVIRONMENTAL MANAGEMENT						
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
INSTALLATION OF ALTERNATIVE ENERGY SYSTEM	0	500 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
BEACHES	2 070 000	4 200 000	4 000 000	OWN FUNDS	47	COASTAL
REVITILISATION OF BEACH INFRASTRUCTURE	5 500 000	5 746 398	7 000 000	USDG	18,19,28,29,31,32, 46,50	COASTAL
BCM FLEET AND PLANT - FOR SOLID WASTE AND ENVIRONMENTAL MANAGEMENT	10 000 000	10 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
PURCHASE OF BULK CONTAINERS WITH REMOVAL VEHICLES	2 000 000	2 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ACQUISITION OF REFUSE COMPACTOR TRUCKS	5 000 000	7 500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ACQUISITION OF LDV'S AND 4 TON TRUCK	5 000 000	2 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO

DRAFT 2024/2025 MTREF BUDGET - CAPITAL PROJECTS PER PROGRAMME SCHEDULE/PROJECT						
ACCOUNT DESCRIPTION	2024/2025 PROPOSED CAPITAL BUDGET	2025/2026 PROPOSED CAPITAL BUDGET	2026/2027 PROPOSED CAPITAL BUDGET	PROGRAM FUND	WARD NO.	REGION
DIRECTORATE OF SOLID WASTE & ENVIRONMENTAL MANAGEMENT						
TRANSFER STATION						
REFURBISHMENT OF TRANSFER STATIONS	1 300 000	1 500 000	2 000 000	OWN FUNDS	27 & 28	COASTAL
CONSTRUCTION OF WASTE CELLS AT KWT LANDFILL SITE	6 300 000	6 582 238	7 000 000	USDG	35	INLAND
DEVELOPMENT OF BEACH AND NATURE RESERVES INFRASTRUCTURE	500 000	522 400	3 000 000	USDG	18,19,28,29,31,32, 46,50	COASTAL
CONSTRUCTION OF CELLS AND ANCILLARY WORKS IN THE LANDFILL SITES	3 000 000	5 000 000	3 000 000	OWN FUNDS	45	INLAND
CONSTRUCT CELL 5 & 6 AT ROUNDHILL LANDFILL SITE	0	0	6 000 000	OWN FUNDS	45	INLAND
ESTABLISHMENT OF GARDEN TRANSFER STATIONS	8 700 000	9 089 757	18 000 000	USDG	ALL WARDS	WHOLE OF METRO
CONSTRUCTION OF TRANSFER STATIONS/ESTABLISHMENT OF BUY BACK CENTRES	2 000 000	2 000 000	3 000 000	OWN FUNDS	45	INLAND
PURCHASE OF CAMBRIDGE DEPOT	0	0	1 000 000	OWN FUNDS	4	COASTAL
GALVANISED STREET LITTER BINS	2 000 000	2 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DEVELOP WASTE TO ENERGY PROJECTS	2 000 000	2 000 000	2 000 000	OWN FUNDS	45	INLAND
REFURBISHMENT OF WASTE MANAGEMENT FACILITIES	4 000 000	2 000 000	2 000 000	OWN FUNDS	45	INLAND
ACQUISITION OF CHIPPING MACHINES FOR GARDEN TRANSFER STATION	2 000 000	3 000 000	2 000 000	OWN FUNDS	45	INLAND
ACQUISITION OF PLANT & MACHINERY FOR LANDFILL SITES AND GARDEN TRANSFER STATIONS	2 000 000	2 000 000	1 000 000	OWN FUNDS	45	INLAND
FENCING OF SWEM OFFICE COMPLEX AND CONSTRUCTION OF GUARD HOUSE	5 000 000	5 000 000	2 000 000	OWN FUNDS	47	COASTAL
REFURBISHMENT OF SW&EM OFFICES	0	5 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
GRASS CUTTING EQUIPMENT	500 000	500 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REFURBISMENT OF NATURE RESERVE(BOARDWALKS)	500 000	500 000	1 000 000	OWN FUNDS	47	COASTAL
PLANT - NATURE RESERVE	200 000	300 000	1 000 000	OWN FUNDS	47	COASTAL
PURCHASE OF TOOLS AND EQUIPMENT FOR MHS	0	4 000 000	2 000 000	OWN FUNDS	47	COASTAL
ACQUISITION OF PARKHOMES FOR NU6 DEPOT (CHANGE ROOMS)	1 500 000	1 500 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
AIR MONITORING STATION	1 000 000	2 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ACQUISITION OF FLEET (CHERRY PICKER TRUCKS, CREW CAGE TRUCK, TIPPER TRUCK, TRACTORS, BUSH CUTTERS, TRAILERS FOR RITE ON ETC)	5 000 000	3 000 000	2 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL CAPITAL BUDGET: DIRECTORATE OF SOLID WASTE & ENVIRONMENTAL MANAGEMENT	**77 570 000**	**89 940 792**	**86 500 000**			
BCMDA						
COMPUTER SOFTWARE	946 496	1 100 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
OFFICE FURN & EQUIPMENT (DIRECTORATE)	183 646	279 239	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
COMPUTER EQUIPMENT	389 888	210 713	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL CAPITAL PROJECTS	**1 240 528 480**	**1 272 682 926**	**1 320 073 663**			

The draft 2024/2025 MTREF has been directly informed by the IDP revision process and the below table provides a reconciliation between the IDP strategic objectives and capital expenditure.

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

Strategic Objective	Goal	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
A GREEN CITY	To promote an environmental sustainable city with optimal benefits from our natural assets	57 797	3 307	3 544	25 000	25 325	25 325	40 500	48 494	59 000
A CONNECTED CITY	To maintain a world class logistics network	429 307	514 382	583 386	333 008	392 869	392 869	320 768	341 970	309 878
AN INNOVATIVE AND PRODUCTIVE CITY	To Enhance the Quality of life of the BCMM community with rapid and inclusive economic growth and falling unemployment	75 702	72 004	70 058	129 288	131 833	131 833	87 039	109 661	158 024
A SPATIALLY INTEGRATED /TRANSFORMED CITY	To develop and maintain world class infrastructure and utilities	438 826	741 889	692 298	673 537	658 577	658 577	702 258	694 888	696 291
A WELL GOVERNED CITY	Promote Sound financail and administrative capabilities	64 900	47 786	54 264	58 494	67 381	67 381	83 294	75 565	72 515
OWN MUNICIPAL STRATEGIC OBJECTIVE		524 821	29 147	22 398	–	17 909	17 909	6 500	2 000	26 000
Allocations to other priorities										
Total Capital Expenditure		**1 591 352**	**1 408 515**	**1 425 946**	**1 219 326**	**1 293 895**	**1 293 895**	**1 240 358**	**1 272 578**	**1 321 708**

The Operating Budget

The operating projects are R350.38 million in the 2024/2025 financial year, R356.27 million and R256.07 million in the 2025/2026 and 2026/2027 financial years respectively.

DRAFT 2024/2025 MTREF BUDGET- OPERATING PROJECTS PER PROGRAMME/PROJECT						
ACCOUNT DESCRIPTION	2024/2025 PROPOSED OPEX BUDGET	2025/2026 PROPOSED OPEX BUDGET	2026/2027 PROPOSED OPEX BUDGET	PROGRAM FUND	WARD NO.	REGION
EXECUTIVE SUPPORT SERVICES						
YOUTH	112 317	112 317	116 158	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DISABILITY	112 317	112 317	116 158	OWN FUNDS	ALL WARDS	WHOLE OF METRO
HIV	112 317	112 317	116 158	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ELDERY	112 317	112 317	116 158	OWN FUNDS	ALL WARDS	WHOLE OF METRO
COMMEMORATION OF YOUTH MONTH	282 150	282 150	285 400	OWN FUNDS	ALL WARDS	WHOLE OF METRO
YOUTH CENTRES	501 600	501 600	550 800	OWN FUNDS	ALL WARDS	WHOLE OF METRO
GENDER	112 317	112 317	116 158	OWN FUNDS	ALL WARDS	WHOLE OF METRO
YAC	1 347 799	1 347 799	1 386 217	OWN FUNDS	ALL WARDS	WHOLE OF METRO
WARD INITIATIVES	15 000 000	15 000 000	15 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS : EXECUTIVE SUPPORT SERVICES	**17 693 132**	**17 693 132**	**17 803 207**			
CITY MANAGER						
PROJECT MANAGEMENT FUND - EPMO	15 910 950	16 527 320	19 379 560	USDG	ALL WARDS	WHOLE OF METRO
PROJECT MANAGEMENT FUND - EPMO	14 000 000	14 000 000	15 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
SMART CITY PROJECT	4 582 116	0		OWN FUNDS	ALL WARDS	WHOLE OF METRO
PRECINCT PLAN, INTERGRATED DESIGN FRAMEWORK & IMPLEMENTATION PLAN FOR PUBLIC REALM & NMT UPGRADES IN THE KING WILLIAM'S TOWN CBD	1 000 000	1 804 000	5 000 000	PPPSG	37,39	INLAND
THE INVESTMENT CENTRE:CATALYTIC NODES ECONOMIC ANALYSIS AND ACTION PLAN	1 000 000	1 000 000	1 000 000	PPPSG	ALL WARDS	WHOLE OF METRO
EXPANDED PUBLIC WORKS PROGRAMME	2 314 000	0		EPWP	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS: CITY MANAGER'S OFFICE	**38 807 066**	**33 331 320**	**40 379 560**			
CORPORATE SERVICES						
INFRASTRUCTURE SKILLS DEVELOPMENT GRANT	10 800 000	10 800 000	12 300 000	ISDG	ALL WARDS	WHOLE OF METRO
CHANGE & CULTURE MANAGEMENT	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REVIEW OF JOB EVALUATION PROCESS	2 000 000	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS : CORPORATE SERVICES	**13 800 000**	**11 800 000**	**13 300 000**			
SPATIAL PLANNING & DEVELOPMENT						
CADASTRAL SURVEY	0	300 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
CADASTRAL SURVEY	2 000 000	2 089 595	2 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
SURVEY & PLANNING	1 000 000	1 500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
OPENING OF TOWNSHIP REGISTER: OTHER TOWNSHIPS	1 000 000	1 044 798	0	ISUPG	ALL WARDS	WHOLE OF METRO
SECURITY OF MUNICIPAL BUILDINGS	1 500 000	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
FEASIBILITIES STUDIES/TOWNSHIP ESTABLISHMENT	934 249	976 101	0	ISUPG	ALL WARDS	WHOLE OF METRO
FEASIBILITIES STUDIES/TOWNSHIP ESTABLISHMENT	0	800 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TRAFFIC IMPACT ASSESSMENT STUDIES	4 000 000	4 179 190		ISUPG	ALL WARDS	WHOLE OF METRO
MDANTSANE TAXI RANK & SHOPPING CENTRE	1 500 000	1 500 000	1 500 000	PPPSG	ALL WARDS	MIDLAND
INTEGRATED DESIGN FRAMEWORK & IMPLEMENTATION PLAN FOR PUBLIC TRANSPORT, NMT & PUBLIC REALM UPGRADES IN THE EAST LONDON CBD & INNER CITY	1 500 000	1 500 000	1 500 000	PPPSG	ALL WARDS	WHOLE OF METRO
TRANSPORT PLANS	0	10 000 000	0	OWN FUNDS	ALL WARDS	MIDLAND
TOTAL OPERATING PROJECTS: SPATIAL PLANNING & DEVELOPMENT	**13 434 249**	**23 889 684**	**7 500 000**			

DRAFT 2024/2025 MTREF BUDGET- OPERATING PROJECTS

PER PROGRAMME/PROJECT

ACCOUNT DESCRIPTION	2024/2025 PROPOSED OPEX BUDGET	2025/2026 PROPOSED OPEX BUDGET	2026/2027 PROPOSED OPEX BUDGET	PROGRAM FUND	WARD NO.	REGION
ECONOMIC DEVELOPMENT & AGENCIES						
AGRICULTURE & RURAL DEVELOPMENT SUPPORT PROGRAMME	0	2 100 000	3 000 000	OWN FUNDS	22,26,31,32,33,36,39, 40,50	WHOLE OF METRO
AQUAPONICS	0	500 000	1 000 000	OWN FUNDS	7	COASTAL
ART CENTRES OPERATIONS	450 000	500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
CREATIVE INDUSTRY RECOVERY SUPPORT PROGRAMMES	1 500 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DIPPING TANKS	3 000 000	2 000 000	3 000 000	OWN FUNDS	ALL WARDS	COASTAL
FENCING ARABLE LANDS	500 000	800 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
FOOD SECURITY PROGRAMME	500 000	1 000 000	1 000 000	OWN FUNDS	22,26,31,32,33,36,39, 40,50	WHOLE OF METRO
INVESTMENT PROMOTION	500 000	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
LEISURE TOURISM DEVELOPMENT - INLAND	1 000 000	1 500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOURISM ROUTES DEVELOPMENT	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
EQUIPMENT FOR LIVESTOCK	0	600 000	1 000 000	OWN FUNDS	40,38	INLAND
PIGGERY & POULTRY	500 000	600 000	1 000 000	OWN FUNDS	37	INLAND
PROCURE OF SMME AND CO-OP EQUIP & MACH	1 000 000	1 000 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
PRODUCTION INPUTS (VEGETABLES & POULTRY)	300 000	300 000	500 000	OWN FUNDS	31,33,35,38,50	WHOLE OF METRO
URBAN AGRICULTURE	0	300 000	1 000 000	OWN FUNDS	31,33,35,38,50	WHOLE OF METRO
PRODUCTION INPUTS (VEGETABLES & POULTRY) -PROCUREMENT OF BROILERS	300 000	500 000	1 000 000	OWN FUNDS	31,33,35,38,50	WHOLE OF METRO
YOUTH WORK READINESS & SKILLS DEVELOPMENT SUPPORT -TRAINING FOR YOUTH	500 000	1 000 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOURISM RECOVERY SUPPORT PROGRAMME	1 000 000	1 500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
COMMUNITY TOURISM INFRASTRUCTURE SUPPORT PROGRAMME	0	500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOURISM INFORMATION CENTRES OPERATIONS	500 000	750 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
FRESH PRODUCE MARKET INTERGRATED WASTE MANAGEMENT	500 000	1 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
SMME & CO-OPERATINVES	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOURISM DESTINATION MARKETING	500 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TRADE & INVESTMENT PROGRAMMES -EXPORT DEVELOPMENT	500 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
CROPPING MACHINE	600 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
ECONOMIC DEVELOPMENT STRATEGIES AND STRATEGIC PLANS	1 000 000	600 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
INVEST BUFFALO CITY	500 000	500 000	500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
SPAZA SHOP TOWNSHIP DEVELOPMENT	800 000	500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TEEN ENTREPRENEUR	300 000	500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
CIRCULAR ECONOMY (WASTE ECONOMY)	500 000	500 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
SCOOPING DAMS	0	700 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
IRRIGATION SCHEMES	1 000 000	800 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
BUSINESS CENTRE OPERATIONS (3 CENTRES)	500 000	1 600 000	1 000 000	OWN FUNDS	42, 2, 35	WHOLE OF METRO
TRADE & INVESTMENT PROGRAMMES -INVEST BUFFALO CITY	500 000	1 000 000	1 500 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
URBAN FOOD SYSTEMS	12 600 000	0	0	NDPG	ALL WARDS	WHOLE OF METRO
IHUB	500 000	1 000 000	1 000 000	EPWP	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS: ECONOMIC DEVELOPMENT & AGENCIES	**32 850 000**	**30 150 000**	**36 500 000**			
DIRECTORATE OF FINANCE						
FMG PROGRAMME	885 000	885 000	1 085 000	FMG	ALL WARDS	WHOLE OF METRO
IMPLEMENT COST REFFECTIVE TARIFF STRUCTURE	1 000 000	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
FINANCIAL SYSTEMS REVENUE	1 000 000	5 082 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
INTERGRATED VOICE RESPONSE SYSTEM	5 000 000	5 500 000	7 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
E-PROCUREMENT ONSITE SUPPORT	1 831 300	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
OPERATIONS AND MAINTENANCE OF ENTERPRISE RESOURCE PLANNING SYSTEM						
ASSET MANAGEMENT	4 000 000	4 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS: DIRECTORATE OF FINANCE	**13 716 300**	**16 467 000**	**9 085 000**			

DRAFT 2024/2025 MTREF BUDGET- OPERATING PROJECTS

PER PROGRAMME/PROJECT

ACCOUNT DESCRIPTION	2024/2025 PROPOSED OPEX BUDGET	2025/2026 PROPOSED OPEX BUDGET	2026/2027 PROPOSED OPEX BUDGET	PROGRAM FUND	WARD NO.	REGION
PUBLIC SAFETY & EMERGENCY SERVICES						
ESTABLISHMENT OF DISASTER MANAGEMENT STRUCTURES	0	200 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REVIEWAL OF THE DM POLICY FRAMEWORK	1 000 000	200 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DEVELOPMENT OF DISASTER MANAGEMENT PLAN	1 000 000	1 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
DEVELOPMENT OF DISASTER RELIEF POLICY	0	1 000 000	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REVIEWAL OF CRIME PREVENTION STRATEGY	1 000 000	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
SECURITY RISK ANALYSIS OF THE INSTITUTION	2 000 000	0	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
INTERGRATED SAFETY PLAN	0	0	1 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS: DIRECTORATE OF PUBLIC SAFETY & EMERGENCY SERVICES	**5 000 000**	**2 400 000**	**2 000 000**			
HUMAN SETTLEMENTS						
C SECTION AND TRIANGULAR SITE	1 500 000	1 500 000	0	HSDG	2	COASTAL
CAMBRIDGE WEST - CNIP VICTIMS 275 UNITS	10 000 000	15 000 000	0	HSDG	4	COASTAL
CLUSTER 2 (CHRIS HANI 3; WINNIE MANDELA; DELUXOLO VILLAGE ; SISULU VILLAGE; FRANCIS MEI; MAHLANGU VILLAGE,MATHEMBA VUSO,GWENTSHE) P5 - 647 UNITS	10 000 000	10 000 000	0	HSDG	11,17,20,21,30,48	MIDLAND
MDANTSANE ZONE 18CC - P5	15 000 000	10 000 000	0	HSDG	23	MIDLAND
N2 ROAD RESERVE	0	0	0	HSDG	8	COASTAL
PEELTON CLUSTER - P5	0	0	0	HSDG	43	INLAND
PEELTON PHASE 2 800 UNITS	20 000 000	10 000 000	0	HSDG	43	INLAND
POTSDAM IKHWEZI BLOCK 1- P5	20 000 000	50 000 000	0	HSDG	22	MIDLAND
POTSDAM NORTH KANANA - P5	2 000 000	2 000 000	0	HSDG	24	MIDLAND
POTSDAM VILLAGE PHASE 1 & 2 - P5	1 000 000	1 000 000	0	HSDG	24	MIDLAND
REESTON PHASE 3 STAGE 2 P5	20 000 000	5 000 000	0	HSDG	13	COASTAL
REESTON PHASE 3 STAGE 3 P5	100 000	5 000 000	0	HSDG	13	COASTAL
HAVEN HILLS AND MEKENI DEFECTIVE UNITS	500 000	500 000	0	HSDG	10;1	COASTAL
PHASE 2 STORM DAMAGED HOUSES IN RURAL AREAS	500 000	500 000	0	HSDG	ALL RURAL AREAS	WHOLE OF METRO
SOCIAL FACILITATION	8 233 550	8 602 392	8 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
BENEFICIARY VERIFICATION	0	1 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
MDANTSANE SHARING HOUSES	1 500 000	1 500 000	0	OWN FUNDS	11;12;13;14;17;20;21; 22;23;24;30;42;48	MIDLAND
OPSCAP	6 000 000	6 500 000	6 000 000	ISUPG	ALL WARDS	WHOLE OF METRO
SCENARY PARK -Pilot	1 000 000	0	0	ISUPG		COASTAL
INFORMAL SETTLEMENTS STUDY REVIEW	1 500 000	500 000	0	ISUPG	ALL INFORMAL SETTLEMENTS	WHOLE OF METRO
POTSDAM VILLAGE PHASE 1 & 2 - P5(WATER TANKS)	100 000	100 000	0	ISUPG	24	COASTAL
REVIEWAL OF ALLOCATION /RELOCATION POLICY	1 000 000	1 500 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
BENEFICIARY VERIFICATION	250 000	250 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
REVIEWAL OF ISHSP	1 000 000	1 000 000	0	OWN FUNDS	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS : HUMAN SETTLEMENTS	**121 183 550**	**131 452 392**	**14 000 000**			
INFRASTRUCTURE SERVICES						
RURAL SANITATION BACKLOG	30 800 000	33 039 982	40 000 000	USDG	31,32,33,35,36,37,38, 39,40,43,49,50	WHOLE OF METRO
DEVELOPMENT OF WATER STUDIES	4 000 000	4 000 000	5 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
WATER & SANITATION (RAINWATER HARVESTING)	2 000 000	4 000 000	6 000 000	PPPSG	ALL WARDS	WHOLE OF METRO
COUNTERFUNDING)	3 046 800	2 000 000	3 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
PAVEMENT MANAGEMENT SYSTEM	2 500 000	2 300 000	3 000 000	PPPSG	ALL WARDS	WHOLE OF METRO
HARBOUR ARTERIAL	2 200 000	2 896 000	2 000 000	PPPSG	ALL WARDS	WHOLE OF METRO
BCMM FLEET MANAGEMENT SYSTEM - LEASE	3 000 000	4 000 000	3 000 000	OWN FUNDS	ALL WARDS	WHOLE OF METRO
WESTBANK AND WOODBROOK BATTERY STORAGE FACILITIES	3 300 000	5 000 000	5 000 000	PPPSG	ALL WARDS	WHOLE OF METRO
TOTAL OPERATING PROJECTS : INFRASTRUCTURE SERVICES	**50 846 800**	**57 235 982**	**67 000 000**			

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 BCMM, 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 100 Councillors. Fifty Councillors were elected in terms of the system of proportional representation and 50 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.

BCMM 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, namely: the Legislative function, and the Executive function. These are supported by an administration that focuses on administrative governance and service delivery.

This governance structure deepens democracy; boosts citizen empowerment as well as 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 purpose is to broaden participation in the democratic process of the Council. They assist the Ward Councillor with organising consultations, 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 promotes active participation of communities in the development of their areas and ensures that the municipality is accountable to the public. Amongst others, the following includes 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.

