

BUFFALO CITY METROPOLITAN MUNICIPALITY



2018/19

DRAFT INTEGRATED DEVELOPMENT PLAN REVIEW

“A City Hard at Work”

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GLOSSARY OF ABBREVIATIONS

A.B.E.T.	Adult Basic Education Training
A.D.M.	Amathole District Municipality
AIDS	Acquired Immune Deficiency Syndrome
A.N.C ₁	African National Congress
A.N.C ₂	Antenatal Care
A.R.T.	Anti-Retroviral Therapy
A.S.G.I.S.A	Accelerated Shared Growth Initiative of South Africa
B.B.B.E.E.	Broad-Based Black Economic Empowerment
B.C.M.M	Buffalo City Metropolitan Municipality
B.C.D.A.	Buffalo City Development Agency
B.E.E.	Black Economic Empowerment
B.M.S.	Bridge Management System
B.R.T	Bus Rapid Transit
C.B.D.	Central Business District
C.C.T.V	Close Circuit Television
C.D.S.	City Development Strategy
C.E.C	Committee for Environmental Co-ordination
C.E.O	Chief Executive Officer
C.I.P.	Capital Investment Plan
C.O.O	Chief Operating Officer
C.P.M.D	Certificate in Programme Management Development
C.R.M	Customer Relations Management
C.S	Community Survey
D.B.S.A.	Development Bank South Africa
M.B.S.A.	Mercedes Benz South Africa
D.E.A.T	Department of Environmental Affairs and Tourism
D.L.A.	Department of Land Affairs
D.L.G.H.	Department of Local Government & Housing
D.M.F.	Disaster Management Fund
D.P.L.G.	Department of Provincial & Local Government
D.T.I.	Department of Trade & Industries
D.W.A.F.	Department of Water & Forestry
E.C.	European Commission
E.C.D.O.H.	Eastern Cape Department of Health
E.C.P.P	Eastern Cape Provincial Plan (vision 2030)
E.E.A	Employment Equity Act
E.F.F.	External Financing Fund
E.I.A	Environmental Impact Assessment
E.L.	East London
E.L.I.D.Z.	East London Industrial Development Zone
E.P.W.P	Expanded Public Works Programme

E.U.	European Union
F.M.G.	Finance Management Grant
M.S.C.O.A	Municipal Standard Chart of Accounting
G.D.P.	Growth and Development Plan
G.D.S.	Growth & Development Strategy
G.I.S.	Geographic Information Systems
G.R.A.P.	Generally Recognized Accounting Practice
G.T.Z.	German Agency for Technical Cooperation
G.V.A.	Gross Value Added
H.D.I	Human Development Index
H.D.Is	Historically Disadvantaged Individuals
H.R.	Human Resources
H.I.V	Human Immunodeficiency Virus
I.C.D.L	International Computer Drivers License
I.C.Z.M.P.	Integrated Coastal Zone Management Plan
I.D.C.	Industrial Development Cooperation
I.D.P.	Integrated Development Plan
I.D.Z.	Industrial Development Zone
I.E.M.	Integrated Environment Management
I.E.M.P.	Integrated Environmental Management Plan
I.G.R	Inter-governmental Relations
I.M.A.T.U	Independent Municipal and Allied Trade Union
I.N.E.P.	Integrated National Electrification Programme
I.P.M.S.	Individual Performance Management System
I.S.H.S.P	Integrated Sustainable Human Settlement Plan
I.T.	Information Technology
I.T.P	Integrated Transport Plan
I.W.M.P	Integrated Waste Management Plan
J.I.P.S.A	Joint Initiative for the Prioritization of Scarce Skills
KfW	German Development Bank
K.P.A	Key Performance Area
K.I	Key Performance Indicator
K.W.T.	King Williams Town
L.A. 21	Local Agenda 21
L.E.D.	Local Economic Development
L.G.H.	Local Government Housing
L.G.S.E.T.A	Local Government Sector Education Training Authority
L.O.S.	Levels of Service
L.S.D.F.	Local Spatial Development Framework
M.E.C.	Member of the Executive Council
M.E.L.D.	Mdantsane East London Development
M.F.M.A.	Municipal Finance Management Act
S.D.G	Sustainable Development Goals
M.D.R	Multi Drug Resistant

M.G.D.S	Metro Growth and Development Strategy
M.H.S	Municipal Health Service
M.I.G.	Municipal Infrastructure Grant
M.O.S.S	Municipal Open Space System
M.S.	Municipal Scorecard
M.S.A.	Municipal Systems Act
M.T.R.E.F.	Medium-Term Revenue and Expenditure Framework
M.U.R.P.	Mdantsane Urban Renewal Programme
N.D.P.	National Development Plan
N.A.T.I.S.	National Traffic Information system
N.E.M.A	National Environmental Management Act
N.E.M.W.A	National Environmental Management Waste Act
N.E.R.S.A.	National Electricity Regulator of South Africa
N.G.O.'s	Non-Government Organisations
N.H.A	National Health Act
N.S.D.P.	National Spatial Development Perspective
O.F	Own Funds
O.D.A.	Organizational Development Africa
O.S.S.	Open Space System
P.H.C.	Primary Health Care
P.J.E.C	Principal Job Evaluation Committee
P.M.S.	Performance Management System
P.M.T.C.T.	Prevention of Mother to Child Transmission
P.O.S.S	Public Open Spaces
P.O.W.A	People of working age
P.P.E.	Property, Plant & Equipment
P.P.P.'s	Public Private Partnerships
R.G.	Restructuring Grant
R.M.S.	Road Management System
R.S.A.	Republic of South Africa
S.A.	South Africa
S.A.C.N.	South African Cities Network
S.A.L.G.A	South African Local Government Association
S.A.M.W.U	South African Municipal Workers Union
S.A.N.S	South African National Standards
S.A.S.Q.A.F	South African Statistical Qualifications Framework
S.C.M	Supply Chain Management
S.D.	Sustainable Development
S.D.B.I.P.	Service Delivery and Budget Implementation Plan
S.D.F.	Spatial Development Framework
S.I.D.A.	Swedish international Development Cooperation Agency
S.L.G.P.	Strengthening Local Governance Programme
S.M.M.E.	Small, Medium & Micro Enterprises
S.O.C.Z.R	State of the Coastal Zone Report

S.O.E.R	State of the Environmental Report
S.O.S.R	State of Sanitation Report
S.P.S ₁	Sanitation Policy and Strategy
S.P.S ₂	Single Public Service
S.P.S.P.	Sector Policy Support Programme
S.T.E.P.	Sub-Tropical Thicket Ecosystem Planning
T.B	Tuberculosis
U.N.C.E.D.	United Nations Conference on the Environment & Development
V.C.T.	Voluntary Counseling& Testing
V.I.P.	Ventilated Improved Pit Latrine
W.H.O	World Health Organisation
W.S.A.	Water Services Authority
W.S.D.P.	Water Services Development Plan
W.S.P	Workplace Skills Plan
X.D.R	Extreme Drug Resistant

SECTION A

INTRODUCTION AND BACKGROUND

1.1 BCMM VISION STATEMENT

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

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

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

1.2 MISSION STATEMENT

Buffalo City Metropolitan Municipality is a city that:

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

1.3 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

1.4 STRATEGIC OBJECTIVES

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

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

Buffalo City Metro Municipality (BCMM) council adopted its 5year IDP for its term of office in May 2016. This is the 2nd review of the 2016/17 -21 and is therefore not a “new” IDP. This 2018/19 reviewed IDP indicates the changes to adopted IDP and reviewed in terms of strategic objectives in line with shifts in BCMM policies and plans, the current council introduced the 10 Key Focus Areas (KFA) or Council resolutions which has to be part of the review.

COUNCIL 10 POINT PLAN (2016-2021)

KEY FOCUS AREAS	SUB-AREA
Economic Development	<ul style="list-style-type: none"> • SMME Support • Youth Job Creation Programmes • Investment Promotion • Support Existing Tourism: Infrastructure, Project Packaging and Marketing

Agriculture & Rural Development	<ul style="list-style-type: none"> • Fencing • Dipping Tanks • Rural Nodes Development
Infrastructure	<ul style="list-style-type: none"> • Bulk Infrastructure • Economic Infrastructure • Road Maintenance & Upgrade • Civic Centre Development
Waste Economy	<ul style="list-style-type: none"> • Recycling • Integrated Waste Management
Land	<ul style="list-style-type: none"> • Land Audit • Land Policy • By Law Enforcement
Safety	<ul style="list-style-type: none"> • CCTV Cameras • Metro Police • Disaster Control Centre
Housing	<ul style="list-style-type: none"> • Accreditation • Beneficiary Administration • Electrification • Title Deeds
ICT	<ul style="list-style-type: none"> • Smart City • Smart Metering
Institutional Service Delivery & Operating Model	
Operations & Maintenance of Revenue Generating Assets	

The above mentioned 10 priorities will help council to translate their electoral mandate into the organisational structure of the City and in the IDP. These pillars are called Council Lekgotla resolutions or Key Focus Areas which are among other important things that needs to be achieved during the term.

1.5 KEY PERFORMANCE AREAS

The strategic objectives outlined above are aligned with the Municipality's five key performance areas, i.e.:

- 1.5.1 Municipal Transformation and Organisational Development
- 1.5.2 Basic Service Delivery and Infrastructure Development
- 1.5.3 Local Economic Development
- 1.5.4. Municipal Financial Management and Viability
- 1.5.5 Good Governance and Public Participation

1.6 LEGISLATIVE FRAMEWORK

Buffalo City Metropolitan Municipality's 2016-2021 Integrated Development Plan has been developed through guidance of various legislative requirements which define the nature, content and approach of the principal strategic planning document. Legislative requirements include the following:

1.6.1 Constitution of South Africa Act 108 of 1996

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

1.6.2 Local Government: Municipal Systems Act 32 of 2000

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

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

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

1.6.3 Local Government: Municipal Finance Management Act 56 of 2003

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

1.6.4 Local Government: Municipal Structures Amended Act

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

1.6.5 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.

1.7 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 are to be achieved in the period between 2014 to 2019. Even though some of the outcomes may fall outside the competency of local government, municipalities still have a role to play in key outputs to ensure that they are achieved. The 12 outcomes are as follows:

Outcome 1: Improved quality of basic education.

Outcome 2: Long and healthy life for all South Africans.

Outcome 3: All people in South Africa are and feel safe.

Outcome 4: Decent employment through inclusive economic growth.

Outcome 5: Skilled and capable workforce to support an inclusive growth path.

Outcome 6: Efficient, competitive and responsive economic infrastructure network.

Outcome 7: Vibrant, equitable and sustainable rural communities with food security for all.

Outcome 8: Sustainable human settlements and improved quality of household life.

Outcome 9: Responsive, accountable, effective and efficient local government system.

Outcome 10: Environmental assets and natural resources that are well protected and continually enhanced.

Outcome 11: Create a better South Africa and contribute to a better and safer Africa and the World.

Outcome 12: Efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

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

1.8 STRATEGIC AGENDA OF THE BUFFALO CITY METRO

1.8.1 Sustainable Development Goals

On September 25th 2015, countries adopted a set of goals to **end poverty, protect the planet, and ensure prosperity for all** as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years until 2030. The goals are as follows:

Goal 1: End poverty in all its forms everywhere.

Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

Goal 3: Ensure healthy lives and promote well-being for all at all ages.

Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Goal 5: Achieve gender equality and empower all women and girls.

Goal 6: Ensure availability and sustainable management of water and sanitation for all.

Goal 7: Ensure access to affordable, reliable, sustainable economic growth, full and productive employment and decent work for all.

Goal 8: Promote sustained, inclusive and sustainable industrialization and foster innovation.

Goal 10: Reduce inequality within and among countries.

Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable.

Goal 12: Ensure sustainable consumption and production patterns.

Goal 13: Take urgent action to combat climate change and its impacts.

Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Goal 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development.

1.8.2 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, has to ensure alignment with the national and provincial spheres. Key national and provincial plans include the National Development Plan, National Spatial Development Perspective, Back to Basics and 2030 Vision for the Eastern Cape.

i) National Development Plan

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

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

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

ii) National Spatial Development Perspective (NSDP)

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

1.8.2.1 Back to Basics – Serving our Communities Better

The Buffalo City Metropolitan Municipality adopted the national and provincial Back to Basics support package on the 29 July 2015. COGTA, through the Presidential Local Government Summit developed the Back to Basics approach. It identifies five areas that requires Local Government focus:

1. Putting people and their concerns first.
2. Supporting the delivery of municipal services to the right quality and standard.
3. Promoting good governance, transparency and accountability.
4. Ensuring sound financial management and accounting.
5. Building institutional resilience and administrative capability.

The package sought to achieve the following objectives:

- a. Address people's concerns about service delivery and ensure immediate and visible improvements.
- b. Create a functional and responsive municipality.
- c. Create a sound base for economic growth and job creation in the metro.
- d. Entrench good governance and accountability for performance within the metro – both at political and administrative levels.
- e. Root out corruption and mismanagement.
- f. Engage metro stakeholders and enlist them in the turnaround of the metro's fortunes.
- g. Improve the state of service provision in communities.
- h. Stabilize the metro's finances and build up reserves in order to sustain a capital investment programme.

1.8.2.2 Back to Basics 10 Point Plan

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

1.8.2.3 Provincial Perspective: 2030 Vision for the Eastern Cape

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

Goal 1: An inclusive, equitable and growing economy for the province

- Goal 2:** An educated, innovative and empowered citizenry
- Goal 3:** A healthy population
- Goal 4:** Vibrant, equitably enabled communities
- Goal 5:** Capable agents across government and other institutional partners committed to the development of the province

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

1.8.3 BCMM IDP Ratings

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

The comparative ratings with the recent 2017/18 IDP assessment ratings for BCMM are shown as follows:

Municipality	KPA 2 - Service Delivery	KPA 3 - Financial Viability	KPA 4 - Local Economic Development	KPA 5 - Good Governance	KPA 6 - Institutional Arrangements	Overall Ratings
BUFFALO CITY METRO	Medium	High	High	High	Medium	High

Overall, the MEC for Co-operative Governance and Traditional Affairs (EC-COGTA) stated that BCMM has scored overall **HIGH** rating.

1.8.4 Community Needs and Priorities

In developing its Integrated Development Plan, Buffalo City Metro takes its tune from residents and the broader public of the Metro who participate in a number of public consultation processes and programmes such as the annual Mayoral Imbizo and IDP/Budget Roadshow. It is through these engagements that residents are able to define and shape their needs and priorities which must be taken into consideration during planning and budgeting. BCMM aims to address identified needs and priorities through the 2016-2021 Integrated Development Plan and Budget. Key needs and priorities raised, relate to the following service delivery issues:

- Housing
- Roads and Storm Water Drainage
- Refuse Collection
- Water and Sanitation
- Electricity
- Cemeteries
- Sports Fields
- Community Halls

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

The Process Followed

Municipal Systems Act 32 of 2000 - the Municipal Systems Act (32 of 2000) is the key legislation that gives direction and guidance on the development processes of the IDP. Chapter five of the act details the process as follows:

Section 25(1) mandates that each municipal council must, upon election adopt a single, inclusive and strategic plan which:

- a. links, integrates and co-ordinates plans;
- b. aligns the resources and capacity with the implementation of the plan;

Section 28 mandates that each municipal council must adopt a process plan to guide the planning, drafting and adoption and reviewing of its integrated development plan.

Municipal Finance Management Act 56 of 2003 - the MFMA (56 of 2003) speaks about promotion of cooperative governance and makes special emphasis on alignment of the IDP and the Budget. This is enshrined in chapter 5 of the MFMA (Act 56 of 2003).

The 2017/2018 IDP Review process is undertaken to achieve the following:

- To inform other components of the municipal business process, including institutional and financial planning and budgeting; and
- To inform the cyclical intergovernmental planning and budgeting cycles

Buffalo City's IDP and Budget review was undertaken through an integrated and mutually consistent manner and in line with an approved process plan. Buffalo City Metropolitan Municipality adopted the plan on 25 August 2017. Strategic process and activities undertaken are summarised in the table below:

ACTIVITY	DATE	PURPOSE
IDP Councillors Workshop	17 August 2017	Presentation of: <ul style="list-style-type: none"> • 2016/17 BCMM Institutional Performance Report • Presentation of draft IDP Review Process Plan
External Representative Forum Meeting	24 August 2017	Presentation of the draft IDP/ 2017/18 Process Plan and to provide feedback on 2016/17 performance to external stakeholders
Council Meeting	25 August 2017	Adoption of 2017/18 IDP Process Plan
Ward priorities	5-30 September 2017	Review of Ward priorities for consideration and inclusion in the 2018/19 IDP Review and MTREF budget
Technical Strategic Planning Session	18-19 September 2017	To provide a single high-level consolidation of strategic interventions and deliverables for the current MTREF. To provide a clear plan on how the municipality administration will consolidate and fast-track improvements in service delivery To co-ordinate the implementation of strategic intervention including the catalytic projects in an improved manner which take cognizance of faster turn-around times for discussion making and implementation
Technical IGR Forum Meeting	22 September 2017	Process plan and expectations Progress report on programmes and projects
IDP Technical Work Stream Meetings	2 October 2017	Progress on situational analysis
Mayoral Imbizo Programme	10,12,13, and 15 October 2017	Executive Mayor to interact with communities To provide feedback on issues raised during the last public consultation process To share planned capital and operating expenditure earmarked for their respective areas To highlight key achievements of the Metro.
Executive Mayoral Lekgotla	26-28 October 2017	Review of strategic objectives for service delivery and development
BCMM Council Lekgotla	7-8 November 2017	To consider and further expand on outcomes of the Executive Mayoral Lekgotla
Top Management Technical Planning Session	8-9 February 2018	Session to consider: <ul style="list-style-type: none"> • Mayoral Lekgotla Priorities • Mid-year adjustment budget and service delivery targets • Draft IDP Objectives, Strategies and Projects
IDP Technical Work Stream Meetings	15 February 2018	To consider: <ul style="list-style-type: none"> • 2017/18 Draft IDP Objectives, Strategies, Indicators and Targets; and • Draft 2017/18 MTREF Budget • Reflect on the progress to date of ward priorities

IDP Political Work Stream Meetings	16 February 2018	To consider: <ul style="list-style-type: none"> · 2017/18 Draft IDP Objectives, Strategies, Indicators and Targets; and · Draft 2017/18 MTREF Budget · Reflect on the progress to date of ward priorities
IDP/Budget Councillors Workshop	19-20 March 2018	To consider: <ul style="list-style-type: none"> · 2018/19 Draft IDP Objectives, Strategies, Indicators and Targets; and · Draft 2018/19 MTREF Budget · -BCMM Policies
Council Meeting	28 March 2017	To adopt draft IDP Review 2018/19 and MTREF Budget

1.8.5 BCMM Service Delivery Charter

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

1.8.6 Rapid Response Task Team

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

1.8.7 Metro Growth and Development Strategy

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

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

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 will be aligned to the IDP process.

1.8.8 Buffalo City Development Agency

Buffalo City Development Agency (BCDA) was established in 2004 and incorporated in terms of 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). BCDA board dissolved in 2009 and all functions reverted to the City Manager. BCMM embarked on a process to resuscitate the BCDA and on 1 February 2015 a new board of directors was appointed.

i) Approved mandate of the BCDA

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

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

ii) Powers of the Agency

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

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

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

1.9 ALIGNMENT OF STRATEGIC IMPERATIVES

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

BCMM Strategic Objectives	12 Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National 10 Point Plan
An Innovative and Productive City	<ul style="list-style-type: none"> • Decent employment through inclusive economic growth. • A skilled and capable workforce to support inclusive growth. • An efficient, competitive and responsive economic infrastructure network. 	<ul style="list-style-type: none"> • A growing, inclusive and equitable economy. • Vibrant and equitably enabled communities. 	<ul style="list-style-type: none"> • Unemployment rate should fall from 27% in 2011 to 14% by 2020 and to 6% by 2030. • Total employment should rise from 13 million to 24 million. 	<ul style="list-style-type: none"> • Ensure access to affordable, reliable, sustainable economic growth, full and productive employment and decent work for all. 	<ul style="list-style-type: none"> • Unlocking the potential of SMMEs, cooperatives, township and rural enterprises. • Operation Phakisa aimed growing the ocean economy and other sectors. • Encouraging private sector investment.

A Green City	<ul style="list-style-type: none"> • Protection and enhancement of environmental assets and natural resources. 	<ul style="list-style-type: none"> • A growing, inclusive and equitable economy. 	<ul style="list-style-type: none"> • Achieve the peak, plateau and decline trajectory for greenhouse gas emissions, with the peak being achieved around 2025. • By 2030, an economy-wide carbon price should be entrenched. 	<ul style="list-style-type: none"> • Take urgent action to combat climate change and its impacts. 	<ul style="list-style-type: none"> • Resolving the energy challenge. • Revitalizing agriculture and the agro-processing value chain.
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BCMM Strategic Objectives	12 Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National 10 Point Plan
A Well-Governed City	<ul style="list-style-type: none"> Improve the quality of basic education. 	<ul style="list-style-type: none"> An educated, empowered, and innovative citizenry. 	<ul style="list-style-type: none"> All children should have at least two years of pre-school education. This implies about 2 million places. About 80% of schools and learners achieve 50% and above in literacy, mathematics and science in grades 3, 6, 9. At least 80% of students should complete 12 years of schooling. 	<ul style="list-style-type: none"> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. 	<ul style="list-style-type: none"> N/A

A Well-Governed City	<ul style="list-style-type: none"> • A development-orientated public service and inclusive citizenship. 	<ul style="list-style-type: none"> • An educated, empowered and innovative citizenry. 	<ul style="list-style-type: none"> • A capable and effective state, able to enhance economic opportunities, support the development of capabilities and intervene to ensure a rising floor of social rights for the poor. 	<ul style="list-style-type: none"> • Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. 	<ul style="list-style-type: none"> • Moderating workplace conflict.
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BCMM Strategic Objectives	12 Outcomes	Provincial Development Plan (EC Vision 2030)	National Development Plan	Sustainable Development Goals	National 10 Point Plan
A Spatially-Integrated City	<ul style="list-style-type: none"> Improve health and life expectancy. 	<ul style="list-style-type: none"> A healthy population. 	<ul style="list-style-type: none"> By 2030, life expectancy should reach at least 70 for both men and women Infant mortality rate should decline from 43 to 20 per 1000 live births and the under-five mortality rate should be less than 30 per 1000, from 104 today. 	<ul style="list-style-type: none"> Ensure healthy lives and promote well-being for all at all ages 	<ul style="list-style-type: none"> N/A

A Spatially-Integrated City	<ul style="list-style-type: none"> • Sustainable human settlements and improved quality of household life. 	<ul style="list-style-type: none"> • Vibrant and equitably enabled communities (Universal access to social infrastructure). 	<ul style="list-style-type: none"> • The proportion of people with access to electricity should rise from 70% in 2010 to 95% by 2030, with no grid options available for the rest. • Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry. 	<ul style="list-style-type: none"> • Ensure availability and sustainable management of water and sanitation for all. 	<ul style="list-style-type: none"> • State reform and boosting the role of state owned companies, ICT infrastructure or broadband roll out, water, sanitation and transport infrastructure.
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BUFFALO CITY METROPOLITAN MUNICIPALITY



SECTION B: SITUATIONAL ANALYSIS REPORT

SECTION B:

SITUATIONAL ANALYSIS

Buffalo City Metropolitan Municipality Profile

1.1 BCMM in Context

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

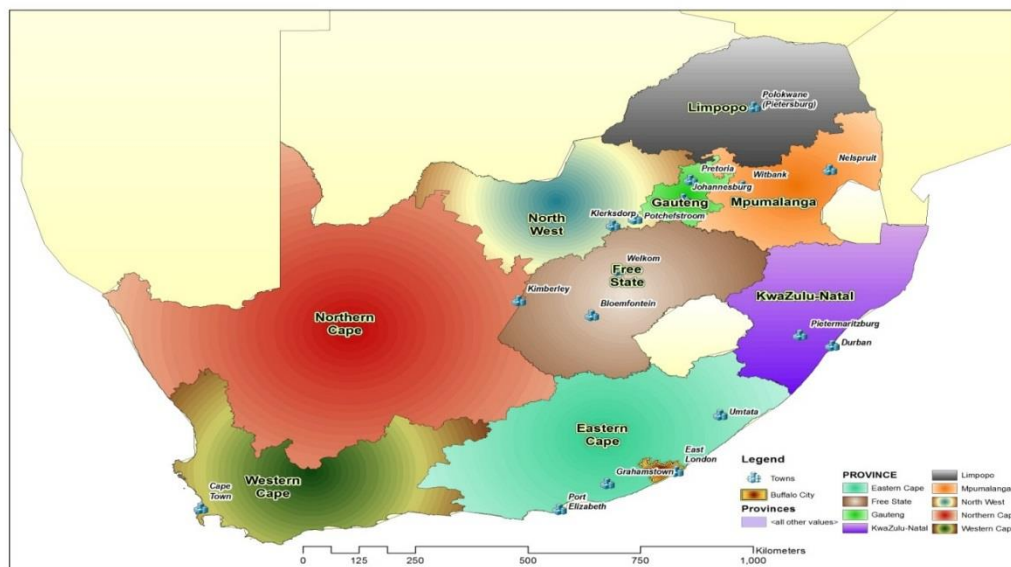
The municipality was established as a local municipality in 2000 after South Africa's reorganization of municipal areas, and is named after the Buffalo River, at whose mouth lies the only river port in South Africa. On 18 May 2011 it was separated from the Amathole District Municipality and converted into a metropolitan municipality. The area has a well-developed manufacturing base, with the auto industry playing a major role. Daimler AG through its wholly owned subsidiary Mercedes-Benz South Africa (MBSA) has a large assembly plant located next to the port of East London, which produces a variety of vehicles for export.

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

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

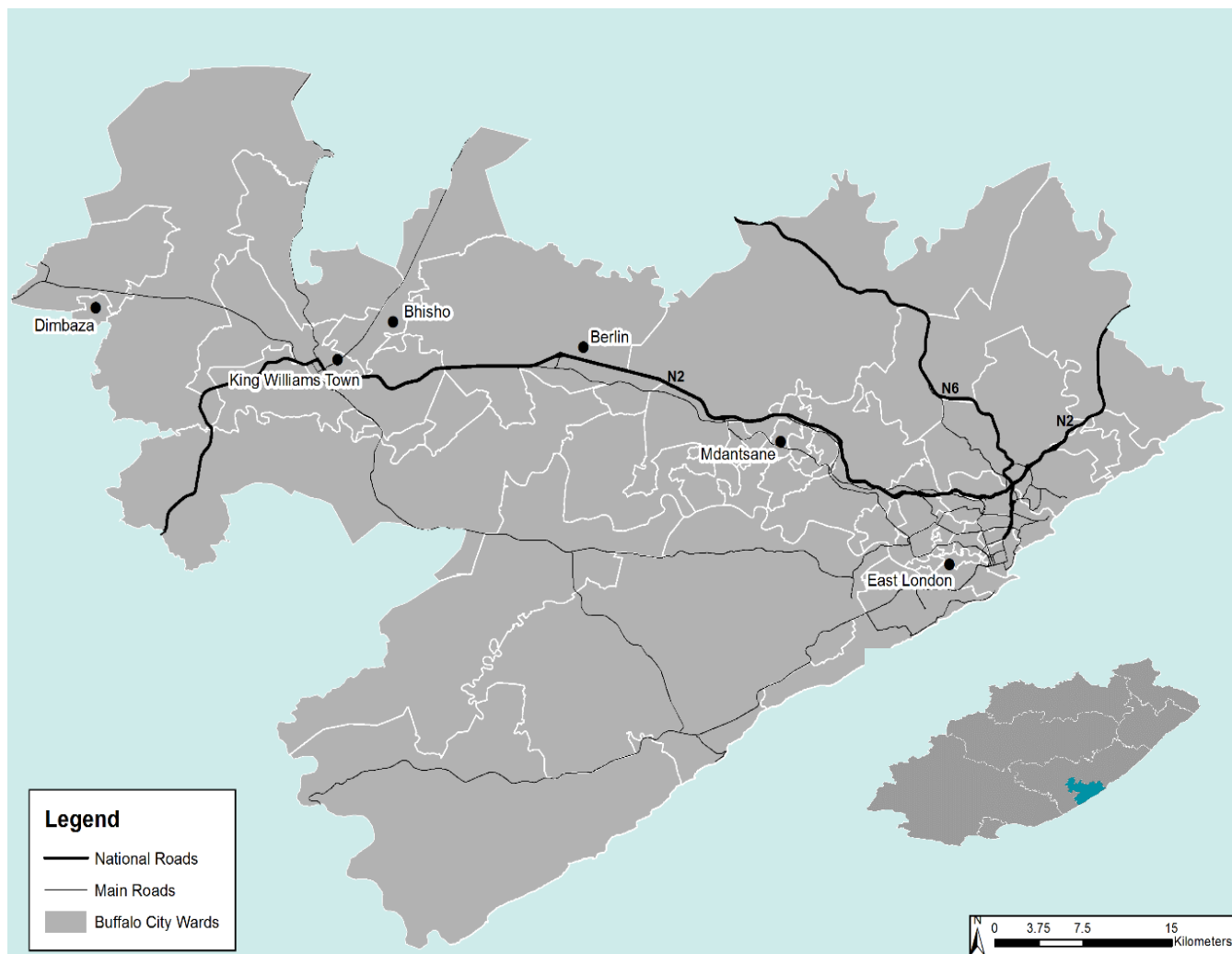
In line with the local government dispensation in South Africa, the Buffalo City Metropolitan Municipality is categorized as a Category "A" Municipality.

Figure B1 : BCMM Locality in South Africa



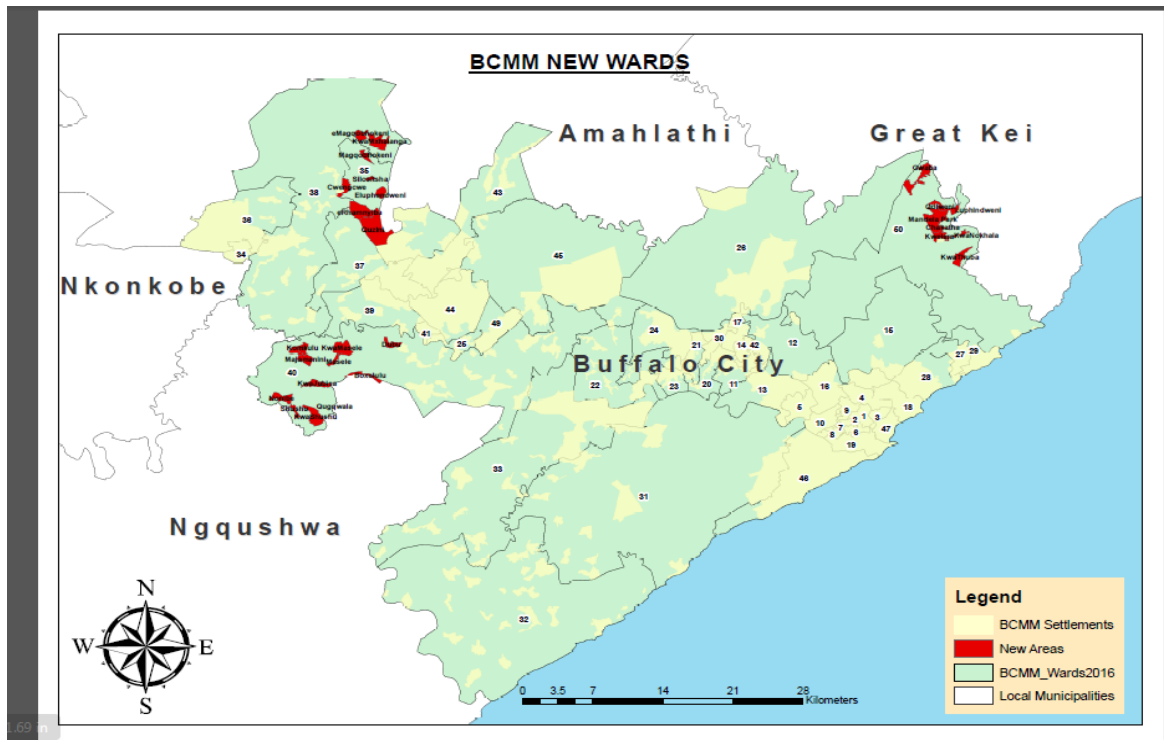
Source: BCMM GIS UNIT

Figure B2 : BCMM Spatial Location



Source: Urban-Econ GIS Unit (2016)

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



Source: BCMM GIS UNIT

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

Buffalo City is the key urban centre of the eastern part of the Eastern Cape. It consists of a corridor of urban areas, stretching from the “port city” of East London to the east, through to Mdantsane and reaching Dimbaza in the west. Buffalo City’s land area is approximately 2,515km², with 68km of coastline.

The existing urban areas and settlements in Buffalo City are spatially fragmented, which is a feature of the entire municipality. The spatial fragmentation creates a negative urban dimension. In Buffalo City, the following three main identifiable land use and land need patterns are identified:

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

by the Indian Ocean. East London serves as the primary node and is the dominant economic hub in the region.

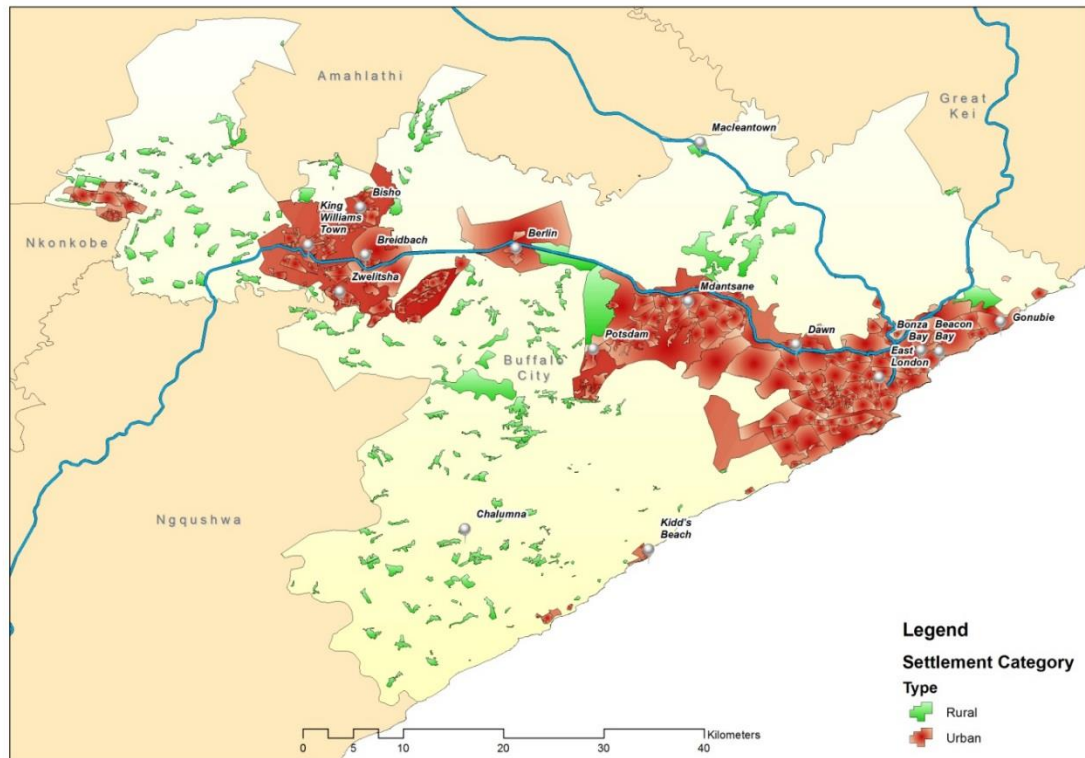
The King William's Town (KWT) area and surrounds is a spatially fragmented area with King William's Town being the main urban area. The other urban areas were situated on the outlying areas and included Bhisho, Ginsberg, Zwelitsha, Phakamisa, Breidbach, Ilitha and Dimbaza. King William's Town serves as a secondary node in the Buffalo City region.

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

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

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

Figure B3 : BCMM Urban and rural settlements



Source: BCMM GIS UNIT

Physical Characteristics

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

Topography

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

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

Geology and Soils

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

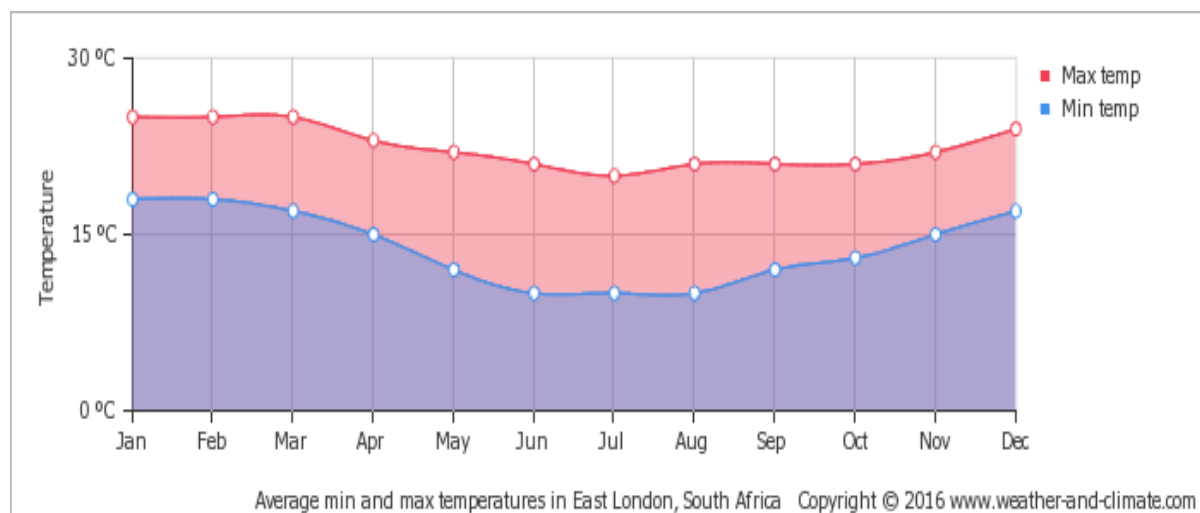
Climate

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

Sunshine Coast

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

Figure: BCMM Weather Averages



Drainage System

Buffalo City Metro Municipality has 10 major river systems. Of these, 9 are considered “Endangered” and the Buffalo River system is considered “Vulnerable” (SANBI, 2004). In terms of aquatic systems, the National Wetlands Inventory identifies a total of 2064 wetlands areas. The ground water potential in the region is generally not good, resulting in low borehole yields (generally below 2 l/s) and high salinity

waters. The north-western portion of the region has the greater groundwater potential (i.e. Peelton villages), with the potential reducing in a south easterly direction towards the coast.

Vegetation

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

Four Biomes are represented in Buffalo City Municipality (Albany Thicket 66.82%; Savanna 29.24%; Forest 2.73% and Grassland 1.14%) of which 12 vegetation types have been classified by Mucina & Rutherford (2006). There is an estimated 26.8% of the municipality where no natural habitat remains. The South African National Biodiversity Institute (SANBI) identifies no critically endangered, or vulnerable terrestrial ecosystems within the Municipality.

ECONOMIC, SOCIAL AND DEMOGRAPHIC CONTEXT: MAJOR SHIFTS AND CHALLENGES

The purpose of the following section is to provide an overview and targeted discussion of the available data on the profile of the population resident in the BCMM, as well as the socio-economic conditions under which they are living. This is intended to derive key informants on the possible specific spatial development needs of resident communities, and associated strategies required as part of the Buffalo City Municipality's Spatial Development Framework and the Built Environment Performance Plan.

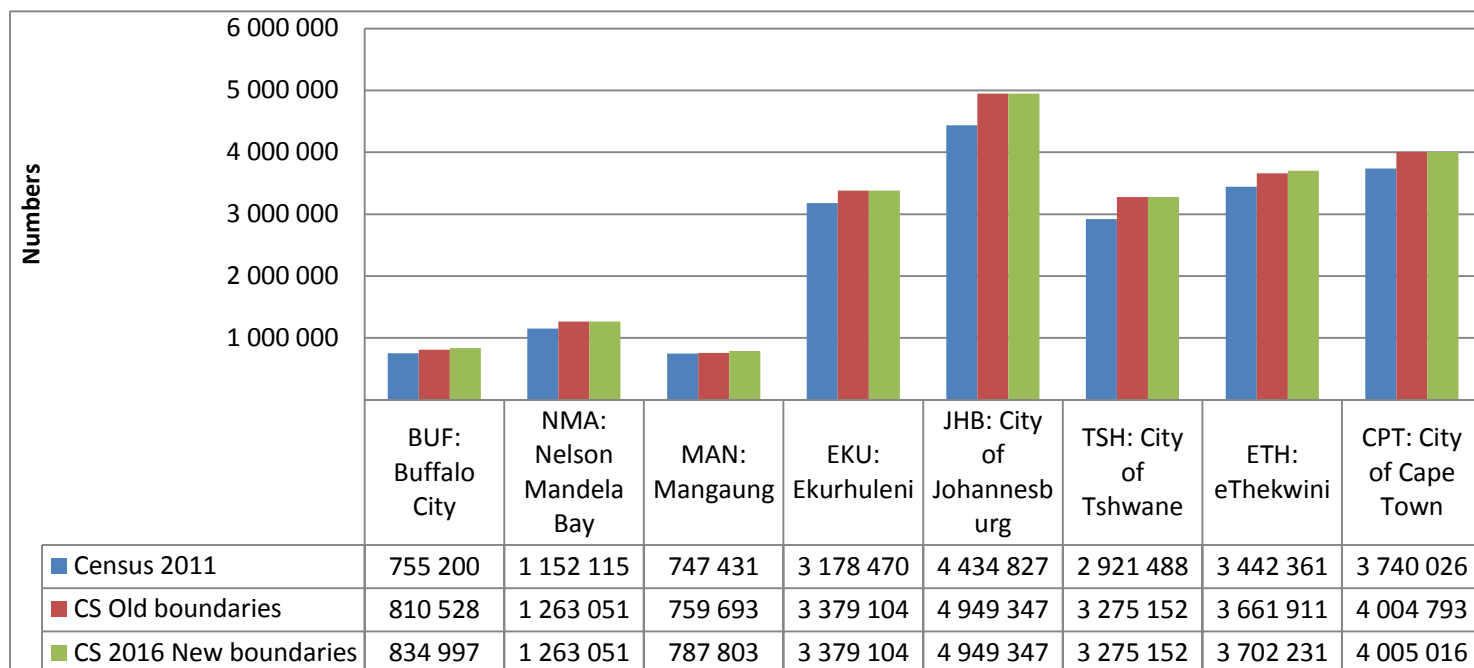
DEMOGRAPHICS

The demographics of an area determine the size and structure of the population. This in turn, has an impact on resource allocation, the consumption of goods and services and human capital development, which influences factors such as education, employment, income distribution and the physical well-being of a population. These development outcomes subsequently influence population processes such as migration, settlements, fertility, mortality and morbidity rates.

POPULATION

The community survey 2016 conducted by Stats SA estimates the total population of Buffalo City Metro to be 843 997 (see below)

Figure 1: Population Changes of Metros in SA

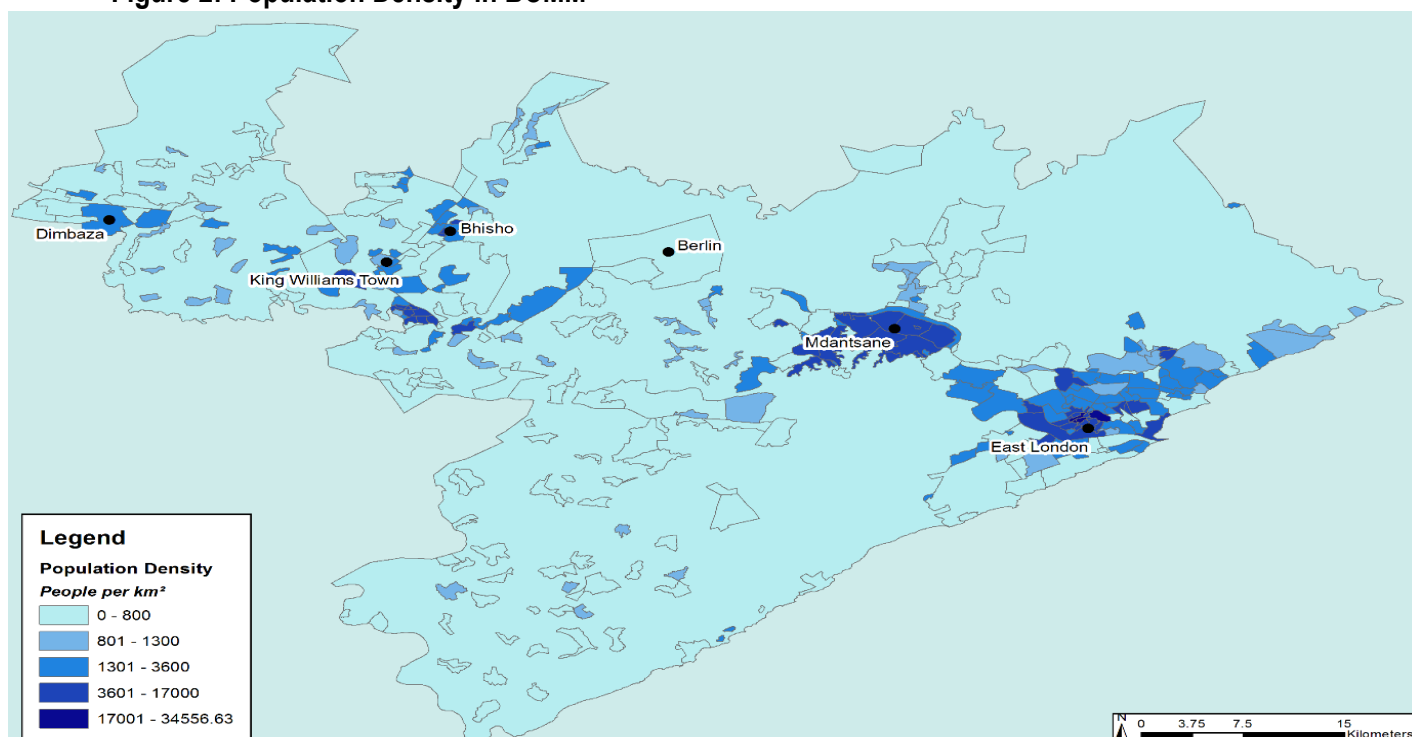


Source: Stats SA (2016)

Population Density

The Eastern Cape had a total population of 6.9 million people in 2015. BCMM accounted for 11.7% of the total provincial population and had a population density of 317.8 people per km², the second highest in the province after the NMBM. In BCMM areas such as East London, Mdantsane and King Williams Town have the highest population densities

Figure 2: Population Density in BCMM



Age Distribution

Urban districts and districts with more diverse economies have higher proportions of working age individuals. These included the Buffalo City Metro (67.9%).

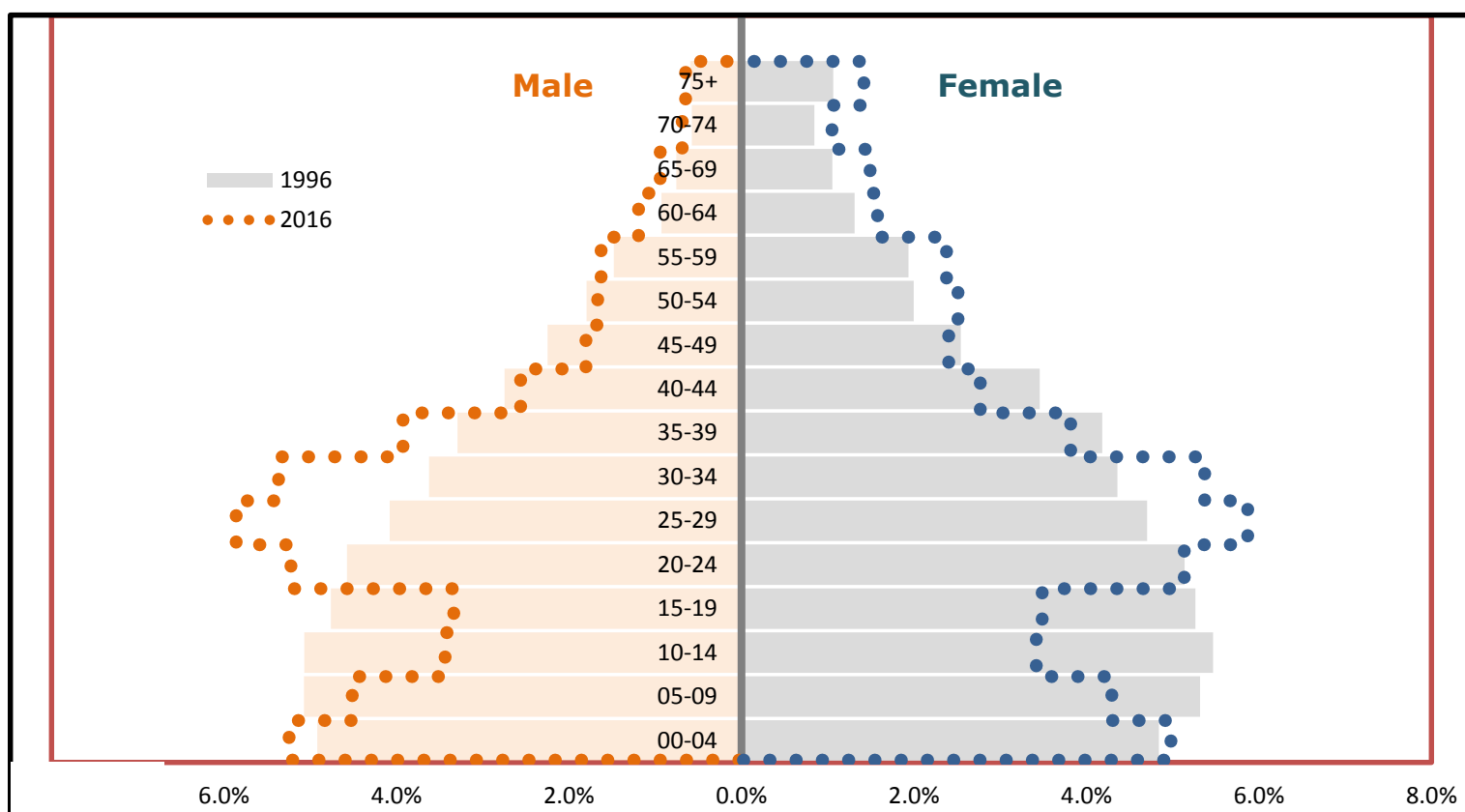
Table 1: Proportional Age Distribution across BCMM (2015)

AREA	0 – 14 years	15 – 64 years	65+ years
Eastern Cape	33.3%	60.0%	6.7%
Buffalo City Metro	26.2%	67.9%	5.9%

Source: Urban-Econ calculations based on Quantec (2016)

Population Structure by Gender

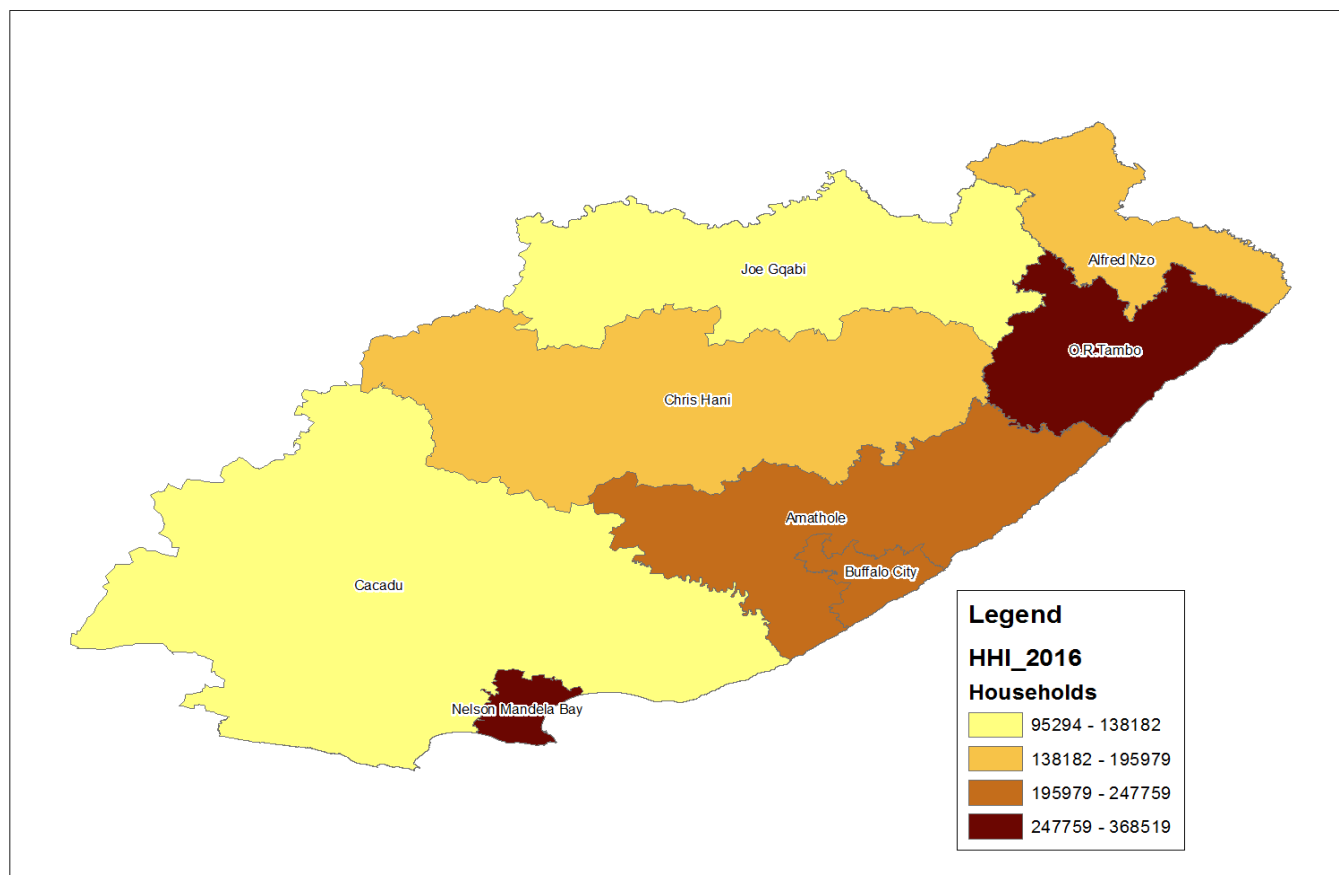
Figure 2: BCMM Population 1996 vs 2016



Source: ECSECC (2017)

Households

Figure 1: BCMM number of Households (253 477)

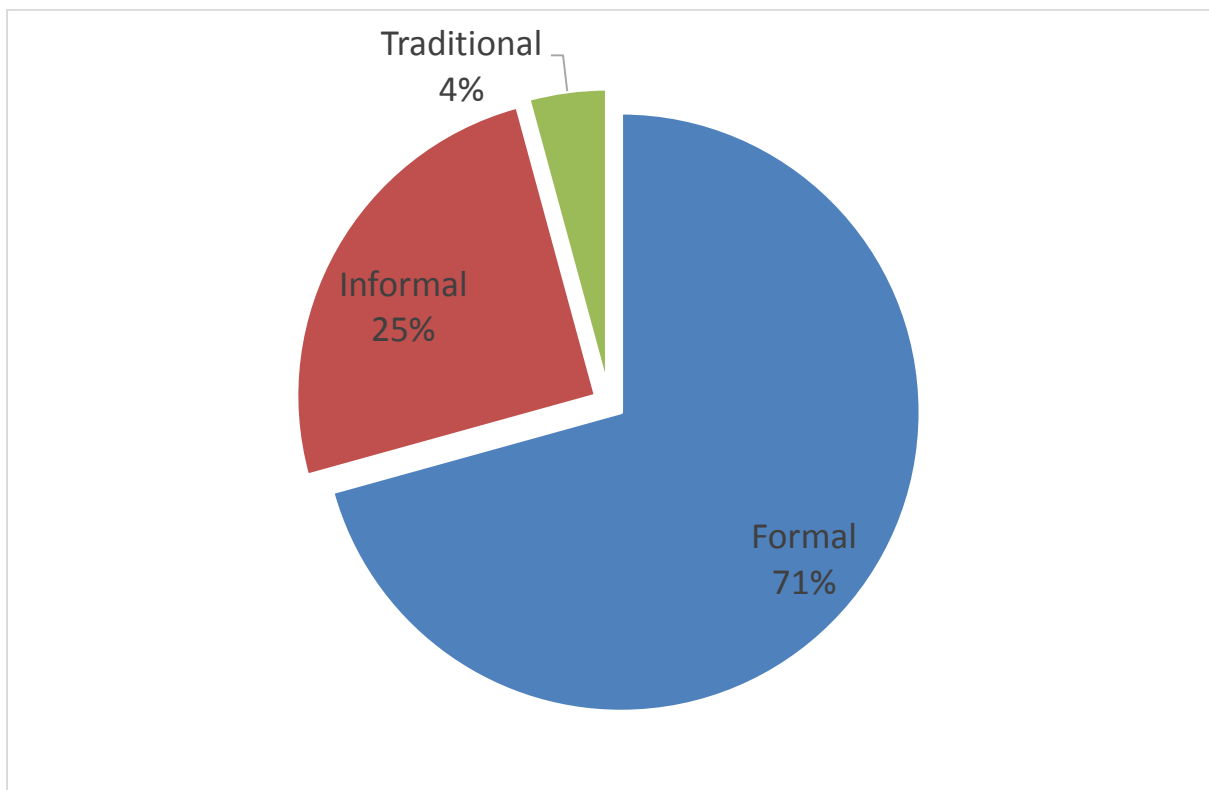


Source: Stats SA (2016)

According to Stats SA (2016) conducting their community survey the number of households in BCMM were estimated to be 253 477. This indicates a substantial increase in households from 2013 where they were estimated to be at 234 885 (ECSECC).

Dwelling Types

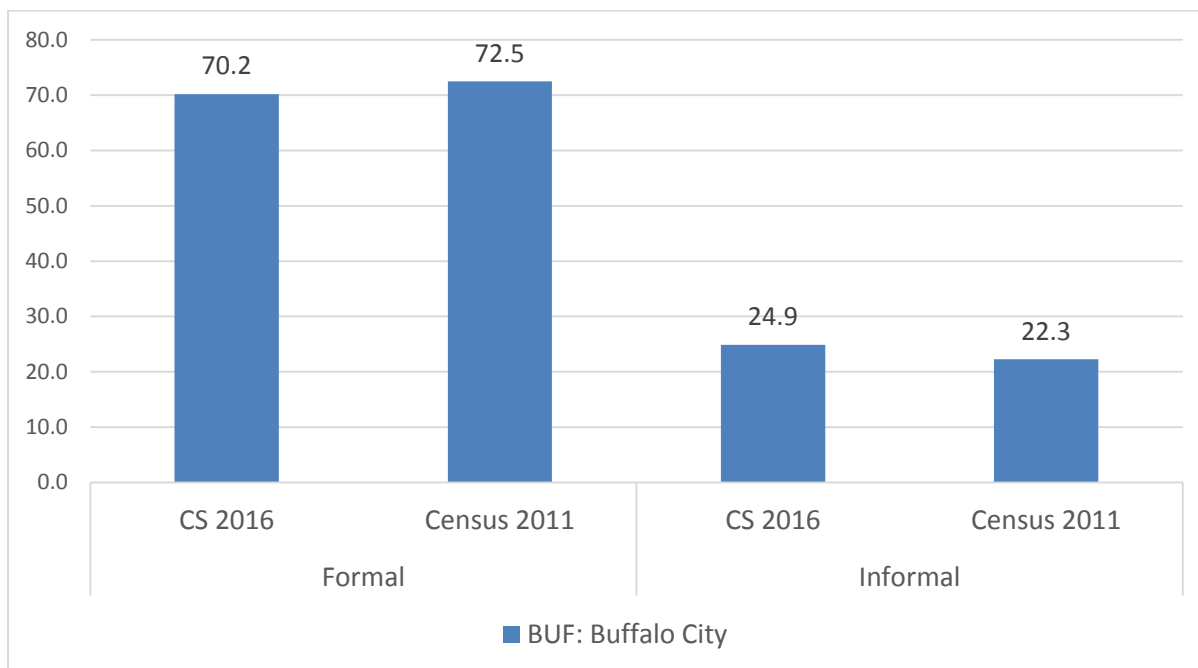
Figure: Type of Households in BCMM



Source: Stats SA (2016)

According to Stats SA out of the 253 477 households 71% are considered to be formal, 25% to be informal and 4% considered as traditional households.

Figure: Formal and Informal Households in BCMM



	1995	2000	2005	2010	2015	2016
RSA	67.9%	68.8%	74.0%	80.4%	83.1%	83.2%
EC	60.4%	60.9%	65.9%	73.3%	76.7%	76.9%
BCMM	74.8%	75.7%	79.7%	85.0%	86.3%	86.9%

Source: Stats SA (2016)

SOCIAL CHARACTERISTICS

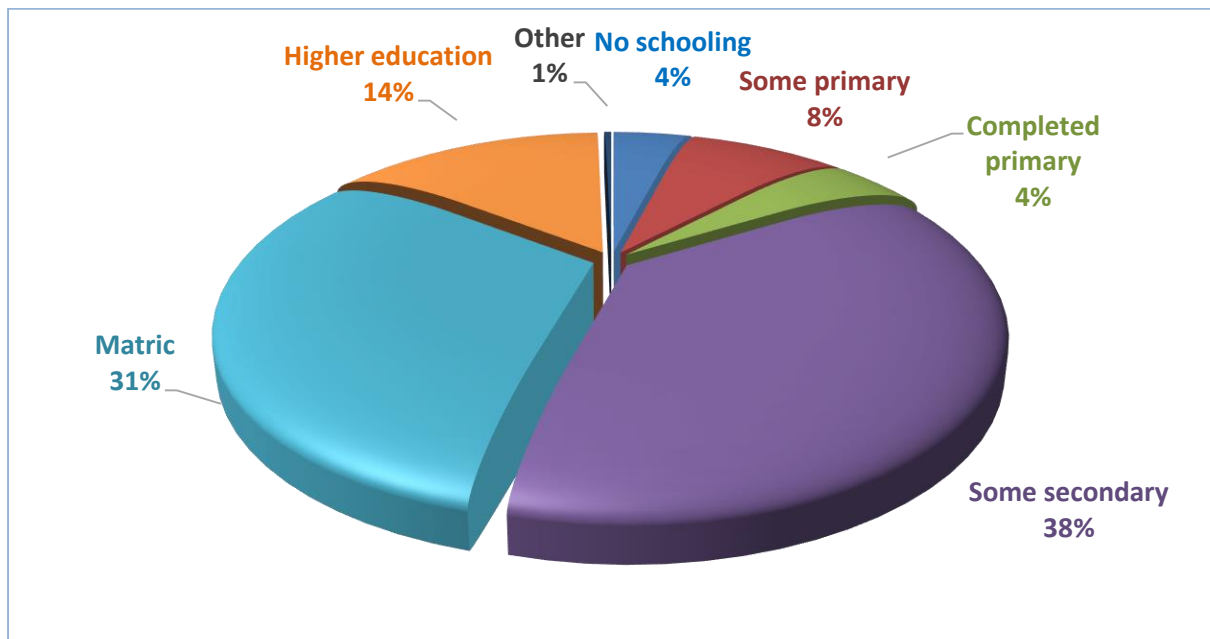
EDUCATION

The effects of education (or non-education) are extensive throughout society. Education links directly to poverty-reduction efforts, with poverty levels tending to be lower among families in which the head of the household has had some education than in those where the head of the household has no education. Education is also directly related to improved health and adversely related to premature death rates among children. Even with improved education levels, jobs may still be hard to find, although education considerably enhances the chances of finding employment.