Table 64: BCMM Council structure

THE COUNCIL
The BCMM Council sits in the East London City Hall on a monthly basis as per the approved Institutional Calendar, and also has special meetings from time to time. 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 P. Faku
ii. The Deputy Executive Mayor, Vacant
iii. The Speaker, Councillor H.M Maxegwana
The Chief Whip of Council, Councillor N. Mhlola

MAYORAL COMMITTEE
i. The Executive Mayor, Councillor P. Faku
ii. Spatial Development Planning – Councillor Sangweni Matwele
iii. Corporate Service - Councillor Kayise Tom
iv. Human Settlements - Councillor Malibongwe Mfazwe
v. Sport and Community Development - Councillor Graham Lottering
vi. Infrastructure Services - Councillor Yomelela Tyali
vii. Community Services - Councillor Clara Yekiso-Morolong
viii. Health and Safety - Councillor Helen Neale-May
ix. Economic Development and Agencies - Councillor Sixolisiwe Ntsasela

PORTFOLIO COMMITTEES
i. Corporate Services Portfolio Committee
ii. Economic Development & Agencies Portfolio Committee
iii. Finance Portfolio Committee
iv. Human Settlements Portfolio Committee
v. Infrastructure Services Portfolio Committee
vi. Public Safety and Emergency Services Portfolio Committee
vii. Solid Waste and Environmental Management Portfolio Committee
viii. Spatial Planning and Development Portfolio Committee
ix. Sports, Recreation and Community Development Portfolio Committee
x. Strategic 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 with ensuring 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 and policy, and a fraud-prevention strategy and plan. It also monitors the implementation thereof.

The alignment of the political and administrative structure is as follows:

2. BUFFALO CITY METRO: ADMINISTRATIVE STRUCTURE

2.1 The Macro-Structure of Buffalo City Metropolitan Municipality

The BCMM implements its IDP with the approved metro administrative structure headed by the City Manager. Top Management of the Municipality consists of the City Manager and 11 Heads of Directorates, who are stationed at the Trust Centre Building located at the Corner of North and Oxford Streets in the East London CBD. 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, No. 117 of 1998, MSA 32 of 2000, and MFMA 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. 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 – (Vacant);
- 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 – (Vacant); and
- Directorate: Human Settlements – (Filled).

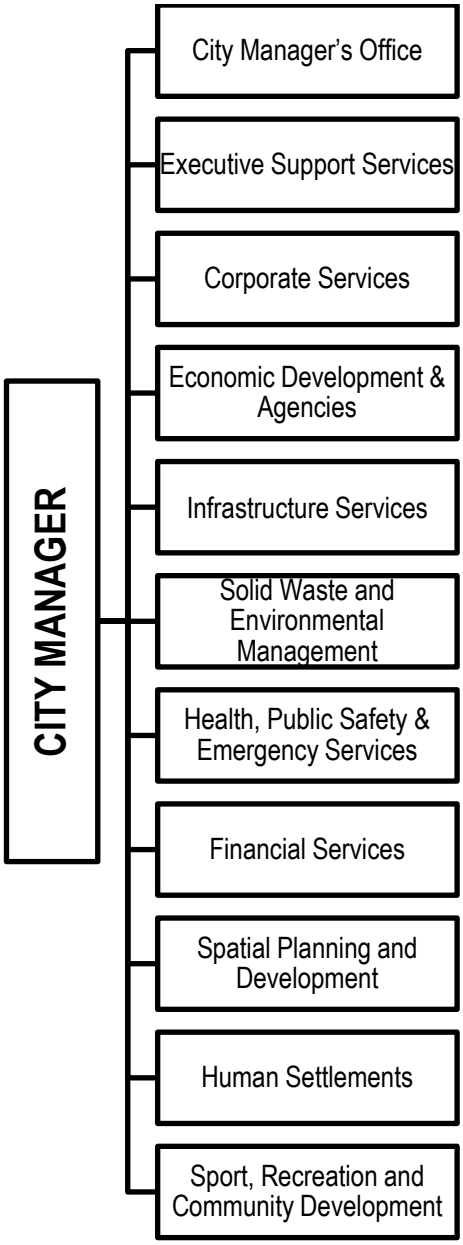


Figure 75: BCMM Administrative Structure

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 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".

2.2 Occupational Health and Safety

The Buffalo City Metropolitan Municipality has a policy on Occupational Health and Safety which mandates the Municipality to provide and maintain facilities such that its employees are safeguarded from injury or risk to health

while using or operating such facilities. The City's Council provides oversight that ensures full compliance with the policy and with all relevant statutory Health and Safety requirements and the maintenance of good relationship with health and safety service providers.

The policy's objectives must be accepted by every Municipal employee irrespective of their capacity or function. Managers and Supervisors, because of their proximity to their subordinates, play a key role in ensuring compliance with the Health and Safety Programme. A Safety Committee is in place together with Safety Representatives and meet once a month to discuss safety issues within the departments of BCMM. Workplace safety inspections are held periodically. The institution has employee wellness programmes, psychosocial counselling services, healthy living lifestyles campaigns, and sport wellness programmes.

2.3 Strategies/Plans Developed in line with Relevant Legislation

Departmental strategies have been developed with clear time frames that are aligned to planning within the institution. Included in these strategies is the Annual Events Calendar which takes care of specific details pertaining to the IDP process plan, such as the scheduling of Council, Mayoral Committee and Portfolio Committee meetings so as to avoid event clashes.

2.4 Scarce Skills

There are no critical/scarce skills reported from the recruitment process. Current scarce skills allowances are paid based on those identified previously and on periodic reviews.

2.5 Vacancy Rate

Figure 76: Vacancy Rate, BCMM 2022/23 Annual Report

Vacancy Rate			
Designation	***Total Approved Posts**	***Vacancies (Total time that vacancies exist using fulltime equivalents)**	***Vacancies (as a portion of total posts in each category)**
	No.	**No.**	**%**
Municipal Manager	1	0	100%
CFO	1	0	0%
S57 - HODs	9	1	11,11%
Other Senior Managers (excl. Finance Posts T16 & above)	104	15	14,42%
Other Senior Managers (Finance posts T16 & above)	18	4	22,22%
Police Officers	185	14	7,57%

Vacancy Rate			
Designation	***Total Approved Posts**	***Vacancies (Total time that vacancies exist using fulltime equivalents)**	***Vacancies (as a portion of total posts in each category)**
	No.	**No.**	**%**
Firefighters	131	10	7,63%
Senior management: Levels 13-15 (excluding Finance Posts) ex 3005-3071	143	24	16,78%
Senior management: Levels 13-15 (Finance posts)	22	2	9,09%
Highly skilled supervision: Levels 9-12 (excluding Finance posts)	687	84	12,23%
Highly skilled supervision: Levels 9-12 (Finance posts)	88	5	5,68%
Total	**1 389**	**160**	**11,51%**

The table above presents a more detailed breakdown of the number of filled posts and vacancies across various skill levels.

Figure 77: Vacancies, BCMM 2022/23 Annual Report

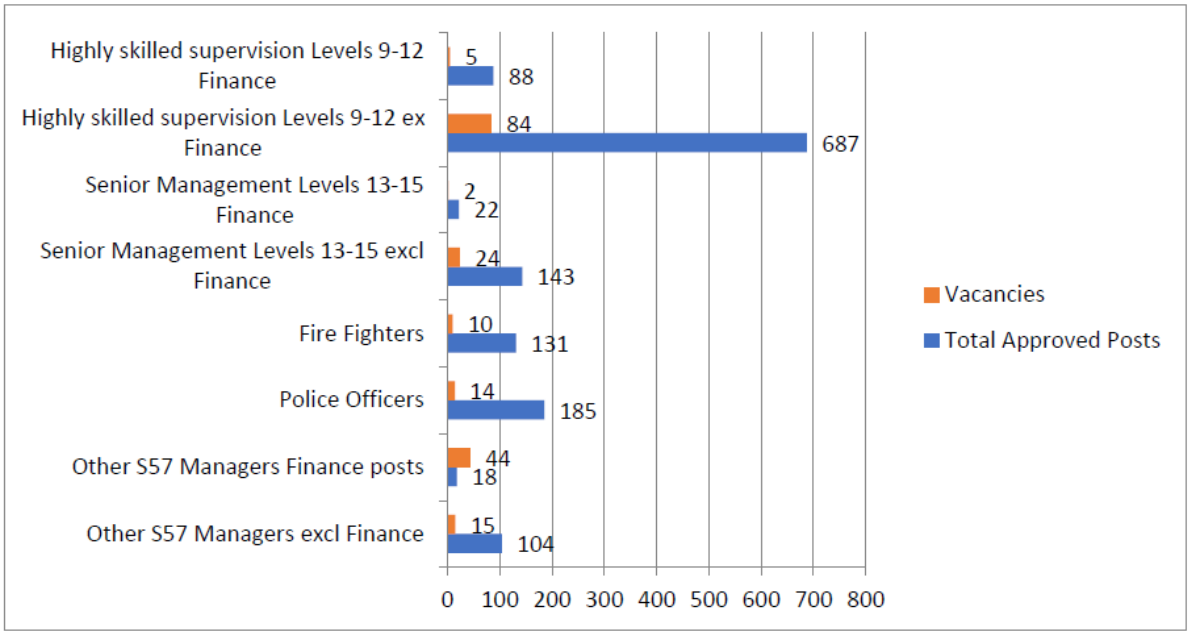


Table 65: Turnover Rate, BCMM 2022/2023 Annual Report

Turnover Rate			
Details	**Staff establishment as at the end of Financial Year**	**Terminations during the Financial Year**	**Turn-over Rate***
2020/2021	5 552	276	5%
2021/2022	5 404	275	5%
2022/2023	5 252	243	5%

Comment on Vacancies and Turnover:

BCMM has an approved staff complement of 5 252, with 614 of these positions currently vacant and funded. We are actively advertising these vacancies promptly.

In the fiscal year ending June 2023, a total of 127 posts were filled. Additionally, there were 243 terminations, broken down as follows:

- Contract Expiry – 1
- Deceased – 41
- Dismissals – 15
- Medical Boarding – 9
- Resignations – 52
- Retirements – 125
- Appointments – 127

2.5 Staff Complement per Directorate

2.6 Staff Complement per Directorate

The overall BCMM staff complement per directorate, including vacant funded positions, are presented below.

2.6.1 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.

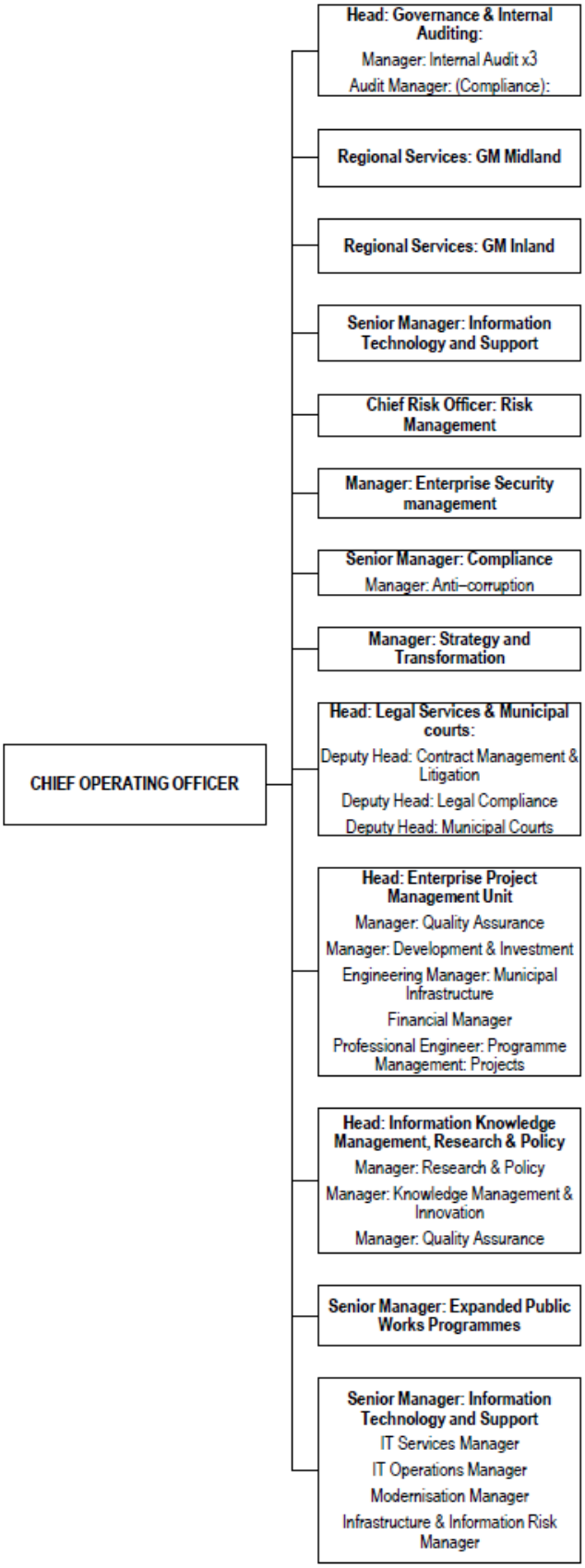


Figure 78: Organogram - City Manager's Office

2.2 Directorate: Executive Support Services

The Directorate of Executive Support Services consists of the following departments, namely:

- Special Programmes;
- IDP, BI, 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; and
- Monitoring and Evaluation.

The figure below details the organogram of the Directorate of Executive Support Services up to Management level.

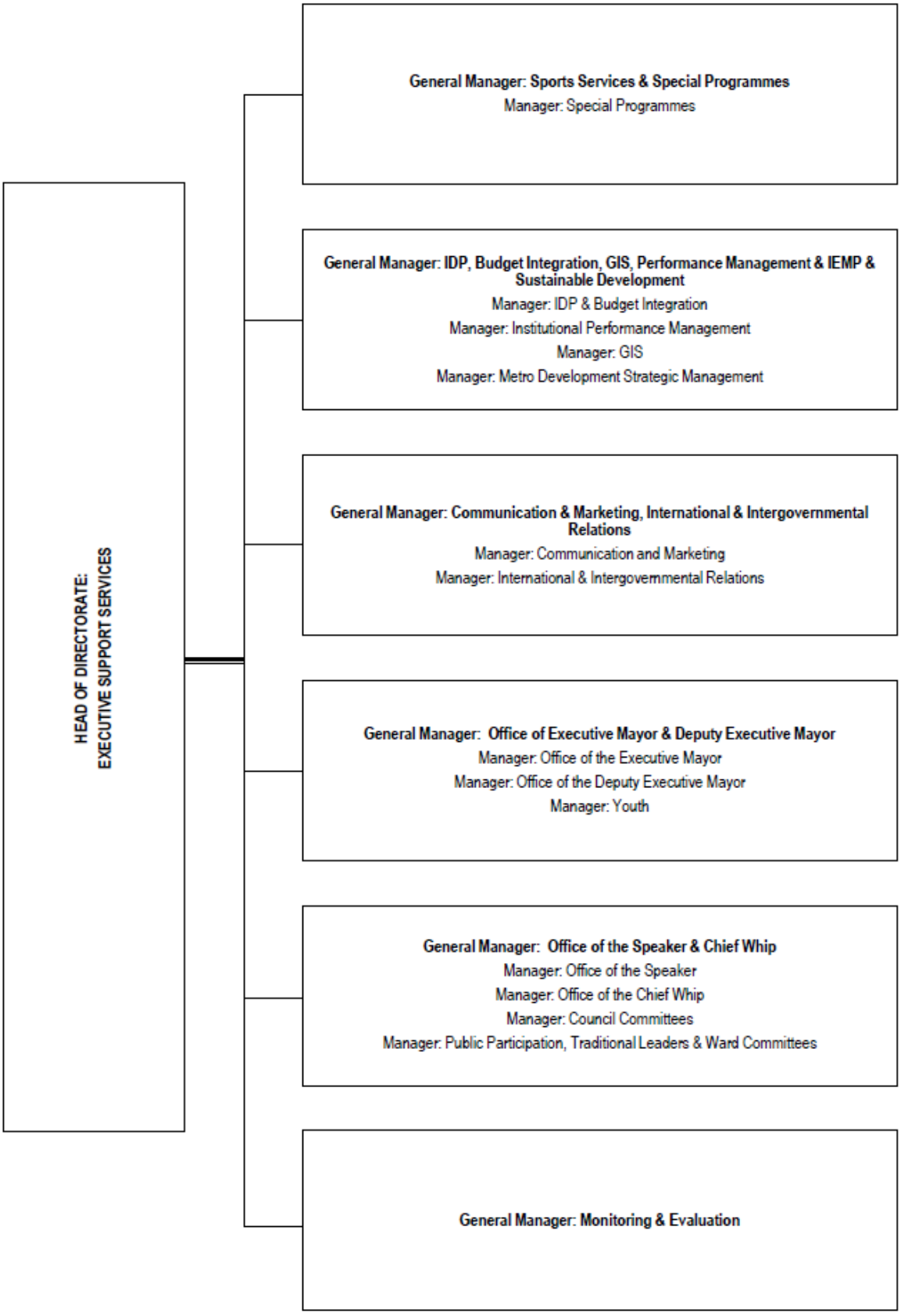


Figure 79: Organogram – Executive Support Services

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.

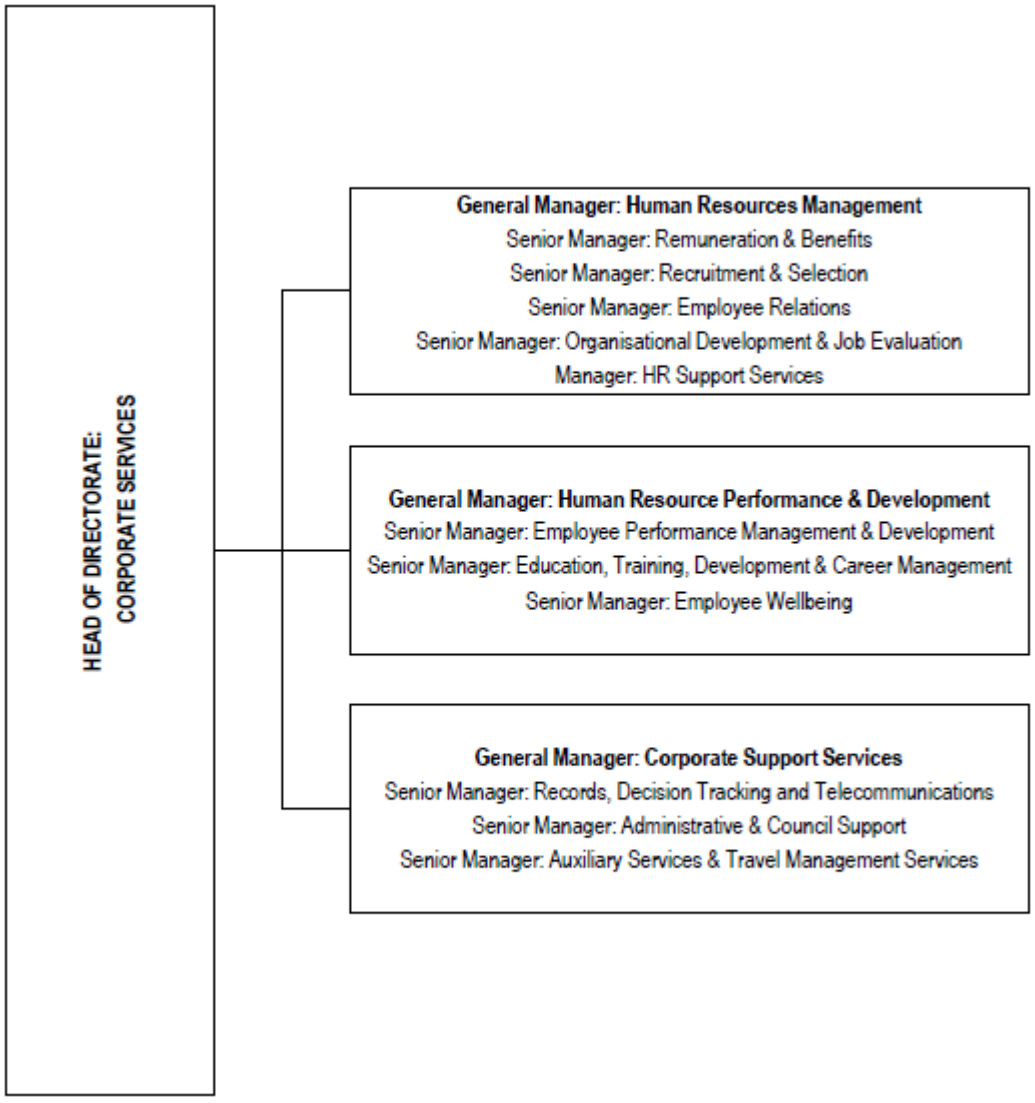


Figure 80: Organogram – Corporate Services

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; and
- Transport Planning & Operations.

The figure below details the organogram of the Directorate of Spatial Planning and Development up to Management level.