Table: Functional literacy has improved: Age 15+, completed grade 7 or higher

Source: ECSECC 2017

Figure: Highest level of education, 20+: Buffalo City Metro, 2016

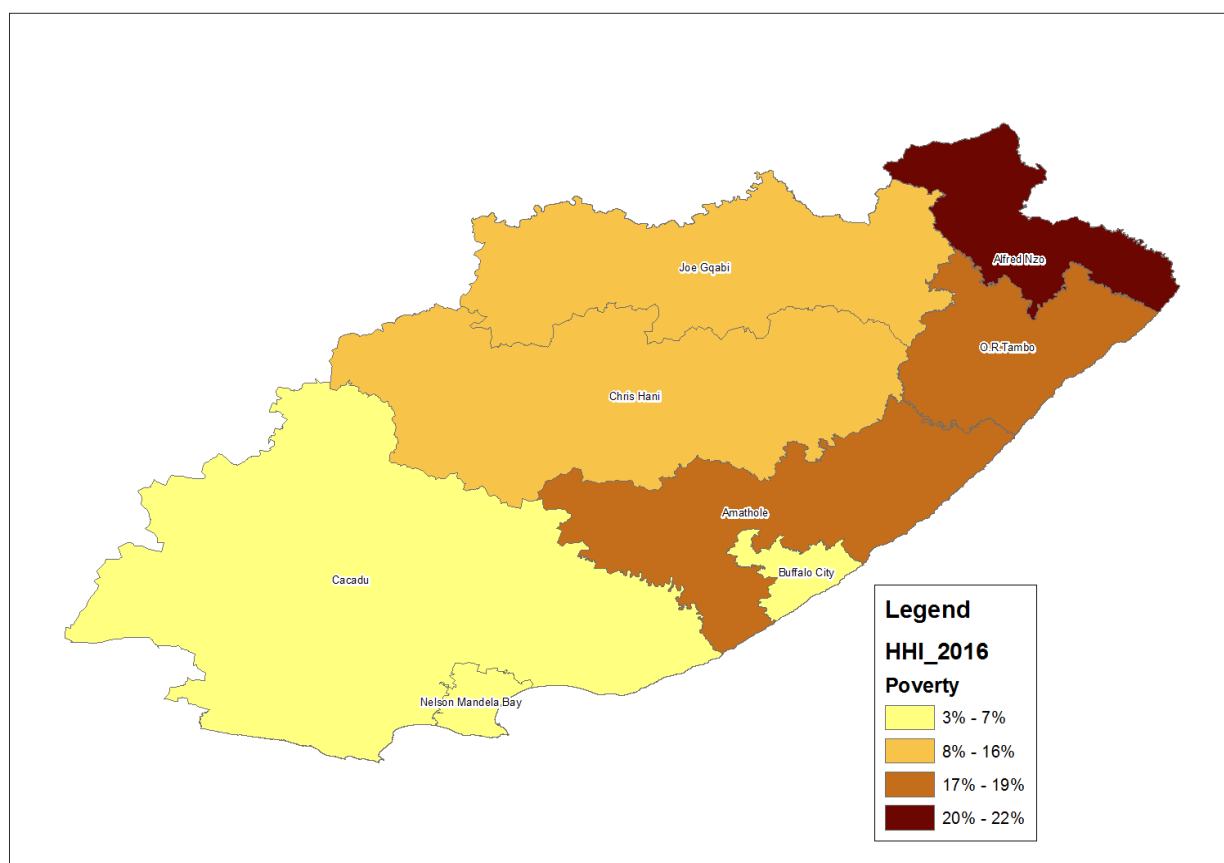


Source: Stats SA (2016)

POVERTY

Poverty is notoriously difficult to define but researchers typically take one of two approaches; the first is the poverty-line approach and the second is the access-to-services approach. Following the poverty-line approach, the number of households that fall below a chosen minimum income threshold are said to be living in poverty (the minimum income threshold is the minimum level of income that is required to meet basic needs).

Figure: Eastern Cape and BCMM Poverty Headcount (7.3%)



Source: Stats SA 2016

The Head count ratio (HCR) is the proportion of a population that exists, or lives, below the poverty line. When the number of poor is estimated as the proportion of people below the poverty line, it is known as 'head count ratio'.

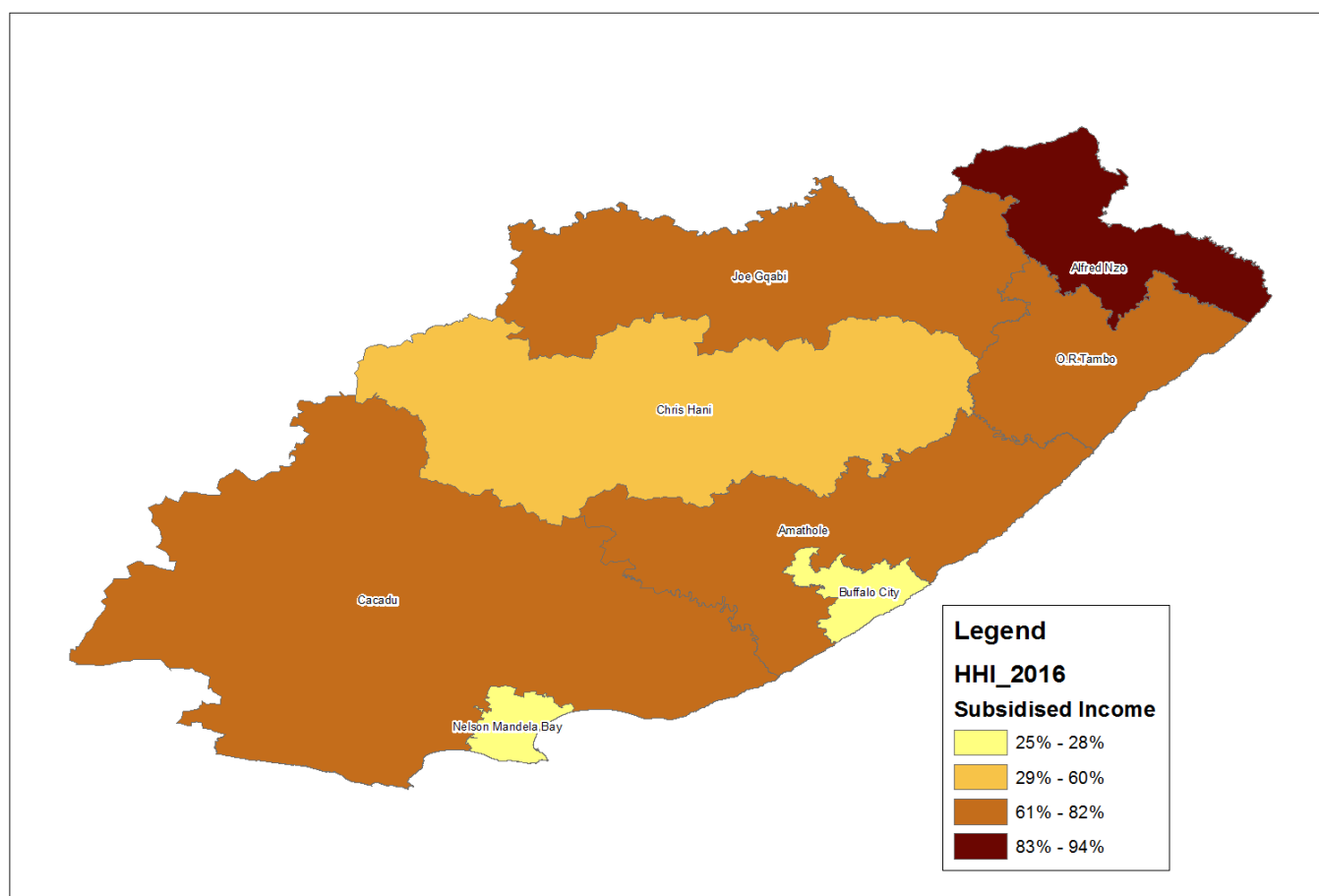
The food poverty line is defined by Stats SA as the level of consumption below which individuals are unable to purchase sufficient food to provide them with an adequate diet. Those below this line are either consuming insufficient calories for their nourishment, or must change their consumption patterns from those preferred by low income households. This variable measures the number of individuals living below that particular level of consumption for the given area, and is balanced directly to the official food poverty rate as measured by Stats SA.

The lower poverty line is defined by Stats SA as the level of consumption that includes both food and essential non-food items, but requires that individuals sacrifice some food items in order to obtain the non-food items. This variable measures the number of individuals living below that particular level of consumption for the given area, and is balanced directly to the official lower bound poverty rate as measured by Stats SA.

The upper poverty line is defined by Stats SA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable

measures the number of individuals living below that particular level of consumption for the given area, and is balanced directly to the official upper poverty rate as measured by Stats SA.

Figure: EC and BCMM (28%) 2015 Grants and subsidies received as a percentage of Total income



Source: Stats SA (2016)

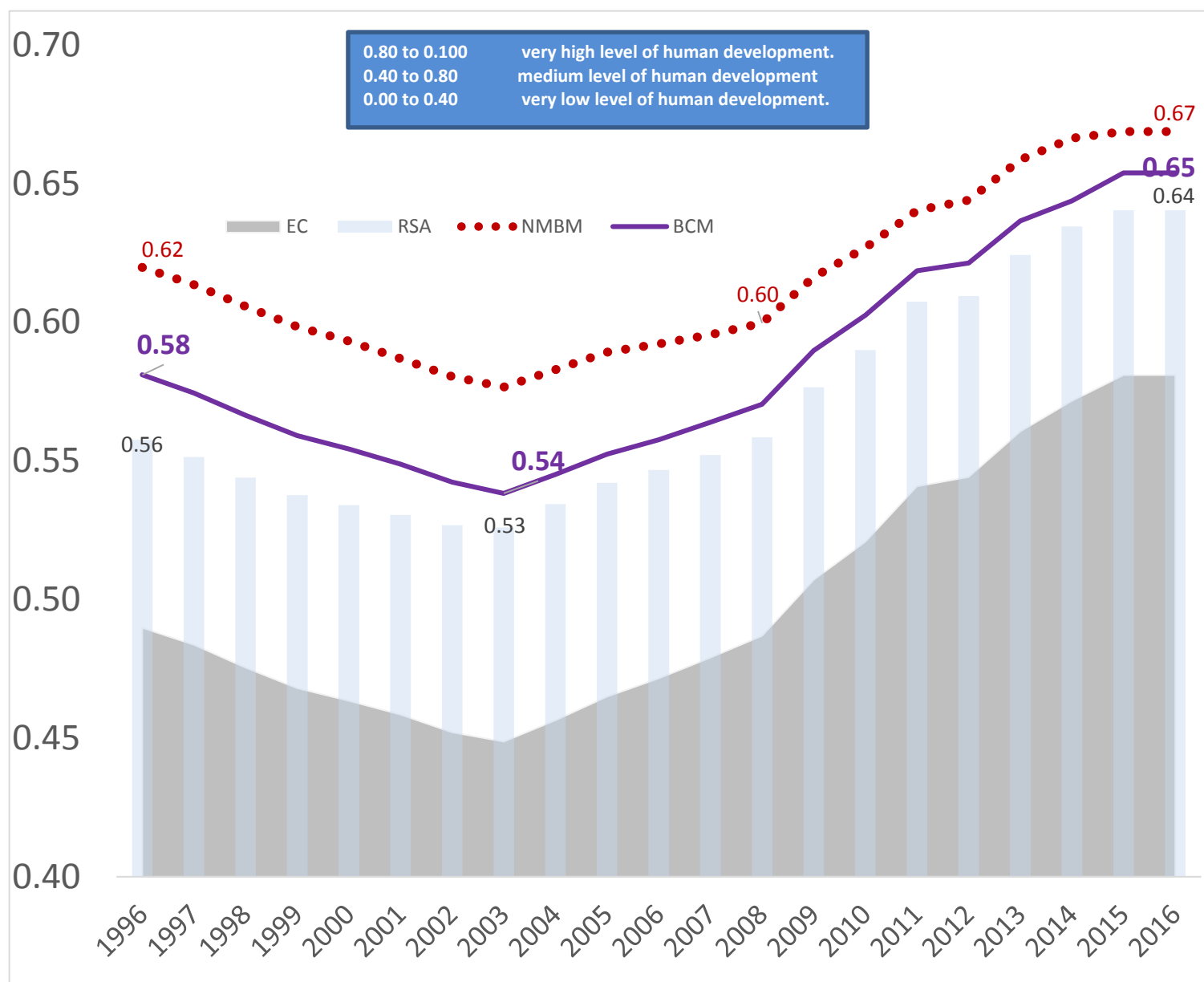
Human Development Index

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 typically measured using adult literacy and / or the combination of enrolment in primary, secondary and tertiary

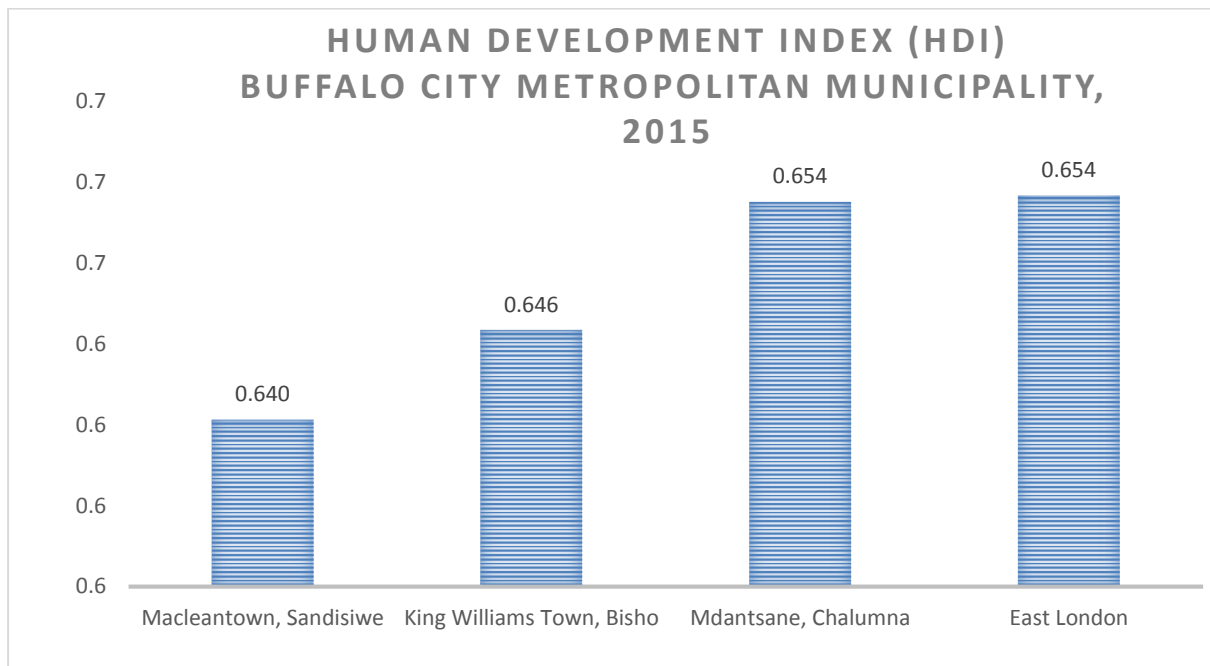
schools. A decent standard of living is typically measured using GDP per capita. The HDI can assume a maximum value of 1, indicating a very high level of human development. It has a minimum value of 0, indicating no human development.

Figure: RSA, EC, NMBM and BCMM Human Development Index (HDI) 1996-2016



Source: ECSECC (2017)

Figure: BCMM Human Development Index

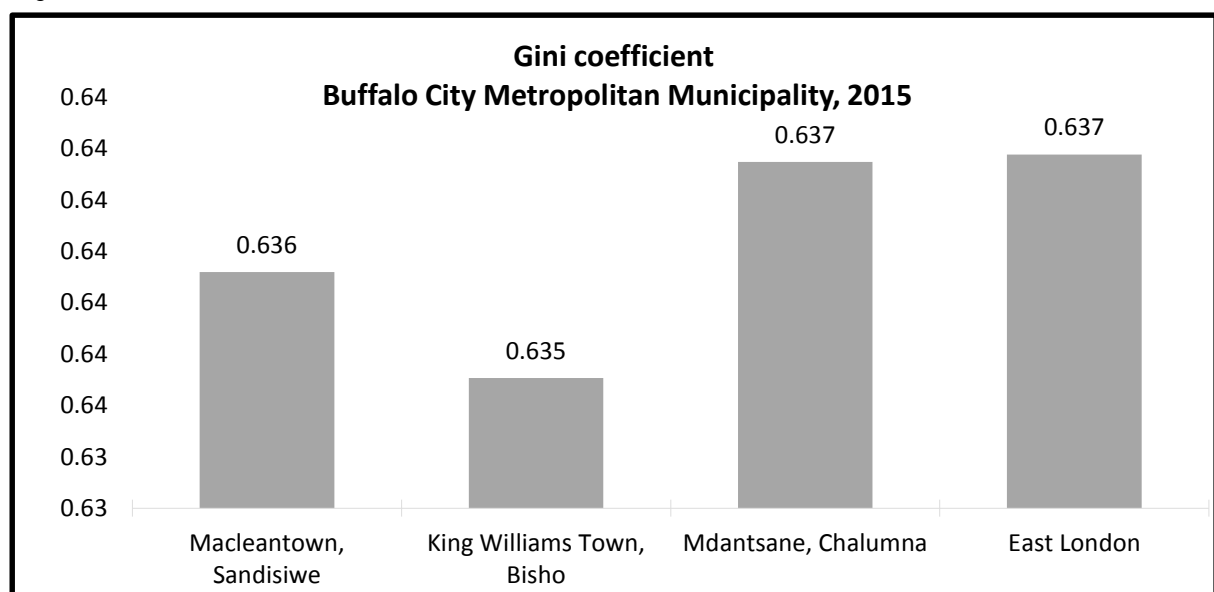


Source: ECSECC (2017)

GINI COEFFICIENT

The Gini coefficient is a summary statistic of income inequality, which varies from 0 to 1. If the Gini Coefficient is equal to zero it means that incomes are distributed in a perfectly equal manner, indicating a low variance between high and low income earners in the population. If the Gini coefficient is equal to one, income is completely inequitable, with one individual in the population earning income, whilst everyone else earns nothing.

Figure: BCMM Gini Coefficient



Source: ECSECC (2017)

HEALTH

ACCESS TO HEALTH FACILITIES

According to BCMM USDG report: 2013, BCMM population is serviced by thirteen (13) hospitals. The ration of regional and district hospitals to households is 1:28 644. There are 91 fixed clinics. 88% of the households in BCMM are within 5 km of the clinics. The indications are that a majority of the areas have got access to the facilities. There are no facilities in northern rural areas and Ncera areas with a ratio of 1clinic to 12 254 households, being too high above the norm of 1 clinic to 5000 people (1470 HH).

STAFFING OF BCMM CLINICS

Buffalo City Metro (excluding district and specialized hospitals) has 21 full time and 2 part time medical officers to service 79 clinics. The Buffalo City Metro is far better in this area than other Districts in the province.

HIV PREVALENCE IN BUFFALO CITY

HIV+ AND AIDS estimates 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.

In 2016, 110 000 people in the Buffalo City Metropolitan Municipality were infected with HIV. This reflects an increase at an average annual rate of 2.53% since 2006, and in 2016 represented 12.97% of the metropolitan municipality's total population. Eastern Cape Province had an average annual growth rate of 2.37% from 2006 to 2016 in the number of people infected with HIV, which is lower than that of the Buffalo City Metropolitan Municipality. When looking at South Africa as a whole it can be seen that the number of people that are infected increased from 2006 to 2016 with an average annual growth rate of 1.67%.

CRIME

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

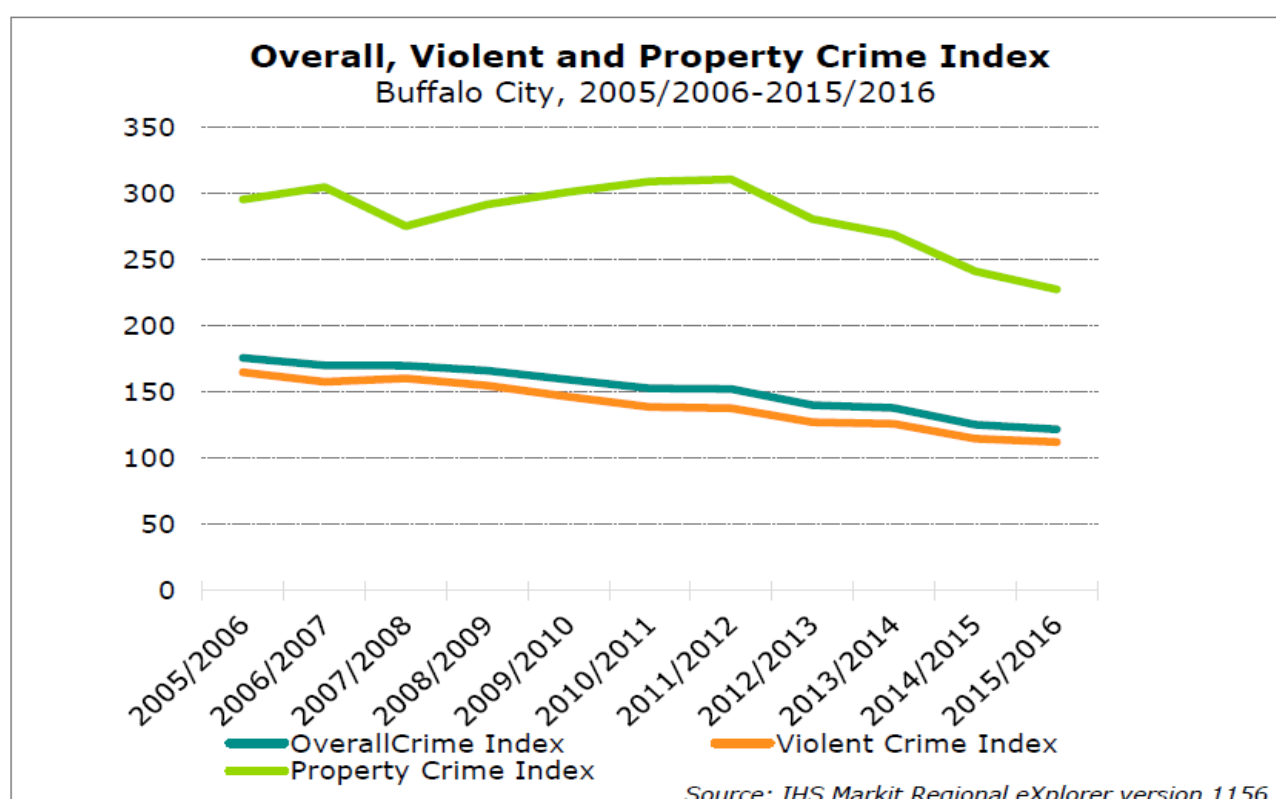
IHS COMPOSITE CRIME INDEX

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

OVERALL CRIME INDEX

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.

FIGURE: IHS CRIME INDEX - CALENDER YEARS (WEIGHTED AVG / 100,000 PEOPLE) - BUFFALO CITY METROPOLITAN MUNICIPALITY, 2005/2006-2015/2016 [INDEX VALUE]



For the period 2005/2006 to 2015/2016 overall crime has decrease at an average annual rate of 3.59% within the Buffalo City Metropolitan Municipality. Violent crime decreased by 3.77% since 2005/2006, while property crimes decreased by 2.57% between the 2005/2006 and 2015/2016 financial years.

BCMM ECONOMY

SIZE OF ECONOMY

Table: GDP (R billions) in BCM, EC, And RSA: 2006-2016

	BCM	EC	RSA	BCM as % of EC	BCM as % of RSA
2006	28.5	142.2	1,839.4	20.0%	1.55%
2007	32.9	168.2	2,109.5	19.5%	1.56%
2008	33.8	174.1	2,369.1	19.4%	1.43%
2009	37.4	191.2	2,507.7	19.5%	1.49%
2010	41.1	211.6	2,748.0	19.4%	1.49%
2011	43.9	226.1	3,023.7	19.4%	1.45%
2012	49.9	252.2	3,253.9	19.8%	1.53%
2013	55.6	273.2	3,539.8	20.4%	1.57%
2014	60.1	293.9	3,807.7	20.5%	1.58%
2015	64.5	315.6	4,049.8	20.4%	1.59%
2016	69.6	338.7	4,337.0	20.5%	1.60%

Source: ECSECC (2017)

GDP-R PER SETTLEMENT

The GDP-R per settlement within the BCM is illustrated in the Table 3.2 below. From the table, it is evident that East London (which includes Mdantsane and the ELIDZ) accounts for the overwhelming majority of the real GDP-R of the metro (76.8%) followed by King William's Town (19.5%), and Berlin (3.7%). The economic dominance of the East London is a function of the large population residing in this area, the corresponding buying power linked to this population and the concentration of businesses in the city.

TABLE 3.1

REAL GDP-R PER SETTLEMENTS IN BCM

	GDP-R (R, MILLIONS ¹)		SHARE OF TOTAL GDP-R
	2014	2015	
Buffalo City Metro	R 41 729	R 42 153	29.2%
East London/Mdantsane	R 32 132	R 32 377	76.8%
Berlin	R 1 550	R 1 570	3.7%
King William's Town/Bhisho	R 8 047	R 8 206	19.5%

Source: Urban-Econ calculations based on Quantec (2016)

Although GDP-R is an important measure of the economic position of a municipality, the GDP-R per capita serves as a better mechanism for assessing the relative strength of a given municipal economy against a benchmark location, in this case either the Eastern Cape or South Africa.

The real GDP-R per capita for each settlement within the BCM for 2015, illustrated in Table, ranges from R 28 175 (Berlin) to R 53 533 (King William's Town). The total GDP-R per capita for the entire BCM in 2015 was approximately R 51 160, marginally below the 2014 figure. Positively, all these figures are well above the provincial figure of R 31 045, and only Berlin (R 28 175) is below the national figure of R 51 547. The GDP-R per capita figures are indicative of the BCM's comparatively strong economy, high population levels, relative other to parts of the Eastern Cape, and low labour productivity levels.

TABLE 3.4

REAL GDP-R PER CAPITA IN SOUTH AFRICA, EASTERN CAPE AND BCM

	2014	2015	CHANGE
South Africa	R 51 701	R 51 547	-0.3%
Eastern Cape	R 31 073	R 31 045	-0.1%
Buffalo City Metro	R 51 580	R 51 160	-0.8%
East London/Mdantsane	R 53 201	R 52 652	-1.0%
Berlin	R 28 374	R 28 175	-0.7%
King William's Town/Bhisho	R 53 499	R 53 533	0.1%

Source: Urban-Econ calculations based on Quantec (2016)

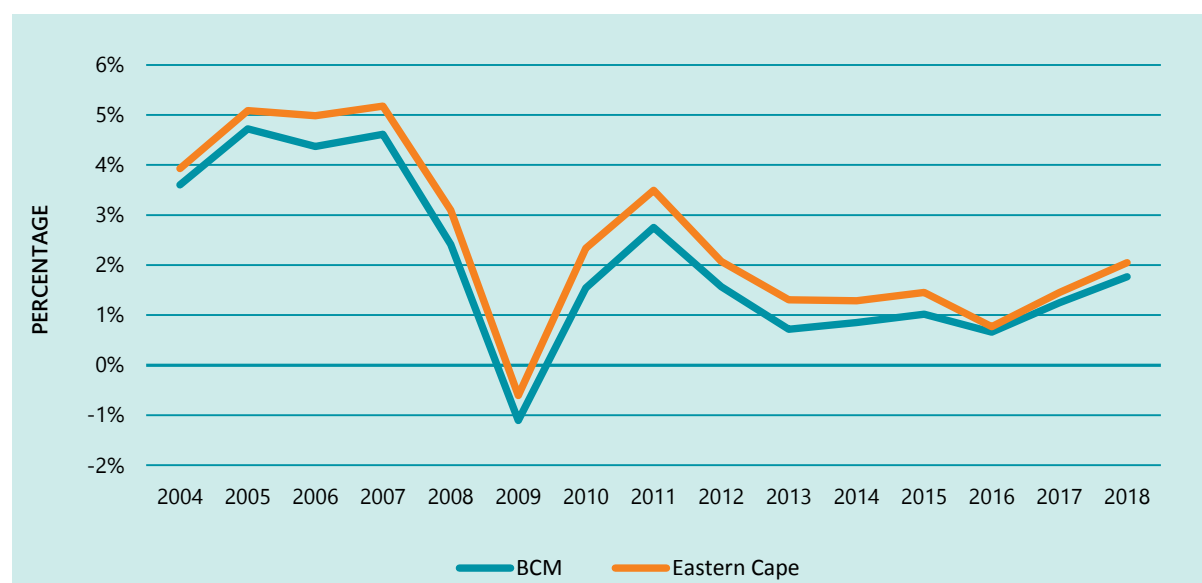
GDP-R Growth Rates and Projections

The most recent economic statistics for the Eastern Cape show that provincial GDP grew by 1.5% in 2015, 0.2% higher than the 2014 growth rate. This figure was however, marginally higher than the national average (1.4%) over the same period, and higher than all provinces except Limpopo (3.3%), North West (3.1%) and the Northern Cape (11.7%). Despite these positive figures, most of this provincial growth is occurring off a low base. The statistics further show that the GDP-R growth in the Eastern Cape (as well as the rest of South Africa) is lower than the pre-crisis growth rate of approximately 5.2%, recorded between 2006 and 2007.

Figure 3.1 and Table 3.4 indicate that the forecasted GDP-R growth for the Eastern Cape in 2016 is 0.8%, recovering to 2.1% by 2018, in line with national expectations. Over the same period the South African economy is anticipated to grow by between 0.9% (2016) and 2.4% (2018). The Eastern Cape's economic growth in 2016 is therefore expected to be moderate and below the national figure. Despite the BCM economy underperforming the broader Eastern Cape economy between 2011 and 2015, over the forecasted period, it is anticipated to grow at a slightly faster rate.

These projections are based on expected low commodity prices, heightened financial market volatility, and diminished consumer and business confidence. These factors are expected to ease over the medium term. An upturn in global trade and investment, improved policy certainty, recovering consumer and business confidence, and greater availability and reliability of electricity are anticipated to support stronger growth in 2018.

Figure: Actual and forecasted real GDP-R growth rates for BCM and the EASTERN CAPE



Source: Urban-Econ calculations based on Quantec (2016)

AVERAGE HOUSEHOLDE INCOME AND DISRIBUTION

Household income serves to indicate the relative wealth of households in a particular region. In order to determine this value, the weighted average monthly income for each district municipality was calculated based on the income bands assigned in the 2011 Census.