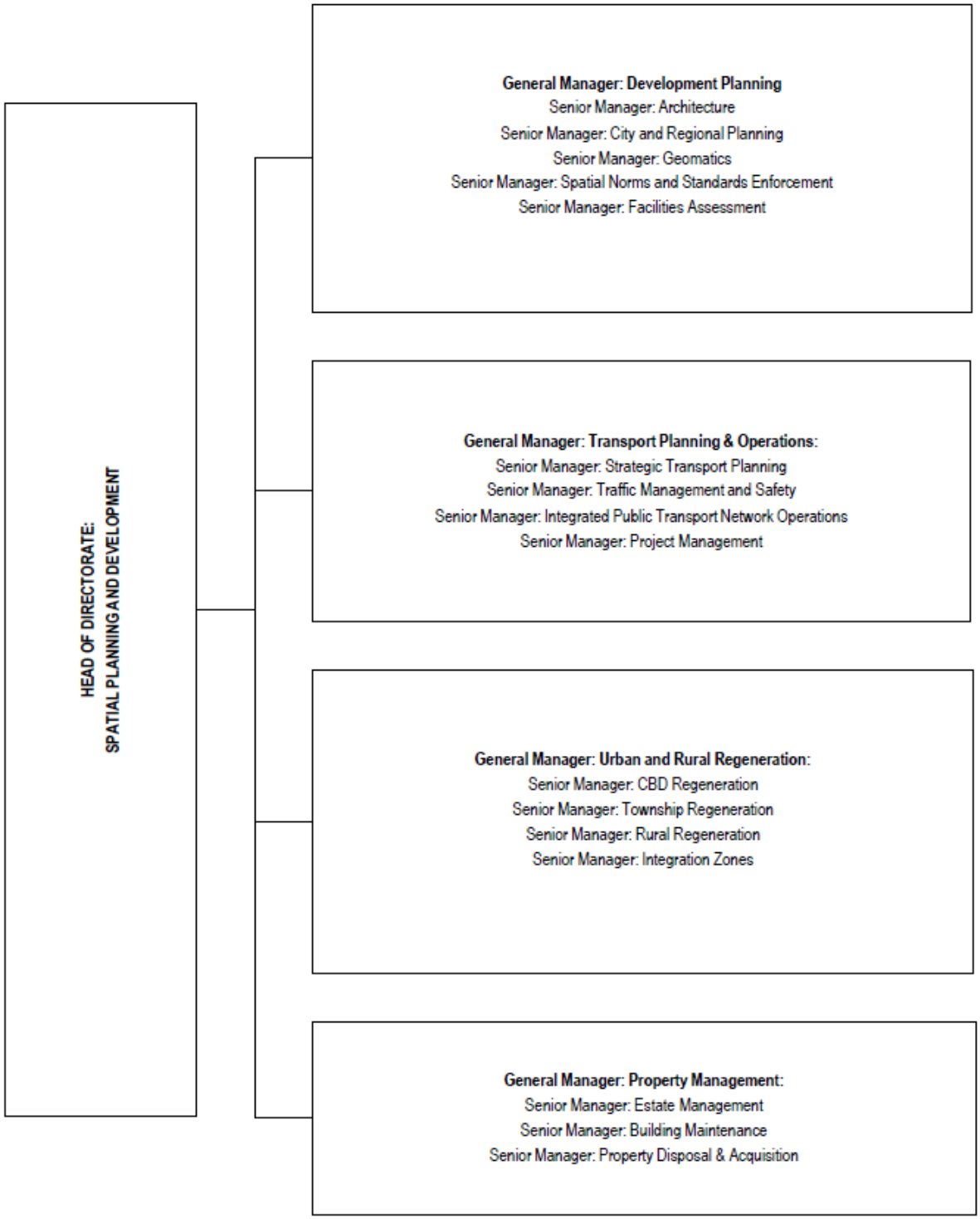


Figure 81: Organogram – Spatial Planning & Development

2.5 Directorate: Infrastructure Services

The Directorate of Infrastructure Services consists of the following departments, namely:

- Water, Wastewater & Scientific Services;
- Electrical & Energy Services;
- Workshop, Plant and Fleet Services; and
- Roads, Project Implementation Unit (PIU), and Construction.

The figure below details the organogram of the Directorate of Infrastructure Services up to Management level.

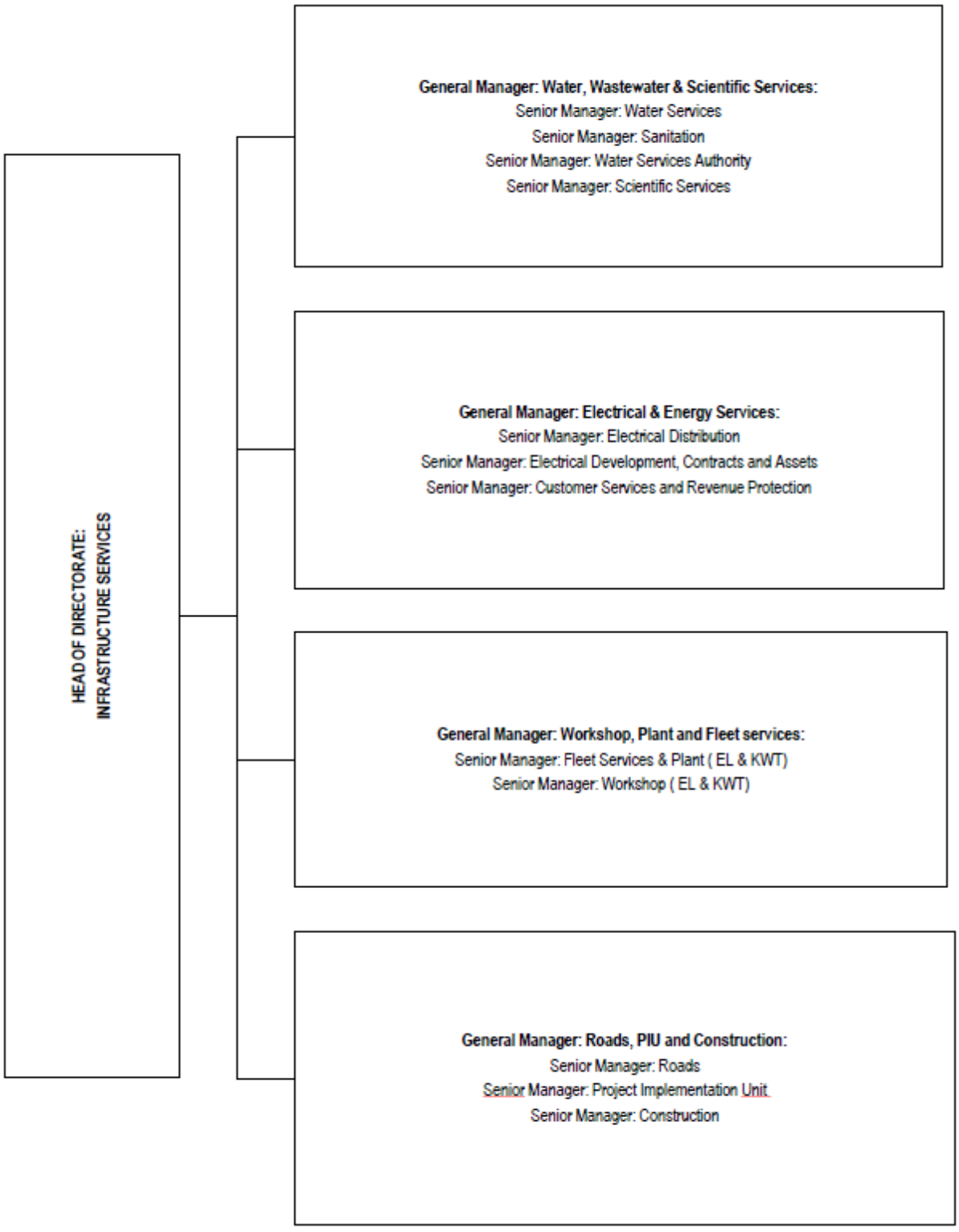


Figure 82: Organogram – Infrastructure Services

2.6 Directorate: Solid Waste and Environmental Management

The Directorate of Solid Waste and Environmental Management has the following departments, namely:

- Solid Waste Management; and
- Environmental Management.

The figure below details the organogram of the Directorate of Solid Waste and Environmental Management up to Management level.

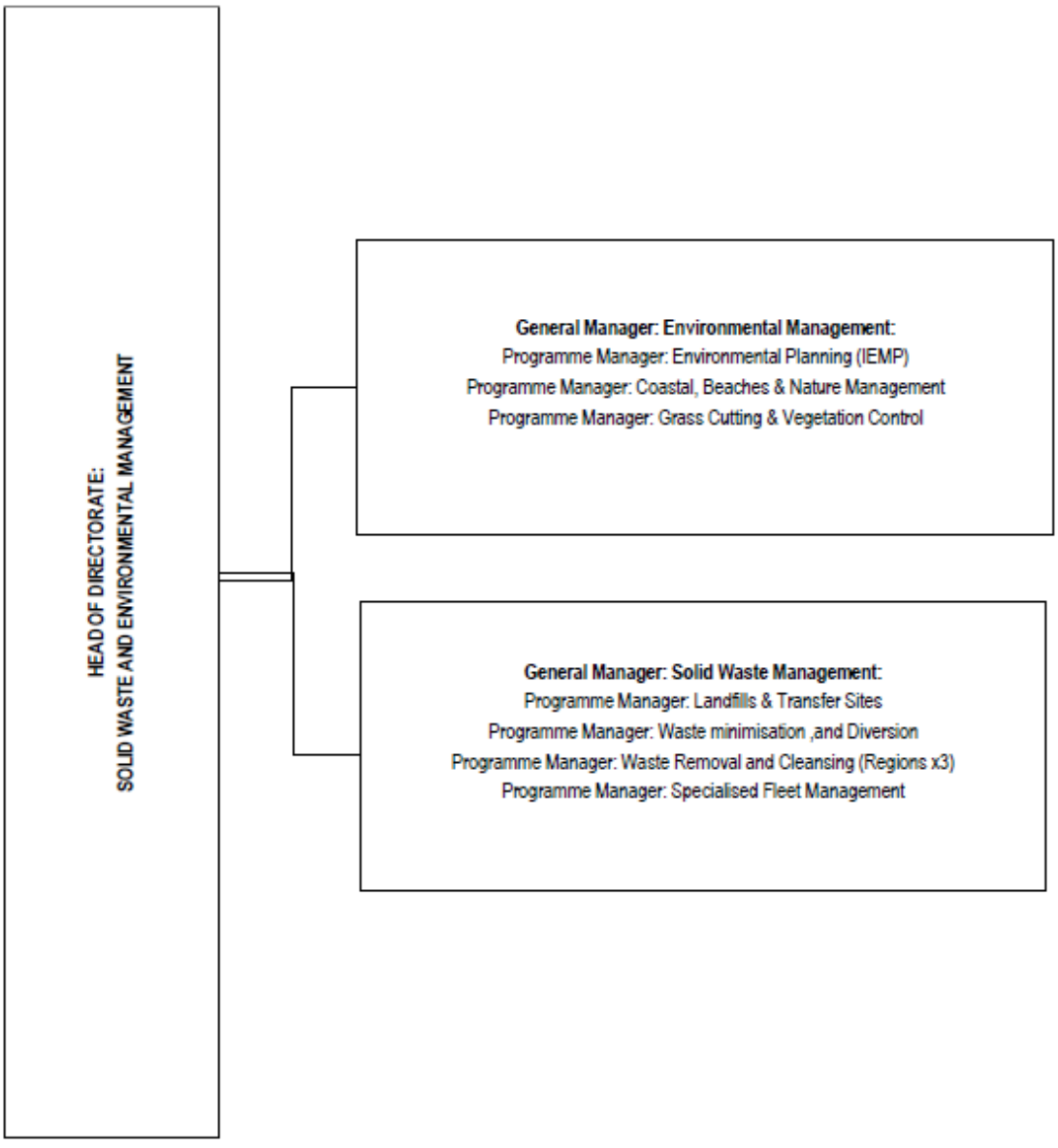


Figure 83: Organogram – Solid Waste & Environmental Management

2.7 Directorate: Sport, Recreation and Community Development

The Directorate of Sport, Recreation and Community Development has the following departments, namely:

- Sports Development, Facilities and Recreation;
- Community Development (Halls, Libraries, Zoo, and Aquarium); and
- Parks and Cemeteries.

The figure below details the organogram of the Directorate of Sport, Recreation and Community Development up to Management level.

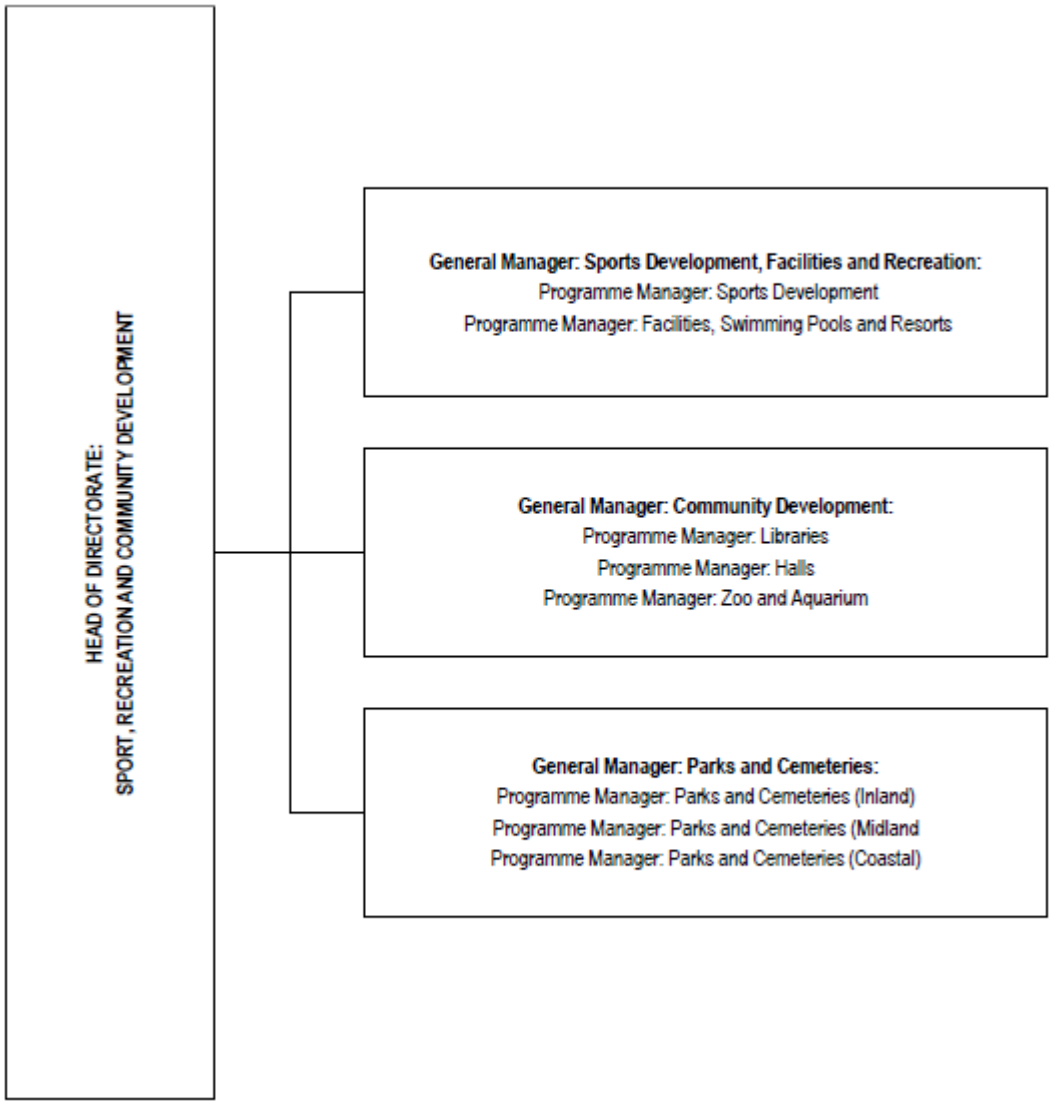


Figure 84: Organogram – Sport, Recreation & Community Development

2.8 Directorate: Health, Public Safety and Emergency Services

The Directorate of Health, Public Safety and Emergency Services has the following departments, namely:

- Municipal Health Services;

- Public Safety and Protection Services; and
- Emergency Services.

The figure below details the organogram of the Directorate of Health, Public Safety and Emergency Services up to Management level.

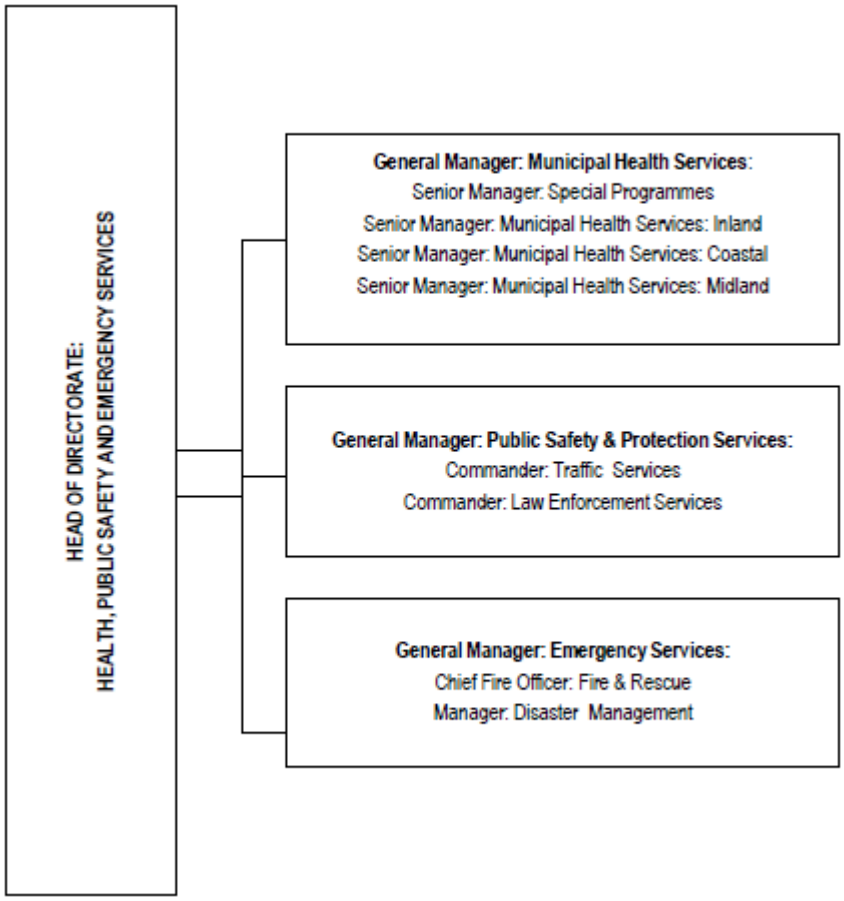


Figure 85: Organogram – Health, Public Safety and Emergency Services

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; and
- Finance Operations.

The figure below details the organogram of the Directorate of Finance up to Management level.

Figure 86: Organogram – Finance

2.10 Directorate: Human Settlements

The Directorate of Human Settlements consists of the following departments, namely:

- Housing Planning & Strategy;
- Housing delivery & Implementation; and
- Human Settlement Special Projects.

The figure below details the organogram of the Directorate of Human Settlements up to Management level.

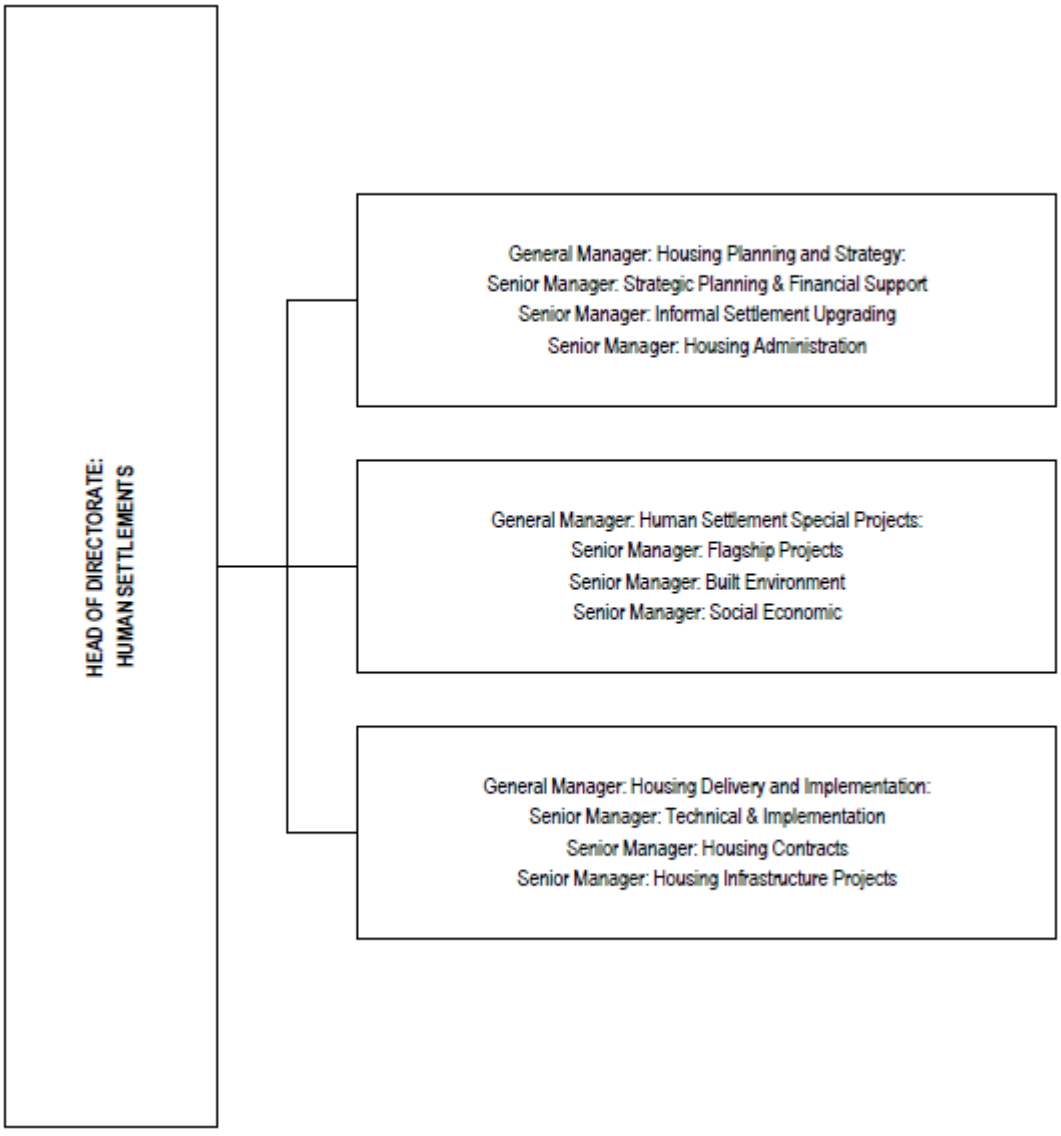


Figure 87: Organogram – Human Settlements

2.12 Directorate: Economic Development and Agencies

The Directorate of Economic Development and Agencies consists of the following departments, namely:

- Fresh Produce Market;
- Trade, Industry and Sector Development;
- Tourism, Arts, Culture and Heritage; and
- Agriculture and Rural Development

The figure below details the organogram of the Directorate of Economic Development and Agencies up to Management level.

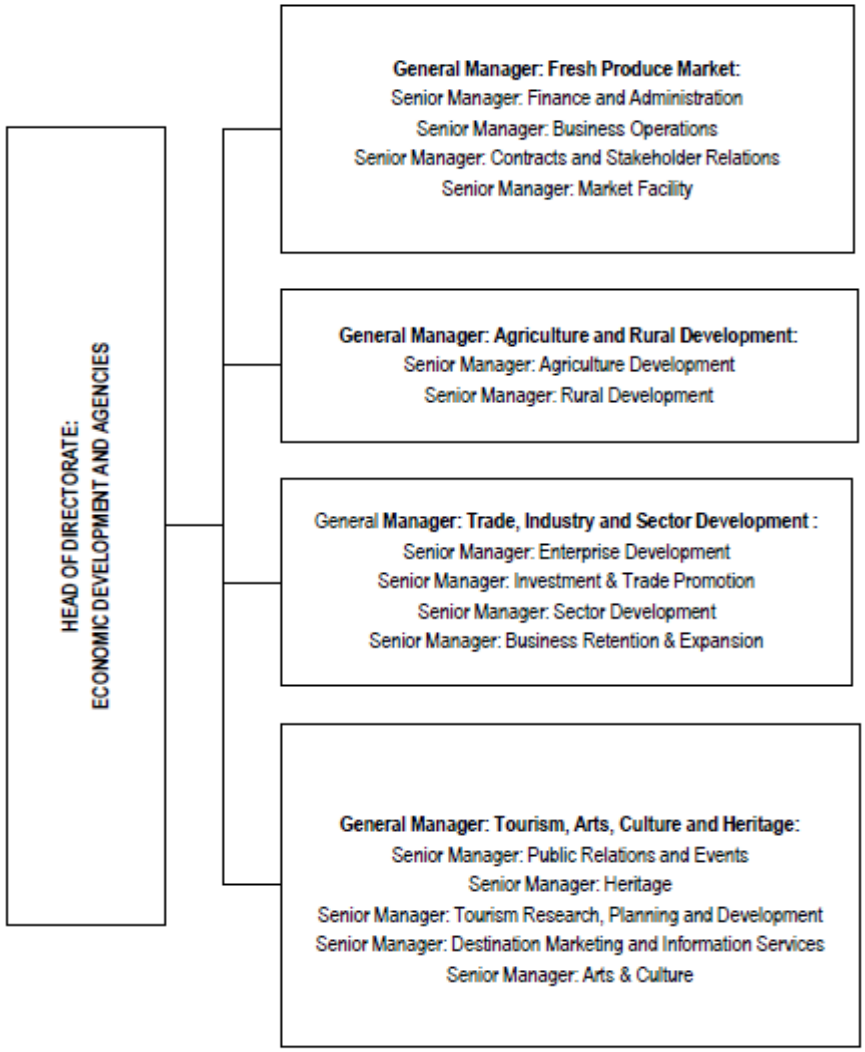


Figure 88: Organogram – Economic Development & Agencies

2.13 Satellite Offices of the Metro

There are Satellite Offices in all three Regions of the metro.

In the Inland Region satellite offices are located in the following areas;

- Bhisho Office
- Ilitha Office
- Phakamisa Office

- Zwelitsha Office *(Acting)
- Dimbaza Office

There are Supervisors appointed in each satellite office to manage the operations (except for Zwelitsha Office. These Supervisors report to the Satellite and Service Centre Manager, which report to the Senior Manager. The following services are offered in all Satellite Offices; Payments of Municipal Bills, Enquiries, Indigent applications, Rebates applications and Credit Control (only arrangements).

The staff complement in Satellite is between 3 to 4 per office which in total is 15 and the number of posts per organogram is 26.

3. BUFFALO CITY METRO POLICIES AND BY-LAWS

In accordance with Section 11 of the Municipal Systems Act (MSA), 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 BCMM is outlined in this section.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
Office of the CITY MANAGER **Operations Manager: Mr. S. Nkonki**	**IKM, Research and Policy**	Knowledge Management Policy	2013/08/30 Effective date 2013/09/01	BCMC234/13	Mr. Gcobani Msindwana	Policy to be presented in the next Top Management before being taken to Council	Policy to be presented at the Top Management for Management comments before being submitted to Council for approval	The Policy will be tabled in the next Top Management for comments in February 2024
	EPWP	Expanded Public Works Programme Policy	30 April 2013	BCMC 166/13	Mr. Simphiwe Dunjana	The EPWP 2013 Policy is to be reviewed, the process entails setting up a multi-disciplinary and departmental Reference Group to work on the policy review.	A draft policy distributed on 20 April 2021 to top management for comments before it is submitted to the next top management meeting in February 2024. No change has been recorded so far.	No Review date set and we will consult the department in January 2024.
	Risk Management	Enterprise-wide Risk Management Framework	24 Febru2021	VBCMC212/21	Ms. Siyasanga Xoki	Policy approved by council on 24 February 2021.	Approved by Council in February 2021	Approved in February 2021
		Fraud mitigation Framework	24 February 2021	VBCMC212/21	Ms. Siyasanga Xoki	Policy is in draft stage, awaiting Councillors workshop session in order to proceed to Council for approval.	Approved by Council in February 2021	Approved in February 2021, Refresher Councillors was held on the 23 November 2023
		Whistle Blowing Policy	February 2021	VBCMC 212/21	Ms. Siyasanga Xoki	Approved 24 February 2021	Approved by Council February 2021	Approved in February 2021, Refresher Councillors workshop

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
								held on the 23 November 2023
		Compliance policy and Charter	N/A	N/A	Ms. Siyasanga Xoki	Distributed to top management	Distributed to top management for comments before it is tabled in the next top management meetings in May 2021.	Approved in May 2021 and uploaded on the Municipal Electronic Document Management System.
	ICT	ICT Disaster Recovery Plan Policy	2015/11/25 Effective date 2015/11/26.	BCMC 611/15	Mr. Lwazi Ndzena ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors' workshop	No review date has been set
		Information and Communication Technology Security Policy	2015/11/25 Effective date 2/015/11/26	BCMC 611/15	Mr. Lwazi Ndzena ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors workshop.	No review date has been set
		User Account Management Policy	2015/11/25 Effective date 2015/11/26.	BCMC 611/15	Mr. Lwazi Ndzena ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors' workshop	No review date has been set.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Backup and Restoration Policy	27/06/2018	BCMC 443/18	Mr. Lwazi Ndzena ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors' workshop	No review date has been set
		ICT Change Management Policy	27/06/2018	BCMC 443/18	Mr. Deon Martin Acting ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors' workshop	No review date has been set
		Application Acquisition and Development Policy	27/06/2018	BCMC 443/18	Mr. Lwazi Ndzena ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors' workshop	No review date has been set.
		Application Support Policy	27/06/2018	BCMC 443/18	Mr. Lwazi Ndzena ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors workshop	No review date has been set.
		Information Communication Technology Change Management Policy	27/06/2018	BCMC 443/18	Mr. Lwazi Ndzena ICT Manager	Review in progress	Policy has been reviewed, It has been submitted to the speaker's office in order for it to be taken to the next councillors workshop	No review date has been set.
EXECUTIVE SUPPORT SERVICES **HoD: Ms. N.Sidukwana**	**Office of the Executive Mayor**	Petition Management Policy	2012/05/03 Effective date 2012/06/01	BCC 122/12	Mr. V. Zathu	Petitions Management Policy had not yet been revised however progress had	It was last reviewed on 26 October 2016. Therefore, it is due for reviewal. .	No new date has been set for the reviewal.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
						been made in terms of revision of its Terms of Reference already approved by Council. Councillors were taken on board through a workshop. The second step is to revise the actual policy, plans to do as such are on the pipeline.		
	Office of the Speaker	Declaration of financial/benefits of Councillors Policy	2009/07/27 Effective date 2009/09/01	BCC 29/09	Mr. V. Zathu	Needs to be reviewed.	Council has yet to adopt a policy with regards to the Declaration of Financial Benefits of Councillors.	No review date has been set
		Funeral Policy for Councillors Traditional leaders and Freemen Policy	2005/05/25	BCC 88/05	Mr. Voti Zathu	Reviewed policy adopted in May 2019.	The policy has yet to be reviewed ever since it was last reviewed in May 2019	Last reviewed in May 2019.
	IDP	GIS Operational Policy	17 July 2013	BCMC 413/13	Mr. Dean Peters	The policy is being copied to the new template and will be	The policy has been copied to the new template and still needs to be presented to Top Management.	No review date has been set.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
						presented at the next Top Management meeting, when this has been completed.	No new information is available.	
	Office of the HoD	Sponsorship Policy	2013/05/29 Effective date 2013/05/13	BCMC 63/03	Ms. Zanele Marala	The policy has been revised and tabled to Council in 11 December 2019, a workshop of all Councillors was requested prior the adoption of the revised policy.	The Reviewed Sponsorship Policy was presented at the Councillors and Traditional Leaders Virtual Workshop scheduled on the 13 April 2021. There were several inputs that necessitate consultation with the Legal and Compliance teams. It is therefore requested that the report be tabled at the Council Meeting scheduled in 28 July 2021.	To be tabled on the 28 July 2021
FINANCE DIRECTORATE **CFO: Mr. N Sigcau**	**Budget and Treasury**	Budget Management and Oversight Policy (Budget Policy)	2006/05/30 Effective date 2006/07/01	BCC 73/06	CFO: N. Sigcau / AGM: Y. Mfana	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	Reviewed on the 31 March 2021
		Capital Infrastructure	2013/05/29	BCMC 222/13	CFO: N. Sigcau / AGM: Y. Mfana	No amendments were made to the policy during	No amendments were made to the policy during policy reviewal. Policy was tabled with the	Reviewed on the 31 March 2021

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Investment Policy	Effective date 2013/07/01			policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	2021/22 Draft MTREF budget on 31 March 2021.	
		Funding and Reserves Policy	2013/05/29 Effective date 2013/07/01	BCMC 222/13	CFO: N. Sigcau / AGM: Y. Mfana	The only amendment is that the words "cash backed" have been replaced by the word "funded" in section 7.4.3. of the Budget Document. The amended policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	Reviewed on the 31 March 2021
		Long Term Financial Planning Policy	2013/05/29 Effective date 2013/07/01	BCMC 222/13	CFO: N. Sigcau / AGM: Y. Mfana	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	Reviewed on the 31 March 2021

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
						MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).		
		Budget Virement Policy	2013/05/29 Effective date 2013/07/01	BCMC 222/13	CFO: N. Sigcau / AGM: Y.Mfana	The only amendment made is that under Operating Budget Virements, section 10.3.1.7 of the Budget document, the authority to approve virements between expenditure type is changed from administration to the Executive Mayor. The amended policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	Reviewed on the 31 March 2021

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Indigent Policy	2014/05/28	BCMC 147/14	S. Peter: General Manager: Revenue Management	The Policy is under review and will be finalised on Friday, 14 February 2020 and submitted to the relevant offices for consideration.	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	Reviewed on the 31 March 2021
		Long Term Borrowing Policy	2013/05/29 Effective date 2013/07/01	BCMC 222/13	CFO: N. Sigcau / AGM: Y. Mfana	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	Reviewed on the 31 March 2021
	SCM	Supply Chain Management Policy	2013/10/30	BCMC 458/13	AGM: M. Fraser	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	This policy has been reviewed and has been revised. Among others, the amendments also relate to the following: 1. Adoption of MFMA Circular No.106 on Local Government for Infrastructure Delivery and Procurement Management, and its prescripts to be incorporated	Reviewed on the 31 March 2021

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
							under section 29 (10) of the SCM Policy. 2. Inclusion of this statement: "compel bidders to declare any conflict of interest they may have in the transaction for which the quotation is submitted through the completion of the MBD 4 document". Statement to be included under the below sections: **a. Section 15 - Petty Cash purchases** **b. Sections 16 - Written Quotations** **c. Section 17 Formal Written Quotations** The conditions for the procurement of goods by means of petty cash purchases referred to in paragraph 12 (1) (a) of this Policy The conditions for the procurement of goods or services from R0 to R10 000 (VAT included) through written quotations All requirements more than R30 000 (VAT included) that are to	

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
							be procured by means of formal written price quotations. The amended policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	
		Contractor Development Policy	2015/09/30	BCMC 468/15	AGM: M. Fraser	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	There is a strong need to look at the annual contracts section of the policy and then look at the section of the policy that deals with sessions and sub-contracting.	No date has been set for review.
	Revenue Management & Budget	Tariff Policy	2006/05/30 Effective date 2006/07/01	BCC 73/06	CFO: N. Sigcau / AGM: Y. Mfana	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	Re-consider the more effective punitive tariffs, to be able to improve water use efficiency. To bring in a public oriented tariff structure that promotes responsible usage and user pay principle, with a possibility of a incentive based tariff to less water users. To consider tariffs for secluded development in rural area and tariffs for treated effluent for industrial and domestic use	Approved with 2023/2024 budget

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Property Rates Policy	2014/05/28	BCMC 239/15	V. Maretloane	The policy was reviewed and approved by Council on 29 May 2019, as per minute no. BCMC256/19. The property rates are levied in terms of this policy during quarter 2, ending 31 December 2019.	This policy has been reviewed and has been revised. The Local Government: Municipal Property Rates Amendment Act 29 of 2014 amended the principal Act (MPRA 6 of 2004). In terms of Section 8(2) of the amendment Act, a municipality must determine the categories of rateables property, provided that such property category exists within the municipal jurisdiction. The provisions of section 8 of the MPRA must be applied by a municipality within seven years of the date of commencement of this Act. National Treasury MFMA Circular No. 107 is requesting municipalities to implement the new property categorization framework by not later than 01 July 2021 hence the Property Rates Policy is being amended. The amended policy was tabled with the 2021/22 Draft MTREF budget on 31 March 2021.	Approved with 2023/2024 budget
	Corporate Asset Management	Movable Asset Management Policy	2015/05/29	BCMC 239/15	GM: T. Madikizela	No amendments were made to the policy during	Reviewed and there are no proposed amendments, it was	

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
						policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	tabled to Council together with the MTREF	
		Immovable Asset Management Policy	2017/05/26	BCMC 229/17	GM: T. Madikizela	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	Reviewed and there are no proposed amendments, it was tabled to Council together with the MTREF	Reviewed on the 31 March 2021.
		Investment and Cash Management Policy	2009/06/04	BCC 161/09	CFO: N. Sigcau	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	No amendments were made to the policy during policy reviewal. Policy was tabled with the 2019/20 MTREF budget on 29 May 2019 (Council Minute: BCMC 256/19).	Reviewed and approved on the 29 May 2019 and no new date has been set.
	Revenue Management	Receipting Policy	25/10/2017	BCMC 554/17	CFO / GM: Revenue Management – S. Peter	Policy has been reviewed; however, no	Policy has been reviewed; however, no amendments were made.	No new date has been set for Council approval.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
						amendments were made.		
	Revenue Management	Credit Control and Debt Collection Policy	2007/05/02	BCMC 239/15	General Manager: Revenue Management – Mr. Siya Peter	The Policy is in effect and is being implemented. It is reviewed annually along with its by-law in the Budget Approval Process, by Council.	The Policy is in effect and is being implemented. It is reviewed annually along with its by-law in the Budget Approval Process, by Council.	No new date has been set for review.
HUMAN SETTLEMENTS **HoD: Mr. L. Mbula**		Housing Allocation Policy	2014/12/11 Effective date 2014/11/19	BCMC 551/14	Mr T. Mjanqeka	The policy is due for review. The Directorate of Human Settlements has gone out on tender to solicit the services of a service provider to assist on the reviewal of the policy. The next stage of the procurement is the Bid Evaluation.	Housing allocation policy could not be reviewed due to Budget for this policy being re-allocated to Covid 19 pandemic activities and therefore the ensuing stages could not be fulfilled. The Directorate will keep on requesting funding / budget for the said policy until the request is rewarded	No date has been set for review.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Housing Relocation Policy	2014/12/11 Effective date 2014/11/19.	BCMC 551/14	Mr T. Mjanqeka	The policy is due for review. The Directorate of Human Settlements has gone out on tender to solicit the services of a service provider to assist with the reviewal of the policy. The next stage of the procurement is the Bid Evaluation.	The said policy could not be reviewed due to Budget for this policy being re-allocated to Covid 19 pandemic activities and therefore the ensuing stages could not be fulfilled. The Directorate will keep on requesting funding / budget for the said policy until the request is rewarded	No date has been set for the reviewal
CORPORATE SERVICES **HoD: Mr. A.S Naidoo**								
	Organizational Support	Language Policy	2010/08/31	BCC 263/10 Effective date 2010/08/31	Ms. Sweetness Mxunyelwa	Policy to be reviewed in April 2020, due to alignment with Council Standing Rules of Order.	Policy to be reviewed in April 2020, due to alignment with Council Standing Rules of Order.	Review was done in April 2020
		Grant-In-Aid Policy	2000/05/08	BCMC 124/15	Ms. Sweetness Mxunyelwa	Policy reviewed in February 2020. To be presented at the Council	Policy reviewed in February 2020. To be presented at the Council meeting scheduled in April 2020.	Review was done in February 2020.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
			Effective date 2000/05/09			meeting scheduled in April 2020.		
		Loss, Theft of Municipal Property Policy	2009/12/08 Effective date 2009/12/09	BCMC 284/15	Ms. Sweetness Mxunyelwa	No review of Policy.	No review of Policy	No review date has been set.
		Records Management Policy	2007/12/05 Effective date 2007/12/06.	BCC 320/07	Ms. Sweetness Mxunyelwa	Policy was reviewed in year 2019.	Policy was reviewed in year 2019.	Review was last done in 2019 and no new date has been set for review.
		Cellular Allowance Policy	2010/05/04 Effective date 2010/05/05	BCMC292/10	Ms. Sweetness Mxunyelwa	Review in April 2020 to align to the Councillors' Remuneration	Review in April 2020 to align to the Councillors' Remuneration.	Review was done in April 2020 and was taken to the last SMT for reviewal.
		Travel and Subsistence Policy	05/10/2010	BCC 333/10	Ms. Sweetness Mxunyelwa	Review in April 2020 to align with Cost Containment Regulations	Review in April 2020 to align with Cost Containment Regulations	Review was done in April 2020.No new date has been set
	Human Resources	Discomfort Levels and Heat Stress Policy	1993/04/05	According to HR, Information Not available	Mr. Zolani Ndlela	Policy Reviewed. To be presented to Top Management April 2020.	Policy Reviewed. To be presented to Top Management April 2020.	No new date has been set for Council approval.
		Dress Code Policy	2000/05/10	According to HR, Information Not Available	Mr. Zenzile Shweni	Reviewed policy by April 2020.	Reviewed policy by April 2020.	Policy last reviewed in April 2020

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Employee Performance Policy	2013/06/21	BCC 267/13	Mr. Noel Mboni	No Review	No review	No date set for review
		Employee Wellness Policy	According to HR Information Not Available	According to HR, Information Not Available	Mr. Noel Mboni	Policy reviewed. To be presented to Top Management May 2020.	Policy reviewed. To be presented to Top Management May 2020.	Policy was supposed to be tabled in the Top Management in May 2020; no progress submitted.
		Employee/Staff Provisioning Policy	According to HR, Information Not Available	According to HR, Information Not Available	Mr. Zenzile Shweni	Policy reviewed. Awaiting Top Management Approval.	Policy reviewed at Top Management on 16 February 2021. Will be submitted to next Local Labour Forum meeting.	Reviewed on the 16 February 2021
		Labour Relations Policy	According to HR Information Not Available	According to HR Information Not Available	Mr. Zenzile Shweni	Policy reviewed. Awaiting comments from Management.	The following policies were reviewed and currently awaiting comments from Management, i.e. Employee Relations & Absenteeism Policy and Sexual Harassment Policy.	Reviewed and waiting for Council approval.
		Occupational Health and Safety Policy	According to HR, Information Not Available	According to HR, Information Not Available	Mr. Noel Mboni	Policy reviewed. Awaiting comments from Management.	Policy reviewed. Awaiting comments from Management.	Reviewed waiting for Council approval.
		Organizational Design Policy	According to HR Information Not Available	According to HR Information Not Available	Mr. Zenzile Shweni	Draft Reviewed. Policy done. To be presented to Top Management in April 2020.	The policy will be reviewed by December 2021.	December 2021

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Protective Overall and Footwear (Protective) Policy	2002 - According to HR, further information Not Available	According to HR Information Not Available	Mr. Noel Mboni	Policy Reviewed awaiting management comments.	Policy Reviewed awaiting management comments.	Reviewed and awaiting Council approval.
		Progression Grade	2004 Day and Month Outstanding	Council Minute Number outstanding	Mr. Zenzile Shweni	Policy to be abolished in compliance with the Collective Agreement.	The policy will be reviewed by December 2021.	December 2021
		Qualification recognition policy	1994 -Day and Month outstanding	Council Minute Number Outstanding	Mr. Noel Mboni	Policy to be reviewed in June 2020.	Policy to be reviewed in June 2020	Last reviewed in June 2020.
		Rainy Day Policy	Date Outstanding	Council Minute Number outstanding	Mr. Zenzile Shweni	Policy to be reviewed in May 2020.	Policy to be reviewed in May 2020.	No date has been set for review
		Substance Abuse Policy	2005 Day and Month Outstanding	Council Minute Number outstanding	Mr. Zolani Ndlela	Policy reviewed. Awaiting Management comments.	Policy reviewed. Awaiting Management comments.	Awaiting Council approval.
		Leave Policy	Date Outstanding	Council Minute Number Outstanding	Mr. Zenzile Shweni	Policy reviewed. To be presented to Top Management in April 2020.	Conditions of Service- Pending re-negotiation of the main collective agreement by SAGBC central division.	Main collective agreement extended until 2023

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Sewer Allowance Policy	2016/03/2	Council Minute Number outstanding	Mr. Zenzile Shweni	No review.	Condition of Service not for review currently.	Condition of Service not for review currently.
		Permission to Have Second Employment and/or be involved in any Business Venture other than as an Employee Policy	Effective Date: November 2005	Council Minute Number Outstanding	Mr. Zenzile Shweni	No review.	No Review	No date set for review.
		Scarce Skills Policy	2010/10/05	Council Minute Number Outstanding	Mr. Zenzile Shweni	Policy Reviewed. Is currently at the Local Labour Forum for comments	Policy Reviewed. Is currently at the Local Labour Forum for comments	Council approved in 2023.
		Human Resource Development Policy	27/03/2002 (Drafted)	According to HR, Information Not Available	Mr. Zolani Ndlela	Reviewed and Approved by Council in year 2019.	Reviewed and Approved by Council in year 2019.	Last reviewed in 2019
		Gifts and Benefits Policy	Date Outstanding	Council Minute Number Outstanding	Mr. Zenzile Shweni	No review	No Review	Staff workshops and workshops in 2023.
		Conflict of Interests Policy	Date Outstanding	Council Minute Number Outstanding	Mr. Zenzile Shweni	No Review	No Review	No date has been set for review.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Long Service Allowance Policy	01 December 2008		Mr. Z Shweni		Reviewed and approved by Council	Approved by Council in 203
		Conditional Donation Scheme Procedure	Draft approved 0n 29-01-2019		Mr. Zolani Ndlela	No Review	No Review	No Review
		Conditional Donation policy - Study assistance	Draft approved 0n 29-01-2019		Mr. Zolani Ndlela	No Review	No Review	No Review
DEVELOPMENT PLANNING **HoD: Mr S Booi**				.				
	Land Administration	Disposal of Immovable Capital Assets by the municipality and its municipal Entities Policy	Date Outstanding	Council Minute Number Outstanding		Disposal and Acquisition policy draft has been circulated to all HOD's for comments on the 19th April 2021. Once comments have been obtained, a report will be prepared for Council consideration and approval.	Disposal and Acquisition policy draft has been circulated to all HOD's for comments on the 19th April 2021. Once comments have been obtained, a report will be prepared for Council consideration and approval.	No date has been set for review.