TABLE 2.5

AVERAGE MONTHLY HOUSEHOLD INCOME ACROSS THE EASTERN CAPE (2015 PRICES)

MUNICIPALITY	AVERAGE HOUSEHOLD INCOME		ABSOLUTE % CHANGE
	2001	2011	
Eastern Cape	R 5 634	R 7 188	27.6%
Sarah Baartman	R 7 647	R 8 701	13.8%
Amathole	R 3 539	R 4 397	24.2%
Chris Hani	R 3 795	R 5 454	43.7%
Joe Gqabi	R 3 742	R 4 859	29.8%
O.R. Tambo	R 3 918	R 4 808	22.7%
Alfred Nzo	R 3 230	R 4 279	32.5%
Buffalo City Metro	R 7 719	R 10 776	39.6%

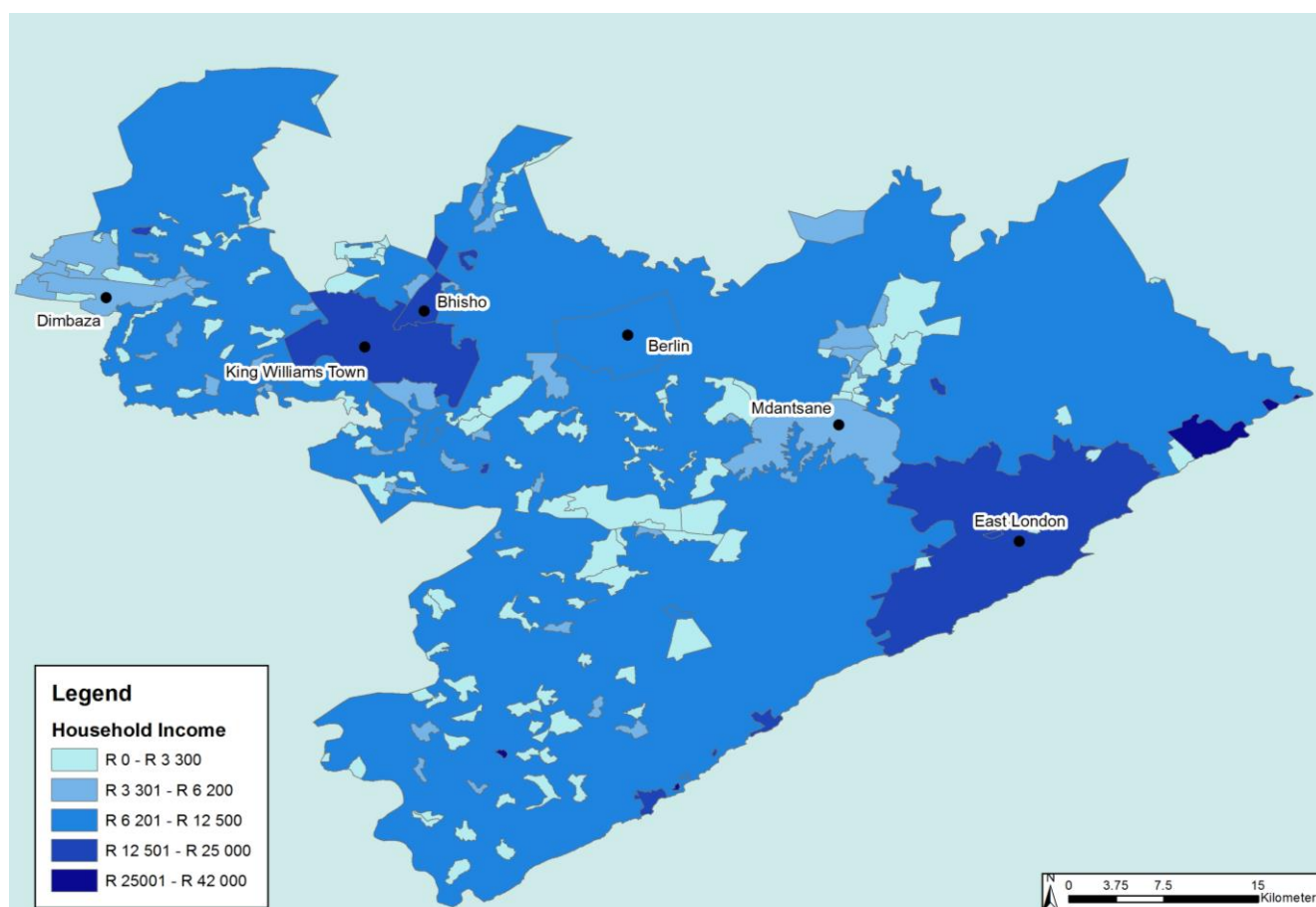
Nelson Mandela Bay Metro	R 10 334	R 11 714	13.4%
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Source: Urban-Econ calculations based on Census (2001) and Census (2011)

The results of this calculation are presented Table 2.5. The highest household income levels in the province are in the Nelson Mandela Bay and Buffalo City Metros, while the lowest are located in the Alfred Nzo, Amathole and O.R. Tambo District Municipalities. The districts with the lowest household incomes are characterised by lower education levels, low access to infrastructure and smaller working age populations.

From Table 2.5, it is evident that, in addition to the average household income for the BCM in 2015 being significantly above the provincial figure (R 7 188), it has also exhibited the second highest absolute growth between 2001 and 2011, increasing by 39.6%, compared to provincial growth of only 27.6% over the same period.

Figure 2.4: Average Monthly Household Income in BCMM 2011

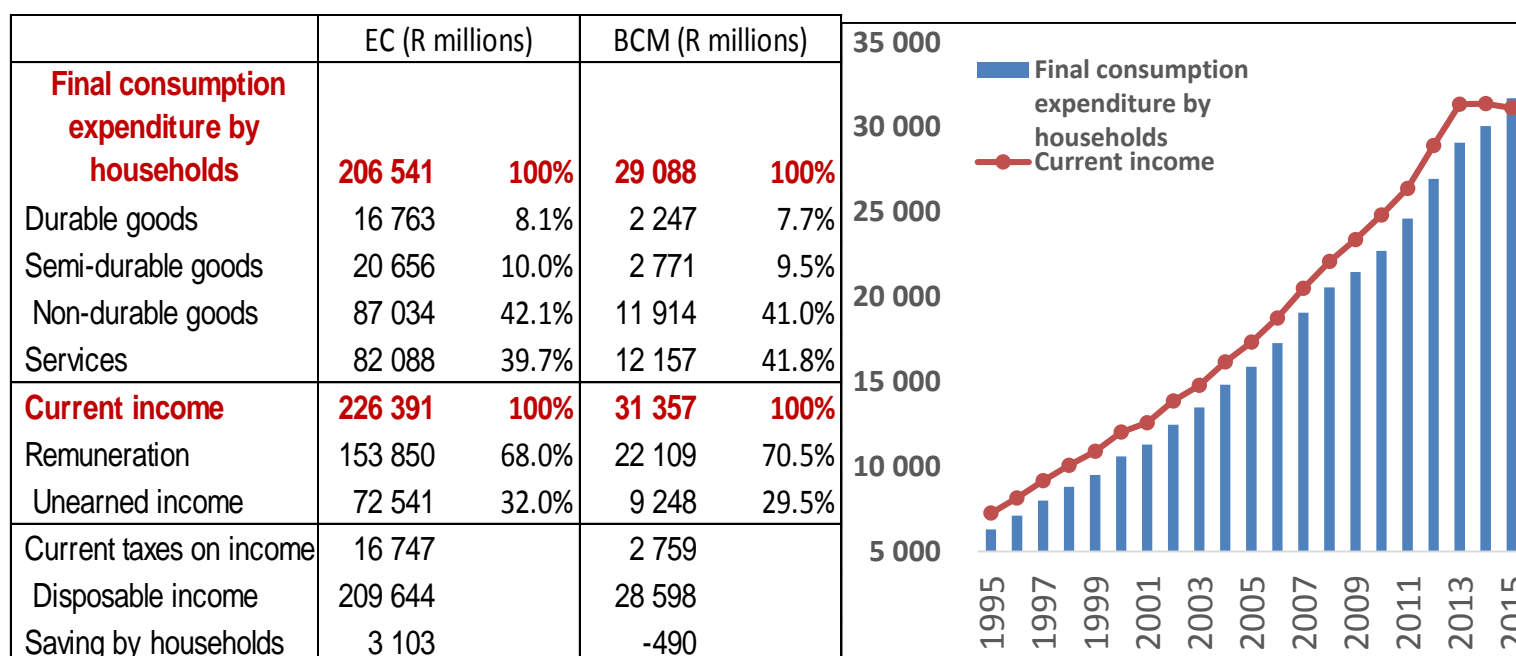


Source: Urban-Econ calculations based on Census (2011)

Figure 2.4 indicates the average monthly household income per sub place for the BCM based on the 2011 Census results. It is evident from the figure that the eastern part of the metro around East London has a significantly higher average household income than central parts of the metro, excluding King

William's Town. Some of the areas with average monthly household incomes more than R 20 000 include Gonubie, Bhisho, Nahoon, King William's Town and Kidd's Beach. In contrast, areas such as Lovedale, Chalumna and KwaNdayi (outside Mdantsane) have average household incomes of less than R 2 000 per month.

BCM Household Income and expenditure: 2015



Source: ECSECC (2017)

STRUCTURE OF THE BCM'S LABOUR MARKET

Approximately 284 930 people were employed in both the formal and informal economies in the BCM in 2015. While fluctuating year-on-year, employment levels have been steadily increasing since 2010. This is evident by the fact that total employment in the BCM increased by an average annualised rate of 2.2% between 2010 and 2015. The positive employment growth rate between 2010 and 2015 is largely attributable to the diversified nature of the BCM, and the strong employment growth exhibited by businesses based in East London. This annualised growth rate of 2.2% between 2010 and 2015 equated to the creation of approximately 21 183 jobs over the period.

TABLE 3.6

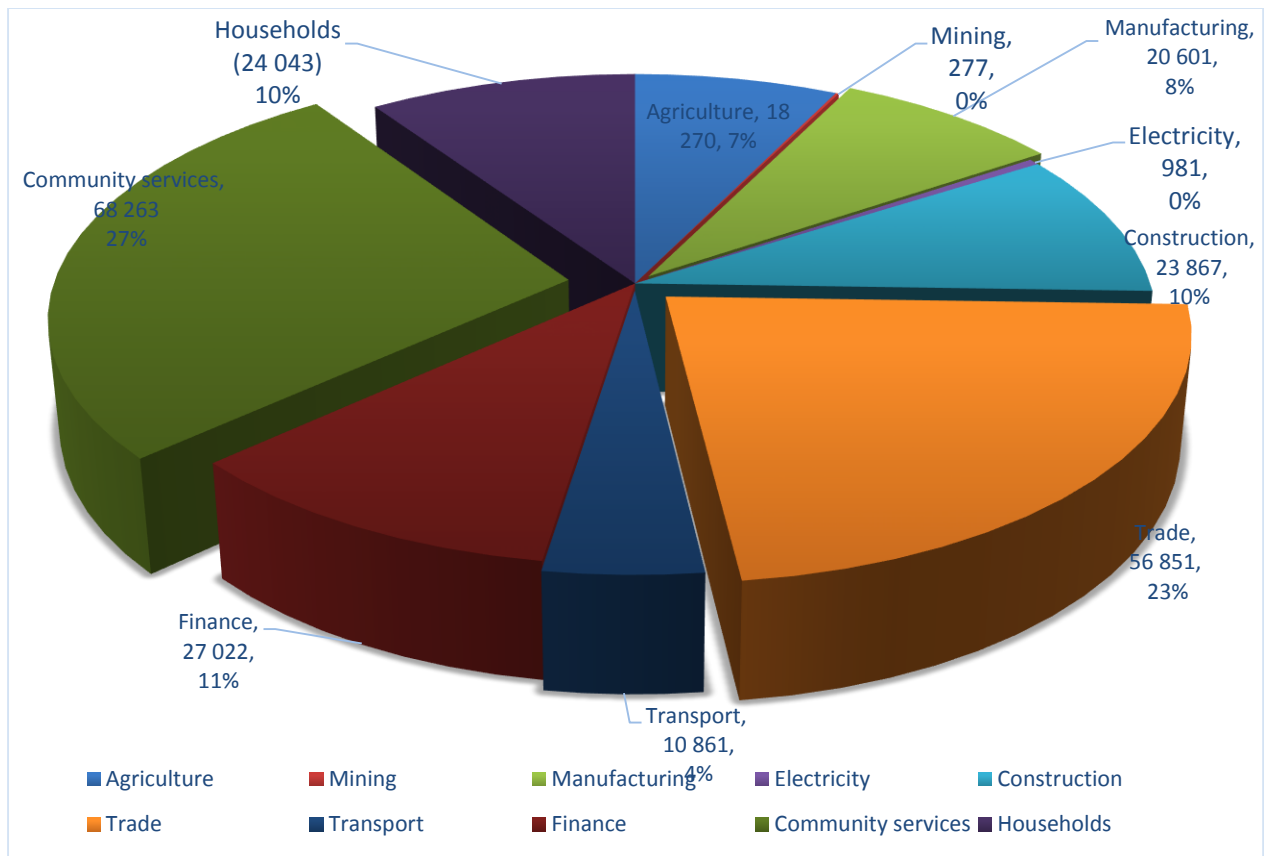
BUFFALO CITY METRO EMPLOYMENT STATUS IN 2015

		EMPLOYED	UNEMPLOYMENT RATE	
			OFFICIAL	EXPANDED
Buffalo City Metro		284 930	22.1%	28.6%
East London/Mdantsane		222 796	22.4%	28.4%
Berlin		12 713	27.1%	35.5%
King Town/Bhisho	William's	49 421	16.7%	24.1%

Source: Urban-Econ calculations based on Quantec (2016)

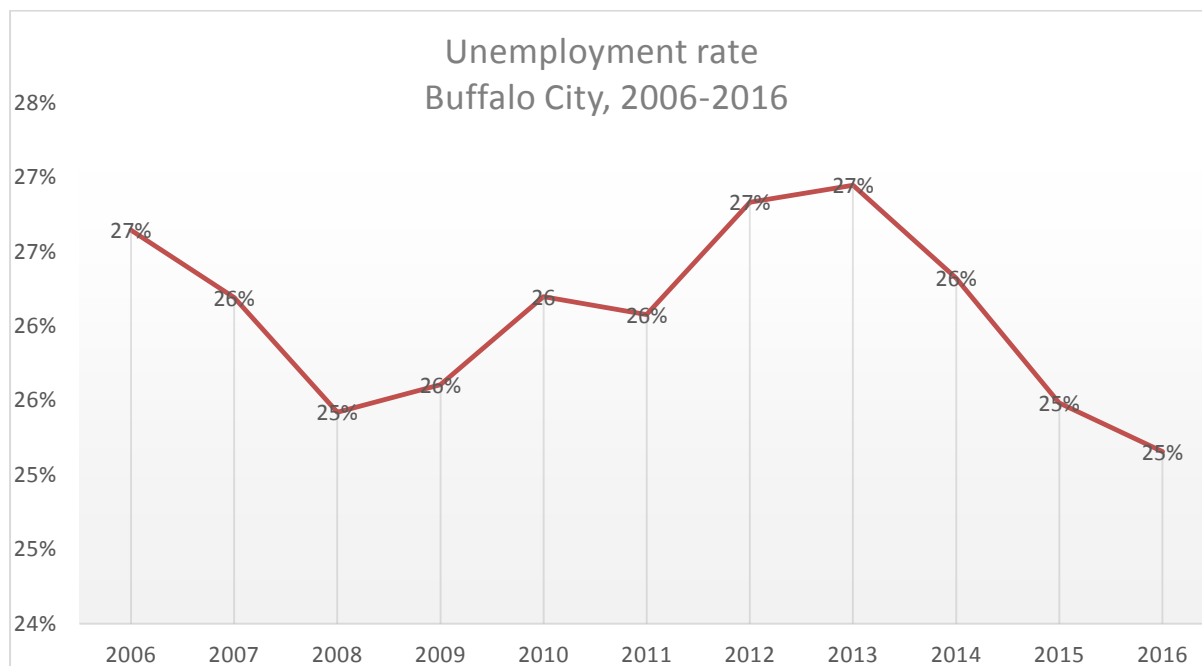
Unemployment levels vary significantly across the BCM, with Berlin having the highest (27.1%) and King William's Town having the lowest (16.7%). Of the approximately 80 644 unemployed individuals in the BCM, 92.0% are located in either East London (79.7%) or King William's Town region (12.2%).

In 2016, Trade (23%) and Community Services (27%) accounted for half of total employment in the BCMM



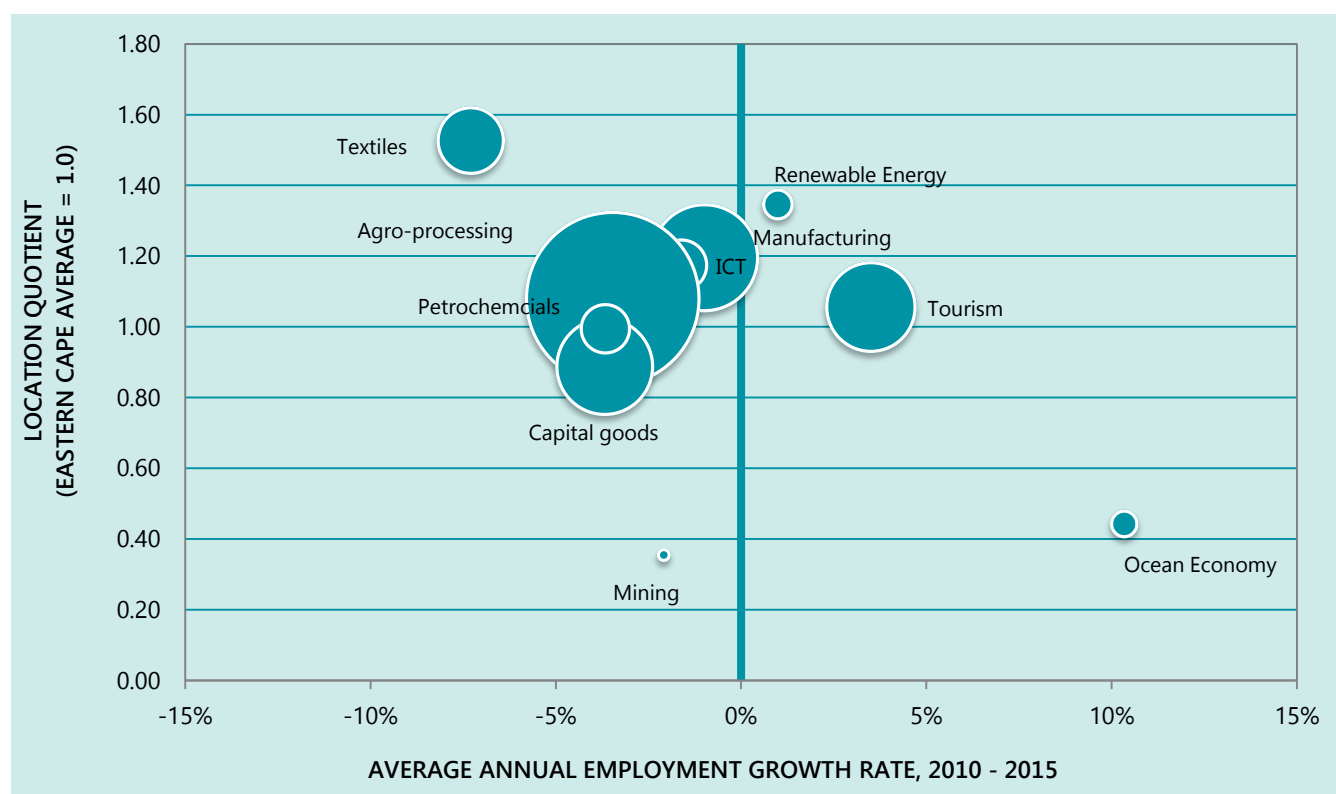
Source: ECSECC (2016)

Figure: Unemployment in BCMM



Source: ECSECC 2016

Figure: Growth Share Matrix for BCMM



Source: Urban-Econ calculations based on Quantec (2016)

Most of the priority sectors in the BCM fall within the upper-left hand quadrant of Figure 3.2. These are sectors that, despite having a high market share, have limited investment opportunities and have exhibited low employment growth between 2010 and 2015. These include sectors such as, textiles, ICT, petrochemicals, agro-processing, and manufacturing.

Those sectors in the left-hand quadrants (i.e. mining and capital goods) have shed jobs over the last five years, and are underperforming relative to these sectors at a regional level (Eastern Cape Province). Given that these sectors all fall within the lower-left hand quadrant, this analysis suggests that they are minor players within the greater BCM economy, and will experience considerable difficulty in obtaining high returns on additional increased investments. Although the growth share matrix is a useful analytical tool, it has several limitations including:

- The analysis only considers employment dynamics as an indicator for sectoral performance. It also assumes that positive employment growth is the only indicator of a successful sector.
- The fact that a sector is outperforming the same sector at a regional level is not the only indicator of investment potential.
- Declining employment could be an indicator of greater mechanisation which could, in turn could be attributed to higher output and subsequently a better performing sector.

Sectoral Employment Performance

As with the GDP-R contribution, the identified priority sectors as defined, account for 11.7% of total labour force in the BCM. This is slightly higher than the Eastern Cape average, where approximately 11.1% of the labour force is employed in the identified priority sectors. A significant number of individuals employed in the priority sectors are employed in the capital goods sector (22.1%), particularly automotive and component manufacturing.

The other major employer amongst the priority sectors is the agro-processing industry which, if the textile sub-sector is included, employs 9 217 people or 4.4% of the total labour force in the BCM. The third largest employer amongst the priority sectors is the tourism industry, employing an estimated 4 667 people. This equates to 19.0% of the total employment in the priority sectors in the BCM, and 2.2% of the overall employment within the entire BCM's economy.

TABLE 3.12

CONTRIBUTION OF THE PRIORITY SECTORS TO TOTAL EMPLOYMENT

SECTOR	BCM (2015)		EASTERN CAPE (2015)
	ACTUAL	PERCENTAGE	
All Manufacturing	17 101	8.2%	7.6%
Agro-Processing	6 607	3.2%	2.6%
Capital Goods	5 415	2.6%	2.9%
Petrochemicals	1 471	0.7%	0.7%
Textiles	2 610	1.2%	0.8%
Ocean economy	453	0.2%	0.5%

Tourism	4 667	2.2%	2.1%
ICT	1 610	0.8%	0.7%
Renewable Energy	561	0.3%	0.2%
Mining	108	0.1%	0.1%
Other	185 237	88.3%	88.9%

Source: Urban-Econ calculations based on Quantec (2016)

SITUATIONAL ANALYSIS PER KEY PERFORMANCE AREA

2. KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The legal framework guiding the institutional aspects of the IDP is contained in acts such as the Municipal Structures Act 117 of 1998, the Municipal Systems Act 32 of 2000 as amended in 2011, the Municipal Finance Management Act 56 of 2003, as well as the labour legislation applicable to all workplaces in the Republic of South Africa. This section will deal with the following issues:

- Human Resource Management;
- Human Resource & Performance Development; and
- Corporate Support Services

HUMAN RESOURCES MANAGEMENT

Human Resource Management Policies

BCMM has an integrated HR Strategy in place, including a Human Resource Development Strategy, however, these existing policies are outdated and they need to be revisited and aligned to the current institutional strategies and service delivery objectives. There are various HR policies that are in place and implemented, and these policies are currently undergoing a review process in consultation with relevant stakeholders. The following policies have already been reviewed, for example, the Staff Provisioning Policy, the HR Development Policy, the Organizational Design Policy, the Scarce Skills Policy, and are pending final approval. All HR Policies/ Strategies are planned to be reviewed annually, and only those policies/ strategies that require re-alignment will be reviewed. The review of the Policies and Strategies will be undertaken internally in consultation with the various internal stakeholders. The review of the Policies and Strategies should be finalized by December 2018.

Labour 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 with 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.

Employment Equity Plan

Buffalo City Metropolitan Municipality has a two-year Employment Equity Plan dated 01 July 2017 to 30 June 2019. The current plan reflect the Buffalo City Metropolitan Municipality Employment equity implementation programme. It will also show the relationship between the current workforce profile and possible barriers in employment equity policies and procedures and the implementation of corrective steps thereon. Targets set are in line with the Eastern Cape Economic Active Population (EAP) as well as the new task levels, and such targets are implemented as from 1 July 2017.

Although the current plan expires on the 30 June 2019, the process of reviewing it has been initiated. The review process will include a critical examination of all existing policies, such as recruitment, selection etc. Various communication mechanism will be used to communicate the reviewed plan to all stakeholders. Information about the reviewed plan will be easily accessible to all levels of employees. Once the plan is reviewed it will be implemented in order to achieve reasonable progress towards employment equity in Buffalo City Metropolitan Municipality workforce, comply with legislation and recruiting suitable candidates based on gender and disability.

Skills Development

Skills development of human capital is one of Buffalo City Metropolitan Municipality (BCMM)'s priorities. Annually BCMM develops a Workplace Skills Plan (WSP) for the ensuing year, which sets out the training needs and plans for both Councillors and staff as well as Annual Training Report with details on implementation of the plan in the year coming to an end. A consultation process on the plan is held with stakeholders which include the unions, municipal departments prior before it is tabled at the Employment Equity and Training Steering Committee and Council for approval. The Workplace Skills Plan becomes a source of grant funding for training and development from the Local Government Sectoral Education and Training Authority (LGSETA) when it is submitted by the deadline of 30 April annually.

In order to ensure compliance of identified senior and middle management municipal officials affected by the National Treasury Regulations on Minimum Competency Levels BCMM has embarked on an intensive financial management development program that covers the Unit Standards prescribed for the competences specified in the regulations. The program has been extended to other municipal staff who have the potential and career aspirations to those positions affected by the regulations.

Recruitment, Training and Retention strategies

BCMM has a policy on recruitment and selection which promotes consideration of previously disadvantaged and people with disabilities. The Municipality does have a Scarce Skills Policy that is applicable and is currently being reviewed. BCMM also has a ***Talent Retention and Management Strategy*** in order to have a pool of competent staff as a back-up in times of need. However both strategies are under review with Talent Management, and already advancing on scarce skill retention through scarce training programs and assistance of individuals on scarce skills occupations with payment of subscriptions in Professional Institutions and attendance of conferences/seminars there-from. Scarce skill allowances are also paid out to officials identified by the Scarce Skills Remuneration Committee in accordance with an approved Scarce Skills Remuneration Policy.

BCMM is implementing some human resource development initiatives such as learnerships, skills programs, internships targeting scarce skills occupational areas as well as in-service training for students, Adult Basic Education and Training (ABET), apprenticeships, as well as bursaries to both members of the public and staff members. Professionalization of incumbents in some positions throughout the organisation is one of initiatives currently undertaken as part of retention of scarce skills. Partnerships with interested parties for human resource development initiatives have been formed with stakeholders like Mercedes Benz South Africa (MBSA) where there is information sharing as well as with National Treasury which has also committed itself to assist financially over a three year period with an Infrastructural Skills Development Grant focusing on capacity building of staff in the Infrastructure and Built Environment areas of work.

Succession Plan

The draft BCMM Human Resource Development Policy has a Succession Planning and Career Management Procedure which provides a guide for an implementation of a succession management or talent pool program. The draft HRD Policy is awaiting approval of Council after having been considered by Council substructures and the Local Labour Forum.

Employee Performance Management System

Establishment of the employee performance management system to all staff members was identified by Council and the Auditor General as a priority for implementation. Buffalo City Metro Municipality Employee Performance Management and Development Framework and Policy requires all Buffalo City Metropolitan Municipality employees both permanent and temporary to complete performance plans/agreements and as well Employee Performance Management and Development System as performance assessments in line with the council-approved Employee Performance Management and Development System Framework and policy. The chosen approach:

- Ensures alignment of individual goals;
- Allows employees to see how their performance will contribute to the overall BCMM objectives; and
- Enables managers to identify factors that keep certain employees from performing effectively and subsequently means of capacitating them accordingly to help them improve their performance.

Each and every financial year, employees are required to enter into Performance Agreement with their line managers before the end of July. Performance Assessments and reviews happen twice a year, during February as first formal performance assessment and August as second formal assessment. The institution is currently rolling-out integrated Electronic Performance Management System to improve institutional and individual performance in different phases.

Occupational Health and Safety

The Buffalo City Metropolitan Municipality has a policy on Occupational Health & Safety. The policy undertakes to provide and maintain the facilities to safeguard its employees from injury, nuisance or risk to health through any operations associated the Municipal Organisation as far as it is reasonably practical to do so. The City Council's objectives are to ensure complete compliance with all relevant statutory Health and Safety requirements. Maintain a good relationship with Health and Safety Service Providers in the interest of accident prevention.

These objectives must be accepted by every employee involved in the affairs of the Buffalo City Municipality, no matter what their capacity or function may be. Managers and Supervisors are key officials in the Health and Safety Programme because of their constant contact with their subordinates. They must ensure that all matters relating to health and safety are brought to the attention of their subordinates. The co-operation of Management and employees in carrying out this policy together with the standard health and safety procedures, is required to ensure the healthiest and safest working conditions at the workplace always and thereby minimise possible accidents.

To promote this policy Safety Committees, meet once a month to discuss safety issues within the departments of BCMM. Safety inspections are done on a monthly and random basis. Safety Inductions take place on the 1st of every month for new employees and thereafter monthly departmental workshops takes place. 3 Day Wellness days takes place that deals with external service providers assisting BCMM employees with Medical tests (e.g.) Audiometry, Dentistry, Optometry, Dieticians, Financial Education, BP Checks, Diabetic Checks, Cholesterol Checks, HIV Testing with pre/post counselling, Orthopedic specialist. Medical Surveillance and screening of departments exposed to hazards and hazardous substances.

INFORMATION COMMUNICATION AND TECHNOLOGY

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 thereof, thus ensuring a continuous improvement in ensuring automation of business processes with all its application framework uncompromisingly being MSCOA compliant

Legislative Framework

- National Development Plan, in Knowledge Economy as major job creation drivers.
- Presidential Infrastructure Coordinating Commission, Launched Strategic Integrated Project(SIP15) for Expanded access to ICT
- SA Broadband Policy

Major projects

- System Integration
- Public Wi-Fi
- Citizen Engagement
- Number of BCMM Building Connected to Fiber Network
- Rollout of Office 365 to the whole organization.
- Skype for business (Video Conferencing)
- MSCOA Systems integration
- Disaster recovery site to be fully functional
- Intelligent Operating Center.
- Surveillance cameras

Achievements

- System integration
 - All the 5 General Ledger Transacting System are integrated seamlessly
 - 3 Transactional Billing system are fully integrated
- Public WiFi
 - All BCMM Libraries have a free WiFi
 - 4 Public Hotspot namely (Oxford St BCC, Duncan Village, Frere Hospital and Oxford Munifin Building) have free Internet access
- Citizen Engagement
 - BCMM has launched its first Citizen Engagement App and is currently live on App Store and Google Play for Citizen to Engage
- Number of Building connected to Fibre
 - A Fibre Link has been established to link Bisho to KWT on Fibre
 - Link between Munifin Building to ELIDZ has been installed
- ICT has enabled office 365.
 - ICT has rolled out office 365 to enable the users to use Microsoft Webservices when not connected to the ICT network
- ICT has enabled Skype for business.
 - Skype for business will allow meeting to be managed from desk top level and could ultimately prevent out of town travel as meetings will be held from a digital boardroom.
- ICT has enabled MSCOA
 - Mscoa has been commissioned by National Treasury for all Third-party system to integrate seamlessly to the financial systems. All third party systems are integrating seamlessly
- ICT has enabled Public Wifi
 - Free limited public Wifi has been rolled out to the citizen of BCMM. This will allow the citizens to access web services previously unavailable. An advantage is purchasing of electricity and job seeking opportunities.
- ICT has enabled Surveillance cameras
 - The cameras will be monitored from a central point. Crime could be monitored and reported immediately

Challenges

- Insufficient budget to address the challenges in KWT & Bisho
- Budget allocated can only string Fibre from EL to Berlin, additional budget is required to link Bisho to Berlin Pembroke

- The link from EL – Bisho has a missing gap, as it string fibre from EL – Berlin. Additional funding is required to complete the EL – Bisho link

Backlogs

The current backlogs in EL are with the Beacon Bay and Gonubie are to be connected already on fibre but due to budget constraints very little can be done. The Inland Dimbaza and Zwelitsha are to be connected already on fibre but due to budget constraints very little can be done

Network link between EL and Bisho

Currently BCMM ICT is using an analog wireless radio link from EL to Bisho which operates in a free spectrum license, which is causing interference due to free spectrum the equipment is using. The remedial plan is to upgrade to a digital microwave link that will be licensed solely to BCMM, thus avoiding any future interference on the line. The microwave link will be issued with a license dedicated to BCMM at the end of April.

CORPORATE SUPPORT SERVICES

The department's existence is an endeavor to enable the Council to provide for the core principles, mechanisms and processes that are necessary to enable Buffalo City Metropolitan Municipality to move progressively towards the social and economic upliftment of communities by providing support services to all directorates of the Buffalo City Metropolitan Municipality as well as support to all Councillors in order that BCMM delivers on its executive obligation as mandated.

The department provides the support in respect of Telecommunications, Records and Decision tracking, Auxiliary Services which incorporates advertising, translations, theft, loss or damage to municipal property. (Grants-in-aid in terms of section 67 of the MFMA No. 56 of 2003), Travel Management Services, Council Supports which comprises of committee sections, Printing and typing departments.

Strategies/Plans Developed in line with Relevant Legislation

Departmental strategies have been developed with clear time frames and are aligned to the planning of the institution. Also included in these strategies is the Annual Events Calendar which also takes care of the date details in the IDP process plan, dates of the Council Meetings, Mayoral Committee, Portfolio Committees and other activities detailed in this calendar to avoid clashing of events.

Achievements

The department has succeeded in rolling out Electronic Document Management Systems (EDMS). The Supply Chain Management Staff have been trained on how to use the system in order that records/information is on their finger tips for audit and other requesters of information.