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
		Land Management Policy	2007/11/20	DP 192/07		Land Management policy draft has been circulated to all HOD's for comments on the 19th April 2021. Once comments have been obtained, a report will be prepared for Council consideration and approval.	Land Management policy draft has been circulated to all HOD's for comments on the 19th April 2021. Once comments have been obtained, a report will be prepared for Council consideration and approval	Replaced with a By-law in 2023.
	Architecture	Outdoor Advertising Signage Policy	2010/ 08/16	BCC 211/10	GM: Development Planning (Zabantu Mbulawa/Mbewu Mbolekwa)	Due for review, draft will be submitted to Council during the current financial year.	Due for review, draft will be submitted to Council during the current financial year. In the process to prepare the memo to be attached to the draft policy to be sent to All Directorates for comments before submitting to Council	Reviewed and awaiing Council approval.
ECONOMIC DEVELOPMENT AND AGENCY **HoD: Ms. N. Ncokazi**								
		Shipping Container Policy	1998/ 09/01	CL450/98 (821/98)		No response from this Department	No response from this Department.	No date has been set for review .and need

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
								relevant departments consultation
INFRASTRUCTURE SERVICES **HoD: Mr. L Mbula**								
	Roads	Provision of Roads in Informal Settlements Policy	2006/06/01	Council Minute Number Outstanding		Policy replaced with a by -law in 2023	Policy replaced with a by -law in 2023	Policy replaced with a by -law in 2023
	Fleet Management	Fleet Management Policy	22 February 2005	MIN:ES&ID 7/05	Mr Zili Gijana	Draft policy was submitted to Top Management: 15 July 2019	Draft policy was submitted to Top Management: 15 July 2019.	Fleet policy given to Directorate for bench marking and cross referencing,
Health and Public Safety **HoD: ADV B Mzimba**								
	Public Safety	Carrying of Firearms Policy	1991/01/28	CL 27610	Dr N. Stemele	The policy needs to be reviewed and be aligned with the Firearm Control Act [Act no 60 of 2000]	The policy needs to be reviewed and be aligned with the Firearm Control Act [Act no 60 of 2000]	Reviewed on the 5 September 2023 , Councillors workshop to follow

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
	Environmental Health	Pauper Burial	26/06/2002	BCC 119/02	MR A. FALATI	Still busy with the Policy	Still busy with the Policy	Tabled in Council on the 7 December 2023 awaiting Council resolution
		Cultural Slaughtering by persons who belong to indigenous religions and the Muslim faith Policy	2003/04/29	BCC 63/03	MR A. FALATI	Still busy with the Policy	Still busy with the Policy	Consultation with other stakeholders .
		Disaster Relief Policy			Mr. O. Bekker		Policy is now called DISASTER RISK MANAGEMENT POLICY FRAMEWORK The draft policy framework revision has been discussed at workshops with Councillors and other stakeholders, however the following aspects need to be included in the document to make it relevant to the current status of disasters and disaster management in Buffalo City: • The Sendai Framework 2015 – 2030. • The District Development Model in relation to disaster management.	March 2022

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
							• The location of the disaster management center. • The role of organs of state in terms of the Disaster Management Amendment Act. • The impact of the fourth industrial revolution on disasters and disaster management. • Increased focus on resilience and sustainable development. • The integration of the Expanded Public Works Program, Ward Based Rapid Response Task Teams, Community Development Workers, Ward War Rooms, Ward Committees and Trained Community Disaster Risk Management Assessors, into a unit to support Community	

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
							Based Risk Reduction and to act as first responders. • The role out of Impact-Based Forecasting and Early Warning Systems. • Disaster management capacity issues. • The lessons learned from COVID-19 include: ○ The Buffalo City Metropolitan Municipality Command Council. ○ The Buffalo City Metropolitan Municipality Multi Stakeholder Command Center. ○ Technical Workstreams. ○ Disaster specific risk	

Directorate and Policy owner	Name of Dept	Policy name	Council Approval	Council Minute No	Responsible Person	Policy Progress Comments by 25 June 2023	Policy Progress Comments Quarter 3 of 2023/2024	Review Date and Status Quo
							assessment and planning. ○ Multisectoral response. Further engagement will be required with all stakeholders regarding the reworking these concepts into the document. This has not been possible during the COVID-19 restrictions. Amend *Buffalo City Disaster Risk Management Policy Framework as outlined in finding 6 by 31 October 2021.* *Conduct stakeholder workshops (virtual platforms if necessary) by 30 November 2021.* *Submit revised Buffalo City Disaster Risk Management Policy Framework with workshop input to March 2022 Health, Public safety and Emergency Services Portfolio*	

Table 66: Municipal policies

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 Councillors	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
FINANCE DIRECTORATE	Budget Policy	2019/05/29Effective date 2019/07/01	BCMC 256/19	GM: Budget & Treasury Management

Directorate	Policy Name	Council Approval	Council Minute No.	Responsible Person
	Capital Infrastructure Investment Policy	2019/05/29Effective date 2019/07/01	BCMC 256/19	CFO
	Funding and Reserves Policy	2019/05/29Effective date 2019/07/01	BCMC 256/19	CFO
	Long Term Financial Planning Policy	2019/05/29Effective 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	2019/05/29Effective date 2019/07/01	BCMC 256/19	GM: Budget & Treasury Management
	Virement Policy	2019/05/29Effective 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	2019/05/29Effective 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	2019/05/29Effective date 2019/07/01	BCMC 256/19	CFO / GM: Budget & Treasury Management
HUMAN SETTLE MENTS	Housing Allocation Policy	2014/12/11 Effective date 2014/11/19	BCMC 551/14	HOD: Human Settlements

Directorate	Policy Name	Council Approval	Council Minute No.	Responsible Person
	Housing Relocation Policy	2014/12/11 Effective date 2014/11/19	BCMC 551/14	HOD: Human Settlements
CORPORATE SERVICES	**Organizational Support**			
	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 Councillors 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

Directorate	Policy Name	Council Approval	Council Minute No.	Responsible Person
	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
	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

Directorate	Policy Name	Council Approval	Council Minute No.	Responsible Person
	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			
	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

Table 67: Municipal 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: ▪ SANS 332 Fire Detection & Alarm Systems for Hospitals ▪ 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

No.	Title of By-law
	▪ 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 at specific human needs (such as food, housing, water, health, education, transport, and recreation), or as specific ways of satisfying human needs (such as agriculture, trade, mining, and 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.
- Some sectors that fall outside 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, it is important to pay attention to the planning process, from analysis to integration, in order to facilitate alignment and coordination with other spheres of government and institutions during 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 established 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 these 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	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	Review adopted by Council in 2013 in terms of Minute BCMC 500/13 dated 22 November 2013 Review adopted by Council on 11 December 2020 in terms of Minute VBCMC 496/20	The SDF will be reviewed every 5 years and will therefore be reviewed in 2026 again	The BCMM SDF Review has been adopted and approved by Council on the 11 December 2020.

SECTOR PLAN / STRATEGIES	PURPOSE OF THE SECTOR PLAN / STRATEGY	LEGAL REQUIREMENT	DATE ADOPTED (Council Resolution Ref.)	DATE/S REVIEWED/AMENDED (Council Resolution Ref.)	DUE DATE FOR NEXT REVIEW / AMENDMENT	CURRENT STATUS COMMENTS/DISCUSSION
	agricultural land and natural resources.					
Disaster Risk Management Policy Framework	To promote an integrated and coordinated approach with special emphasis on risk reduction and mitigation in Buffalo City Metropolitan Municipality	Section 42 of Disaster Management Act 57 of 2002	An amount of R1 million was made available by the municipality for the reviewal of the Disaster Risk Management Policy Framework	The expected completion date is the last quarter of 2023/2024	At the BSC meeting held on 25 October 2023 the policy was approved for advertisement by SCM.	SCM have advised the department that the tender will be advertised in January 2024.
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 Integrated Development Plan (IDP) must reflect a financial plan, which must include a budget projection for at least the next three years.	N/A	N/A	N/A	National Treasury appointed a service provider to support BCMM with the implementation of the Long-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.

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
						However, the ISHSP is now due for review as it is as five year plan. By June 2024 ISHSP will be completing 5 years. The National Department of Human Settlements has pledged to appoint a service provider to assist the BCMM in reviewing the ISHSP.
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 2006 was approved as part of 2008 CITP which was approved by Council in 2008 as per	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.

SECTOR PLAN / STRATEGIES	PURPOSE OF THE SECTOR PLAN / STRATEGY	LEGAL REQUIREMENT	DATE ADOPTED (Council Resolution Ref.)	DATE/S REVIEWED/AMENDED (Council Resolution Ref.)	DUE DATE FOR NEXT REVIEW / AMENDMENT	CURRENT STATUS COMMENTS/DISCUSSION
			Council Minute BCC 90/08			
Comprehensive Integrated Transport Plan	Deals with an overall perspective of the BCMM transport planning documents.	The National Land Transport Act (NLTA) (Act 5 of 2009) as required in terms of Section 36 which is the primary governing legislation of this CITP	Approved by Council in 2008 as per Council Minute BCC 90/08	2013 Review (2014 to 2017) Adopted by Council in 2013 in terms of Minute BCMC 370/13 K dated 28 August 2013.	The latest review was completed in June 2022	BCMM CITP for the period 2022 - 2027 was updated but has not been adopted as yet as funding for the Integrated Public Transport Network Grant programme was withdrawn by National Treasury and National department of Transport in 2019 and has yet to be finalised.
Non-Motorised Transport Plan	Deals with plan on the implementation of priority projects in terms of non-motorised transport (sidewalks, bicycle lanes, traffic safety plans).	The Non-Motorised Transport Plan is a strategy plan of the CITP which is 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 CITP which is a requirement of the National Land Transport Act (NLTA) (Act 5 of 2009) as well as being governed by the National Road Traffic Act 93 of 1996	2005 Traffic Safety Plan was approved as part of 2008 CITP which was approved by Council in 2008 as per Council Minute BCC 90/08	• Was updated in March 2013 Traffic Department • Was update 25 June 2020 Traffic Engineering	2025/2026 financial year	Document still relevant, this is Opex funded project through Traffic Engineers

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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 (NLTA) (Act 5 of 2009)	25 June 2014 / BCMC 214/14 H	None	TBC	TBC
Arterial Road Network Development Plan	Transport Planning is a dynamic process, as forecasting future needs is dependent upon current priorities, planning and development. This plan is used to assist in the formulation of an implementation programme for the next five years, and as	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	Was updated in 2015 for the period 2015 to 2035 and a report to Top Management was dated 16 January 2018	2020	TBC

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	a guide for planning in years beyond.		2008 as per Council Minute BCC 90/08			
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.
State of the Environment Report	• 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	2021	The State of the Environment Report is incorporated into the Integrated Environmental Management Plan (IEMP) which is due for its review. The review of the IEMP is currently underway and it is anticipated to be finalised by 30 June 2024

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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 coordination role for the multi-stakeholder response to HIV, TB and STIs	SA Constitution 1996 National HIV/Aids / TB Strategic Plan & Provincial HIV/Aids / TB and STI's Strategic Plan Eastern Cape AIDS Council Implementation Plan 2017-2022,	2017	Last reviewed 2017	Document is reviewed as needed in line with the National and Provincial HIV/Aids/TB and STI's Strategic Plans	Document still relevant
BCMM Public Participation Strategy	The Strategy provides mechanisms by which the public may participate in the affairs of the municipality and to clarify roles and responsibilities of all the role players and interested parties.	The South African Constitution of 1996 states Municipal Structures Act 117 of 1998 (as amended in 2000 and 2003) Municipal Systems Act 32 of 2000 National draft policy guideline on public participation	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 Structures Act 117 of 1998 Traditional Leadership and Governance Framework Act 41 of 2003 Municipal Finance Management Act 56 of 2003 Municipal Property Rates Act 6 of 2004				
Integrated Coastal Zone Management Plan (ICZMP)	• 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	National Environmental Management: Integrated Coastal Management Act (Act 24 of 2008)	2004	2015	2021	The review process for Coastal Management Programme is currently underway and will be finalised by 30 June 2024 however, the projects and programmes outlined in the plan are currently implemented

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	needed for effective implementation.					
Climate Change Strategy	• 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 endeavours towards the implementation of Climate Change mitigation and adaptation measures.	National Environmental Management Act,107 of 1998	2014	2015	2021	The review process for the Climate Change Strategy will be initiated in 2024/2025 financial year due to funding limitations. The projects and programmes outlined in the strategy are currently implemented.
Environmental Education and Awareness Strategy	• 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	2021	2026	The strategy was tabled to council and approved in 2021. Programmes outlined in the strategy are currently implemented.
Buffalo River Estuarine Management Plan	• To ensure that the management of the Buffalo estuarine habitat is executed in a coordinated manner in compliance with	National Environmental Management Act,107 of 1998	Gazetted in 2018			The Buffalo River Estuarine Management Plan was developed by DEDEAT on behalf of the Municipality. The Municipality is currently implementing the projects

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	necessary legislation is achieved. • To address the ecological functioning, habitat loss and threats to the estuary					within the plan. A Committee to ensure that such actions are implemented was established and sits annually, the next sitting will be in March 2024. The committee consists of both internal and external stakeholders.
Nahoon Estuarine Management Plan	• 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			The Nahoon Estuarine Management Plan was developed by DEDEAT on behalf of the Municipality. The DEDEAT together with the municipality and other relent external stakeholders established Buffalo City Estuary Advisory Forum in June 2023 to deal with the implementation of all EMP's including the Nahoon Estuarine Management Plan. In addition to this, The Municipal Coastal Committee which sits on a quarterly basis seeks to implement Integrated Coastal Management and amongst those is the

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						Nahoon Estuarine Management Plan.
Integrated Environmental Management Plan	• 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 review of the IEMP is currently in progress and will be finalised by 30 June 2024 however the projects outlined in the existing plan are currently being implemented.
Reviewed Communication strategy	▪ 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.

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Integrated Waste Management Plan	To address the challenge of Waste Management by improving waste service provision through developing suitable waste management models for various settlements of Buffalo City which are formal, informal as well un-serviced areas in line with the National Waste Management Strategy.	Section 11(4)(a)(ii) NEMA: Waste Act 2008	2014	2021	2027 (Review is also informed by any change of plans that the Metro might have within the five (5) year period)	The IWMP for 2021- 2026 has been successfully reviewed, consulted and awaiting proof reading and editing before submission to Council for adoption.
Air Quality Management Plan	The Air Quality Management Plan (AQMP) is a legislative requirement and forms an input to the Environmental Management Plan (EMP) and other plans, policies and developments. It also protects the integrity and sustainability of the Municipality and the environment. 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 •	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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	Infrastructure Refurbishment Plan • Network Integrity, Strengthening and Development Plan • Electrification Plan • Servitude Plan • Spatial Development Framework Plan • BCM Sector Plans Impact • BCM Local Integrated Resource Plan • Risk Management Plan • Capital Investment Programme • Operational Expenditure Programme • List of Projects The master plan is to be presented over the 3, 5 and 20 year planning windows.					
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	EC Agricultural and Rural Development Plan		2006	Due for review	

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	development. It seeks to promote coordination among various role players to avoid duplication.					
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 SDF, it further provides forecasts for growth and development of the city with clear projections in terms of development upgrades and extension to the network.	Section 12 of Water Services Act, 30 of 2004	2017	2019 not been to Council yet	2021	WSDP is the primary instrument of planning of water services. A new plan must be developed every five years and should be reviewed/updated as necessary and appropriate in the interim. 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	The strategy has formed the basis for the development of an implementation plan	• To enforce Municipal By-Laws and to assist in	August 2012	N/A	30 June 2024	Currently at BSC 1 - SCM

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	towards crime prevention, which is underpinned by a set of measurable objectives, indicators, out puts and activities. The implementation plan, in its format, can be used as a monitoring and evaluation tool. Institutionally, Law Enforcement Services Unit as directly accountable to the Public Health & Safety Portfolio Head must be the single point of responsibility for the implementation of the activities. The strategy must first be communicated with all the departments earmarked to execute the activities and a Memorandum of Understanding (MOU) must be entered into with such departments. The Law Enforcement Services Unit must, as a way of monitoring and evaluating the strategy, have monthly meetings with the responsible departments	combating and prevention of crime. • To Protect and secure the inhabitants of the metro and their property. • To uphold the Constitution and the Law. To consider the needs of the Community.				

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	to record the progress made in the execution of the activities. Such monthly meetings can also be used as vehicles for contingency planning and adjustment of the implementation plan.					
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	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.

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
	up containing scheduled interventions.					
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 reviewal has been requested on the 2022/23 financial year.	Awaiting funding allocation and approval for the project.
Water and Sewerage Master Plans	The water & sewerage water master plans identify and prioritise required bulk water services infrastructure upgrading and extensions. Provides current and future needs regarding required	National Water Act, 36 of 1998				

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
	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

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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:***	
	▪ Spatial ▪ Social ▪ Economic ▪ Environmental ▪ Physical ▪ Sector and Community needs and issues	▪ Sector plans analysis and reviews ▪ Spatial Development Framework ▪ Stakeholder discussions ▪ IGR work sessions
	Compilation of area plans:	
	▪ Ward profiles ▪ Services backlogs ▪ Priority issues per ward	▪ Ward committee/ ward meetings and workshops ▪ Inputs by departments
	Internal analysis:	
	▪ Governance and Financial Management Critical issues / challenges ▪ Minimum service levels	▪ In-house exercise by departments and IDP/Budget/PMS Workstreams ▪ Performance assessment
	Inter-governmental alignment:	

Phase	Tasks	Mechanisms
	Align with National and Provincial Policies	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.
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.	▪ 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 speres of government, state entities as well as key sector players, on what the development programmes, projects or intentions are, within the city.	▪ 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.	▪ Refinement of budget in line with Cabinet approved division of revenue, MTEF ▪ Budget Assessment by National Treasury.
Phase 5: Approval, Adoption and Publication	**Approval of draft IDP and draft annual budget:** Finalise and approve draft IDP and draft annual budget, SDF amendments	▪ In house preparation of the relevant documentation and submission to Council ▪ Council Workshop
	Consultation and refinement ▪ 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	▪ In-house exercise by Chief Financial Officer and Manager: IDP/BI ▪ Public meetings & workshops ▪ IDP Representative Forum meeting
	Final adoption ▪ Council approves the final IDP and final annual budget	▪ In-house preparation of the relevant documentation and submission to Council
	Publication ▪ Publication and submission of adopted IDP to legislative authority	▪ Statutory publication and submission as per prescripts

Table 68: 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.

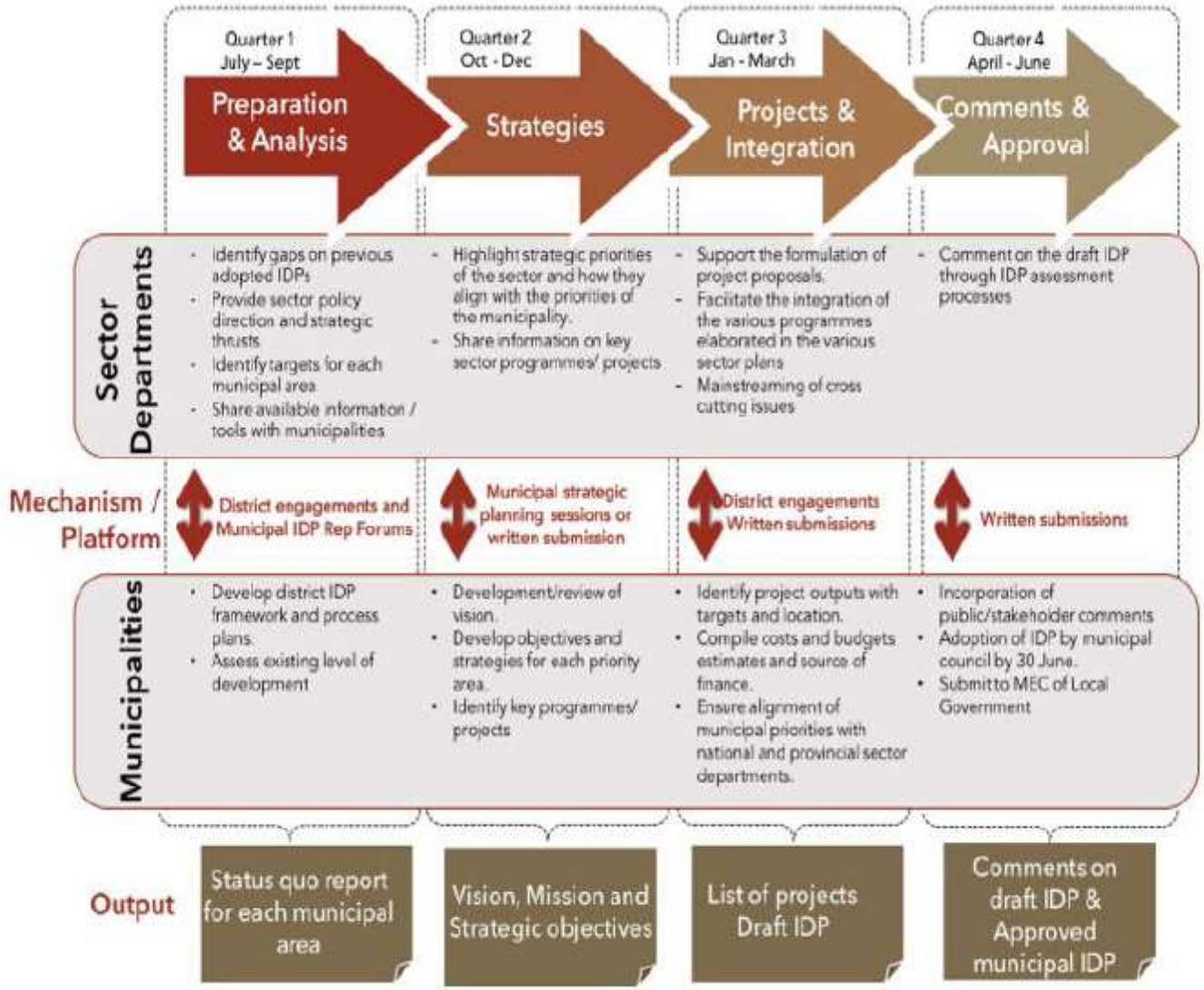


Table 69: Roles and Responsibilities of sector departments by IDP Phase

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.

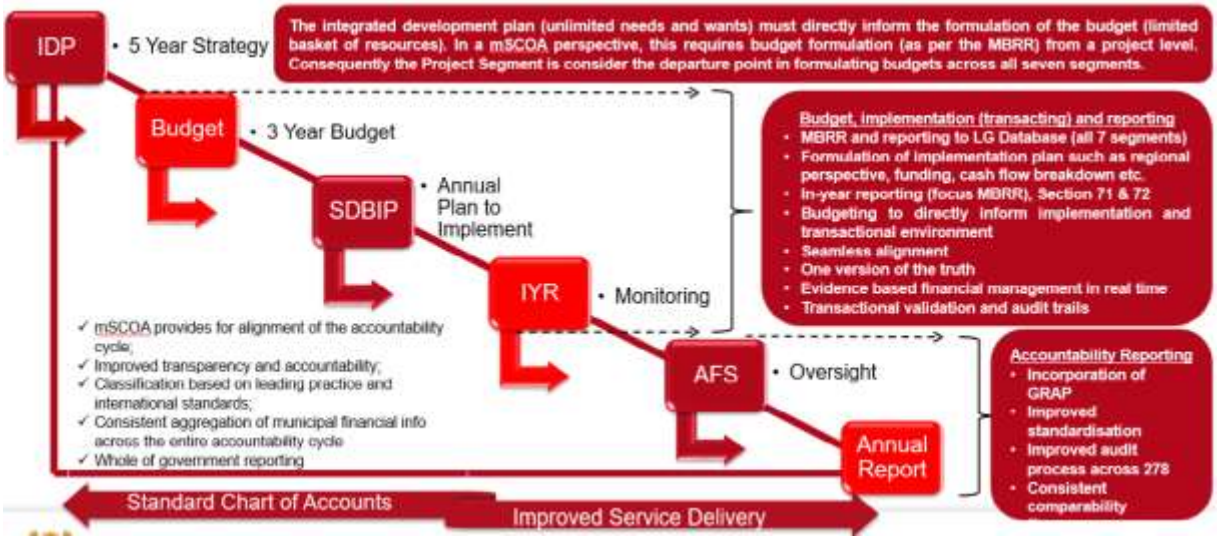


Figure 89: Local Government Financial Management Accountability Cycle and linkage with mSCOA

4 Annual Revision of the IDP

Legislative prescripts for annual review of the IDP

MSA Section 34, Annual review and amendment of integrated development plan determines that-

A municipal council-

(a) must review its integrated development plan-

(i) annually in accordance with an assessment of its performance measurements in terms of section 41; and

(ii) to the extent that changing circumstances so demand; and

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

Purpose of a review

The IDP must be reviewed annually in order to:

- Ensure its relevance as the municipality's strategic plan;
- inform other components of the municipal business process including institutional and financial planning and budgeting; and
- inform the cyclical inter-governmental planning and budgeting cycle.

For the IDP to remain relevant the municipality must assess implementation performance and the achievement of its targets and strategic objectives. In the light of this assessment the IDP is reviewed to reflect the impact of successes as well as corrective measures to address problems. The IDP is also reviewed in the light of changing internal and external circumstances that impact on the priority issues, outcomes and outputs of the IDP.

> *If these are minor adjustments, 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: ▪ 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 70: 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:

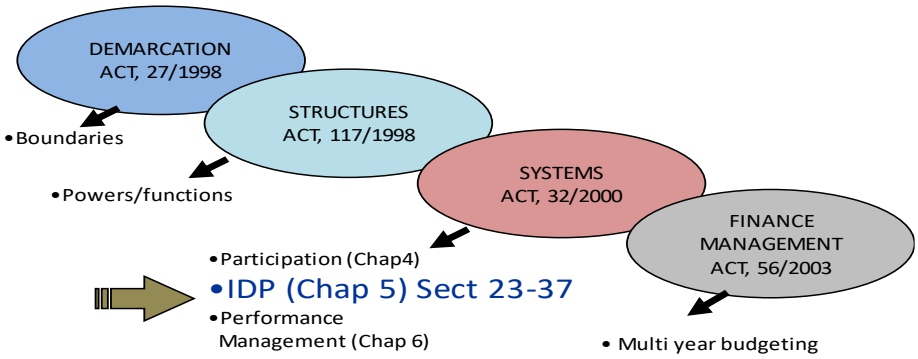


Figure 90: Municipal Legislative Background

▪ 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	▪ 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: - 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. ▪ Ensure that the annual business plans, budget and performance management system are linked to and based on the IDP.
Provincial Government	▪ 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 - - 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	▪ NT assessment of IDP, Budget, SDBIP and BEPP

Table 71: Roles and Responsibilities within Government

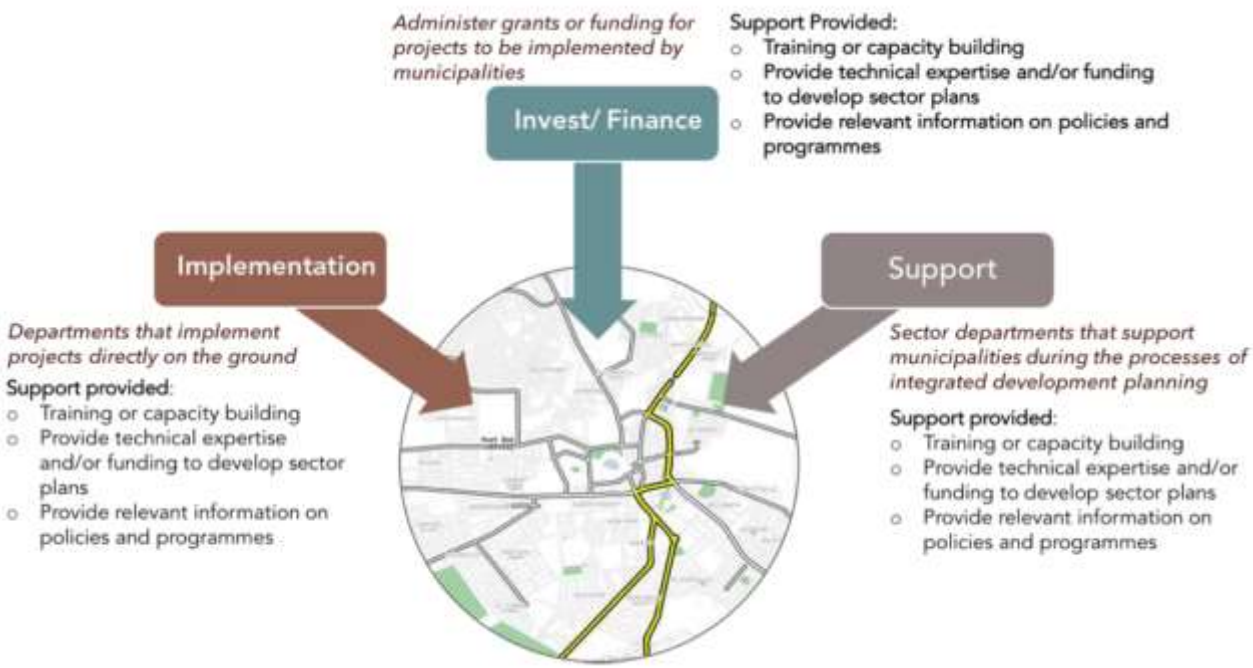


Figure 91: Roles and Responsibilities within Government

6.1.2 Roles and responsibilities – Municipality and Stakeholders

F 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.
ADMINISTRATION	**Systems Act Section 55(1)** - Municipal managers As head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for-

ROLE PLAYERS	LEGISLATED FUNCTIONS
	(a) the formation and development of an economical, effective, efficient and accountable administration- (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	**Systems Act Section 29(1)** - Process to be followed The process followed by a municipality to draft its integrated development plan, including its consideration and adoption of the draft plan, must - (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.

Figure 92: 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	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: • 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	The Buffalo City Municipal Council is the ultimate political decision-making body of the municipality and the Council has the responsibility to: • 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	Ward Councillors/ CDW's & Traditional Leaders are the major link between the municipal government and the residents. Their role and responsibilities are to: • 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	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: • HOD: Executive Support Services • GM: IDP/Budget Integration/PMS & GIS; • Senior Manager IDP/Budget Integration • Other relevant officials.
Budget Steering Committee	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.
City Manager and HODs	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. HODs are responsible for championing IDP/Budget processes with their directorates. This is done though: • 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	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: • 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	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: • 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.

STRUCTURE	COMPOSITION AND RESPONSIBILITY
IDP/Budget/PMS Work Streams	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: • 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
IDP/Budget/PMS Representative Forum and Community Stakeholders	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: • 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	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: • 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 The purpose of the Committee is to provide technical guidance and ensure the administrative co-ordination of key public consultations and imbizos.
IDP/PMS/GIS Department	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: • 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 72: 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:

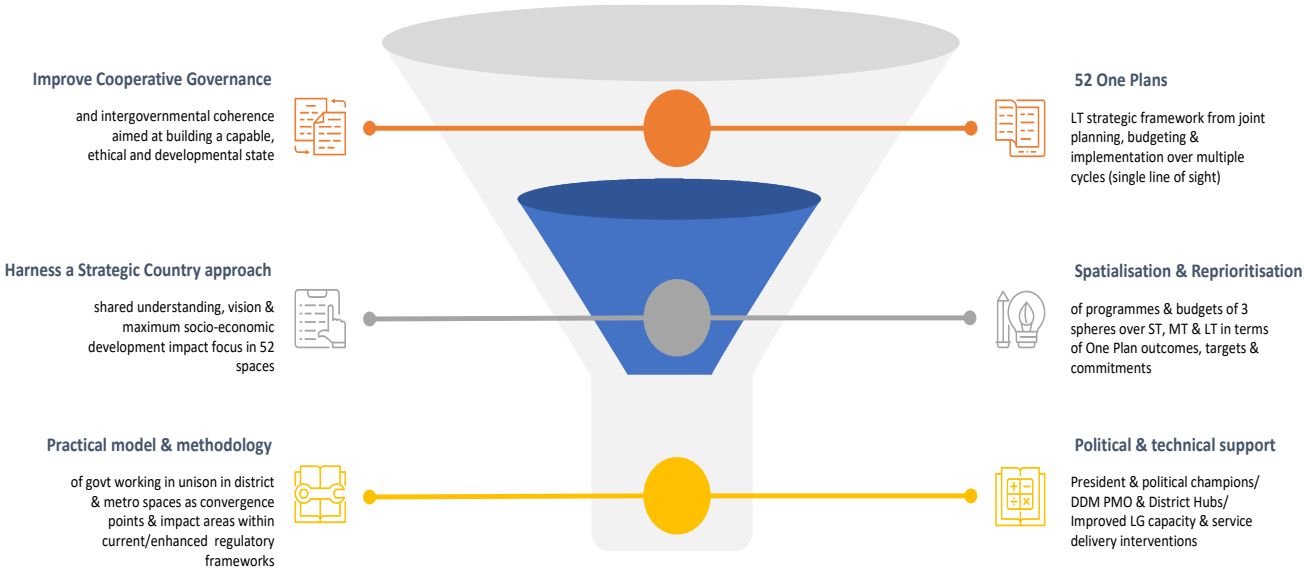


Figure 93: Logic of the DDM

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 73: 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 strategy[2].

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.

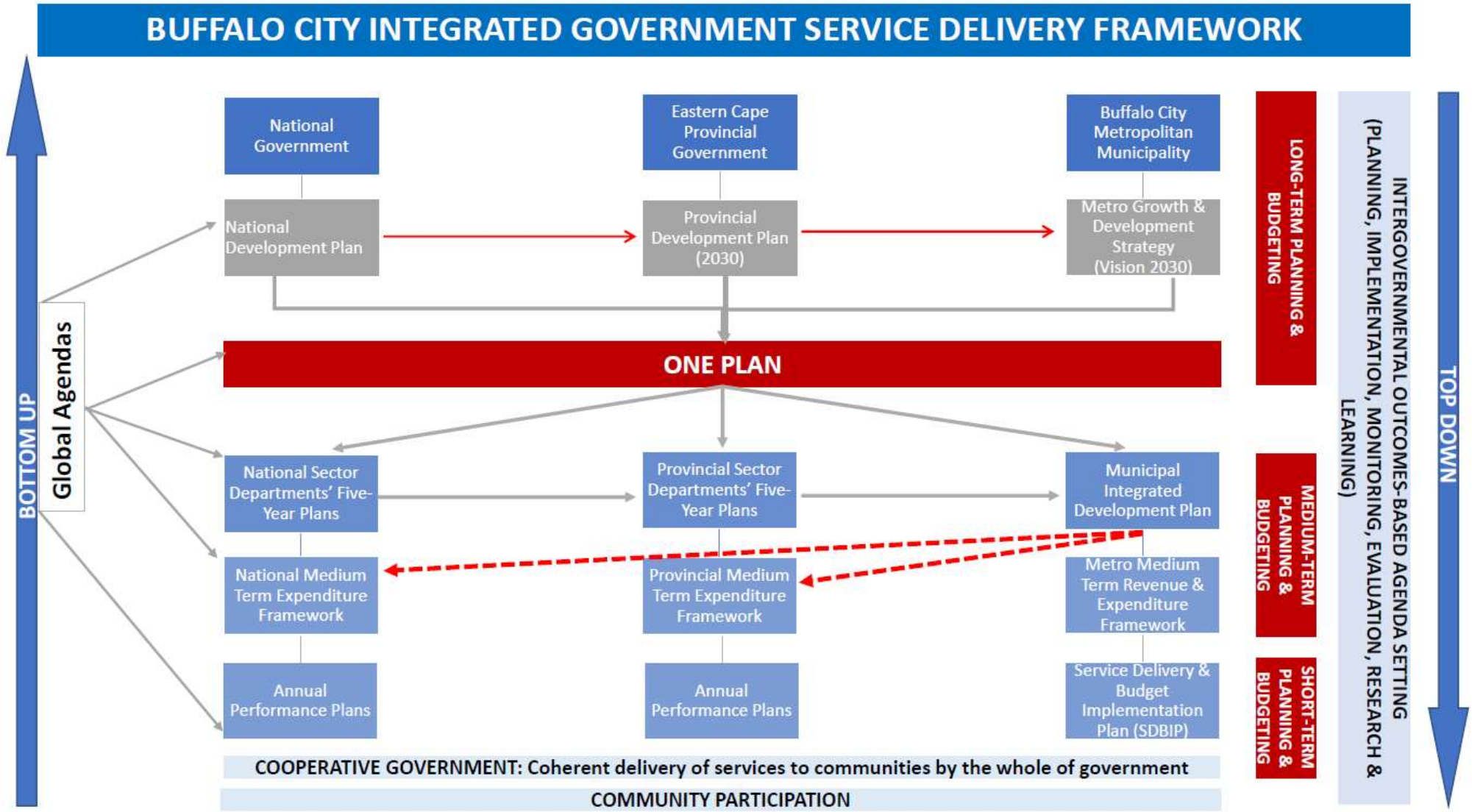


Figure 94: Buffalo City Integrated Government Service Delivery Framework *(draft BCMM IGR Framework Review, 2022)*

- 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.

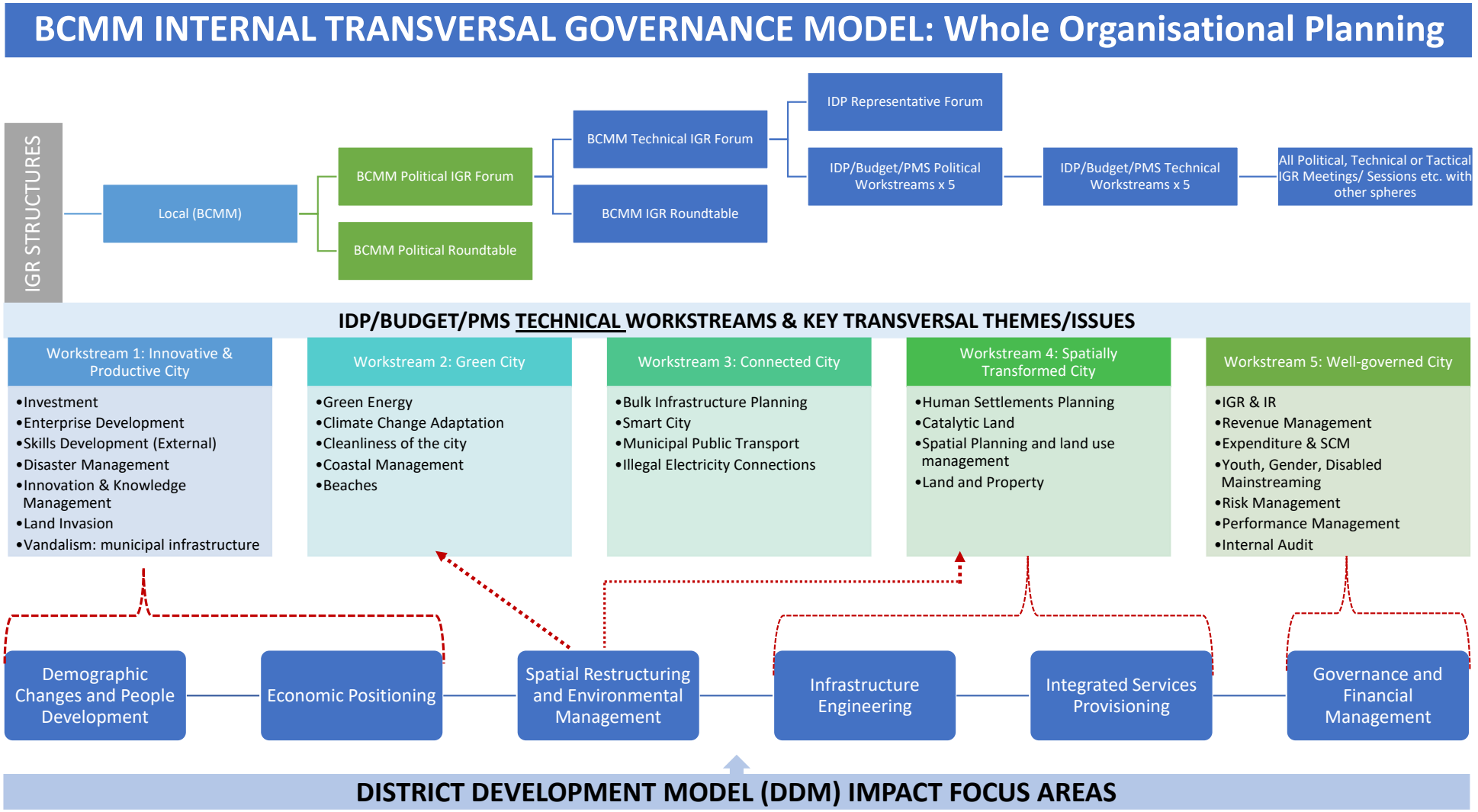


Figure 95: BCMM Internal Transversal Governance Model

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
	Spatial planning requirements	Department of Rural Development and Land Reform	Development Facilitation Act, No 67 of 1995
Requirement for sector planning to be incorporated into IDP	Housing strategy and targets	Department of Human Settlements	Housing Act, No 107 of 1997
	Coastal management issues	Department of Environmental Affairs	National Environmental Laws Amendment Act, No 14 of 2009
	LED	Department of Cooperative Governance and Traditional Affairs	Municipal Systems Act, No 32 of 2000
	Spatial framework	Department of Cooperative Governance and Traditional Affairs	Municipal Systems Act, No 32 of 2000
	Integrated Energy Plan	Department of Energy	White Paper on Energy Policy, December 1998

CATEGORY OF REQUIREMENT	SECTOR REQUIREMENT	NATIONAL DEPARTMENT	LEGISLATION/POLICY
Requirement that IDP complies with	National Environmental Management Act (NEMA) Principles	Department of Environmental Affairs	National Environment Management Act, No 107 of 1998
	Development Facilitation Act (DFA) Principles	Department of Rural Development and Land Reform	Development Facilitation Act, No 67 of 1995
	Environmental Implementation Plans (EIPs)	Department of Environmental Affairs	National Environment Management Act, No 107 of 1998
	Environmental Management Plans (EMPs)	Department of Environmental Affairs	National Environment Management Act, No 107 of 1998
	IDB/Budget link	Department of Finance	Municipal Finance Management Act, No 56 of 2003
	Developmental local government	Department of Provincial and Local Government	White Paper on Local Government, 1998
Value adding contribution	Sustainable Development and Environmental Awareness	Department of Environmental Affairs	Local Agenda 21
	Global Partnership responding to world's main development challenges	Department of Social Development	Sustainable Development Goals
	The continent's strategic framework that aims to deliver on its goal for inclusive and sustainable development	Office of the Presidency	Agenda 2063: The Africa we want
Performance Management	Regulations in terms of the Spatial Planning and Land Use Management Act (March 2015)	Department of Planning, Monitoring and Evaluation (DPME)	Municipal Planning and Performance Management Regulations (Aug 2001) Municipal Budget and Reporting Regulations (April 2009)
National policy	National Development Planning Imperatives	Office of the Presidency	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 74: 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

ABBREVIATONS

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 2023/2024 First Adjustment Budget & the 2022/2023 Fourth Adjustment budget and recommend these being approved by Council**	**MBRR - Reg 23(5)**	**BTO**
5.	**Budget Steering Committee:** • **Consider 2023/2024 First adjustment Budget & the 2022/2023 Fourth Adjustment budget and recommend these being approved by Council**	**MBRR - Reg 23(5)**	**BTO**
6.	**Council:** • **<u>Approve</u> IDP/Budget/PMS Process Plan and Time Schedule (at least 10 months before the start of the budget year), the 2023/2024 First adjustment budget (to be tabled before 25 August 2023) and the 2022/2023 Fourth Adjustment budget.** **AND** • **<u>Note</u> 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 2023/2024 First Adjustment Budget & the 2022/2023 Fourth Adjustment budget within ten working days	MBRR - Reg 24	BTO
9.	Publicise the 2023/2024 First Adjustment Budget & the 2022/2023 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	BTO, IPMS