Back scanning and indexing of Supply Chain Management Vital Records has also been conducted, the programme continues.

The Council meetings are convened on a monthly basis and up and above that Special Council meetings are also arranged, meaning that for a calendar year the Council sits more than fifteen (15) times, whilst the Municipal Structures act 117 of 1998 states that a Municipal Council must meet at least four (4) times Section 18 refers

ENTERPRISE PROJECT MANAGEMENT OFFICE (EPMO)

EPMO's key function is to provide an independent technical advisory support function to the City Manager and to trouble shoot where there are bottle-necks and support departments in order to enhance service delivery and expenditure performance of Buffalo City Metropolitan.

To provide support and oversight function to the City Manager i.e.:

- To monitor expenditure of the capital and operational budget
- To oversee the compilation of the budget (Capital & Operating)
- To enhance service delivery
- To enhance housing delivery
- To integrate service delivery with IDP, SDF, Transport Planning, Infrastructure development and Housing delivery
- Better alignment of project activity and business strategy and investments
- Consistent adherence to project management processes and methodology
- To co-ordinate grants and monitor expenditure and performance.
- To assist in fast tracking Catalytic Projects

Provincial & National legislation/ policy and plans that impact in Projects supported by the EPMO are as follows:

- National Land Transport Act (NLTA)
- Built Environment Performance Plan
- Integrated Development Plan
- Urban Settlements Development Programme
- Strategic Integrated Projects (SIP 7)
- Public Transport Network Grant Guidelines
- Public Transport Framework Plan
- Integrated Public Transport Plan
- Public Transport Plan

- Metro Growth Development Strategy
- National Development Plan

Built Environment Performance Plan (BEPP)

The Buffalo City Metropolitan Municipality's Built Environment Performance Plan 2018/2019 (BEPP), is submitted in accordance of the Division of Revenue Act (DoRA) requirements in respect of the various grants related to the built environment and secondly in partial fulfilment of the requirements of the Integrated City Development Grant (ICDG). The Buffalo City Built Environment Performance Plan (BEPP) is a brief, strategic overview of the built environment aimed at improving the performance of metropolitan built environment. It is a city-level plan formulated and approved by the metro, and it complements existing statutory plans and compliance with legal requirements.

The core objective of the BEPP is that it provides (i) a strategic overview of the built environment; (ii) programmes and targets with an outcomes focus; (iii) basis for infrastructure grant submissions and grant alignment. The BEPP indicates how a metro will apply its capital financing, including grant resources and all other sources of finance, fiscal and regulatory instruments and incentives and what it intends to achieve with these resources and instruments in respect of the local, provincial and national priorities of improving the performance of our built environments and transforming the spatial urban form.

INFORMATION AND KNOWLEDGE MANAGEMENT (IKM), RESEARCH AND POLICY

The IKM, Research and Policy Unit provides an essential service to BCMM in the areas of Knowledge and Information Management, Policy, Research and Innovation. The Information and Knowledge Management, Research and Policy Unit is thus mandated with the following functions:

- To manage and coordinate Information and Knowledge Management in the City
- To manage and coordinate research in the City
- To coordinate and facilitate the development, alignment and review of all BCMM Policies: and
- To create a culture of innovation organization-wide

The following legislation, policy and plans impact on the Unit's function:

Knowledge Management (KM)

There is no legislation or Policy governing KM in local government. Some municipalities, including BCMM are advancing KM as a progressive management system that has been highly successful in the private

sector to improve performance and productivity. However, as mentioned earlier, for the first time in history, the management of knowledge has been included within ISO 9001: 2015 and this could mark a huge change within the KM landscape across the world. According to these global business standards, it is explicitly mentioned that knowledge is a resource, and therefore there are expectations for the management of that resource. These standards have provided a long awaited level of legitimacy for KM which could be used as a game changer for Local Government. It is worthwhile to explore the implications of the ISO 9001: 2015 (knowledge clause), and how this can influence and have a positive impact on municipalities as a service delivery arm of government.

BCMM Innovation Strategy and Implementation Plan

Prior to the development of the BCMM Innovation Strategy during the 2016/17 and 2017/18 Financial Year, there were pockets of innovation within and across BCMM Departments and Directorates. However, there was no overarching institutional Innovation Strategy framing the innovative endeavours of departments. BCMM thus identified the need for the development of an institutional Innovation Strategy and Implementation plan, through the coordination and facilitation of the IKM, Research and Policy Unit in order to:

- Drive a culture of innovation throughout the BCMM;
- To gain recognition for BCMM in the marketplace (customers, suppliers, the investment community etc.) as an Innovator;
- To position BCMM as a proactive Investor, willing to take calculated risks and support Innovation with investment in profitable new opportunities to realise its Strategy;
- To ensure continuous improvement opportunities are effectively communicated and shared across the BCMM to unlock additional value and derive greater synergy; and
- To provide dedicated resources to facilitate development of significant breakthrough and cross-departmental innovation opportunities.

The BCMM Innovation Strategy will be completed by the end of the 2017/18 Financial Year

BCMM Customer Satisfaction Survey

The 2016/17 Financial Year saw the completion of a BCMM Customer Satisfaction Survey, and concurrent development of a Customer Care Strategy and Service Delivery Charter, a process facilitated and coordinated by the IKM, Research and Policy Unit and the Communications Department.

STRATEGY AND TRANSFORMATION UNIT (S&T)

The Strategy and Transformation unit (S&T) is a new unit, only established in February 2018, with only one operative, its Manager. The S&T's key roles and functions are to assist with strategy enhancement

as well as and to augment transformation within Buffalo City Metropolitan in-conjunction with all directorates.

GIS, MAPPING AND DEMOGRAPHICS

Buffalo City Metropolitan Municipality has a Geographical Information System (GIS). Its role within the municipality is to implement approved strategies, provide adequate, current spatial information, safeguarding of spatial information, the distribution, sharing of spatial information and development of GIS skills. BCMM users of GIS can access applications and spatial information through various methods depending on the type of data requirements:

- GISTEXT (Land Information Web based application)-
- City Map (Intranet Map Services)
- ArcGIS Desktop (GIS specialists &GIS Technicians)
- ArcGIS Server (GIS web applications)
- GIS Online Maps (<http://gis.bcomm.gov.za/>)

GIS text provide the network user access to all property related information and GIS maps. The system is widely utilized. However, the Municipality is currentl using the Integrated Property Information Management system (IPIMS) project in order to eliminate manual property processes within the metropolitan departments and to integrate GIS with non GIS activities. BCMM has an approved GIS operational policy.

Challenges

GIS comprises of 5 components which need to be fully functioning and capacitated to ensure a sustainable GIS within Buffalo City Metropolitan Municipality. The strategies was interlinked but was divided into Data, Software, Hardware, People and Processes.

Data

The main issues regarding data are:

- Duplication and non-standardized data formats throughout the organization.
- Not integrated or centralised in one place to support informed service delivery decision making.

The main strategy surrounding data is to identify data champions or custodians per dataset that will own, market and maintain these datasets. These champions will form part of a **technical spatial information committee**.

Hardware

The key hardware challenges effecting GIS is network reliability which impacts on up time and accessibility of the corporate GIS. The capacity within ICT and GIS is low. Hardware and bandwidth is not only affecting GIS and the strategies. GIS, ICT and Knowledge Management need to engage **management** collectively to address their shared staff capacity and hardware challenges.

Software

The key challenges related to Software within the organization are Information Systems are not integrated or centralised and many stand-alone Information systems exist. Many of these systems have reference to spatial data but accessing this information is difficult and time consuming. Enterprise licence for GIS software exists to provide an Enterprise GIS (ESRI) but the software is not utilized by all departments to maintain, analyse, and disseminate spatial information. The main strategy relating to Software is to forge a better working relationship between the GIS Unit and ICT department. New systems that are developed need to adhere to the existing GIS Standards to ensure that the data can be easily integrated and managed.

People and human capacity:

The existing GIS unit comprises of 2 staff members which need to ensure that all the components of the corporate GIS are fully functional and maintained.

GIS Staff throughout the organization is limited and the overall awareness of GIS in BCM is low. Currently due the shortage of GIS Specialized staff in the GIS unit, users cannot be trained to use the internal GIS Services.

Processes:

GIS is not embedded into the core business process within the municipality. Critical business process needs to be identified and adopted by the Council. One of the key processes throughout the organization is the property value chain which connects most departments within the municipal environment.

KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

This section has a mandate to run the day-to-day “traditional” municipal services. These mainly contribute to local government key performance areas such as basic service delivery and infrastructure development, local economic development, municipal financial viability and management as well as municipal transformation and organizational development. This section deals with the following:

- Housing;
- Roads and Stormwater Management

- Water & Sanitation;
- Electricity;
- Transportation;
- Solid Waste Management;
- Municipal Health Services;
- Public Safety;
- Community Amenities;
- Parks, Cemeteries and Crematoria;
- Disaster Management;
- Environmental Sustainability; and
- Townships Regeneration

SETTLEMENT PLANNING

The key role of the Human Settlements Directorate is the creation of settlements which do not only include the provision of housing, 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.

National, Provincial and Local Policy and Legislation Alignment

When planning sustainable human settlements, consideration needs to be placed on relevant national, provincial and local policies which would form the basis of the development of these settlements. For the purpose of these document, information relating to housing delivery have been extracted from selected national, provincial and local policies. These policies are outlined and summarised below.

2.1 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:-

a) 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.

b) Set housing delivery goals in respect of its area of jurisdiction;

c) 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.

2.2 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.

2.3 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.

2030 Vision for the Eastern Cape (2014)

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

The plan emphasises the importance of interventions and programmes to improve nutrition and food security, roads infrastructure, water and sanitation, the safe disposal of refuse and waste, as well as **proper spatial planning for human settlements**.

Goal 4 deals directly with the creation of integrated human settlements by focusing on the following goals:

Integrated, quality human settlements. Dispersed mandates and vertical accountability make integrated planning for settlements, space and infrastructure difficult. Therefore, the province will need to build technical planning capability and improve the technical, administrative and political interface, as well as substantive community participation in settlement planning and design.

Universal access to social infrastructure. To achieve universal access to social infrastructure (water, sanitation, electricity and refuse) the province will improve infrastructure planning capability and review its infrastructure delivery mechanisms.

Promote safer communities. Personal safety is a necessary condition for human development, improved quality of life and enhanced productivity.

Spatial planning and land-use management. In order to translate the vision outline in the PDP, an updated provincial spatial development plan must be developed to. This plan should express a clear strategy for future spatial changes, while being responsive to a dynamic and moving population.

Eastern Cape Multi-Year Housing Development Plan 2012/13 – 2016/17

The MYHDP is the Eastern Cape's 5 year operational plan for housing delivery. It shows the key requirements needed in the Provincial Plan in order to assist the National Department to prepare their National Housing Development Plan.

The Department of Housing has a mandate to prioritise the National Outcomes (Outcome 8) for **Integrated Sustainable Human Settlement Development**, these are to:

- Accelerate the delivery of housing opportunities
- Ensure more efficient utilisation of land

- Improve Property Market
- Ensure access to basic services
- Facilitate Rural Settlement Development
- Enhance the capacity of the organisation

There has been a shift in the strategic focus of housing from simply delivering affordable housing to ensure that housing is delivered in settlements that are sustainable and habitable. The priorities of the plan are to:

- Accelerate delivery of housing within the context of sustainable human settlements;
- Provision of housing within human settlements;
- Provide quality housing to turn homes into assets;
- Create a single, efficient formal housing market; and
- Abolish apartheid spatial planning thereby restructuring and integrating human settlements.

Buffalo City Metropolitan Municipality Spatial Development Framework (SDF) (2013)

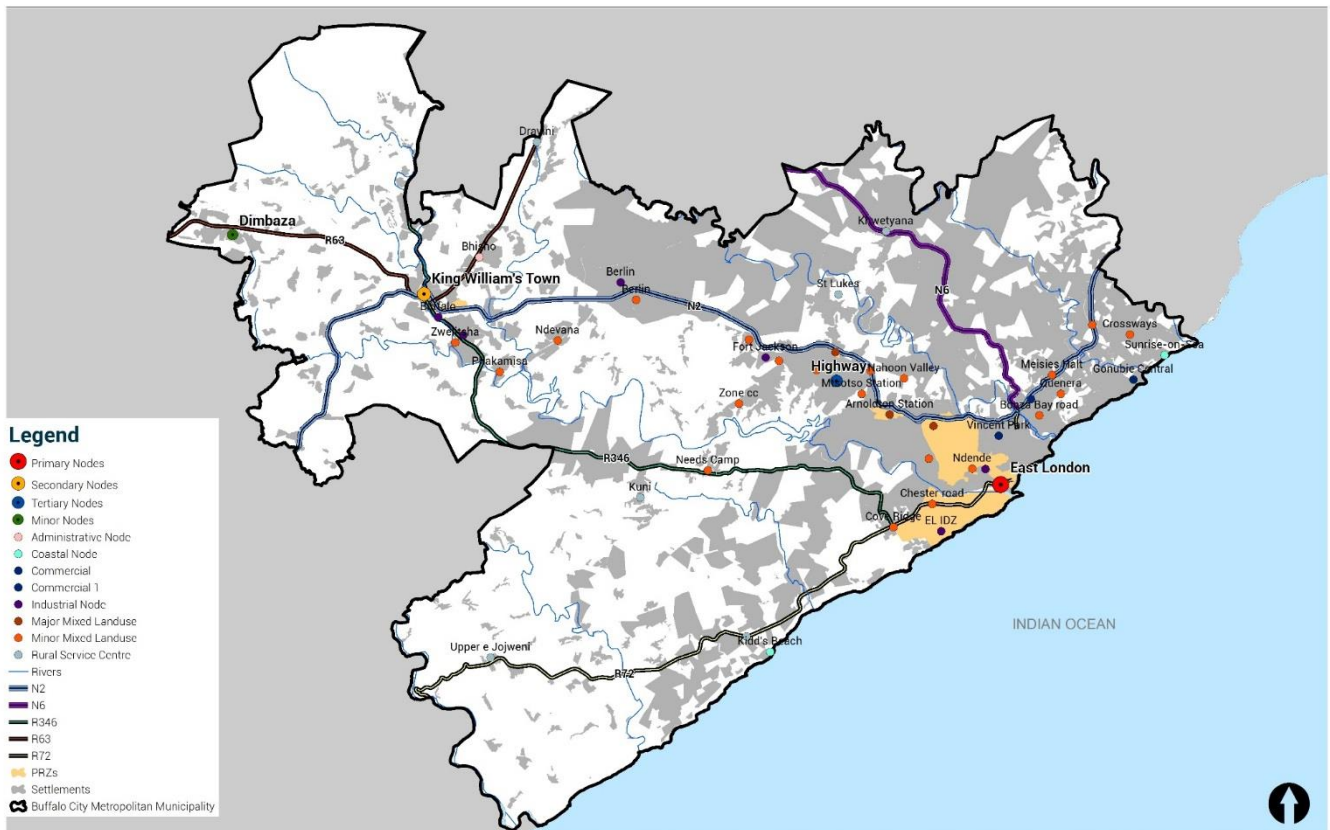
The Buffalo City Municipality compiled its 1st Generation **Spatial Development Framework** (SDF) in 2003 to support the development vision, objectives and strategies identified in the Buffalo City Municipality's Integrated Development Plan (IDP). This was subsequently reviewed in 2005.

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.

In 2011, the Municipality was updated to a Category A Metropolitan Municipality and, having successfully pursued a series of more detailed Local SDFs over the period 2004 to 2012 to add detail and direction to the original 2003 SDF, it resolved to undertake a comprehensive review of the Buffalo City SDF in 2012/2013. The Review that was undertaken was a 10-year review and was designed to update the existing SDF and align it with the latest legal and policy directives of the state as well as incorporate the findings of the Local SDFs completed, to date. The BCMM SDF was approved by Council in December 2013. BCMM Spatial Development Framework contains various Human Settlements related proposals. The SDF has identified provisional restructuring zones as mentioned below

Provisional Restructuring Zones

These zones have been identified in the SDF as areas within the municipality where higher density social housing will be encouraged and subsidised. The following PRZ are found in BCMM: East London Inner City comprising of Duncan Village, Chiselhurst, Belgravia, Southernwood, CBD, Westbank, Cambridge, Amalinda, Sleeper Site and Quigney; Arnoldton/Reeston, Summerpride, Mouth Ruth and King Williams Town. These PRZ's are depicted in the plan below and detailed in the table below.



PRZ AREA WITHIN BCMM		
REGIONAL LOCALITY	EXISTING PRZ AREAS	PROPOSED PRZ AREAS
King Williams Town	ERF RE/1, north of the N2 at the southern entrance to KWT (M9) ERF/RE 2270, along the Bhisho /N2 access road (R19)	The 2 erven previously identified. KWT CBD and Transition Area (along Buffalo Rd) KWT – Bhisho Corridor
Mount Ruth	Mount Ruth nodal area	Erven 426-428, 1463-1477, 2053-2055
Mdantsane CBD	Mdantsane nodal area	Erven 9756-9760, 9855-9861, 11291, 9864-9867, 10109, 9851, 9869, 10117, 9871-9873, 9786-9791, 9797-9801, 10133, 10121-10125, 10126-10131, 9805, 9933, 10390, 10418, 9990, 9803, 10436, 9807-9810, 9812, 10006-10009, 9819-9821, 9846, 9814, 10012, 10011, 9872, 9971, 11336-11341, 10119, 9830-9833, 10432, 11359, 11343, 10433, 10015, 10104,

		10106,6465, 10105, 10107, 10118, 10110
East London Inner city including CBD; Duncan Village	Sleeper Site; Erf 29264 in DV	The entire CBD area, including Duncan Village Chiselhurst, Belgravia, Southernwood, Sleeper Site, Quigney
Arnoldton/Reeston	Arnoldton Nodal area	67, 69-73, RE/84,99, 75, 92, RE/468, 24357, re/436, re/517, 27358, 129, 82-87, 90-93, RE/75, RE/74, 123,124, 53-58, 60-61, 125, 40-45, RE/58442, 120, 108, 36, RE/16, 122
Summerpride	Erf 22462; Erf 3890; Portion of erf 5152 on north side of N2 adjacent to Summerpride roads camp	Erven 32991-33024, 32970-32982, 32985-32988, 49576, RE/33227, 23092, RE/637, RE/642,48162, 48158, RE/637, 48154, 22436,RE/639, RE/200, RE 5152, 32094, 23047, RE/22462,RE/3890,48163, RE/4481, RE32093, RE/5152
Amalinda/Cambridge	Erf 2212; 2419 1955 3847 3869	Entire suburb (including individual erven identified)
West Bank	Erf 1215 Note the entire West Bank was proclaimed but the extent is unknown	Entire West Bank within the Urban Edge as defined in the SDF

Housing delivery

The key objective here is to improve on housing delivery in the City. To do this the following strategies are applied:

- Build internal capacity to project manage, supervise and monitor housing development
- Utilize accredited support agencies, NGO's and outsourced expertise
- Engage developers, main contractors and emerging contractors to develop projects at scale
- Develop Integrated Sustainable Human Settlements by linking new mixed use development projects to transportation, schools, clinics, retail facilities, employment opportunities and other services.

Settlement upgrading

Improving on the settlement upgrading programme in rural and urban areas as a matter of priority. To ensure settlement upgrading is carried out the following strategies are employed:

- Conduct a detailed study and feasibility analysis of upgrading of all informal settlements
- Prepare business plans for the application for land reform and settlement funding from DLA for prioritized rural settlements
- Implement a prioritized settlement upgrading programme

High density housing initiative

The municipality is to embark on a high density housing initiative to manage urban sprawl. The following strategies will be employed to ensure this initiative is implemented:

- ▶ City is embarking on a high density housing initiative as a strategic intervention to counter urban sprawl and the expected shortage of land and services for housing. It is proposed this initiative will involve development of pilot sites at Duncan Village and Mdantsane
- ▶ Position higher density housing in precincts close to transport nodes, along corridors and economic hubs

Social housing support programme

The objective here is to establish and maintain a Social Housing Support System. This is done using the following strategies:

- ▶ Build the capacity of the Social Housing support office in the municipality
- ▶ Establish a platform for regular communication with housing associations
- ▶ Conduct a survey of needs and establish a support programme to facilitate Social Housing agencies
- ▶ Co-ordinate the formulation of a Social Housing Plan with relevant stakeholders to achieve increased delivery at strategic nodes and development areas
- ▶ Implement a housing support programme
- ▶ Ensure best practice and lessons from other parts of the world are taken into account

Status Quo

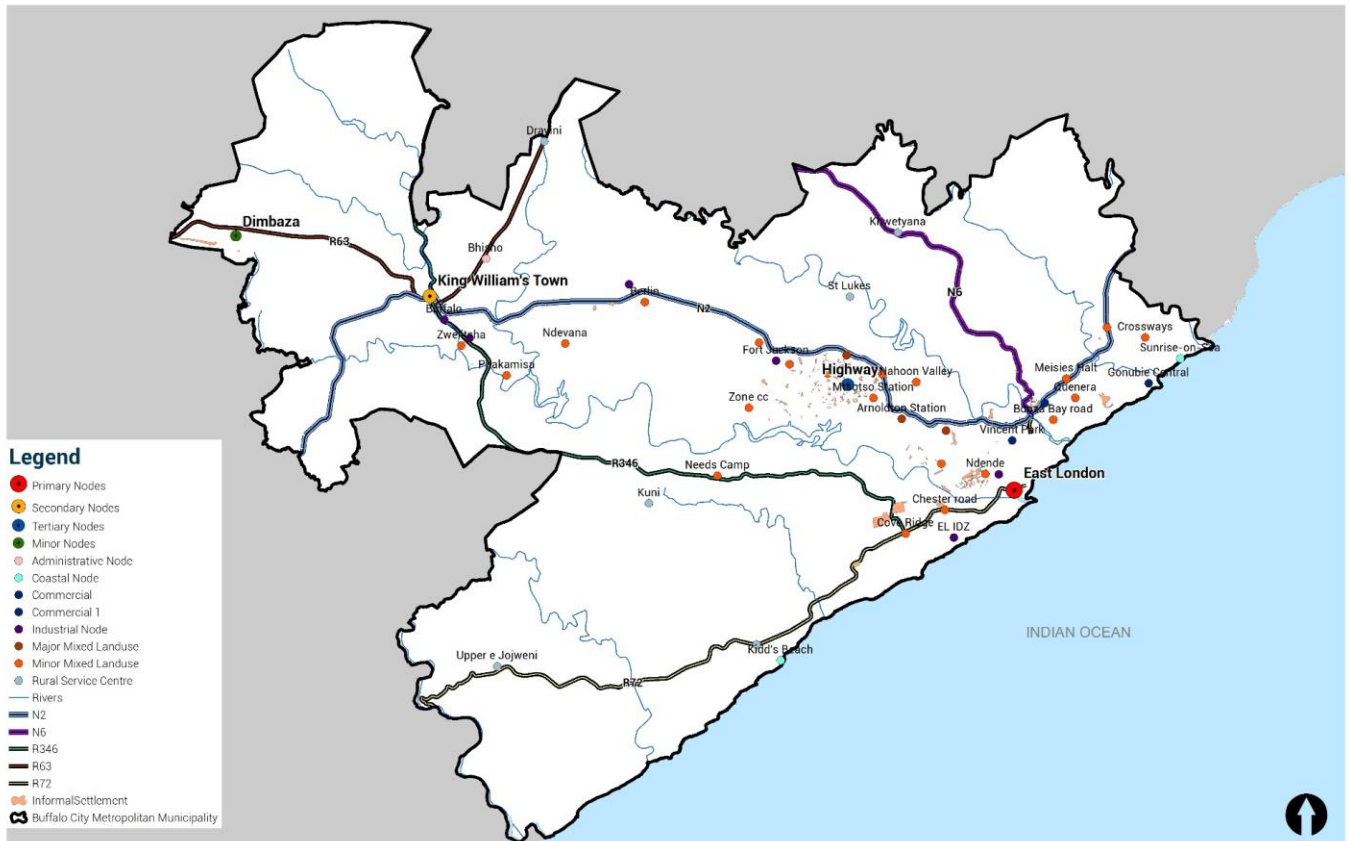
Informal Settlements

There are approximately 30 000 informal settlement structures located in 156 informal settlements within BCMM Urban Edge. The highest density and number of informal settlement structures are located in Duncan

Village. There are a further 28 000 backyard shack located in BCMM, with the highest numbers in Zone 3 and 6.

TABLE: INFORMAL SETTLEMENTS IN BCMM (SOURCE: BCM POPULATION STUDY, 2010)

Zone	Urban - Informal	Urban - Backyard Informal
Zone 1	0	0
Zone 2	0	22
Zone 3	23,137	12,274
Zone 4	21	79
Zone 5	0	2
Zone 6	6,661	9,094
Zone 7	126	56
Zone 8	0	6
Zone 9	0	4,578
Zone 10	0	1,847
	29,945	27,958



Current Housing Projects

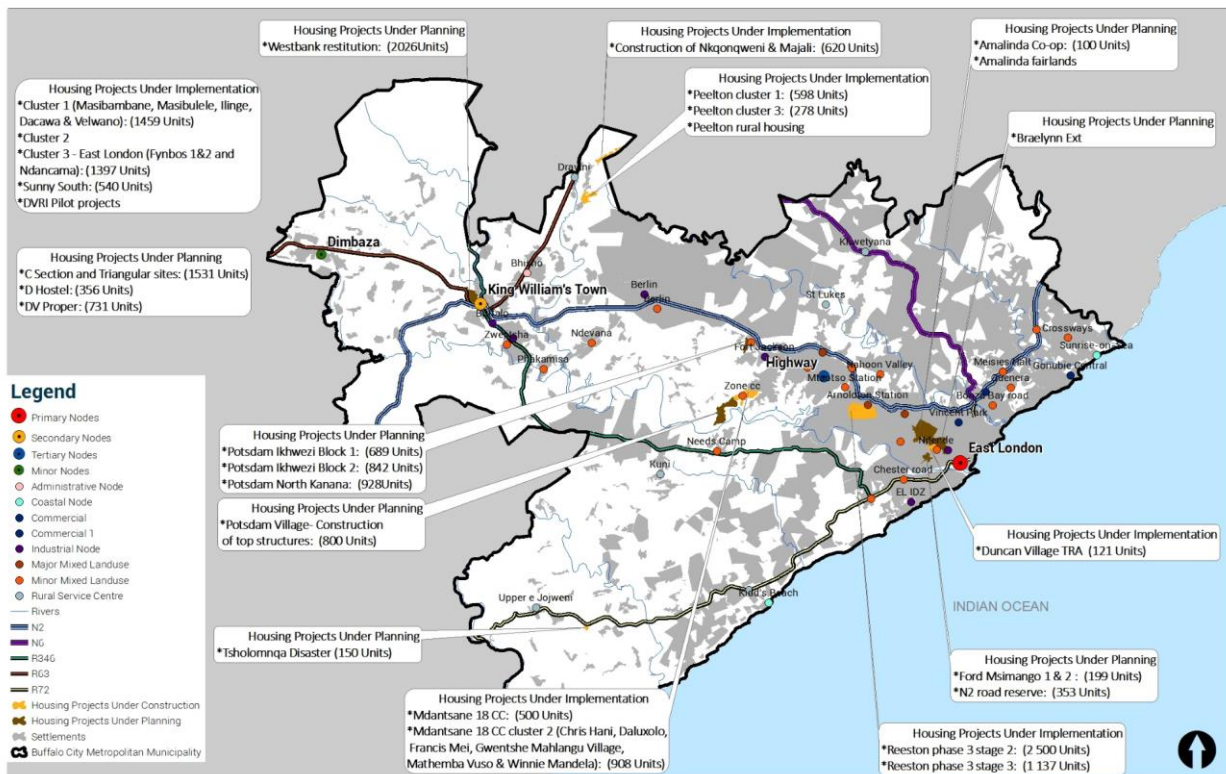
The municipality is currently involved in the following priority housing programmes:

- ▶ Emergency housing programme;
- ▶ Upgrading of informal settlement programme;
- ▶ Rural housing subsidy programme;
- ▶ Project linked subsidy programme;
- ▶ Disposal of municipal housing stock (discount benefit scheme);
- ▶ Social Housing support programme; and
- ▶ Consumer education.
- ▶ Beneficiary Administration

Public funded housing (BNG Housing).

A trend analysis undertaken by the Buffalo City Integrated Sustainable Human Settlement Plan indicates that the most significant demand for housing in terms of weight of numbers falls in the low income sector that is the sector most probably depends on public housing assessment to be able to gain access to formal housing.

The plan below depicts planned projects as per the BCM SDF (2014).



Housing projects are located primarily in Reston which has the largest number of implemented housing units. The table below provides a list of current housing projects (2016-2017).

BUFFALO CITY MUNICIPALITY HOUSING PROJECTS (2016 - 2017)

Project Name	Number of Units
CLUSTER 3 – EAST LONDON (Fynbos 1 & 2 and Ndancama):	1397
Sunny South:	540
Reeston Phase 3 Stage 2:	2500
Reeston Phase 3 Stage 3:	1137
DVRI Pilot Project: Construction of Internal Services and Top Structures	
Duncan Village TRA	121
CLUSTER 1 (Masibambane, Masibulele, Ilinge, Dacawa & Velwano):	1459
Peelton Rural Housing Cluster 2	620

Peelton Cluster 1	598
Peelton Cluster 3	278
Mdantsane zone cc Cluster 2	908
Mdantsane Zone 18 CC	523 units

Future Housing Projects

Project Name	Number of Units Proposed
Potsdam Village – Construction of Top Structures	800 units
Westbank Restitution;	2026 Units
Amalinda CO -Op	100 units
Amalinda Fairlands	Project on feasibility study. pre-planning stage
Braelyn Ext.	The project is under litigation
C Section and Triangular Site	1531 Units
D Hostel	356 Units
Ford Msimango 1 & 2	199 Units
DV Proper	731 units
N2 Road Reserve	353 Units

Housing Status Quo Assessment, according to Councillor feedback

An assessment of the housing status quo was conducted using questionnaires disseminated to all ward councillors in the Buffalo City Metro. A total of twenty questionnaires were returned and analysed. Here are the initial key findings of the Survey:

- ▶ The average number of Informal Settlements in each ward is four to six (4 – 6).
- ▶ The Housing needs cited by the Councillors is varied between 600 and 5000 houses
- ▶ All Councillors cited the need for RDP/ free-standing housing when asked about the housing type needed in their ward.
- ▶ Councillors perceive the importance of projects as employment opportunities – But view crime as detrimental to this.

Housing Backlog

The following table indicates the housing backlog for the Buffalo City Metro, as determined by the Informal Settlement Study (2010), as well as the BCM *Infrastructure and Community Services Backlog Study Report: 2016 – 2046 (2017)*

HOUSING BACKLOG	EMERGENCY HOUSING BACKLOG
47 000	327

Medium Term Strategic Framework (MTSF) 2014 – 2019 Challenges and Priorities Identified

The MTSF is a strategic planning document created at national level to guide the strategic direction of planning. This document has identified several issues pertaining to housing delivery backlogs and states that there are formidable challenges confronting sustainable human settlement development. Settlement patterns across the country are dysfunctional, well-located land is expensive and urban planning and approval processes are slow.

According to the MTSF, there is limited middle-income housing stock and credit constraints contribute to the so-called “gap market” – households with incomes that are above the thresholds for subsidised housing but insufficient to be able to access commercial bank home loans. Some 2 700 informal settlements accommodate 1.2 million households, and 713 000 households were living in backyard shacks in 2012. Many communities in former homeland areas lack both economic development prospects and effective municipal service delivery.

According to the MTSF, in order to address these challenges, the guidance of the NDP must be a focal point. The NDP proposes an urban development strategy comprising both economic and institutional reforms. Progress needs to be made towards breaking apartheid spatial patterns and integrating residential and commercial hubs in our cities and towns. To achieve the vision of sustainable human settlements and an improved quality of household life, the priorities for 2014-2019 include:

- Adequate housing and improved quality living environments, with 1.495 million more households living in new or improved housing conditions by 2019
- A functional and equitable residential property market with a target of 110 000 new housing units delivered in the affordable gap market by 2019
- Enhanced institutional capabilities for effective coordination of spatial investment decisions, with a target of 49 municipalities assigned or accredited with the housing function
- The title deeds for all 563 000 new subsidy units as well the backlog of 900 000 title deeds in the integrated residential housing programme will be transferred over the next five years

- Informal settlement upgrading will be expanded to cover 750 000 households, ensuring basic services and infrastructure in some 2 200 informal settlements.