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
		MFMA - Sec 126	
11.	Submit 4th 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.			
16.	**Conduct IDP/Budget/PMS Workstreams to:** • **Prepare a draft Situational Analysis Report for the Mayoral and Council Lekgotlas; 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**	**MSA - Sec 21, 21A, 28(3) MSA – Sec 26(b)**	**IDP/BI, Office of City Manager**

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
17.	**Conduct Top Management meeting to consider Ward Priorities and Mayoral Imbizo Progress Report as updated by Senior Management**	**Chapter 4 MSA**	**IDP/BI, Office of the City Manager**
18.	**Conduct Pre-Mayoral Imbizo Sessions to consult Councillors to verify content for the Ward Priorities and Mayoral Imbizo Progress Report as reviewed by Top Management**	**N/A**	**IDP/BI, Office of Executive Mayor**
19.	**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**
20.	Submit 1st Quarter Performance Report to **D**	MFMA - Sec 52(d)	BTO, IPMS
21.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to **D**	MFMA - Sec 52(d)	BTO, IPMS
22.	Submit draft Annual Report to **A**	MBRR - Reg 31(c)	IPMS
OCT – DEC: PHASE 2: Vision, Objectives and Strategies			
▪ 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. **During Phase 3, Sector Departments must:** ▪ Support the formulation of project proposals ▪ Facilitate the integration of the various programmes elaborated in the various sector plans ▪ Mainstreaming of cross cutting issues			
23.	**<u>Political</u> IDP/Budget/PMS Workstreams:** • **Deliberate on Political, Economic, Environmental, Physical, Governance and other considerations influencing Council's strategic direction, including community needs expressed**	**N/A**	**IDP/BI**

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
	• **Provide political perspective to Technical IDP/Budget/PMS Workstreams to aid them in preparing for Mayoral and Council Lekgotlas**		
24.	**<u>Technical</u> IDP/Budget/PMS Workstreams:** • **Prepare for Mayoral and Council Lekgotla**	**N/A**	**IDP/BI**
25.	**Three Spheres Joint Planning Session:** • **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 Provincial Growth and Development Strategy and National Spatial Development Plan** **REF: DISTRICT DEVELOPMENT MODEL- (DDM) / ONE PLAN**	**MSA - Chapter 5** **IGR Framework Act, Sec 30**	**IDP/BI , IGR**
26.	Compile consolidated narrative and data on the planned catalytic investment footprint of other spheres in the metro space	N/A	IDP/BI
27.	**Mayoral Lekgotla Session:** • **Review strategic objectives for service delivery and development** • **Reflect on progress made with implementation of strategic priorities during preceding financial years** • **Review SITUATIONAL ANALYSIS of the metro that inform priority choices, including community needs expressed** • **Reflect on the diagnostic analysis emanating from the Three Spheres Joint Planning Session (REF: DISTRICT DEVELOPMENT MODEL/ONE PLAN)**	**MSA – Sec 26**	**IDP/BI, Office of Executive Mayor**
28.	**Council Lekgotla** • **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** • **Deliberate and confirm strategic imperatives that should inform the Budget Process based on the shared understanding of the metro's profile and diagnostic analysis**	**MSA – Sec 26**	**IDP/BI, Office of Speaker**
29.	**Budget Preparation sessions with all directorates**	**N/A**	**BTO**
JAN – FEB: **PHASE 3: Development of Programmes and Projects**			
▪ 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.			

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
	▪ 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. **During Phase 3, Sector Departments must:** ▪ Support the formulation of project proposals ▪ Facilitate the integration of the various programmes elaborated in the various sector plans ▪ Mainstreaming of cross cutting issues		
30.	**B review and update the IDP Vision, Mission and Strategic Objectives for recommendation to D**	**N/A**	**IDP/BI**
31.	Submit 2nd Quarter Performance Report to **D** within 30 days of the end of the quarter	MSA Section 34 MFMA - Sec 52(d) MBRR - Reg 29	
32.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to **D**	MBRR - Reg 34	BTO, IPMS
33.	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
34.	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
35.	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
36.	Publicise the Mid-Year Budget and Performance Reports in the local newspaper	MSA - Sec 21, 21A, 28(3)	BTO, IPMS
37.	**Council:** • **To table and adopt the Statement of Financial Performance and the Implementation of the 2023/2024 budget for the second quarter & Mid-year budget and Performance assessment report ended 31 December 2023** • **To consider Municipal entity's proposed budget, priorities and objectives for 2024/2025 and proposed budget adjustments for 2023/2024** • **To table the Draft Annual Report within 7 months after the end of the financial year to which the report relates**	**MFMA - Section 72(1)(b), Section 52(d)** **MBRR - Reg 35** **MFMA - Sec 75 (2) MSA - Sec 21(b)** **MFMA - Sec 127**	**BTO, IPMS**

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
38.	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
39.	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
40.	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
41.	**Work sessions to do costing of prioritised projects and programmes for CAPEX and OPEX 2023/2026 MTREF Budget**	**N/A**	**BTO**
42.	**IDP Technical Work Sessions (per directorate):** • **Review 2023/2024 service delivery key performance indicators and targets after adjustments budget** • **Set Key Performance Indicators and Targets for the draft Revised 2024/2025 IDP and SDBIP** • **Align IDP, Budget, Risk and performance indicators**	**MSA - Sec 26, Ch 6** **MFMA – Sec 53(1)(c)(ii)** **MFMA - Sec 54**	**IDP, BTO, IPMS, Risk Management**
43.	**Three Spheres Joint Planning Session:** • **Align municipal priorities with the plans of national and provincial sector departments and state entities**	**MSA - Chapter 5**	**IDP/BI, IGR**
44.	**Top Management:** • **Consult on Draft Revised SDBIP for 2023/2024**	**MFMA - Sec 54**	**IPMS**
45.	**Council:** • **Submit Draft Revised SDBIP to D for noting**	**MFMA - Sec 54(1)(c)**	**IPMS**
46.	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
47.	Submit the revised SDBIP within 10 working days after the adoption by council to the National & Provincial Treasury as well as to the other transferring officers	N/A	IPMS
FEB: **PHASE 4: Integration and Consolidation**			
▪ 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.		

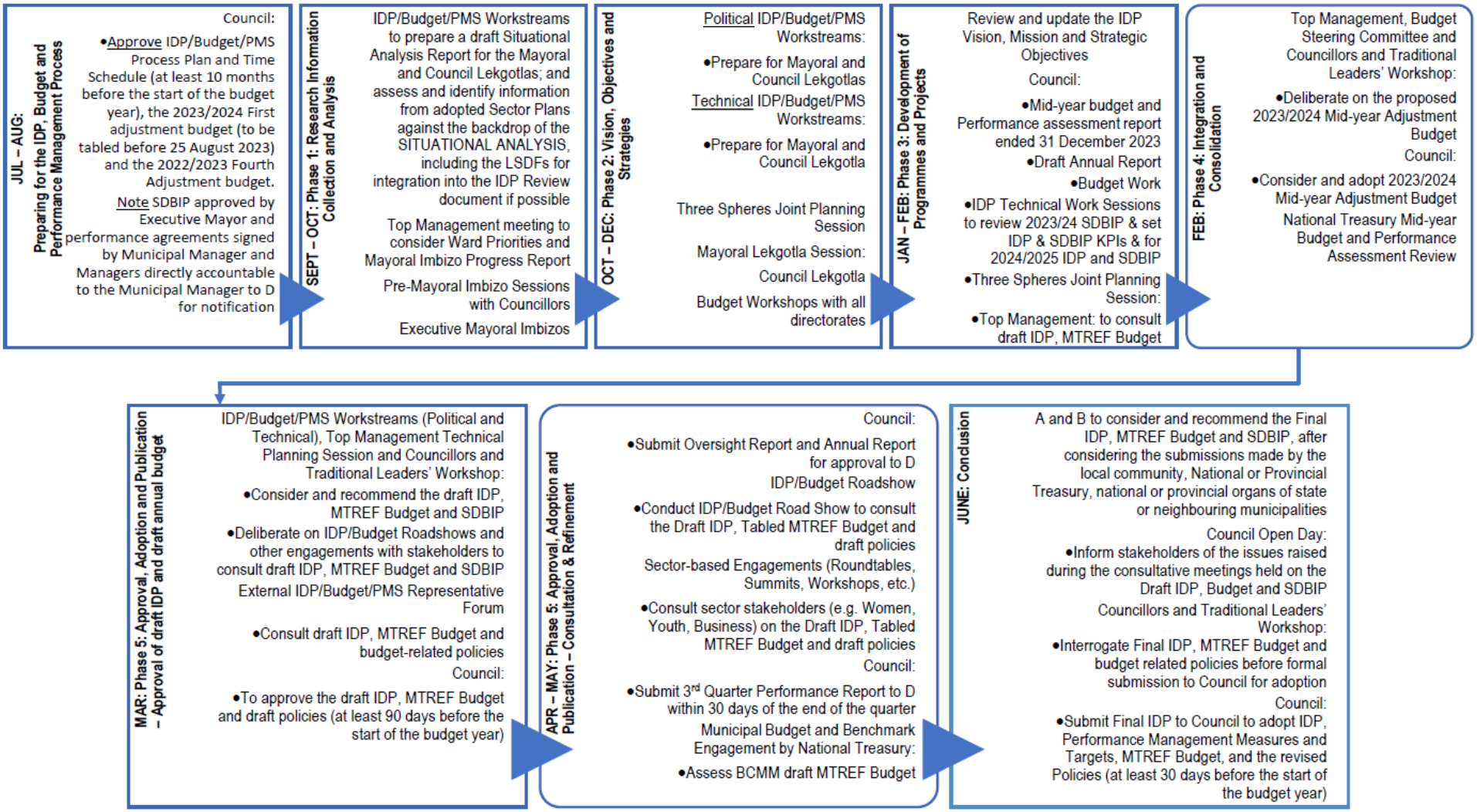
NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
During Phase 4, Sector Departments must: ▪ Support the formulation of project proposals ▪ Facilitate the integration of the various programmes elaborated in the various sector plans ▪ Mainstreaming of cross cutting issues ▪ Mechanism: Metro engagements or written submissions ▪ Output: List of Projects, Draft IDP			
48.	Incorporate improvements as recommended by the MEC for Local Government in the IDP document	MSA - Sec 31 and 32	IDP/BI
49.	Integrate and align sector plans with the IDP	N/A	IDP/BI
50.	Integrate and align operational strategies with the IDP	N/A	IDP/BI
51.	**Top Management:** • **Consider 2023/2024 Mid-year Adjustment Budget**	**MFMA - Sec 28** **MBRR - Part 4**	**BTO**
52.	**Budget Steering Committee:** • **Consider 2023/2024 Mid-year Adjustment Budget for recommendation to Council**	**MFMA - Sec 28** **MBRR - Part 4**	**BTO**
53.	**Councillors and Traditional Leaders' Workshop:** • **Deliberate on the proposed 2023/2024 Mid-year Adjustment Budget**	**MFMA - Sec 28** **MBRR - Part 4**	**BTO**
54.	**Council:** • **Consider and adopt 2023/2024 Mid-year Adjustment Budget**	**MFMA - Sec 28** **MBRR - Part 4**	**BTO**
55.	Submit the 2023/2024 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	
56.	National Treasury Mid-year Budget and Performance Assessment Review	MSA - Chapter 5	BTO, IDP/BI
57.	Integrate Ward Priorities with IDP, MTREF Budget and Performance Management System	N/A	EPMO, IDP/BI
MAR: **PHASE 5: Approval, Adoption and Publication**			
▪ 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. **During Phase 5 Sector Departments must:**		

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
▪ Comment on the draft IDP through IDP assessment processes			
Approval of draft IDP			
58.	**IDP/Budget/PMS Workstreams (Political and Technical):** • **Consider and recommend the draft IDP, MTREF Budget and SDBIP** • **Deliberate on IDP/Budget Roadshows and other engagements with stakeholders to consult draft IDP, MTREF Budget and SDBIP**	**MFMA - Sec 16(2)** **MSA - Sec 25** **MBRR - Part 3**	**IDP/BI, IPMS, BTO**
59.	**Top Management Technical Planning Session:** • **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**
60.	**Budget Steering Committee:** • **Consider and recommend the draft IDP, MTREF Budget and SDBIP**	**MFMA - Sec 16** **MBRR - Part 3**	**BTO**
61.	**Councillors and Traditional Leaders' Workshop:** • **Consult draft IDP, MTREF Budget and budget-related policies with leadership**	**MFMA - Sec 16(2)** **MFMA - Sec 21** **MSA - Sec 25** **MBRR - Part 3**	**IDP/BI, IPMS, BTO**
62.	**External IDP/Budget/PMS Representative Forum** • **Consult draft IDP, MTREF Budget and budget-related policies with external stakeholders and other spheres of government**	**MSA - Sec 29(1)(b)(i) & (ii)**	**IDP, IPMS, BTO**
63.	**Council:** • **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			
64.	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	IDP, BTO

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
		MFMA - Sec 22(a) MSA - Sec 21A MPPMR - Reg 15(3) MPRA – Sec 4(2) DORA Regulations	
65.	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
66.	**Council:** • **Submit Oversight Report and Annual Report for approval to D**	**MFMA - Sec 22(a) MSA - Sec 21A MPPMR - Reg 15(3) MPRA – Sec 4(2) DORA Regulations**	**MPAC, IPMS**
67.	Place OR and AR on the municipal website within five (5) days after approval by Council	MFMA - Sec 127 MFMA - Sec 129(3)	IPMS
68.	Make available OR and AR at all municipal offices and libraries for information	MFMA - Sec 127 MFMA - Sec 129(3)	IPMS
69.	Submit the Annual Report and Oversight Report to the provincial legislature as per circular	MFMA - Sec 129	IPMS
70.	**IDP/Budget Roadshow** • **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**
71.	**Sector-based Engagements (Roundtables, Summits, Workshops, etc.)** • **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**
72.	**Council:** • **Submit 3rd Quarter Performance Report to D within 30 days of the end of the quarter**	**MFMA - Sec 52(d)**	**IPMS**
73.	Submit to National, Provincial Treasury & transferring officers within 5 days of tabling the s52d report to **D**	MFMA - Sec 52(d)	IPMS
74.	**Municipal Budget and Benchmark Engagement by National Treasury:**	**MBRR - Reg 31(c)**	**BTO**

NO	ACTIVITY DESCRIPTION	LEGISLATION	RESPONSIBLE
	• **Assess BCMM draft MTREF Budget**		
	APR – MAY: **PHASE 5: Approval, Adoption and Publication**		
	Final Adoption		
75.	**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**
76.	**Budget Steering Committee** • **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 24** **MBRR - Part 3**	**BTO**
77.	**Council Open Day:** • **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**
78.	**Councillors and Traditional Leaders' Workshop:** • **Interrogate Final IDP, MTREF Budget and budget related policies before formal submission to Council for adoption**	**MFMA - Sec 16(2)** **MSA - Sec 25** **MBRR - Part 3**	**IDP/BI, BTO**
79.	**Council:** • **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		
80.	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
81.	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
82.	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
83.	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:



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 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 2023 as part of the IDP Review Process.

Ward Councillors were provided with an opportunity to review their Ward Priorities in consultation with the residents in the Ward and the elected Ward Committee. Three written submissions from Wards 18, 29 and 31 were received as required, whereafter Ward Priorities were accordingly adjusted.

Table 75: Ward Development Priorities

Ward	Community need/Issue	Location
1	Roads and Bridges	Brealyn and Duncan Village
1	Community Hall	Pefferville and Duncan Village
1	Recreational Park and Sports field	Braelyn, Stoney Drift, Pefferville and Duncan Village
1	Clinic	Braelyn
1	High mast light	Braelyn and Pefferville
2	Registration of Houses	Bebelele, Holomisa, Area 10, Dunga Street, Ndlovini, Squatter Camp, Area 7B
2	Changing of Old Infrastructure - Sewer system	Hostel, Dunga, Meki, C Section, Toilet City, Zakhele Squatter Camp, Holomisa Squatter Camp
2	Maintenance of Roads	C Section area 15, Mahlangeni, Mzonyana, Toilet City, Mbeki
2	Job creation and Skills Development Programmes	Duncan Village, Ward 2
2	Electrification of Informal Settlements	C Section, Bebelele, Back yard informal settlement, Zakhele Squatter Camp
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.
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, Bright Street, Halstead Rd, Haig, Clevedon Rd Lincoln, Beatty and Athlone

Ward	Community need/Issue	Location
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 **SOUTHERNWOOD:** Ndosi Site, Thorburn Terrace, Weaver Terrace, Valley Road
3	Recreational communal park for leisure	Renovations to St Georges Park, Southernwood. Gates to all entrances, Playground and outdoor gym, basketball and Netball court
3	High mast light	Communal park
3	Stormwater drains	St Georges, Nahoon view Road, Gladstone Road (Berea)
4	Houses	Cambridge Location
4	Cunningham Avenue, Cambridge	Setting aside of the budget for the rehabilitation of the Garcia Flats.
4	Roads/Speedhumps	All the roads in Cambridge, Cambridge West, Highgate, Chislehurst 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. Madolwana 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
4	Electrification /High mast lights	Cambridge Location
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 Road and Horseshoe valley road, Butler road, Chiselhurst location. Bush clearing/ Tree felling is needed at 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
5	Free quality houses	Manto Squatter camp, Joe Slovo, kwaNobhetele, Eskom
5	Temporary electrification provision	Manto, Airport, Joe Slovo, John Dube, Nobhetele, Eskom
5	Upgrade of sports field, grandstand, security	
6	Housing	There are many informal settlements in each voting district in ward 6 which seem to spring up and expand most frequently
6	Community Hall at Eluxolweni	Eluxolweni, CC Lloyd township, eDukashe
6	Sewerage/water leaks	All voting districts and specifically CC Lloyd township extensions (Eluxolweni) and Jamaica informal settlement
6	Electrification of informal settlements	All voting districts in the ward
7	Community Hall	Inyathi Public Primary School grounds, Griffith Mxenge Avenue, Gompo Town
7	Electrification of Bhelebhele	Bhebhelele Area

Ward	Community need/Issue	Location
7	Bush clearing	In the entire Ward 7
8	Community Hall	Siya Street
8	Electrification of Informal Settlement	All squatter camps (Moscow, Mzamo, Khayelitsha, Siya, Fynbos area B & A)
8	Community Swimming pool	Within Gompo stadium
8	Renovation of rundown Sports fields	
8	Renovation of rundown recreational parks	All existing recreational parks
9	Community Hall	Braelyn Ext 10 near ERF 45725
9	Eco Park	Braelyn Ext 10 near ERF 45725
9	Gymnasium and Eco Park	Braelyn Ext 10
9	Taxi Rank	The issue and the feasibility study for the Eco Park will also be carried out in 2023/24.
9	Road markings	All Roads in the ward
9	Housing	Braelyn EXT 10 RDP Houses
10	Bridge	Between East Bank and Muvhango informal settlements on Ziphunzana bypass
10	Community Hall	Old Farmhouse in Egoli
10	Library and Satellite Police station	Old Farmhouse in Egoli
10	High mast lights	Scenery Park just after the bridge
10	Housing for backyard dwellers, Informal Settlements and Shelters	Vergenoeg, Egoli, East Bank, 7 de Laan, Scenery Park, Muvhango, Inkandla, Amalinda
11	Multi-Purpose Centre/ Community Hall	N.U. 2 and NU 5 Rent Office
11	Skills Development	N.U. 2 and NU 5 Rent Office
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
11	Housing	Backyard Dwellers of ward 112
11	Sports Field	N.U.2 & N.U.5 Rent Office
12	(Rezoning & Sub-division) of ERF 356 (GP no. 10630) EXT of 19 776 m2	At Gqozo Village at N.U.1 (Emivundleni) (80 shacks)
12	(Rezoning & Sub-division) of 2019 (GP no. 6082/1998 with EXT of 32704 m2	Nkomponi N.U.1 Mdantsane (266 shacks to date)
12	(Rezoning & Sub-division) of ERF 404. GP no. 6082/1998	Mdantsane East Ext N.U. 1 (Grozo Village)
12	No. of serviced sites that have title deeds (133 sites) GP no. 10630c	N.U. 1 Mdantsane
12	Toilet pit; Small business centre; electrification	Smiling Valley, Ward 12
12	Grass cutting	Open spaces, high visibility areas, entrances and exits of the ward 1.
13	Tarred Roads and inner Streets	Khayelitsha, Thembalethu, Border, Reenas, Dice, Chicken Farm
13	Electrification of Informal settlements	All Reeston areas

Ward	Community need/Issue	Location
13	Rectification of houses with cracks	Reenas, Thembalethu, Khayelitsha, Border, Dice, Chicken Farm, Bhakana
13	Bush Clearing/ Cutting	All Reeston areas (Border, Khayelitsha, Thembalethu and others)
13	Sports fields and Parks	All Reeston areas
14	Roads	Around the ward
14	Pedestrian Bridge	Area 68 -72
14	Grass Cutting	Around the ward
14	Community Hall	Behind Rent Office
14	Housing delivery	Duma Nokwe, Potsdam, Unit P
14	Electrification of Informal settlements	Duma Nokwe informal settlements
15	Housing (Land, Destitute and Temporary shelters)	Quenera
15	High mast lights	Nompumelelo, Ducats
16	Electrification of Informal Settlement	Amalinda Forest
16	Roads maintenance	Pat Kamp area
16	High mast light	Highway Gardens, Babb Street open space
16	Taxi embayment	Robbie de Lange road entrance from the robots at the black road
16	Maintenance of Amalinda stadium	Amalinda
17	Roads Construction 4B Road Project	Eluxolweni and Cuba Locations, Isabunge in Linge Settlement in NU3
17	Toilets Project	One toilet must be built In Gwentsha informal settlement, also near Vukuhambe Informal Settlement in N.U.9. There should also be 50 toilets that should be built in Cuba Ntente
17	Installation of Electricity and Hygiene water systems	In Cuba and Eluxolweni Locations. This should be dealt with as a matter of urgency as these areas are without these resources.
17	Community Hall	Cuba Freeway
17	Housing	Cuba, Ramaphosa, Eluxolweni, Ekuphumleni Informal Settlements, Zola Par 1, 2 & 3
18	Sewerage spills into natural watercourses	Nahoon and Ihlanza River
18	Proclamation of Nahoon point nature reserve	Nahoon Point Nature Reserve
18	Firefighting water systems	Entire ward
18	Roads surfacing	Baaitjies 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, Belmont, R J Masters, Nightingale, Trent Ave, Thorncliff Ave, Infront of Westbank school, Hallett, Dale Street name signs: Entire ward Road Markings: Entire ward Speedhumps: Greenpoint Road, Devonshire Road, Abbey Street, Gatwick, Second Creek, West Bank School, Hallett Str, Dale
19	Road resurfacing, signs, markings Speed humps	Baaitjies 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, Belmont, R J Masters, Nightingale, Trent Ave, Thorncliff