Service delivery protests

There have been many service delivery protests which have taken place within the BCMM region over the past few years over housing delivery and the lack thereof. One of the notable recent protests has been the one in Breidbach where the protesting lasted for approximately one week. Residents had become frustrated with regards to the lack of service delivery. There is also a frustration due to the failure of BCMM to deliver on the needs of the protestors. The demands included the following:

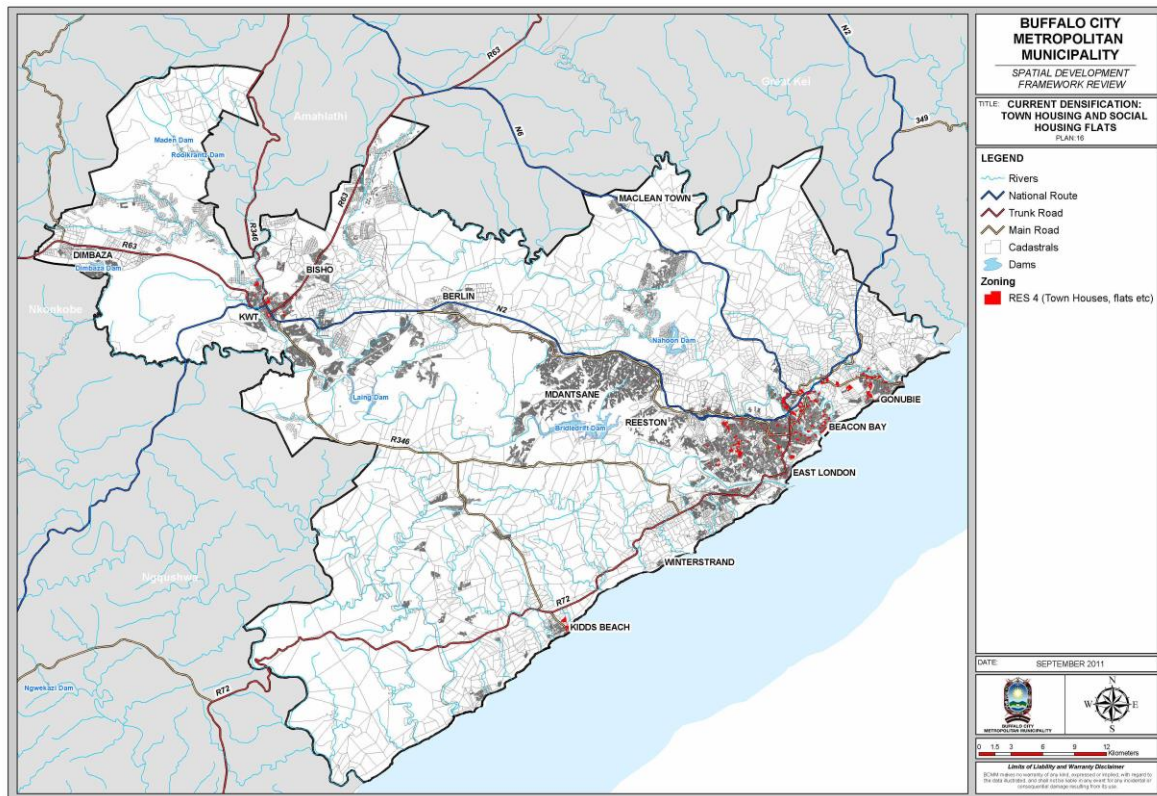
- Sufficient housing for the low income, middle income and high income earning population of Breidbach;
- Adequate sewer capacity;
- Adequate infrastructure for the development of housing.

Discussions are still underway as to the steps that need to be taken. Residents remain upset and await on decisions from the municipality. Protests negatively impact on the community as residents become frustrated feel like they have to resort to dire means to attract the attention of municipal officials by burning tires and stopping traffic. These acts causes damages and prohibit workers from going to work. Due to this, protests should be limited at all costs as to avoid damages.

Petitions

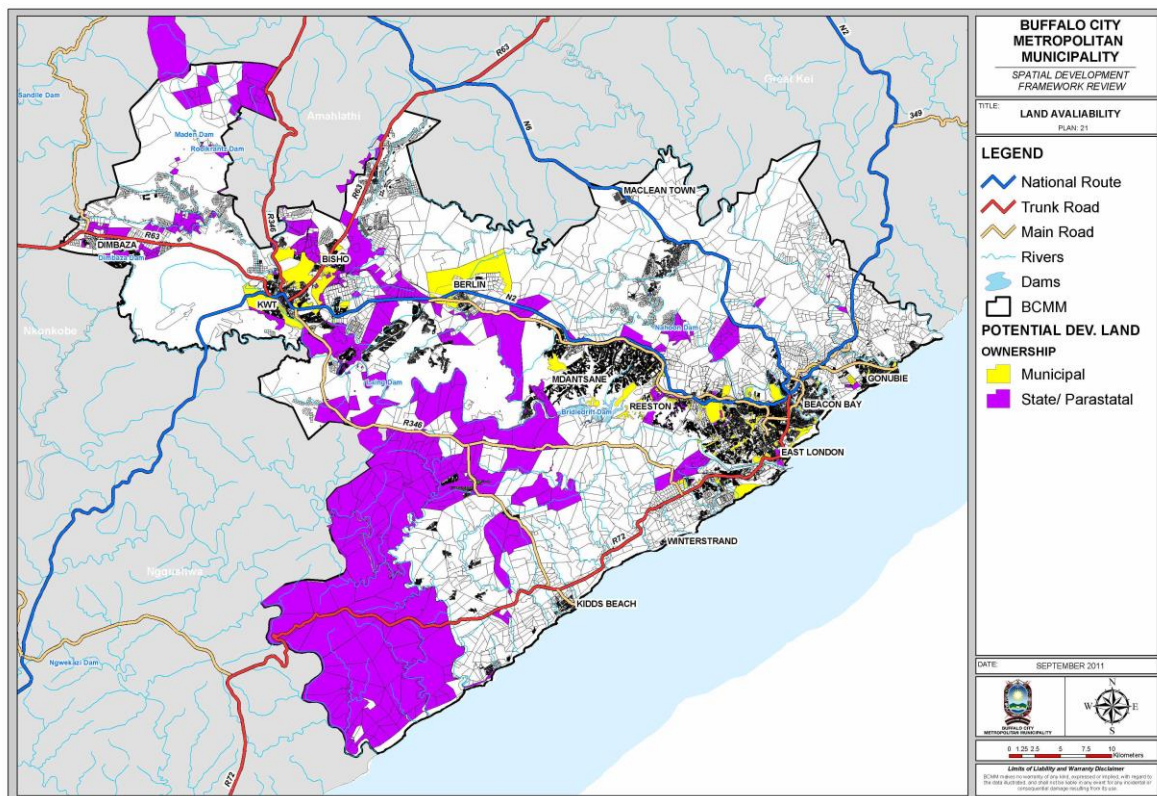
Petitions are requests for housing projects. They are most commonly addressed to a government official or public entity. Petitions often a number of signatures that are in favor of the request and they usually come from the community. The following table highlights the petitions of projects which are currently underway as well as projects which are still to be planned.

Project Name	Status report
CNIP Victims	This project consists of 275 potential beneficiaries and registered 196 beneficiaries. Project still under planning
Agnes Mini and others	This project is still under petitions committee processes.
Breidbach housing crisis committee	PDoHS and BCMM are busy doing planning activities required and implementation strategy.
Sunny South	Electricity supply being handled by engineering Department



POTENTIAL DEVELOPABLE LAND

The plan below illustrates land parcels that are owned by the Municipality or State and Parastatals. There are approximately 698 Municipal owned erven accounting for 6661 hectares and 2940 State or Parastatal erven accounting for 109644 hectares.



The following are additional key land parcels that have been identified by the Municipality as having potential development:

- ▶ Westbank Racetrack
- ▶ Quenera Area
- ▶ Amalinda Nature Reserve
- ▶ Sleeper Site

Land Identified for Social Housing

The BCMM SDF (2014) has identified several areas which would be ideal for development of social housing. According to the BCMM IDP (2016), greenfield development of land in central urban renewal corridor, Restructuring Zones, Community Rental Units, Quenera and West Bank development areas. The desired densities in these areas should be over 50 dwelling units per hectare and would typically include social housing. These are depicted in the plans below for both East London and King Williams Town.

Opportunities

There is a positive way forward for the directorate and for sustainable human settlement delivery within the context of the BCMM.

- The directorate is currently in the process of revising the ISHSP which is ensuring a number of consultation sessions with various municipal departments and private stakeholders. The incorporation of feedback from these sessions would ensure a well-rounded document that considers all factors thus developing an “integrated” plan;
- The locations of the proposed projects will be assessed towards to revised ISHSP;
- The revised ISHSP will also study case studies of sustainable human settlements in Cape Town, Johannesburg, Port Elizabeth, amongst other South African cities. This would provide a guide into examples of successful settlements within a similar context.

3.8 ROADS AND STORMWATER MANAGEMENT

3.8.1 Road Network

The road network is one of the key components of the transportation system enabling mobility. A road network builds the economy. A large percentage of Buffalo City Metropolitan Municipality's (BCMM's) road infrastructure is old, rapidly deteriorating and has passed its design life. Roads branch is mandated to provide a safe all weather BCMM road network for the use of all road users. In terms of the operations of the roads branch, the main objectives are to improve the condition of the roads, storm water systems & associated structures to acceptable standards. Buffalo City Metropolitan Municipality (BCMM) has a total surfaced road network of $\pm 1\,600\text{km}$ with estimated replacement cost of $\pm \text{R}6,5$ billion (surfacing and structural layers of surfaced roads), and a gravel road network of $\pm 1\,300\text{km}$ with an estimated replacement cost of $\pm \text{R}1.2$ billion.

Taking into consideration, the current condition of the roads network, and the rate of deterioration in the surfacing and structure of the roads, a capital budget of R 800 million per annum is required over a period of three years in order to reduce the backlog in roads maintenance and rehabilitation to acceptable limits. The budget required does not make provision for the construction of new infrastructure. An amount of 80 million per annum is allocated for the refurbishment of existing roads infrastructure under the capital budget allocation. A further 100 million per annum is allocated under the operational budget for the maintenance of existing roads.

Due to the shortfall in funding for roads resurfacing and rehabilitation, there has been a noted increase in the occurrence of road failures such as potholes, cracks, and rutting. When a road is not maintained on a regular basis, or resealed when required, the rate of deterioration in the road will accelerate which leads to an ever increasing rate of deterioration in the overall network.

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. The additional roads will require additional resources to be allocated for the maintenance and upgrading of the roads, including staff and budget. The municipality currently provides for the maintenance of roads in proclaimed informal areas by blading and grading of roads. Surfaced roads can only be provided to formalized areas subject to budget availability.

KEY PROJECTS

Below is some of the major roads capital projects that have been undertaken in the 2016/2017 financial year these projects have been prioritised due to one or more of the following factors:

- Road condition
- Traffic congestion
- Improving quality of service
- Reduced maintenance
- Growth of the city

Roads Master Plan:

The project is for the compilation of a Roads and Stormwater Master Plan for BCMM.

The contract commenced on the 17th of July 2017. The Professional service provider has undertaken the process of data collection from the various departments including existing roads and stormwater data, and the collection of data from the various other departments including Transportation Planning, GIS, and Town Planning. The work is anticipated to be complete in July 2018

Upgrade of Mdantsane Roads

The Mdantsane roads upgrade project is for the upgrade of existing gravel roads in Mdantsane to surfaced standards. It is a multi-year multi-phase project aimed at eradicating gravel roads in the residential areas of Mdantsane. Phase 2 has been completed totalling 30km of roads. Phase 3 has recently been awarded. It is broken down into 3 clusters:

Cluster 1: (20km)	R 136 667 544, 53
Cluster 2: (20km)	R 128 745 195, 48

Cluster 3: (20km)	R 127 173 993, 61
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Each cluster is made up of 20km of Gravel roads that are to be upgraded to surfaced standards including kerbing and stormwater drainage.

The work to be undertaken includes:

- Earthworks, gravel selected layers, sub-base and base layers with a 30mm asphalt surfacing.
- Kerbs, channels and edge beams
- Stormwater, catch pits and pipework
- Sidewalks
- Alterations to existing sewer, water and other services where needed.
- Cable ducts, Telkom and electrical, where needed.
- Finishing of the road reserves.

Gonubie Main Road

The project is for the re-construction/widening, of Gonubie Main Road by constructing a Continuously Reinforced Concrete Pavement (CRCP) surfaced dual carriageway approx. 4 km in length from, the N2, along Gonubie Main Road, to the Gulls Way Intersection.

The works included the construction of a four lane road with a central median vehicle restraint barrier, four 40m diameter traffic circles. The work also included is the provision of street lighting, ducts, relocation of services/provision of future services, storm water drainage/concrete v-drains, fencing, boundary walls/fencing, 3m asphalt cycle/footpath on the northern side and 1,5m asphalt footpath on the southern side. Work was completed in November 2016. The final completion inspection took place in November 2017

Currently a continuation of the rehabilitation and widening of Gonubie Main road is taking place whereby an annual contractor is undertaking the widening and geometric improvements to the intersection of Gonubie Main Rd and Gullsway, and widening the roadway up to a new circle at the intersection of Skyline Drive. The contractor is currently working on the circle at Skyline drive and the construction of the median island. Other improvements include the rehabilitation and widening of Gullsway and Estuary Drive and the construction of a traffic circle at the Gonubie Mall. This work was completed end of November 2017.

Quenera Drive Phase 2

Construction, completion and defects liability period maintenance, of a black top surfaced dual carriage way urban arterial road, approximately 650 metres in length, a major culvert spanning the Quenera river and a traffic circle, complete with services, retaining walls, storm water culverts, pedestrian walkways, cycle paths

and street lighting. The contract start date is 11 July 2017 and the anticipated completion date is 19 March 2019.

Fleet Street

The Reconstruction of Fleet Street from Currie Street to Pontoon Road was awarded to Crossmoor on the 25 July 2016 and the expected completion is in April 2018. The work includes the reconstruction of phases 1 to 4 between Currie St and Pontoon Rd. Phase 3 and 4 were completed in the 2016/2017 financial year .

The work consists of the following:

- Removal and reconstruction of the road layers and surfacing.
- Widening of the existing cross sections to accommodate the new turning slots.
- Hauling and spoiling of existing material
- Removal and relaying and/or replacing of the following services:
- Repairing potholes and overlaying of selected roads adjacent to Fleet Street for accommodation of traffic

Ward- based Volunteer Programme

Each ward has to identify 10 volunteers totalling 500. These 500 Volunteers were recruited by the ward councillors. These volunteers are appointed to undertake routine maintenance operations such as patching of potholes, clearing of gutters and channels in the city. The programme lasts for a period of 6 months, and is renewed periodically. This project trains the local community with the skills to be able to carry out minor road repairs, and the clearing of storm water drains.

PERFORMANCE OF ROAD TRANSPORT OVERALL:

The Department performed satisfactorily. The targets which were set for SDBIP were all met. The overall capital expenditure for the 2016/2017 financial year was $\pm 90\%$. The following Major Roads capital projects have been completed in the 2016/2017 financial year and have improved the road conditions and traffic congestion in the areas in which they have been implemented:

- **Upgrading Of Mdantsane Roads:** this program has been prioritized due to the historical neglect of the area, and the need to upgrade the existing gravel roads in the area to surfaced standards in order to increase mobility and access to opportunities as well as improve the standards of living in Mdantsane,.
- **Gonubie Main Road:** This project was prioritized due to the fact that the road is the only access to the suburbs of Gonubie and Mzamomhle. This lead to major traffic congestion on the road leading to long travel times and increased number of road traffic accidents

- **Quenera Drive:** The project has been prioritized as a vital second link road to the suburbs of Gonubie and Mzamomhle, and as an arterial road to provide access to land for the development of the city.
- **Fleet Street:** Fleet Street is the main road through city and forms a link between the R72 and the N2 for all vehicles passing through the city. It is also the main link between the East and West bank of the Buffalo River. The roads were in a very poor condition and deteriorating at a rapid rate. It was therefore critical that the road was rehabilitated in order to maintain mobility and access. The roads branch is currently engaging with the Department of Roads & Public Works (DRPW) with the purpose of entering and signing a Memorandum of Agreement (MOA) for the maintenance of Provincial roads within BCMM.

STORMWATER DRAINAGE

Within the Roads and Stormwater Branch, the stormwater unit attends to the repairs and maintenance of all stormwater drainage infrastructure in the Metro including all stormwater drainage pipes, Manholes, Kerb Inlets, Bridges, Box Culverts and concrete lined drains. The existing infrastructure consists of 70 Bridge Structures, 20 300 manholes, kerb inlets, headwalls and other inlet and outlet structures within BCMM many of which are damaged or blocked. There is in excess of 550km of storm water pipes and culverts within the Metro, many of which are very old, and corroded and in need of replacement.

Many areas in the city are prone to flooding due to inadequate storm water drainage, and maintenance issues. Many of these areas are in need of upgrading or rehabilitation due to damage and changes in climatic conditions. Particular attention is given to informal areas, as many of them are constructed in low lying areas and close to streams and rivers. This requires a multi-disciplinary approach as input is required from disaster management, community services and housing in order to address the social and economic issues. The stormwater branch assists by undertaking regular clearing of the existing stormwater drainage in the area and undertaking upgrades where necessary in order to prevent flooding of the informal areas. There is however a need to relocate structures located within the 1:100 flood plain along rivers and streams as these will flood periodically when it rains.

The current backlog in stormwater maintenance and upgrades is estimated to be in the order of R 250 Million. There is an urgent need to make additional funding available to replace/rehabilitate and upgrade the stormwater network, as it is in a poor condition, and unable to cope with the erratic weather patterns, increased rainfall intensities and durations currently being experienced. The Global Warming phenomenon has led to an increase in the occurrence of flooding throughout the city necessitating the installation of additional storm water drainage measures such as attenuation facilities.

Improvements made in the delivery of services include replacement of damaged pipes, the reconstruction of damaged kerb inlets and manholes. As well as replacing of undersized drainage infrastructure by increasing the capacity of the existing stormwater pipes, clearing drainage in informal areas and improvements to existing drainage infrastructure. Services rendered to rural and informal areas include the provision of earth drains along gravel roads when undertaking maintenance and the installation of pipe culverts at low points on rural roads.

PERFORMANCE OF STORMWATER DRAINAGE OVERALL

In the 2016/2017 financial year, the stormwater unit has fully spent its capital budget, and has achieved the 5 year targets as set out in the IDP within the allocated budget.

The storm water unit's main capital requirements are:

- The rehabilitation of Kerb inlets and manholes
- Upgrade of existing stormwater infrastructure in low lying areas.
- Refurbishment of existing bridges in BCMM

Most of the limited capital budget is spent on the rehabilitation and refurbishment of bridges, as bridges are very capital intensive and with the limited budget, of R 5 million for the 2016/2017 financial year there is little left for stormwater drainage improvements. Human resource is a severe challenge to the effective operation of the stormwater unit, with only two staff members who deal with operational, strategic and management issues in the unit. Maintenance teams are essential in ensuring that the existing stormwater drainage system is functioning effectively and performing its primary function of protecting the public and road users from the dangers that excessive stormwater ponding and flooding can cause. A minimum of three teams in each operational area is required in order to ensure that the system is operational.

Budget shortfalls in capital and operational funding have led to the deterioration of the network, thus resulting in a steadily deteriorating storm water system with increased instances of sink holes and flooding. This is bound to intensify as the infrastructure ages further. There is currently a budget of R8 000 000, 00 allocated for the rehabilitation of existing bridges and storm water drains in the capital budget for the 2017/2018 financial year. The refurbishment of bridges will use all the allocated budget, with the Biko Bridge Requiring R 2000 000.00 for Joints, Nahoon River Bridge on the North East Expressway R 2 000 000.00 for joints, Duncan Village Bridges R 1 500 000.00 and various other major culverts needing R 5 000 000.00 for the 2017/2018 financial year. The current backlog in storm water maintenance and upgrades is estimated at an amount of R 25 000 000, 00 per annum which is required to rehabilitate and upgrade existing storm water systems throughout the city, in order to prevent damage to the roads and private property.

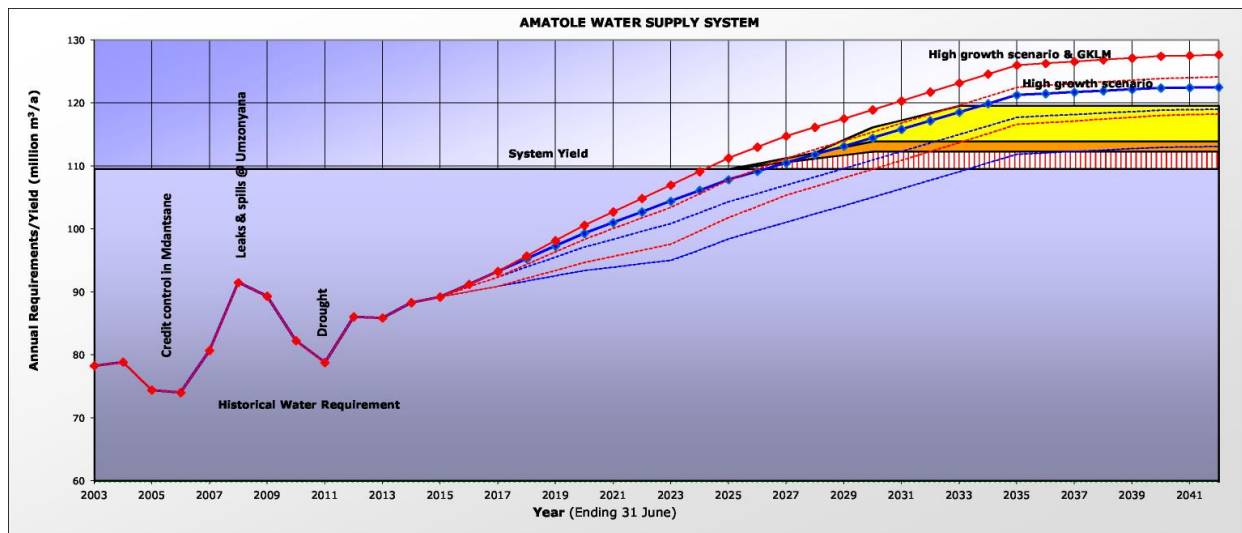
WATER AND SANITATION

Water Resource Profile

The Amatola Water Resource System supplies the urban and rural areas of Buffalo City. Water is sourced from the main storage dams which are Bridle Drift (main source), Rooikrantz, Nahoon, Laing and Sandile Dams and the Peddie Scheme. The Wriggleswade Dam provides storage backup for the system, all these dams are owned by Department of Water and Sanitation operated by Amatola Water Board in exception of Bridle Drift which is owned and operated by Buffalo City Metropolitan Municipality (BCMM). The system is complex and is made up primarily of surface water resources, with limited groundwater resources suitable for only a few localized schemes.

Figure B16: below shows the current high- and low-growth water requirement scenarios against supply available from the System.

Appendix K1b: Amatole Water Supply System: Water Balance 2015



The following conclusions can be drawn from figure 1 above based on the high-growth water requirement scenario; measures to reduce the requirement or to increase the system yield would have to be implemented by:

- Yield of individual dams (110.1 million m³/a) : 2018
- **Current operating rules (100.1 million m³/a) : 2021**
- Maximum yield possible from the System (124.1 million m³/a) : 2027

Based on the low water requirement scenario, the System has adequate yield to meet the requirements inclusive of supplies to the Great Kei area indefinitely.

In light of the above, the following recommendations are made:

- To plan and implement Water Conservation and Water Demand Management (WC/WDM) projects, which should seek to achieve a requirement savings of at least 1.2 million m³/per year for 8 years, as from 2012;
- Implement potential water re-use schemes, which should seek to deliver an additional yield of 2.9 million m³/per year over 5 years

Water Infrastructure

The two main towns within BCMM (East London and King Williams Town and their surrounding areas) are experiencing growth at present and yet further growth is anticipated into the future. In addition, the low income housing programme being implemented by the Human Settlement Department will have great impact on the water supply infrastructure, requiring additional capacity to support this development.

In the light of the current operational constraints faced by King Williams town (KWT) and Gonubie, it is vital to ensure that sufficient resources are located towards the upgrading of the Water Treatment Works (WTW) capacity and bulk infrastructure conveyance.

In the consideration the current constraints in All Saints supply area of KWT and Gonubie an immediate intervention is required to address the issue.

The Water treatment Plants serving BCMM are operated at near capacity for the entire municipality and that is the alarming challenge and table below illustrate that further:

Table B12: Water Treatment Plants

Water treatment Plant (WTP)	Current Flows Peak Flows (Mℓ/d)	Design Capacity (Mℓ/d)	Proposed Capacity (Mℓ/d)
KWT	12.8	13	13
Laing	27	33	40
Nahoon	28	20	33
Umzonyana	111	120	120
Kei Road (new for KWT)	-	-	48

The total required funding to address the issue of bulk water conveyance and treatment works is detailed in the table below:

Table B13: Projects

PROJECT	SHORT TERM (0-5YRS)	MEDIUM-TERM (5-10YRS)	LONG-TERM (10+YRS)
West Bank Bulk	R 76 028 825	R 195 065 752	R 89 905 434
Umzonyana Gravity	R 181 273 180	R 219 613 624	R 18 763 320
Mdantsane and Dawn Bulk	R 44 012 322	R 161 025 696	R 61 926 238
KWT- Bulk	R 324 685 680	R 87 461 644	R 151 953 644
Nahoon Dam supply augmentation	R 162 000 000	80 000 000	R 162 000 000
TOTAL	R 788 000 000	R 743 166 716	R 484 543 636

To alleviate some of the current constraints within the system the municipality has allocated funding on the 2017-2020 MTREF to the project indicated in the table below.

Project Name	2017/18 Budget	2018/19 Budget	2019/20 Budget	TOTAL
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KWT, Dimbaza and Bhisho Infrastructure(Water)	13 500 000.00	13 000 000.00	21 000 000.00	47 500 000.00
West Bank Restitution - Water	15 000 000.00	10 000 000.00	12 000 000.00	37 000 000.00
Amahleke Water Supply	6 250 000.00	7 600 000.00	7 600 000.00	21 450 000.00
Augmentation of WTW	30 000 000.00	80 000 000.00	170 000 000.00	280 000 000.00
Upgrade Water Networks	9 250 000.00	8 000 000.00	6 400 000.00	23 650 000.00
Bulk Water Supply Newlands and Other Areas	0.00	6 000 000.00	10 000 000.00	16 000 000.00
Bulk Water Supply Coastal Areas	14 000 000.00	14 000 000.00	13 000 000.00	41 000 000.00
TOTAL	88 000 000.00	138 600 000.00	240 000 000.00	466 600 000.00

Table B14: Water Projects (Programme)

Project Name	2017/18 Budget	2018/19 Budget	2019/20 Budget	Total
Bulk Water Provision- Replacement of existing infrastructure	40 000 000	80 000 000	80 000 000	200 000 000

Water Demand Management

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 BCM, is for the 5-year period 2012/2013 to 2017/2018 and requires some R142 million to implement over this period. The Strategy targets a raw water savings of some 1.61 million m³/a (4.4 Mℓ/day) and a potable water savings of at least 4.67 million m³/a (12.8 Mℓ/day), which equate to a direct annual cost savings of some R15 million.

This Strategy is aligned with the following ongoing parallel initiatives:

- Revenue Enhancement Strategy; and
- Amatole Reconciliation Strategy.

The unbilled–unmetered water consumption and apparent losses will be addressed concurrently with the Revenue Enhancement Strategy, whilst addressing the “real losses” is the key focus of this Strategy. It is estimated that the “real losses” can be reduced by between 12 Mℓ/day and 20 Mℓ/day, depending on the accuracy of the deemed / “flat rated” water consumption, which is considered to be significantly understated at present.

The goals set in terms of this Strategy, are the following:

- Reduction of non-revenue water:
- Increased billed metered consumption:
- Reduction of raw water treatment losses:
- Ability to undertake detailed water balances:
- Promotion of water use efficiency
- Enhanced WC/WDM institutional capacity

Basis of Strategy:

Water Supply Perspective:

The need to conserve water and to use it more efficiently is a national imperative and legal requirement. The Amatole Water Supply System Reconciliation Strategy, developed jointly by DWA, BCMM and other key stakeholders to ensure that there are adequate raw water supplies to support socio-economic development, environmental sustainability and equity within the broader BCMM area, has identified WC/WDM as the key intervention to ensure a reconciliation of predicted water requirements with available supplies over a 30-year planning horizon.

The committee established to oversee the implementation of the Reconciliation Strategy resolved in 2010 that BCMM:

- Develop a Water Conservation and Water Demand Management Strategy in 2011 and adopted in 2012

- Implement the funded WC/WDM projects already identified by the BCMM, which seek to achieve a saving (requirement reduction) of some 4.7 million m³/a (12.9Mℓ/day) over a 5 year period (2012/13-2017/18); and
- Identify further WC/WDM projects that need to be ready for implementation as from 2013/14 and which need to achieve a requirement saving of at least 1.2 million m³/a (3.3Mℓ/day) per year over an 8 year period.

The committee also resolved that planning of the next surface water augmentation scheme would be based on BCMM achieving at least a 100% of the savings deemed possible through WC/WDM, and that any supply deficit prior to this date would need to be addressed via other augmentation measures (e.g. water re-use) and/or supply curtailment (restrictions).

It is to be noted that this specific strategy focuses on Water Demand Management as the Water Conservation (WC) aspects are addressed in terms of the Reconciliation Strategy. This Strategy also only focuses on WDM aspects directly related to infrastructure owned and operated by BCMM, as WDM interventions on the infrastructure owned and operated by the Amatola Water Board are also addressed in terms of the Reconciliation Strategy. Finally, it is also to be noted that this Strategy does not consider water re-use, as this is addressed in terms of a stand-alone BCMM Water Re-use Strategy.

A comprehensive water loss study had been undertaken and the recommendations emanating from this study are being implemented, according to the available resources.

The Department of Water and Sanitation has provided a total funding of R12 million from 2010/11 to 2013/14 for water conservation and water demand management to address the following critical water conservation and water demand management issues.

- Installation of bulk water meters on all reservoir supply zones
- Installation of zonal/district water meters
- Metering of all communal standpipes and ablution blocks
- Metering of all flat rated properties
- Replacement of the ageing water meters and water mains

- Replacement of conversional standpipes
- Indigent plumbing repair program
- Relocation of mid blocks water mains

This allocation has been spent for the installation of new water meters, indigent plumbing repairs and relocation of mid blocks water mains in Dimbaza, Phola Park, Reeston, Scenery Park, Sweetwaters, Phakamisa, Mdantsane, Duncan Village, Nompumelelo and this provided a water saving of about 9% of water purchases from Amatola Water Board in 2013/14 financial year.

Bulk Sewerage Systems & Rural Sanitation

Sewerage systems in the City are well beyond their design lives, are in poor condition and are operating at capacity. The effect of this situation is that expansion of the city and the housing programme is now severely constrained and the environment is under threat from sewage spills and leakages. The provision of sanitation services is currently being undertaken as follows:

Rural (Level of Service)

It is anticipated that the level of service for households outside of the Urban Edge will remain at current standards; namely communal standpipes and VIPs (or equivalent). Alternative sanitation technology options are however being investigated to optimize the operation and maintenance implications for BCMM.

Urban

The level of service for households within the urban edge will remain as per the current Policy, namely:

- Target level : erf connection and water borne sanitation; and
- Minimum level: yard connection and VIP (or equivalent).

Although the above is the level of service policy of BCMM, the target level of service is tending to be the default option provided.

Low Income Housing

The objective of BCMM is to move all residents residing in informal settlements into formal housing. This will result in those currently receiving a sub-RDP level of service, receiving a RDP or higher level of service. Although the actual numbers and delivery rates of low income housing are uncertain, it is anticipated that there may be a significant increase in low income housing units in the short to medium term, with higher levels of service being provided.

Middle & High Income Housing

Although the actual numbers and delivery timeframes for the middle to high income housing are uncertain at this stage, it is anticipated that delivery could be significant in the short to medium term, with full levels of service being provided. Delivery in certain areas could however be inhibited by bulk infrastructure constraints or financial constraints to provide the requisite infrastructure. The estimated funding shortfall to provide bulk infrastructure in the short to medium term for housing developments is R370 million.

Current infrastructure managed

The Sanitation Department is responsible for the operation and maintenance of:

- 15 Wastewater Treatment Works
- 2100 km of sewers
- 81 Sewer Pump Stations
- 83 000 VIP's

Description of treatment works

Status quo per Waste Water Treatment Works

Current Treatment Technologies

Current treatment technologies per plant are detailed below. This is equivalent to the do-nothing scenario where BCMM does not enhance treatment process.

No.	Treatment Works	Treatment Type	Capacity (Ml/d)	Flows (Ml/d)	Sludge Treatment	Sludge Dewatering	Sludge Disposal
1	Berlin	Biofilter	1.0	0.7	Anaerobic Digestion	Drying Beds	Agricultural
2	Bisho	Ponds	0.8	2.0	-	-	On-site
3	Breidbach	Ponds	0.8	1.3	-	-	On-site
4	Central	Biofilter	5.0	7.8	Anaerobic Digestion	Drying Beds	On-site
5	Dimbaza	Activated Sludge	7.0	8.1	Sludge Lagoon	Drying Beds	On-site
6	East Bank	Activated Sludge	40.0	35.1	-	-	Sea Outfall
7	Gonubie	Activated Sludge	6.0	6.6	Sludge Lagoon	-	On-site
8	Hood Point	Sea Outfall	40.0	14.3	Screening	-	Sea Outfall
9	Keyzers Beach	Ponds	0.1	0.1	-	-	On-site
10	Kidds Beach	Ponds	0.1	0.1	-	-	On-site
11	Mdantsane	Biofilter	24.0	11.1	Anaerobic Digestion	Drying Beds	On-site
12	Potsdam	Biofilter	9.0	4.8	Anaerobic Digestion	Drying Beds	On-site
13	Reeston	Activated Sludge	2.5	1.1	Sludge Lagoon	-	On-site
14	Schornville	Activated Sludge	5.0	6.7	Anaerobic Digestion	Drying Beds	On-site
15	Zwelitsha	Activated Sludge	9.3	8.0	Anaerobic Digestion	Drying Beds	On-site
TOTAL			150.6	107.7			

Current Capital Implementation Programme

The current capital implementation programme details funding required to address shortfalls and compliance within the sewerage system.

Coastal

The **Gonubie WWTW** has been upgraded to 18 Mℓ/day and has been provided with 2 sets of mechanical dewatering belt presses. Sludge is disposed of at the Round Hill Land fill site. The **Central WWTW** is to be decommissioned and flow diverted to the **Reeston WWTW**.

Midlands

The **Reeston WWTW** is currently being upgraded to 10 Mℓ/day and accepts effluent from the **Central WWTW** and the Reeston Catchment. The works position allows for expansion into a regional facility. Sludge lagoons will be utilised for influent volumes up to 7.5 Mℓ/ day and the mechanical dewatering will take care of the rest.

Inland

The **Schornville WWTW**, **Breidbach** and **Bisho Ponds** are to be decommissioned and all effluent diverted to a Regional WWTW sited at the existing Zwelithsa WWTW. Phase 1 has commenced with the construction of the pipeline from the Schornville WWTW to the Zwelithsa WWTW. Sludge management options still to be finalised considering agricultural use, on-site and off-site disposal and beneficial use at high loading rates.

Description of conveyance system

This section details the current state of infrastructure per wastewater treatment catchment.

Gonubie Treatment Works and Catchment

Treatment Works

The works serves the Beacon Bay and Gonubie areas and will be required to serve all new developments in the Quinera and some Gonubie areas.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1978	6	6,5
2015	18.0	6.6

The works has recently undergone an upgrade from 6 to 18 Mℓ/day.

Conveyance Infrastructure

The sewers in the suburbs are generally in a fair condition although the flat areas are subject to silting up. A high incidence of storm water infiltration or illegal discharge does occur.

The interceptor sewers are becoming suspect in structural integrity as well as in capacity. These sewers are all 25 years plus old, as are the majority of sewers in the catchment, and a comprehensive upgrade and maintenance programme will be required to maintain or replace them. The interceptor sewer between Beacon Bay and Gonubie is also in excess of 20 years old and just about at capacity. Root ingress has

caused spills and maintenance of the line is high. The pump stations are generally sound and only require routine maintenance and replacement.

East Bank Treatment Works and Catchment

Treatment Works

The works serves the area between the Buffalo and Nahoon Rivers up to the Ziphunzana Highway, Amalinda Main Road and N2.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1984	40	33

The 40 Mℓ/ day capacity is based on two aeration basins operating; only one was commissioned. The second basin is currently being commissioned.

The ELIDZ has indicated that they would like to purchase final effluent. This will require additional clarifiers to be built as well as the second aeration tank to be commissioned to ensure a better quality of effluent.

Conveyance Infrastructure

The sewers in the suburbs are generally in a fair condition. A high incidence of storm water infiltration or illegal discharge does occur in certain areas.

The sewers along the beachfront from the Orient Beach to Bats Cave are becoming suspect in structural integrity as well as in capacity. There are three sewers, the youngest is 40 years plus old, a comprehensive upgrade and maintenance programme will be required to maintain or replace them. No spare capacity exists in these sewers and overflows occur under storm conditions. Any breakdown of the sewers will result in the spillage of up to 25 Mℓ/ day of sewage onto the beaches that will result in beach closure of all major beaches.

Except for three pump stations that are in need of refurbishment or upgrade the pump stations are generally sound and only require routine maintenance and replacement. The city pump station and rising main has no standby capacity and a major upgrade is needed to safeguard beaches. The electrical switchgear is also badly corroded. The pump station at Nahoon is in sound mechanical condition but the electrical switchgear must be replaced as this is 20 years old. A pump station at Second Creek pumps 6 Mℓ/ day of effluent per day from the Buffalo Flats and Gompo Areas.

The effluent pumped from Second Creek joins the gravity flow from the CBD west of Oxford Street at Pontoon Road from where it flows through a tunnel to Hely Hutchinson Road. This tunnel was inspected as sections are collapsing and the outcome reported to Council. Sections of the tunnel must urgently be repaired. Note that between 10 and 12 Mℓ/ day of sewage flows through the tunnel daily and a collapse will result in this effluent spilling onto Settlers Way (at the Zoo) and from there will flow into the harbour.

The development of the Vincent Park area has placed a major load on the interceptor that serves that area. This sewer runs partially under the storm water culvert from the same area and the sewer is subject to frequent surcharges caused by storm water ingress. This problem must be addressed urgently. Vandalism in the sewer network in Duncan Village results in 35 to 50 blockages per day. These are caused by foreign material, such as stones, car seats, coke bottles, tin cans, broken manhole lids, etc. being thrown into the sewers. The Sewerage Branch expends large sums of its revenue budget to clear these deliberate blockages. The sewage spilt from these blockages run through Duncan Village to the Buffalo River and negatively impacts on Buffalo City as a tourist centre.

The Sewerage Branch has launched a community awareness programme to ensure the correct use of the sewerage system and the impacts of vandalism on the system and the city. Additional funding is required to successfully implement this campaign throughout the city.

West Bank Outfall and Catchment

Outfall

The works serves the area between the Buffalo River and the sea up to the IDZ.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
2002 -	40	12

A funding in the amount of R130 million for the construction of the sea outfall is still to be secured.

Conveyance Infrastructure

The sewers in the suburbs are generally old. A high incidence of storm water infiltration or illegal discharge does occur in certain areas.

The interceptor along the Buffalo River is in need of refurbishment. This interceptor cuts back along Sheffield Road to the south of Settlers Way. The sewer along Sheffield Road was constructed at a very shallow gradient and is running at capacity during peak flows. This sewer must be upgraded. The Bank Street interceptor in West Bank is in need of urgent replacement.

Central (Amalinda) Treatment Works and Catchment

Treatment Works

The works serves the Amalinda, Scenery Park and Wilsonia areas.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1972 Upgraded 1997	5	6.9

Due to the exceptionally strong effluent these works are severely biologically overloaded. Development has been restricted in the catchment area in the late 1990's, this is still in effect.

A study has been completed on alternatives to upgrade the works, including re-routing to Reeston.

Conveyance Infrastructure

The sewers in the suburbs are generally in a fair condition. A high incidence of storm water infiltration or illegal discharge does occur.

The pump stations are generally sound and only require routine maintenance and replacement.

Reeston Treatment Works and Catchment

Treatment Works

The works serves the Reeston area.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
2003	2	1

The works was built to serve the housing development in Reeston, to date no flow has come from these houses. Major problems are expected with upgrading as these works have sludge lagoons that are not accepted by DWS for works above 2Mℓ/d capacity. The works requires upgrading to accommodate for flows from Reeston Extension 3 and the diversion of Central WWTW. The upgrade is required within a 2/3 period. The 10 Mℓ/day extension to the works is currently under construction.

The staff keys do not have adequate personnel allocated to these works despite numerous attempts to do so. This will cause serious problems if the housing is completed and sewage starts to enter the works.

Conveyance Infrastructure

The sewers in the suburbs are all new. The pump stations are new, requiring only routine maintenance.

Mdantsane East Works and Catchment

Treatment Works

The works serves the Mdantsane East area up to zone 10.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1976	24	15

This works have been upgraded from 18 to 24 Mℓ/ day to cater for densification of Mdantsane and development of the Buffer strip.

Conveyance Infrastructure

About 170 km of pitch fibre sewers remain from that which was originally installed in the suburb. These are all collapsing resulting in numerous sewer blockages; the only solution is to replace the pipes. The pipe bridges, where sewers cross streams have recently been refurbished. Refurbishment of manhole on interceptors is still required.

The pump stations are in a good condition and only require routine maintenance.

Potsdam Treatment Works and Catchment

Treatment Works

The works serves the Mdantsane West and Unit P.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)

1984	9	5,0
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The works is currently not overloaded but will reach its limit when the flow from Unit P reaches it. The effluent is pumped to the Mdantsane East Works and flows through the ponds to combine with the effluent of those works. This works will have to be upgraded for densification of Mdantsane and further development of the Buffer Strip or any other suburbs in the area of the Border Technicon.

Conveyance Infrastructure

Some pitch fibre sewers were installed in the suburb. These are all collapsing resulting in numerous sewer blockages; the only solution is to replace the pipes. The pipe bridges, where sewers cross streams, are also in a poor condition. Refurbishment is urgently needed. The pump stations are good condition and only require routine maintenance.

Berlin Treatment Works and Catchment

Treatment Works

The works serves the Berlin residential and industrial areas.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1972	2	1.081

These works were built primarily to serve the industrial area. Very little flow comes from there. During the last few years the township was reticulated and flow will now pick up.

The works are old and not much maintenance was done as portions of the works were "moth balled" for a long time.

Conveyance Infrastructure

The majority of the interceptors are 30 years old but have hardly been used.

Zwelitsha Treatment Works and Catchment

Treatment Works

The works serves the Zwelitsha and Phakamisa areas.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1975 & 1982	9,2	7,8

These works is in a fair condition and reasonably maintained.

The flow has steadily increased due to the work of cleaning the sewer system in the suburbs and is likely to reach close to 9Mℓ/d when all the flow reaches the works. Tenders have been awarded for the upgrade of the wastewater to 17.5 Mℓ/day activated sludge plant.

Conveyance Infrastructure

The sewer network has been extensively abused and for many years and lacked preventative maintenance. A major drive should be launched to rectify this problem as spillage feeds directly into the Laing Dam.

Serious undermining of the main interceptor has taken place where informal brickfields exist in the floodplain of the Buffalo River. Extensive rehabilitation is required to stabilize the sewer.

A contract has been awarded for the installing a pipeline from Schornville to the Zwelitsha WWTW in terms of regionalizing WWTW.

The pump stations are in fair condition and require normal maintenance and component replacement.

Schornville Treatment Works and Catchment

Treatment Works

The works serves the King William's Town and Sweetwater areas.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1971, 1981 & 1994	5	7

These works have been modified twice and was severely neglected when taken over. Extensive refurbishment has been done and the effluent quality is now as good as the present works can produce. The effluent does however not meet the permit conditions. The works is hydraulically and biologically overloaded.

The flow has steadily increased due to the work of cleaning the sewer system in the suburbs.

No further extension of the Schornville Works is possible on the present site and these works, together with the Zwelitsha Works and the Breidbach and Bisho Ponds need to be combined into a regional sewage treatment works possibly in the vicinity of the current Zwelitsha Works.

A moratorium has been placed on all development in the catchment that will generate sewage effluent until a solution for the sewage problem is found.

All flow is to be diverted to the proposed regional WWTW sited at Zwelitsha. Contractors have been appointed for the installation of the pipeline from Schornville to the Zwelitsha WWTW as phase 1 of the regional scheme. Phase 2 of the upgrading of the Zwelitsha WWTW has been awarded.

Conveyance Infrastructure

The sewer network overall is in a reasonable condition but lacks preventative maintenance and upgrading. Interceptors need attention.

Dimbaza Treatment Works and Catchment

Treatment Works

The works serves the Dimbaza area.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1986	7	8,1

These works is in a fair condition and reasonably maintained.

The closing down of factories in the industrial area has assisted in the works not being overloaded.

Conveyance Infrastructure

The sewer network is in reasonable condition.

A pump station has recently been discovered that was never connected to the system, this need be rectified.

Breidbach Ponds and Catchment

Ponds

The ponds serve the Breidbach area.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1980	0,5	1.4

The ponds are severely overloaded. The final effluent is not chlorinated and flows into the Buffalo River above the Laing Dam.

A moratorium has been placed on all development in the catchment that will generate sewage effluent until a solution for the sewage problem is found.

Conveyance Infrastructure

The sewer network is in reasonable condition except in the Plateau development where smaller sewers, i.e. 100 mm diameter, were installed. Some sewers were also found to have back-falls on them. A thorough investigation is required.

Bhisho Ponds and Catchment

Ponds

The ponds serve the Bhisho and Tyu-Tyu areas.

Built	Design Flow (Mℓ/ day)	Current Flow (Mℓ/ day)
1983	0,5	2

The ponds are severely overloaded. The final effluent is not chlorinated and flows into the Yellowwoods River above the Laing Dam. A moratorium has been placed on all development in the catchment that will generate sewage effluent until a solution for the sewage problem is found.

Conveyance Infrastructure

The sewer network is in reasonable condition except in the Tyu-Tyu area where the new development is likely to cause spills at peak flows in the interceptor sewer.

Requirements for VIP pit contents

BCMM inherited between 20 000 and 30 000 VIP's from Department of Water and Sanitation (DWS) and Amathole District Municipality (ADM) spread throughout the rural areas. All these were installed in the last 10-15 years and are becoming full and need cleaning out.

The experience gained in clearing out VIP's during the elections have shown that it is not an easy operation as all kind of foreign material is deposited into the pits. The content furthermore is normally quite solid and cannot be removed by vacuum tanker unless water is added and then mixed. Even then problems occur as plastic packets or bottles and lumps of newspaper clog the hoses.

More seriously however is the disposal of the content once in the tanker. Currently tankers have to drive long distances to treatment works to empty. Suitable dumping sites will have to be found within close proximity of villages if the clearing of household VIP's are going to be done on a regular basis.

Farms may need to be purchased on which pond systems can be established. Town Planning will have to take cognizance of these ponds as no housing development will be allowed within a radius of 800 m of the ultimate treatment works site since these systems do not have active treatment.

Financial implication and associated compliance risks

The following table sets out a first order estimate at capital funds required to address the backlog of the concerns raised above.

The risk matrix is based on the status- quo scenario of the projects detailed below. The associated risk is terms of non-compliance with relevant legislation requirements (permit, health and safety, environmental, Water and Waste Act, weighted equally) of the projects listed below.

The methodology applied to the Risk Assessment is based on a Qualitative Risk Analysis. Each risk identified was assessed on the likelihood of the risk occurring. The impact of the risk, should it occur is also assessed.

The identification of the risks was done by means of analysis of documented historically data. Risks identified and analyzed are outlined in the table below:

<u>Ref.</u>	<u>Description</u>	<u>Estimate</u>	<u>Rating</u>
3	Gonubie Catchment		
3.1	Upgrade beach sewer.	R 6 000 000	12
3.2	Secure works perimeter.-	R1 000 000	20
3.3	Upgrade Quenera interceptor.	R13 000 000	20
4	East Bank Catchment		
4.1	New clarifier.	R2 500 000	9
4.2	Refurbish electrical switchgear. Routine maintenance undertaken	R2 000 000	12
4.3	Repairs to City Pump Station.	R500 000	16
4.4	Standby capacity at City Pump Station.	R4 500 000	16
4.5	Replace / upgrade Eastern Beach sewers.	R100 000 000	25
4.6	Secure Pontoon Road Tunnel.	R6 000 000	20
4.7	Upgrade Vincent Park Interceptor.	R6 000 000	12
5	West Bank Catchment		
5.1	Hood Point outfall sludge handling, including waste mixed liquor from East Bank.	R 250 000 000	10
5.2	Replace / upgrade Woodbrooke interceptor.	R1 500 000	12
5.3	Replace Bank Street Interceptor	R2 000 000	16
6	Central Catchment		
6.1	Upgrade Central (re-route only)	R400 000 000	16
7	Reeston Catchment		
7.1	Upgrade works to handle new housing (upgrade to 30M/day)	R180 000 000	20
8	Mdantsane East Catchment		

8.1	Replace pitch fibre sewers	R60 000 000	9
8.2	New nightsoil vehicles to clear VIP's in Newlands	R3 000 000	12
8.3	Build treatment facility for VIP clearance (Ponds)	R5 000 000	12
8.4	Replace / refurbish pipe bridges.	R8 000 000	9
9	Potsdam Catchment		
9.1	Upgrade Works	R20 000 000	9
9.2	Upgrade interceptor sewers	R2 500 000	9
10	Berlin Catchment		
10.1	Refurbish works	R500 000	9
10.2	Repair / replace pump stations	R500 000	9
10.3	Sewers	R 5 000 000	9
11	Zwelitsha Catchment		
11.1	Build regional treatment works – 17.5 Ml/day.	R150 000 000	20
11.2	Construct interceptors and de-commission old works and ponds – Phase 1 Schornville to Zwelithsa pipeline	R 50 000 000	20
11.3	Secure interceptor along Buffalo River.	R5 000 000	16
12	Schornville Catchment		
	Note no upgrade – new regional works under Zwelitsha Phase 1 Schornville to Zwelithsa pipeline	R 30 000 000	16
12.1	Refurbish / upgrade interceptors.	R1 000 000	9
13	Dimbaza Catchment		
13.1	Refurbish interceptors and pump stations.	R10 000 000	9
14	Breidbach Ponds Catchment		

	Note no upgrade – new regional works under Zwelitsha. Phase 1-4 (3)	R 30 000 000	20
14.1	Allow for sewer replacements.	R1 000 000	
15	Bhisho Ponds Catchment		20
	Note no upgrade – new regional works under Zwelitsha. Phase 4	R 120 000 000	
14.1	Allow for sewer replacements.	R1 000 000	9
16	Facilities for VIP clearance		
16.1	Allow for 5 pond systems @ R5 million each	R 25 000 000	12
16.2	Allow for clearance vehicles such as vacuum tankers or tractor/trailer combinations 10 @ R750 000	R7 500 000	12
17	Deferred maintenance to sewer network / infrastructure @ R15 000 000 annum	R15 000 000	9
	TOTAL	R 1 524 100 000	

To alleviate some of the current constraints within the system the municipality has allocated funding on the 2014-2018 MTREF to the project indicated in the table below:

Table B15: Sanitation Projects (Programme)

Project Name	2017/18 Budget	2018/19 Budget	2019/20 Budget	Total
Bulk Sanitation Provision	40 000 000	80 000 000	80 000 000	200 000 000

Access to Basic Water and Sanitation Services (achieved to date)

The latest information from the Customer Survey 2016 is as follows:

Table B16: Household Access to Basic Services

	WATER (access to piped water in dwelling/ yard or within 200m)	SANITATION (flush toilet, septic tank, chemical toilet, VIP)
--	--	--

No of Households	247 655	238 426
% of Household	97%	94%

Water and Sanitation Rural Backlog and Implementation Plan

The water and sanitation rural backlog are as shown in the implementation plan below on table and graph.

	Total No of households (HH)	Serviced to date	Planned 17/18	Planned 18/19	Planned 19/20	Planned 20/21	Total HH to be served
Water	253 477	247 655	1610	1302	1302	0	253 477
Sanitation	253 477	238 426	5081	2850	2800	2800	253 477

The total required funding to address the sanitation backlog (Rural and Informal) or areas with no access to basic services on Ward 17 (Cuba, Msintini & Ntabozuko) Ward 24 (Postdam) Ward 26 (Mpundu, Nkqonkqweni, Zikwaba & Msobomvu) Ward 31 (Ntenteni, Overton, Ncera 2 ext 1, Sunny South & Bongweni) Ward 32 (Ncera 7 & Tsholomnqa villages) Ward 33 (Qhuru villages, Ncera 8 & Ncera 9) Ward 38 (Mamata, & Pirie Mission) Ward 40 (Qongqotha, Tshabo 2, Mlakalaka, Ndileka & Godidi) Ward 49 (Fort Murray & Cliff) is **R220 742 000**.

The total required funding, which is not part of the 2015-2018 MTREF, to address the water backlog (areas with no basic services) to the following areas is **R115 423 090.40**

- Ward 31 (Windbreak, Anvealea & Lilyvale)
- Ward 26 (Daniel, Msobomvu, portion of Mcleantown & Kwetyana)
- Ward 33 (Silverdale, Kalkeni, Boxwood & New Rest)

The following tables show the progress made in providing different levels of water & Sanitation services;

Water Service Delivery Levels				
Households				
Description	2013/14	2014/15	2015/16	2016/17

	Actual	Actual	Actual	Actual
	No.(000)	No.(000)	No.(000)	No.(000)
<u>Water: (above min level)</u>				
Piped water inside dwelling	104	118	118	118
Piped water inside yard (but not in dwelling)	-	-	-	-
Using public tap (within 200m from dwelling)	111	103	104	104
Other water supply (within 200m)	5	5	-	-
<i>Minimum Service Level and Above sub-total</i>	220	221	222	222
<i>Minimum Service Level and Above Percentage</i>	98%	99%	99%	99%
<u>Water: (below min level)</u>				
Using public tap (more than 200m from dwelling)	1	1	1	1
Other water supply (more than 200m from dwelling)	-	-	-	-
No water supply	3	2	1	1
<i>Below Minimum Service Level sub-total</i>	4	3	2	2
<i>Below Minimum Service Level Percentage</i>	2%	1%	1%	1%
Total number of households*	224	224	224	224
* - To include informal settlements			T 3.1.3	

Households - Water Service Delivery Levels below the minimum				
Households				
Description	2013/14	2014/15	2015/16	2016/17

	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	103 000	103 000	118 000	118 000	118 000	118 000
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
Informal Settlements						
Total households	120 000	120 000	103 000	104 000	104 000	104 000
Households below minimum service level	1 526	1 503	1 503	1 500	1 500	1 152
Proportion of households below minimum service level	1%	1%	1%	1%	1%	1%
<i>T 3.1.4</i>						

Sanitation Service Delivery Levels

*Households				
	2013/14	2014/15	2015/16	2016/17
Description	Outcom e	Outcom e	Outcom e	Actual
	No.(000)	No.(000)	No.(000)	No.(000)
<u>Sanitation/sewerage:</u> (above minimum level)				
Flush toilet (connected to sewerage)	155	156	157	159
Flush toilet (with septic tank)	5	5	5	5
Chemical toilet	4	4	4	4
Pit toilet (ventilated)	20	27	31	36
Other toilet provisions (above min.service level)	–	–	–	–
<i>Minimum Service Level and Above</i> <i>sub-total</i>	184	192	197	204
<i>Minimum Service Level and Above</i> <i>Percentage</i>	79.2%	83.1%	86.2%	91.2%
<u>Sanitation/sewerage:</u> (below minimum level)				
Bucket toilet	–	–	–	–
Other toilet provisions (below min.service level)	25	26	26	20
No toilet provisions	23	13	6	–
<i>Below Minimum Service Level</i> <i>sub-total</i>	48	39	32	20
<i>Below Minimum Service Level</i> <i>Percentage</i>	20.8%	16.9%	13.8%	8.8%
Total households	233	231	229	224
*Total number of households including informal settlements				T 3.2.3

Water and Sanitation Operation and Maintenance Procedure

The department is using a software based programme called Water Management Information System (WMIS) to manage the planned maintenance of mechanical & electrical components as well as the pipe

works in our pump stations. All other relevant maintenance required in the pipelines (bulk & reticulations) as well as water meters is currently managed through the water main replacement and meter replacement programmes. All information of work done is recorded in the WMIS. The Water Asset Register is being updated and is showing that a budget of approximately **R800 million** to recapitalize water assets is required.

ELECTRICITY AND ENERGY

The Buffalo City Metropolitan Municipality Electricity and energy services department has a licence issued by The National Energy Regulator of South Africa to distribute electricity to residents within the urban edge 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); the program seeks to provide universal access to electricity to all.

As a minimum the program calls for a 20-amp service connection, BUFFALO CITY METROPOLITAN MUNICIPALITY has taken a decision to provide a minimum of 40 amps to all RDP service connections within the BUFFALO CITY METROPOLITAN MUNICIPALITY area of supply (Within the urban edge).

Access to this supply for low income consumers is through the INEP funding, BUFFALO CITY METROPOLITAN MUNICIPALITY counter funding and an approved subsidized connection fee. The council has approved that indigent consumers be provided with a service connection free of any charges.

Within the BUFFALO CITY METROPOLITAN MUNICIPALITY area of supply the only backlogs in the formal RDP housing sector are owing to new houses completed during new developments taking place within the year, this number fluctuates between 1500 and 2000 which remain un-electrified for a short period of time.

The length of time taken to remove the backlog of electrification to RDP houses is dependent on the completion of the housing project and the DoE's requirement that the housing development must have an 80% occupancy before the electricity department can request and apply for funding from the DoE

The actual number of houses electrified per year is dependent on the funding made available by DoE on its INEP program

In the ESKOM area of supply the municipality has very little control of the level of service or when the service will be provided as ESKOM request the funding and identify the areas after which they request

BUFFALO CITY METROPOLITAN MUNICIPALITY to provide permission to install electricity as the Eskom electrification must form part of the IDP.

The purpose of the Electricity Department is stated below:

- To ensure the provision of a safe, effective and efficient electrical service
- To maintain the electrical network to acceptable standards
- To ensure the network is operated to meet the requirement of the Occupational Health and Safety Act.
- To ensure an acceptable supply to all BCMM legal consumers.
- To implement RDP/ Informal electrification projects to all consumers that meet the electrification criteria.
- To provide new consumers with supply in terms of NRS 047

To meet its mandate in terms of its issued licences, the department has three distinct divisions, that of Development, Contracts and Asset Management, that of Operation and Maintenance and the third Customer and Revenue Protection Services with the mandate to ensure that the electrical network is well maintained and provides an acceptable electrical service to all paying consumers. The divisions' mandates are as follows:

Development, Contracts and Asset Management

- 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 schedule
- Update and maintain electricity department Asset register.

Customer Care and Revenue Protection

- Installation of new service connections

- Information concerning Electricity Department
- Repairs and replacement of non-functioning meters
- Inspection of meters
- Removal of illegal connections
- Investigation of theft, vandalism and illegal connections

Operation and Maintenance

- Maintain Overhead Lines (132/66/11 kilo Volt and 400 volts)
- Maintain underground Cable (11 kilo Volt and 400 volts)
- Maintain Electrical equipment protection schemes
- Maintain Electrical Substations
- Scheduling of work on a monthly basis

Both Eskom and Buffalo City supply electricity within the Buffalo City Municipal area. BCMM's electrical network is situated within the urban edge, whilst Eskom supplies the remaining rural areas.

i) **Levels and standards in electrical services:**

The BCMM electricity department purchases bulk Electricity from Eskom via 15 intake points of distribution in the BCM supply area. This is re-distributed to all consumers within the urban edge as follows:

Table B16: Levels and standards in electrical services

Type of Consumer	Metering Method	Number
------------------	-----------------	--------

Domestic	Pre paid	70542
Domestic Indigent	Pre paid	49330
Domestic	Conventional	5756
Small Power	Conventional	2802
Small Power	Pre paid	1817
Large Power (LV)	Conventional	1744
Large Power (MV)	Conventional	240
Time of Use	Conventional	38

These services extend to include all consumers within the defined urban edge, but do not take account of rural areas outside the urban edge which resides within the jurisdiction of Eskom. The profile of ESKOM consumers within BCMM is as detailed below:

Table B17: Types of consumers

Type of Consumer	Connections Size_	Number
Domestic Low income	10	769
Domestic Low income	2.5	11886
Domestic Low income	20	20037
Domestic	60	2186
Total		34878

ACHIEVEMENTS

In the year under review the electricity department implemented in excess of 80 upgrade, re-newal, refurbishment and rdp electrification projects. Listed below is the high level achievements obtained during the year:

- New and replacement of MV overhead lines: 14120 meters

- New and replacement of LV overhead line 16060 meters
- Installation of new and replacement of mini-substation 33
- New and replacement of underground cable 19639 meters
- New and replacement of 11kV Ring Main Units 3
- New and replacement of 11kV transformers 44
- 1200 formal RDP households received electricity
- 1002 informal Household received electricity

Electrification Backlog

In terms of back log to formal house hold it is only the houses being built by the Housing Department during the year that do not have electricity this is estimated at 1500 H/H. This number is a moving target because as houses are built they become part of the back log.

BCMM have a large population of informal areas, which do not have formal electricity. The people of these areas connect illegally to the electrical network which has a twofold effect:

- The illegal connectors use electricity which they do not pay for, but the Municipality must pay ESKOM for this usage. This relates into loss of revenue to the Municipality.
- The damaged caused to the network cost a vast amount of money to repair.

These informal areas also talk to electricity back logs as a house needs to be built to replace the informal areas. It is estimated that there are about 45 000 informal dwellings. Since the inception of the project the electricity department has electrified in excess of 5000 informal dwellings.

It is becoming difficult to find informal areas that meet the electrification criteria as most areas fall within one of the following categories:

- Private land ,land not owned by BCMM
- Flood plan
- Need to be de-densified
- No formal lay our plan
- un-inhabitable land

BACKLOG	PERCENTAGE %
Formal House Holds	Estimated at about 1%
Include informal House Hold taking the maximum of 115000 informal dwellings	Estimated 86%

Back log of capital replacement

Over the past four years, BUFFALO CITY METROPOLITAN MUNICIPALITY has invested an estimated R400 million in the electrical network while his investment has reduced the backlog from the original R650 million, the backlog still remain at an estimated R450 million this is due to some equipment now reaching the end of its normal working life. While this investment has assisted in normalising the network, a substantial investment into operational and maintenance funding is required to ensure that the capital investment made into the network is not lost and the network remains stable into the future.

CHALLENGES IN ELECTRICITY SERVICES AND REMEDIAL ACTIONS

Illegal Connections:

Illegal connections remain a major concern within BCMM as illegal connections has an impact on the viability of the electricity department to provide a safe, reliable and efficient supply to our legal consumers. This illegal act has increased over the year as no substantive action is taken against perpetrators; therefor they continue to carry out this illegal act.

At the Energy indaba the new criminal amendments Act was discussed and should be used to its fullest extent in prosecuting connector that are making illegal connections as way a business. The electrical losses on the network have increased, which in turn leads to financial losses to the city. This illegal act has also led to the death of over 70 people.

Electrification of informal dwellings

It is becoming difficult to find informal areas that meet the electrification criteria as most areas fall within one of the following categories:

- Private land ,land not owned by BCMM
- Flood plan
- Need to be de-densified
- No formal lay our plan
- un-inhabitable land

To ensure that this project is successful a formal process needs to be put in place that all informal areas must follow to meet the electrification criteria.

To this end the electrification forum consisting of the following directorate has been established and is looking at the status of informal settlements:

- Infrastructure Service's
- Spatial and Development Planning
- Human Settlements

Vandalism

BCMM has a high population of informal settlements which are vandalising the network by connecting themselves illegally. This excessive overloading has caused:

- Difficulty in safe and continuous supply of electricity to the legal consumers.
- Overloading and damaging of network.
- Unsafe working conditions for the Electricity Department's staff.