Ward	Community need/Issue	Location
		Ave, Infront of Westbank school, Hallett, Dale **Street name signs:** Entire ward **Road Markings:** Entire ward **Speedhumps:** Greenpoint Road, Devonshire Road, Abbey street, Gatwick, Second Creek, West Bank School, Hallett Str, Dale, Aldred Str
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
19	Storm water upgrades	20 Charles Avenue Greenfields, Ghostown, whole Westbank Storm water system Corner observatory place
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, monument on Cnr banked and Hood Street
19	High mast lights in parks	erected in all playparks in the ward
20	Upgrading of N.U.8 Bridge	Mvalo Road N.U.8
20	Tar roads	N.U.6, N.U.7& N.U.8 gravel road
20	Housing and electrification of informal settlements	Endlovini Squatter, Ramaphosa squatter, Ngidi park and Vukani squatter
20	Community centre with library	N.U.7 Utilized site
20	Electrification of informal settlements	Endlovini Informal Settlement, Ramaphosa Informal Settlement, Ngidi Park and Vukani Informal Settlement
20	N.U.7 Sport Ground	N.U.7 next to Philani High School
21	Renovation of NU 15 Rent Office	Adjacent to NU 15 Caltex garage
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
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
21	Maintenance of the two existing stadiums at NU 15 and Winter Rose Stadium	Adjacent to Micano Market, NU 15 sportsground and NU 13 Winter Rose stadium
21	Installation of Speedhumps, sidewalks and guard rails	NU 15 (400 area), NU 15 (1700 area), NU 13 (100 are) , NU 15 Thambo Park area
22	Construction of Community Hall	N.U.17
22	Construction of housing	Potsdam Village
22	Construction of housing	Luxhomo., Mncotsho
22	Construction of housing	Rent Office NU 17
22	Fixation of water standpipes	Mabaleni community hall
23	Ablution facilities	NU 14 Sports fields
23	Community Hall	
23	Electrification of informal settlements	Sinethemba Village N.U.14, Mandela Village N.U.14, Silver Town N.U.14, Winnie Village N.U.14, New Life N.U.14, Khululekani Village N.U.14, Cosovo Village N.U.16, New Beginnings N.U.16, Nkanini Village N.U.18, Mpolweni Village N.U.18 and installation of High Mast Poles at Nu14 and Nu18 and Streetlights in dark areas at Nu16
23	Building of ablution facilities at Nu14 sports field and construction of well-	N.U.14 Sportfield

Ward	Community need/Issue	Location
	equipped sport field at Nu16 and Nu18	
23	Demand to fast track top structures at Nu18 and new application of backyard shacks.	N.U. 18
23	N.U14 Rent Office	Rent Office
24	Roads	Tarred roads and streets at Unit P, Khayelitsha and gravel roads in rural areas
24	Water and sanitation	Nxamnkwana, Msintsi, Kanana and Khayelitsha
24	Electricity	Nxamnkwana, Msintsi, Kanana and Khayelitsha
24	Playgrounds	Unit P, Khayelitsha, Msintsi and Nxamnkwana
24	Housing	Ikhwezi block 1 and 2, Kanana, Khayelitsha and Nxamnkwana
25	Roads	Zwelitsha Zone 8 & 9, Phakamisa, Kliff & Tshatshu
25	Houses	Kliff and Tshatshu for rural housing. Zwelitsha & Phakamisa
25	Sports fields and Recreational Park	Phakamisa Sport field & Zwelitsha recreational park
25	Community Hall	Kliff Location
25	Business Centre for Old age, Disability and Vulnerable Groups	Phakamisa, Tshatshu, Zwelitsha and Kliff
26	Rural RDP Houses	The entire ward
26	Sports Ground Facilities	All our teams in Mpundu Zikhwabe
26	High Mast Lights (2 per village)	All villages
26	Youth Centre including library	Entire Ward
26	Water	
26	Electricity & Roads and Bridges	All villages. Nonqwelo bridge
27	Housing for Mzamomhle	A-section and H-section in Phase 3
27	Site & service & Church Sites	All Informal areas of Mzamomhle
27	Sport field	Mzamomhle
27	Roads and storm water	Mzamomhle
27	New cemetery/graveyard	Reigerton Park
28	Tarring street, proper stormwater drainage	Block G Phase 2 Mzamomhle Gonubie
28	Electrification of houses handed over in 2021 to beneficiaries in Block G Phase 2 Mzamomhle	Block G Phase 2 Mzamomhle Gonubie
28	Expansion of the capacity and improvement of the sewerage infrastructure in Beacon Bay. Upgrading of all the sewerage pump stations along the Quenera Estuary and Nahoon River	Quenera Estuary
28	Erecting Traffic Circles	Crossing Bonza Bay Rd, Lagoon View Drive
28	Resurfacing of streets	Parts of Blackburn Street, Elf Street, Cooper Crescent, Pell Street, Rustic Road, Avalon Street, Junction Road, Lagoon view Drive,

Ward	Community need/Issue	Location
		Beaconhurst drive, Hillcrest Drive, Lower part Bonza Bay Road, below Beaconhurst Drive crossing
28	Rebuilding of public toilets	Bonza Bay beach and Nahoon Picnic site
28	Replacement of old electrical poles	Across Beacon Bay
28	Replacement of all asbestos water reticulation pipes	Beacon Bay North, Beaconhurst and Bluebend
28	Completion of the link road between Gonubie and Beacon Bay at least up to Quenera Mouth Road to serve the development of houses in this area	Gonubie, Beacon Bay up to Quenera Mouth
28	Tarring of Quenera mouth road	From Gonubie Main Road to Quenera Mouth
29	Speedhumps	Gonubie main road, Smith st/Recreation
29	Signage and Markings. Avenues & Streets	Whole of Gonubie. Street Names and painting of stop signs
29	Lighting on the boardwalk - Beachfront	Boardwalk Cement Road, Oceanway
29	Infrastructure - Sewage	Sewage along from the traffic dept to golf course to sea
29	Fencing of bird Sanctuary	Bird Sanctuary
30	Roads	N.U.9, 12 and 11 most affected
30	Survey to be done in informal settlements	Z. Soga, Chris Hani, Holomisa, Winnie Village and JF Mati
30	Sports field to be established	N.U.9 Nkomponi
30	Issue of tittle deeds	Butter strip
30	Graveyard	Chris Hani Park
31	Electricity	Fort Grey, Mdudura, Bhongweni, Airport park
31	Community Halls	Jiff, Ntenteni, Bhongweni, Airport Park, Ncerha Village 9, Silverlade
31	Sport field	Village 3 and 8
31	Road maintenance	Mdudurha, Magqazeni, Jiff, Fort grey, Bhongweni, Villages 1,2,3,4,6,7,8 & 9
32	Sports fields	Mpongo Sports Field
32	Bridges	Tsaba & Mpongo Clinic, Tyhusha and Zikhova Clinic
32	Building of Community Halls	Ngqinisa, Tsaba and Kiwane Villages
32	Road maintenance	Mdudurha, Magqazeni, Cliff, Fort grey, Bhongweni, Villages 1,2,3,4,6,7,8 & 9
32	Dipping tanks	Dyam Dyam location, Mpongo and Kiwane location
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. **PROVINCIAL ROADS**: 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 regravelled 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

Ward	Community need/Issue	Location
33	Water	Kalkeni, Kuni, Gxethu, Cornfields, Gwiligwili, Bhulurha, Twecwana, Twecu, Moni, and Cwecweni, Khayelitsha, Hill Altile
33	Housing and Infrastructure	Remaining part of wards without housing
33	Community Hall	Gxetu, Gwiligwili, Twecu, Moni, Kalkeni, Cwecweni, Hili, Altile, Twecana, Kuni, Kalkeni and Zigodweni halls.
33	Job Creation	Across the ward
34	Roads and Stormwater	Across the Ward
34	Water and Ablution facilities	Dimbaza Cemetery
34	Sports fields and multi-purpose centre	Phola Park
35	Roads	Across the Ward
35	Water	Across the Ward
35	Sanitation	Across the Ward
35	Youth Skills Development and Employment	Across the Ward
36	Water Supply Storm water, water pipes (aging infrastructure)	All areas of ward 36
36	Fencing of all grave sites	Dimbaza and 20 rural villages of ward 36
36	Dipping tanks	Between Nakani and Nkosiyane between Mzintshane and Pirrie Mission
36	Maintenance of all rural villages sports fields	All rural villages in the ward
37	Community Hall/ Multi-purpose centre	Masingata, Tolofiyeni, Mxaxo, Westbank, West Drive
37	Destitute Houses	Rural areas, Masingata, Mdingi, Tolofiyeni
37	Fencing of Cemeteries, Sports fields and Key points e.g. Civic Centre, Danger boxes	
37	Bridge	Masingata, Tolofiyeni, Mxaxo, Westbank, Mdingi
38	Rural Roads refurbishment	Lieveltd, Tyusha, Dikidikana, Rhythm City, Mxaxo, Kwelerhana, Noncampa
38	Toilets	Noncampa, Dikidikana, Lieveltd, Lenge, Mantlaneni, Rhythm City, Mngqesha,
38	Electricity	Bulembu, Gwaba, Mamata, Mngqesha, Mxhalanga, Mzantsi, Lieveltd, Mxaxo
38	Destitute Houses	Mxaxo, Mamata, Lieveltd, Mzantsi, Mngesha, Mantlaneni
38	Water	Kwelerhana
38	RDP Houses	Ginsberg and Schornville
39	Community Halls	Kwalini, Ngxwalane, Rhayi and Bonke
39	Tar Roads	Juliwe and Lipota roads
39	Water Pipes: Pipes are old and leak	Ginsberg
39	RDP Houses for Rural Areas	Kwalini, Ngxwalane, Rhayi and Bonke
40	Water	Extensions
40	Community Halls	Mount Coke, Ndileleka, Qonqgotha, Mlakalaka, Godidi, Zimbaba, Mimosa, Tshabo 3, Nonibe, Ezixhotyeni, Fort Murray
40	Fencing of Graveyards	All 17 areas
40	Installation of Dipping tank	Tshabo
40	Sport Fields	All 17 areas. Renovation of Jubisa
41	Tar Roads	Zwelitsha Zone 6, Thembalabantu S.S.S, Hector Peterson, Zone 4

Ward	Community need/Issue	Location
41	Cameras in Zone 5 and Zone 7	Zone 5 (Rent Office and Magistrate office)
41	Houses in Zwelitsha	Municipal officials promised to find space to build houses in Zwelitsha
41	Renovation of Zone 4 Stadium	Zwelitsha Zone 4 Stadium
41	Street lights	All the street lights around Zwelitsha are old and faulty
42	Sport Field/Facilities Upgrading	Old tennis court
42	Rent office	Use the existing Rent office
42	Housing development	Ward 42 informal settlements
42	N.U.2 Clinic	The closed clinic of N.U.2
42	Bridge between 36&38 area	In the river that divides area 36&38
42	Housing development	Ward 42 informal settlements
43	Regravelling and resurfacing of roads, potholes. Roads must be built	Peelton, Tyutyu, Bhisho, Kaffarian Heights, Clubview
43	Clinic	Majali
43	Billing and rates	Bhisho, Tyutyu, Kaffarian Heights, Clubview
43	Electrification	Ezizeni (Tyutyu)
44	Blockage of draining system	Bhisho, Tyutyu, Kaffarian Heights
44	Tarring and regravelling of Roads	Sweetwaters needs tarring. Tshatshu, Siyathemba and Qalashe needs regravelling
44	Electrification	Ezizeni (Tyutyu)
44	Houses	Tshatshu and Sweetwaters
44	Community Hall	Siyathemba Location
44	Sport Fields	Tshatshu, Sweetwaters and Siyathemba
44	Water and Sanitation	Water for Tshatshu and Siyathemba. Toilets for Tshatshu, Qalashe and Siyathemba
45	New Grave Site	Ilitha
45	Land for houses	Ilitha and Berlin
45	Road surfacing and blading	Blading: Hanover, Tshabo, Dongwe, Nkqonkqweni, Skhobeni and some parts of Ilitha
45	Electrification	Kwa Swekile in Berlin, Tshabo new sites and Ezikhobeni
45	Housing	Majarantiya & Wooden houses. Tshabo RDP not finalized
46	Tarring of Roads and potholes	Sunset bay, Sunnyridge Park, Sunnyridge extension, Willowpark, Rosemount, Santa, Orange Grove and Leaches Bay
46	Housing	Majarantiya & Wooden houses. Tshabo RDP not finalized
46	Bush clearing	Sunset bay, Sunnyridge Park, Sunnyridge extension, Willowpark, Rosemount, Santa, Orange Grove and Leaches Bay
46	Health facilities	Area between Santa, Orange Grove and Leaches Bay
46	Ailing Infrastructure - is very old. (sewer spillage, blocked storm water drainsed. Water meters are very old	All areas
46	Housing for Informal settlements	Orange Grove, Leaches Bay and Santa
47	Bush clearing and bush fencing	Baysville, Quigney, Arcadia
47	Road maintenance	Arcadia, CBD - North End, Baysville, Quigney
47	Toilets in C2 (East bank) and water facilities	East Bank squatter camp, Beachfront Quigney

Ward	Community need/Issue	Location
47	Change of sewage lines	Quigney and other affected areas
47	Housing	Quigney (Eastbank)
48	Refurbishment of the N.U.10 sport ground	N.U. 10 Sports filed
48	Installation of High Mass Lights	Main roads, access roads throughout the ward
48	Electrification of all informal settlements in the ward	Lilian Ngoyi, Francis Meyi, Sihlangene, Gomora, Masibambane, Joe Slovo
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
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
48	Recreational Parks on identified areas in the ward	400 area, N.U.10, N.U.8, Rent Office
49	Gravel roads with curves & drainage system.	
49	Taxi Rank	Ezintenteni
49	Electrification & High Mast Poles	In all the VD's within the Ward, Ndevana HP, Mpumelelo, Enoch Sontonga, Simzamile & Ekuphumleni
49	Sport Complex	Emthonjeni.
49	Walkway bridge	At Velwano, Highway, Gugulethu, and Bhongweni in those areas.
50	Piped water and sanitation plant	All villages and informal settlements Sanitation plant for Coastal area of Sunrise On-Seas and Crossways area
50	Roads	Tuba, Jongilanga, Ntomboshana (Tikinini & Emagalini), Sunsrise On-Seas and kwaBhota Construction and maintenance of road include main roads, access roads and internal streets.
50	Land acquisition	kwaBhota and Ntomboshana (Tikinini and emagalini)
50	Fencing, renovating and security provisions of public facilties	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.
50	Rural housing	All villages

ANNEXURE D: Programmes by Buffalo City Metro Development Agency

Legislative Mandate

The BCMDA is a municipal entity that is wholly owned by Buffalo City Metropolitan Municipality, established as a for-profit company in 2016, in terms of the Companies Act, 1973 (as amended.) The Agency transacts, generates funds and has a borrowing capacity to carry out its mandate to increase economic growth through tourism, economic and social development as well as property management and commercialisation.

The BCMDA is a juristic person operating as a municipal entity, which has been classified ass such in terms of the Municipal Finance Management Act. As an entity of BCMM, BCMDA extends the BCMM's capability with respect to the identification, planning and implementation of development projects for the benefit of the entire municipal area.

The primary mandate of BCMDA is to:

- Attract investors into Buffalo City,
- Increase economic growth through tourism, economic and social development, as well as property management and commercialisation.

The Agency's mandate was approved by the Council on 11 December, 2015 and is summarised below:

a. Property Development – regeneration of the city through the effective acquisition and management of land and buildings;
b. Tourism Development – act as a tourism agency and promote tourism within Buffalo City;
c. Investment Promotion – promotion and facilitation of investment in the City, and
d. Socio–economic Development – the facilitation of programmes and projects geared towards socio-economic development within the City.

In approving the mandate of BCMDA on 11 December, 2015, the Buffalo City Metropolitan Municipality Council also resolved that the Agency should be empowered to take any such actions within its scope of authority to further its mandate, including, but not limited to:

- Conducting regular communications with all stakeholders;
- Launching, managing and/or monitoring any study that may be necessary to further the objectives of the Agency;
- Negotiating, entering into and administering contracts in furtherance of its objectives;
- Collecting income, raising, receiving, and holding funds, or receiving guarantees, from any lawful source, for the purposes of BCMDA and administering and disbursing those funds in pursuance of the objects of the Agency and for administrative purposes in accordance with the terms and conditions determined by BCMDA, and
- Conducting and operating any financial assistance, subsidy, or incentive programme necessary to ensure that the Municipality derives the utmost advantage from development projects.

Strategic Framework

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

	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	It 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

Figure 96: BCMDA Core Values

Organisational Outcomes

The Agency has remained committed to its strategy and outcomes, which have remained constant over the years. There are five outcomes that the Agency continues to pursue, namely:

Outcome 1: ***A dynamic tourist destination.*** Aims to increase the number of tourists coming into the City by creating an enabling environment for tourism product development and/or enhancement.

Outcome 2: ***Attractive city for global investment.*** Deals with increasing the size and return on investment of the Agency's investment portfolio in Tourism, Property, and Industrial Sectors to make the Metro more 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, and implementation of integrated initiatives for beachfront development so that the Metro can cope with the pace of urbanisation.

Outcome 4: ***Inclusive and resilient economy.*** Seeks to implement the Agency's socio-economic development programme, improving 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, governance, and compliance excellence.

Key Risks, Fraud and Ethics Management

Risk, fraud and compliance management underpins the BCMDA operational and governance arrangements. It is an important internal control framework that supports good governance by providing reasonable assurance that a business will meet its objectives without exceeding its ability to accept or tolerate risk which Management aims to achieve.

Table 76: BCMDA Strategic Risks (BCMDA 2023-2024 Annual Performance Plan)

Outcome	Risk Name/Description
Dynamic Tourist attraction	1. Inability to implement the Tourism Infrastructure Master Plan (TIM)
Attractive home for global investments and sustainable economic development	2. Failure to create an enabling environment to foster economic development and attract new investment to the City
	3. Withdrawal of investors on Mega Projects 4. Inability to promote investment
A robust property market	5. Delays in project implementation
	6. Poor quality assurance of newly constructed property
	7. Identification of land parcels for future development
Delivered Socio- Economic development programs	8. Inability to capacitate local SMME's
A well governed and sustainable agency	9. Lack of financial sustainability
	10. Inability to deliver on the mandate
	11. Cyber security attacks
	12. Inability to act in the event of disputes and litigation
	13. Non-Compliance with the POPI Act

Key Themes emanating from the Situational Analysis

The key themes that came out of the external and internal environment analysis are summarised as follows:

a. **Bottlenecks in earning and collecting facilitation fees on time** - the Agency has credible revenue earning opportunities which it needs to speedily convert into cash flow and then expand its earning potential across the value chains.

b. **Opportunities for repurposing a wide range of properties** - the way people use different properties within the real estate sector has fundamentally changed. The Agency is well placed to conceptualise, lead, and catalyse new property uses for the benefit of BCMM, residents and investors.

c. **Urgent need to rebuild the tourist visitor numbers (make the city attractive)** – in BCMM customer growth and loyalty are directly connected to the upkeep of existing assets and creating a credible City brand based on innovation that keeps the attention of upwardly mobile youths, professionals, investors, and tourists of all kinds.

d. **Packaging partnerships with universities and other organisations to deliver value and drive innovation** - stakeholders are essential to the functioning of the Agency. The relationship and communication between the agency and its stakeholders needs to be more clearly defined and directly linked to the value chain and value creation.

e. **Political and leadership instability** - leaders need to refocus on the strategy of rebuilding the city in terms of the demographics, investors, tourists based on supreme quality service delivery. The alternative is the creation of a ghost town driven by fractured politics.

f. **Economic Growth** - BCMM needs to align with fast-growing African economies and high-performing South African and African cities. The potential to grow above the indicated 5.4% per annum remains.

g. **Create decent new jobs every year to retain or attract young innovative talent into BCMM** – Opportunities to grow employment in BCMM abound; even with sub-par tourism infrastructure and services, the sector is growing by between 4 and 9% per annum and that rate can be doubled by doing the most basic things, including cleansing, security and refurbishment. The corresponding high value markets of Germany, UK and the Netherlands have not been fully exploited for both tourism and investment. Dutch farmers and agro-businesses are being harassed and closed down in Holland and can be targeted straightaway for agro-business opportunities in BCMM.

h. Target to diversify the industrial base and convert a respectable percentage of tourists to investors. – African tourism is growing and BCMM needs to distinguish itself in Holland, Germany, England, Wales, Scotland, Ireland, Canada and USA as well as in the developed and fast developing Asian nations as a highly desirable destination.

Table 77: Strategic Outcomes and Outputs

#	OUTCOMES	OUTPUTS
1	Dynamic tourist destination	Create an enabling environment for tourism product development and hosting of events.
		Implementation of TIM
2	Attractive city for global investments	Identify and package land parcels for investment opportunities.
		Investment secured into BCMM
		Facilitate inbound investment
3	Inclusive and resilient economy	Facilitate economic diversification and expansion in the BCMM
4	Vibrant and attractive local spaces	To revitalize local (both urban and rural) spaces within the Metro.
		Number of properties under design
		To implement integrated initiatives to beachfront development.
		To develop acquired land.
		To facilitate the development of strategic projects through partnerships.
5	An efficient, well governed and viable agency	Financial sustainability
		Effective Corporate Services to support the mandate of the Agency
		Efficient and effective Information on Technology and Knowledge Management capability to support the mandate of the Agency.
		Capacitated and capable research capability to ensure that investment decisions are informed by sound research
		Effective and sound corporate governance
		Effective and efficient management of stakeholder engagement and client orientation

Key BCMDA projects and project pipeline for 2023/24

The following projects are in the pipeline:

Table 78: BCMDA Projects 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 4. Bisho, Qonce, Zwelitsha	Storyline drafted and to be consulted on Still to be initiated
	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) 2024/2025

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

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