Issues that require action are illegal connections, vandalism and theft as well as occupational health and safety. The illegal connections are causing continuous electricity outages throughout BCMM. The electrical equipment is designed to handle a specific load and after the designed maximum capacity has been exceeded, the system will isolate itself to protect vital equipment.

Further damage is caused when the illegal connectors by pass the protection equipment which leads to complete overload of the transformers and catastrophic failure leading to the transformer having to be replaced.

The Electricity Department is doing the utmost in trying to provide a continuous electrical service to the paying customers in these areas. Unfortunately, the frequency and quantity of illegally connected supplies is dramatically impacting on our service delivery compliance standard.

The Revenue Protection unit has the task of removing illegally connected supplies.

BCMM must now take a harder line with people making illegal connections and implement the new Criminal Amendments Act by identifying the perpetrators that are making a living from carrying out this act and charging communities for this service

Alternative Renewable Energy

The Electricity Department is in the process of issuing a renewable energy audit tender to establish clearly the potential within BCM. To substantiate and quantify the possible potential, the city needs to carry out a feasibility study of a number of possibilities amongst those as detailed below;

- Wind Energy: BCMM has large tracks of land that is suitable for wind farms
- Solar energy: BCMM has large tracks of land that is suitable for solar farms
- Waste to Energy: BCMM has a regional waste deposal site with potential capacity.
- Waste Dump Sites: potential to harvest natural gas
- Energy from Sewage: BCMM have 14 sewage waste plants.
- Within BCMM there may be other source such as the Buffalo River.

Capital Upgrade

The electricity department has completed a study of the old 132/33/11 kV network.

The outcome is to implement a major project to upgrade, replace and refurbish the network to a more modern 132/11 kV network, this will stabilise and replace old equipment such as transformer and switchgear which are past their normal working life

TRANSPORT PLANNING AND OPERATIONS

In terms of the National Land Transport Act, cities are required to prepare Integrated Transport Plans, covering a range of areas, including public transport, arterial roads, traffic safety and freight. It is the

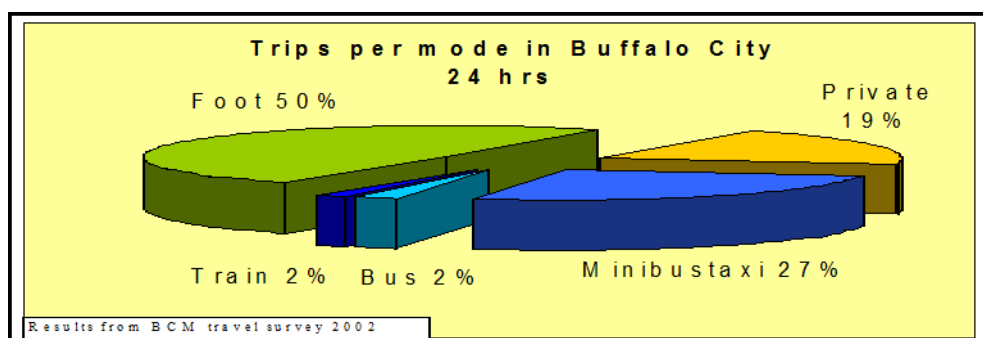
responsibility for cities to plan for public transport infrastructure and services, and ultimately enter into contracts with public transport operators

The Buffalo City Metropolitan Municipality is the process of updating its Comprehensive Integrated Transport Plan. These key planning documents are currently being reviewed by BCMM and can be summarised as follows:

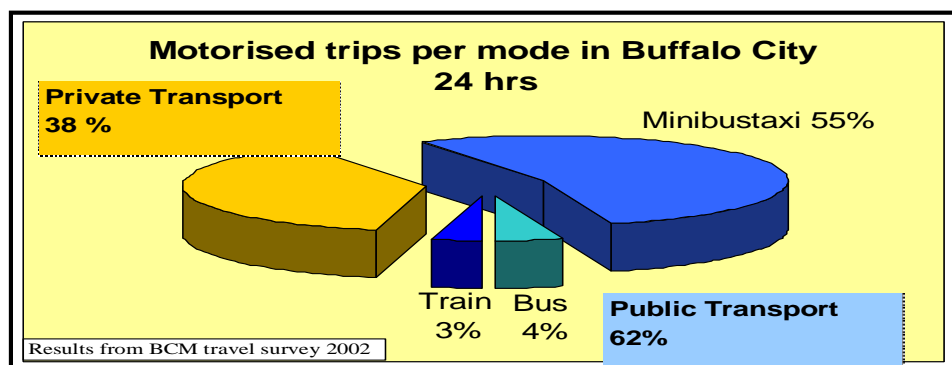
- Public Transport Framework Plan – Currently preparing Tender Documents for the review
- Public Transport Plan – will be reviewed once the completed review of the IRPTN review process is completed
- Arterial road network development plan: 2006 – 2023 (The current plan is for the period 2006 - 2023 and BCMM is currently reviewing the plan and is scheduled to be completed by June 2016.
- Traffic Safety Plan - The plan is currently being finalised for Tender and Review will be done in the 2016/17 financial year

Transport register - Tender is currently at Award Stage.

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.



There is a crucial need to redevelop a quality formal public transport system in order to contain the growth of private traffic and also to provide accessibility for all citizens, and thereby facilitate the socio-economic development of the City. For the most part, people resident in areas where access to opportunities is poorest are most reliant on public transportation. The spatial pattern and concentrations of development in these areas, however, have not historically favoured the sustainability of most modes of mass-based public transport. The consequence of this is that neither the form of the built environment or the public transport systems that have endured (principally the mini-bus taxi industry) has served the neediest residents in an optimum manner. As per the figure below, minibus taxi type services account for approximately 90% of public transport trips within the city. These are not scheduled services and lead to a poorer quality service, as off-peak services are often neglected. Ideally, the situation should be reversed with scheduled services comprising the majority of trips.

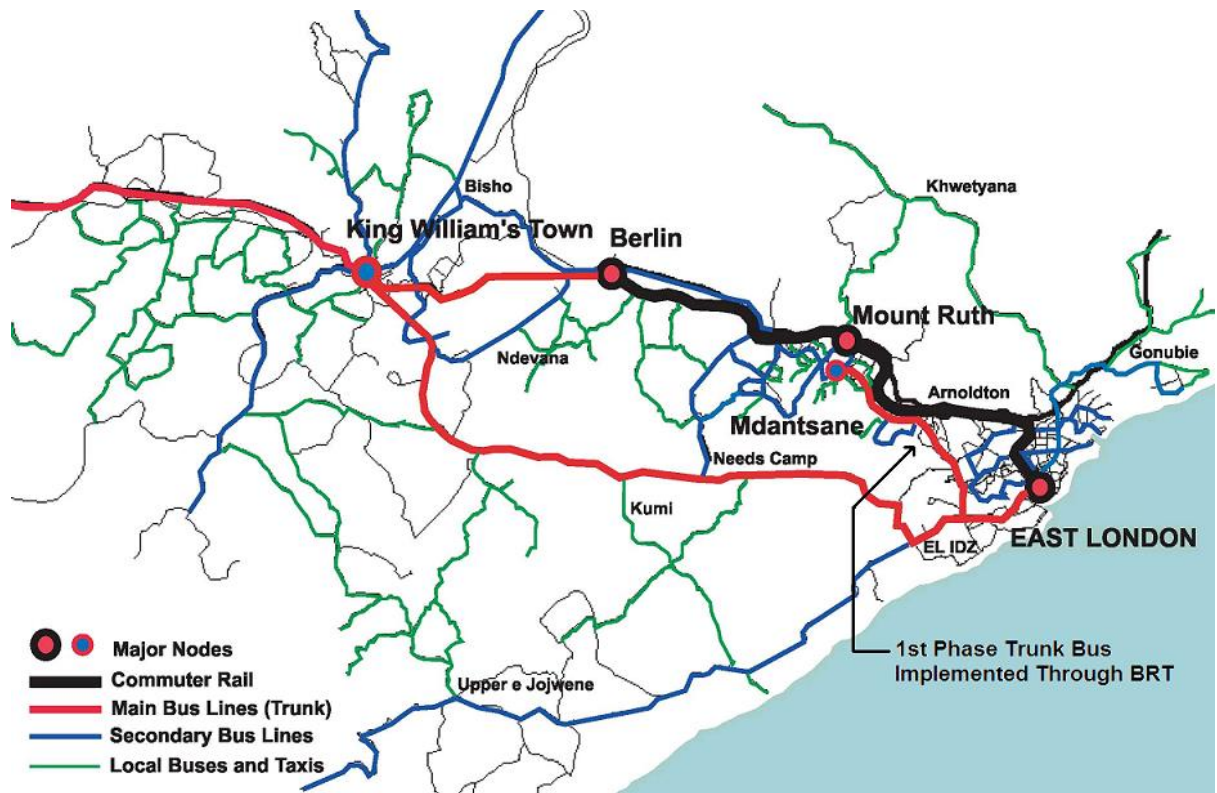


MELD (IRPTN)

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 it's the Mdantsane to East London Corridor (MELD) as priority number one and associated feeder routes.

- **MELD Feeder Route (10km)**

- The MELD is 20km long with 10km being a dual carriageway and the remainder a single carriageway that requires upgrading. The municipality is proposing a two stage upgrading, with first upgrading the road to a dual carriageway in order to improve safety and reduce travelling time and the last stage would be related to the outcomes of the business plan, financial modelling of this route. 2016/17 financial would be earmarked for the design stage and implementation in the 2017/18 financial year.



- Provides Safety – has sufficient space on its road reserve for widening
- Reduces Travel Times – average travel time in route currently –
- It has potential for contracting – after 10 years it can be a contracted Scheduled service
- 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 are expected to be completed in July 2016.

The municipal bus service - The municipality is currently operating six buses. The municipality is busy with a section 78 study that will guide the municipality whether it is visible for BCMM to operate a Bus Service and whether the fleet of Buses needs to be extended to other areas that had the service reduced.

The taxi industry - It is a well-known that the taxis are one of the key stakeholders in the public transport and the municipality is currently having meetings with them on operational issues and would further engage them on future IRPTN route/s. The municipality is in the process of forming Transport Forum that will discuss issues that relates to the industry and also their operation plans within the city.

Bus operators - The municipality has a number of bus operators within the city with majority being long distance buses. The Mayibuye Bus Service is also operating on different routes to the municipal bus service. The public transport would integrate all modes of transport and would determine future integration.

The rail service

Buffalo City in its ITP identified that the public transport system will consist of a better passenger rail service between Mdantsane and East London, as well as the upgrading of some key railway stations – Mount Ruth, Vincent and East London stations. These stations would be important transfer stations between new feeder bus services and the rail.

The trains still carry a huge number of commuters that stay along the rail corridor. However, future plans on rail are not clear and we can only assume that rail would continue to carry the same percentage of commuters until the feeder routes to the train stations have been upgraded as part of the proposed IRPTN system and PRASA has increased capacity of its trains between Berlin and East London. The basic operating mandate of PRASA is to expand passenger carrying capacity and service. PRASA seeks to achieve this primarily, through its commuter and

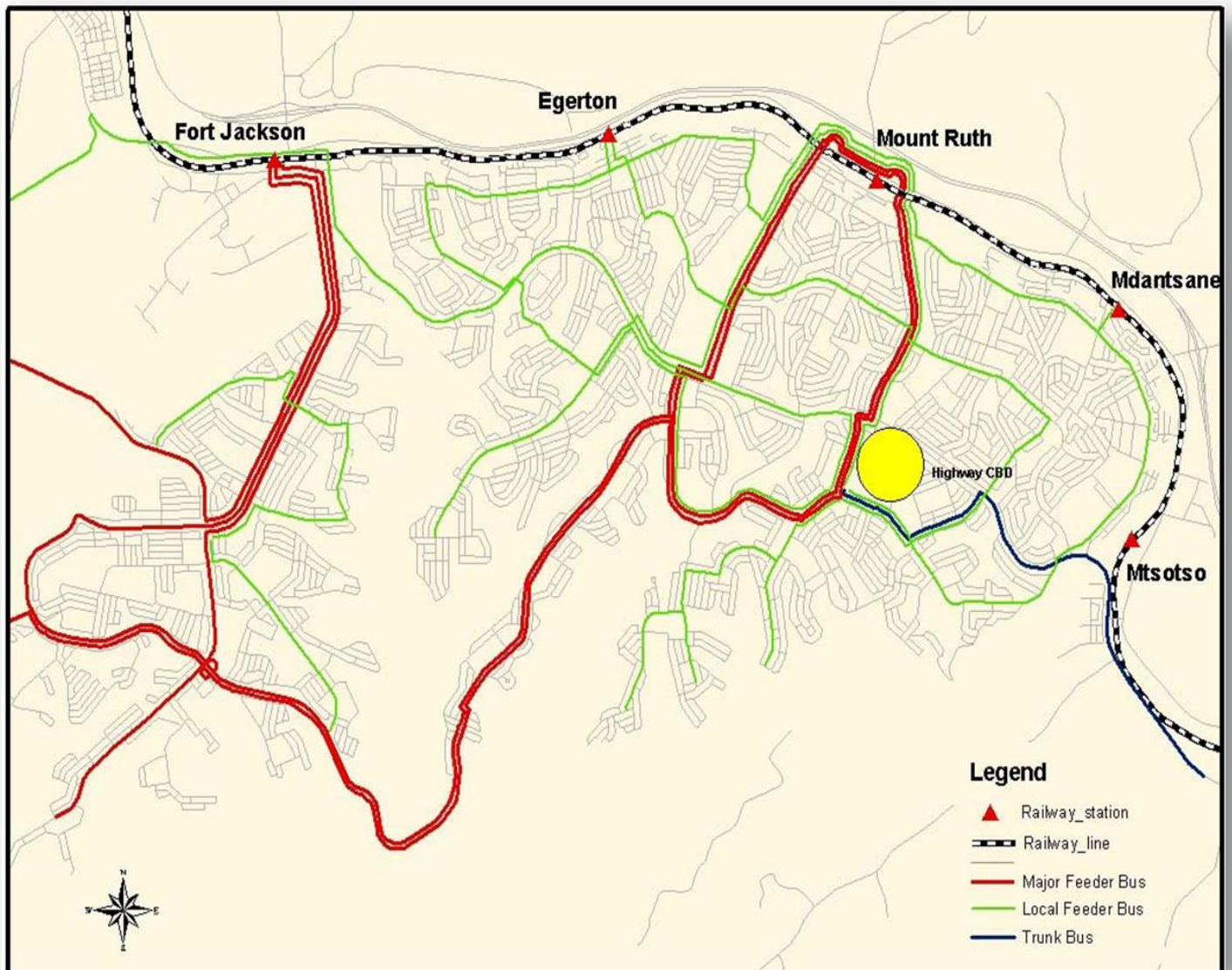
inter-city rail services and supplement these with its bus operating subsidiary. The plans are to renew the commuter rail fleet to new high-capacity rolling stock, supported by an infrastructure modernisation programme.

Buffalo City has a large and potentially rapidly growing manufacturing sector, which depends on an efficient and reliable freight transport system. The improved co-ordination with PRASA on metro transport planning and implementation is needed.

The proposed projects for Buffalo City are:-

- The rail route between Mdantsane and East London CBD to be upgraded for increased passenger usage as part of the public transport plan for the metro.

- Upgrade and extension of the commuter rail services between Berlin and King William's Town



Integration between Rail and Public Transport

Taxi ranks provided by BCMM at Ft Jackson and Mount Ruth

CBD Regeneration Project

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. The CBD in EL is the historical core of the city, with Quigney to the east and the Buffalo River and the sea to the south. Fleet Street brings traffic through the CBD via the R72. Oxford Street connects Fleet Street with the N2 which bypasses the city to the north. Buffalo Street provides access to Mdantsane to the north-west.

While the project was initially focussed on the need to develop Oxford Street as a pedestrian dominant transit mall, given the provision of the IRPTN route along Oxford Street, the project also impacts on the streets parallel and perpendicular to Oxford Street in the CBD. The study area therefore includes the greater CBD's area & linkage to the sleeper site area (Quigney)

The King Williams Town CBD is congested with high volume of pedestrian movements combined with high volume vehicles movements. The aim is to provide a safer CBD with pedestrian movement and also



look at issues of providing some streets as one way streets.

SANRAL ENGAGEMENTS

Buffalo City Metropolitan Municipality has been having engagements with the South African National Roads Agency (SANRAL) about projects within the BCMM area. Some of the projects are as follows:

N2 R72 Alignment

A spatial distribution and layout of road (and rail) networks mainly running along spurs and ridgelines, with few cross-river linkages inhibits cross-town mobility in the greater East London area. Present proposals for bridge crossings of Buffalo River and the linkage of the N2 and coastal routes (R72) would facilitate improved mobility of people resident in the Mdantsane/Reeston/Duncan Village areas to areas of opportunity in the West Bank area of the city. The additional bridge will also provide an alternative route for heavy trucks, which currently have to navigate through the East London CBD when traveling from Nelson Mandela Bay via the R72 to the N2 to Durban. These heavy vehicles cause significant damage to the City's road network, and although the damage is caused by regional traffic, maintenance of the affected roads is done at a cost to Buffalo City. The proposed upgrade of the N2 between Buffalo City and Durban by SANRAL will see an increase in national traffic through the city centre, making the provision of the second Buffalo Bridge an even higher priority.

BCMM wants SANRAL to assist the municipality by doing a bypass of the Central Business District to vehicles that are going through the R72 route and airport area. This is due that these vehicle go through the CBD and cause congestions within the CBD and also the heavy trucks are causing a lot of damage to the CBD roads. SANRAL has proposed that BCMM enters into a service level agreement with them so that they can take over the projects and also include it as part of the projects plan. BCMM is currently busy drafting a report to council for the approval of the service level agreement with SANRAL.

MOUNT RUTH NODE

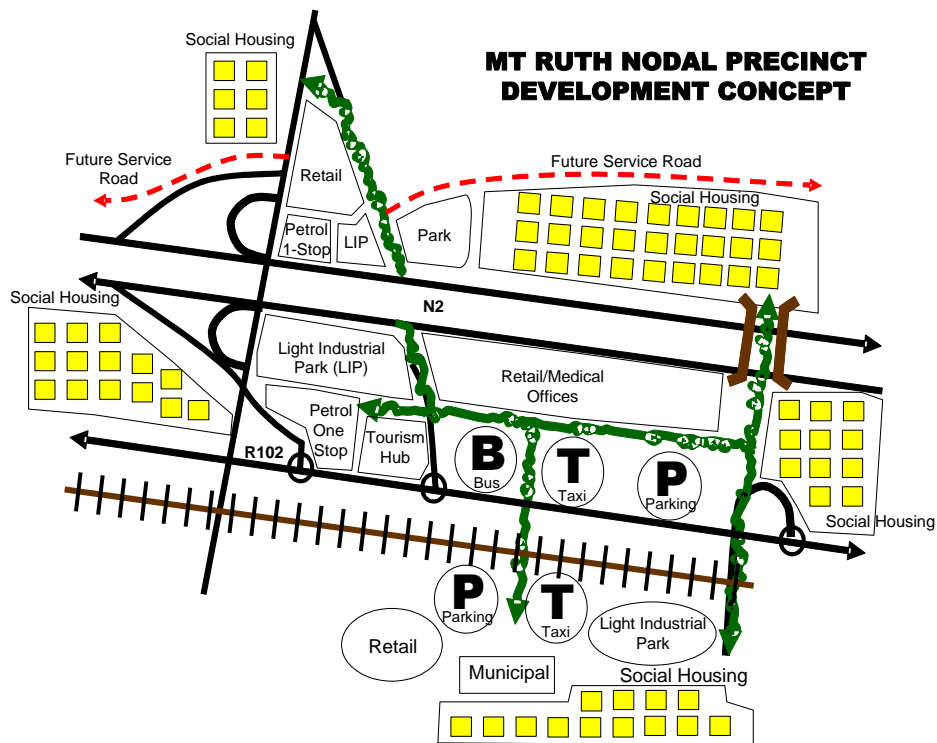
Mount Ruth was specifically identified in the MELD study as an area with very high potential for development as a mixed land use node, based on it's proximity to the rail line and station, it's direct connection with the Mdantsane CBD as well as it's potential linkages with the N2 and N6. This highlighted 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.

This plan took cognisance of the BCM and Mdantsane Draft Public Transport Plans that were being prepared at the same time but also considered future private transport linkages to Mdantsane via Mount Ruth as well as infrastructure requirements to support Mount Ruth as a development node.

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, it was proposed that a road interchange be provided on the N2 which connects with the M16 (Billie Road), which will improve access to the Highway Town Centre and the Newlands access road to the north. The connection to the Newlands access road will ultimately result in connection to the N6 an important National Route to the north.

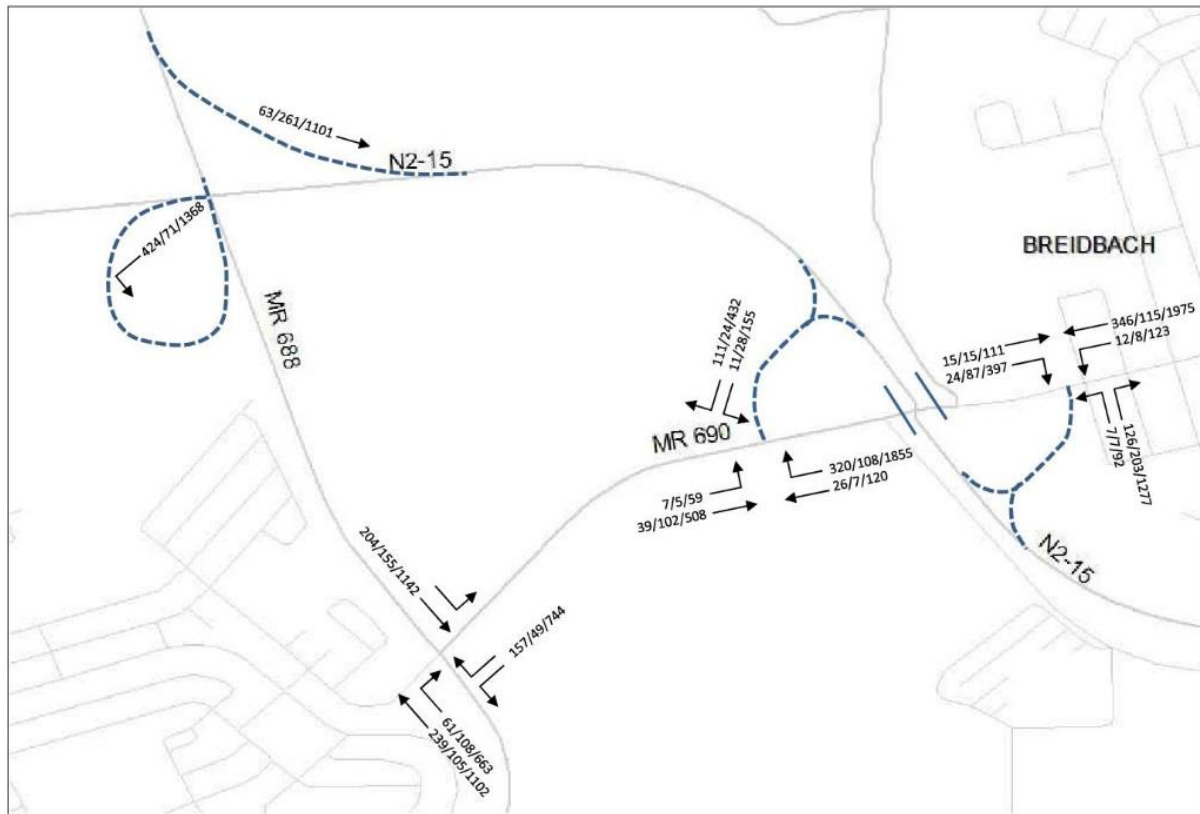
Various options for the freeway interchange were assessed in terms of their operational characteristics and benefits as well as implementation costs. It is also proposed to link Toyana Road with the R102 across the rail line to provide additional linkages between Mdantsane to the south east and the Newlands area via Mount Ruth.

The proposed road improvements to support development of the Mount Ruth Node were described as “Key Strategy” in the Mount Ruth Nodal Precinct Development Plan. The municipality highlighted the importance of the interchange as it would provide connectivity to Cecilia Makiwane hospital, N6 and also provide a third connection into Mdantsane. After deliberations, SANRAL supported the construction of the interchange.



N2 (King Williams Town by Pass

SANRAL has started the projects on the Designs of a bypass of the King Williams Town CBD area and the project is at advanced stages.



Transport Strategy

Buffalo City Metropolitan Municipality has completed a Comprehensive Integrated Transport Plan which is required to be reviewed annually and updated every five years. This plan considers a vision and a strategy for all modes of transport within the City and all the aspects related to successfully implementation of the visions and strategies.

The Public Transport Plan which is a key component of this plan features a new public transport strategy to restore scheduled public transport services in the City which will lead to a customer-based planned and regulated system. BCMM has prioritised the upgrading of the all Public Transport Facilities within its area of operations. A budget of R 120m over three year period has been made available for the Upgrading Of King Williams Town Public Transport Facility namely Market Square Bus and Taxi Facility, Taxi City Taxi Rank as a first phase of the upgrade due to the high numbers of commuters that utilise these facilities on a daily basis.

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. Some of the projects that will be undertaken in the 2016/17 financial year under the NMT are as follows:

- Construction of Need scamp/Potsdam Bridge valued at over R 80m that will link the Postdam area with Needscamp area.
- Kwatshatshu/Qalashe Pedestrian Bridge valued at over R4.5m that will provide ever needed access over the river between the two communities.
- Programme on the Implementation of Sidewalks, Traffic calming Measures as part of the Non-motorised Transport within the bigger BCMM area.
- Feasibility studies for 9 Pedestrian Bridges within the BCMM area

The economy of a City is somewhat dependent on a reliable and accessible freight transport system. Buffalo City has a large and potentially rapidly growing manufacturing sector, which relies on an efficient and reliable freight transport system. All sectors of the economy depend on the incoming and outgoing movements of goods by road, rail, sea and air. The infrastructure to support the movements by these modes must be assessed and where necessary upgraded to keep pace with the needs.

The current situation by which freight is transported in Buffalo City is influenced by the condition and availability of road versus rail transport infrastructure. A key determinant of the use of road over rail today is the lack of regulation applied to road transport. The consequent transport of heavy goods predominantly by road places a significant structural load on the road system, requiring a greater level of maintenance than would otherwise be required.

Freight traffic flow through the urban areas of Buffalo City Metropolitan Municipality creates unnecessary congestion and noise pollution on existing routes not designed for these types of vehicles. The transport of freight by road also has a significant negative impact on the environment compared with rail, contributing more to air pollution and the depletion of scarce fuel resources.

As part of the Comprehensive Integrated Transport Plan it is necessary to undertake a Freight Transport Plan to understand the current freight transport system within the City and make recommendations for implementation that will assist the City in achieving its visions and strategies.

SOLID WASTE MANAGEMENT SERVICES

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. It is also guided by its Strategic Integrated Waste Plan which is presently under review. These strategic sectoral plans provide guidance and determine how Buffalo City Metropolitan Municipality fulfils its responsibility with regards to the management and protection of the natural environment.

Environmental functions are also underpinned by environmental legislation, both new and old. As environmental issues vary considerably, the approach to environmental management in the Metro is diverse, where it ranges from urban related activities to management of rural communal commonage areas. The department of Solid Waste Management Services is engaged in partnerships with the Department of Environmental Affairs and Development Planning, Amatole District Municipality, National Association of Clean Air and other interested and affected parties. Functional areas that the department is responsible for are further elaborated below:

Street sweeping

Encompasses litter picking, gutter cleaning, street sweeping, focusing mainly on main roads, CBD, entrances and exits of the city. This division is also responsible for refuse bag distribution in both formal and informal areas

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.

Landfills

These are used for the disposal, compaction and cover of general waste from all households (formal/informal), businesses and pre-treated medical waste from health institutions. Data indicating the amount of waste to be disposed is collected by means of a weigh bridge.

Garden transfer stations

These are used for the temporary storage of garden waste from the general public excluding private garden services.

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, 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.

3.13.1 Challenges

Landfill sites

- There are currently only two operating
- The existing waste disposal at the Roundhill landfill site has reached its capacity
- This has necessitated the construction of a third cell

Garden transfer stations

- There are currently six, of which three are registered/licensed
- There is insufficient control of all transfer stations resulting in no control of waste at the site
- No provision of garden transfer stations in all areas of Buffalo City Metro resulting in an increase in illegal dumps

Waste Minimisation

- Informal recyclers not being registered
- Community mindset and behaviour
- Unavailability of a central transfer station

Street Sweeping

- Shortage of staff to enable the Solid Waste Department to attend to every residential area of Buffalo City Metropolitan Municipality i.e. formal and informal areas

Refuse removal

- Unavailability of transfer stations
- Mechanically unreliable trucks
- High volume of waste from businesses and residential areas
- New housing developments
- Areas not being serviced (rural areas)
- Distance to landfill sites that results in increased wear on the trucks and non-completion of areas

Further challenges are reflected in table B18 below:

Table B18: Solid Waste challenges

Waste Minimisation	Area	Purpose	Challenges
Buy-back centre	Oriental Plaza	To purchase recyclable material from informal recyclers in order to reduce waste that goes to the landfill sites	Not yet operational, Memorandum of Understanding awaiting signature
Transfer Stations			
6 Garden transfer stations	Orange grove, Stoney Drift, IDZ, Beacon Bay	To ensure that residents dispose of their garden waste to reduce illegal dumps	Appointment of the operator and beneficiary
Landfill sites			
2 Landfill sites	Berlin, King Williams Town	To ensure waste is disposed, compacted and covered	Cells at Roundhill are at capacity. Second Creek is closed.

- Lack of vehicles & equipment to service areas previously serviced by ADM & EC DOH.
- Lack of internal support of functions from other Directorates
- Finalisation of the devolution of staff from ADM

SPORT & RECREATION FACILITIES

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.

Sports Facilities Division:

There are currently 130 recorded sports facilities located within BCMM. However the number of facilities must still be verified via an audit. The following are sports facilities that are managed by BCMM:

Table B19: BCMM Sportsfields

Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Jan Smuts Stadium	Southern wood	All	Soccer, Net ball Events & Athletics	Weekly	Boundary brick wall. Staff quarters, Flood Lights Ablutions Electricity in the whole building = Vandalized. Steel burglar needed on the whole building Athletics Equipment Stolen	Parking, stadium, synthetic athletic track, staff quarters

Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Buffalo City Stadium	Southern wood	All	Rugby, Soccer & Events	Weekly	None	2 Rugby fields, office blocks, lecture rooms
Bunkers Hill	Bunkers Hill	All	Cricket, Soccer & Hockey	Weekly	Unauthorized usage - no fencing	Change rooms
Westbank	Westbank	All	Soccer	Weekly	Swamp	Change rooms, grand stand, Storeroom & grand stand
Selborne Park	Southern wood	All	Tennis	Daily	Repairs to Pallisade Fencing Reurfacing of tennis courts staff quarters Security	Change rooms, grand stand, club house & tennis courts
North End	Town	All	Soccer / Events	Weekly	Over Usage Synthetic cleaning equipment Security	Change rooms, ablutions & club house

Amalinda	Amalinda	All	Cycling, Soccer & Rugby Events	Weekly	Repairs to perimeter mesh Fencing. Resurfacing of playing area Security	Been upgraded: ablutions, change rooms, hall
Braelyn Ext 10	Braelyn	All	Softball, Baseball, Cricket & Events	Weekly	Caretaker house, upgrade change rooms, ablutions, fence, resurfacing of playing area, irrigation & spilling sewer Security	2 Change rooms, cricket & softball pitch
Pefferville	Pefferville	All	Soccer / Netball Events	Weekly	Resurface, ablutions, seating, Irrigation Boundary Fence	Open space & vandalized caretaker house
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures

Lujiza	Duncan Village	All	Tennis, Basketball, Volleyball & Netball	Daily	Resurface, ablutions, seating, Irrigation Boundary Fence, Floodlights are vandalized	Change rooms, kiosk, caretaker house, tennis, basketball, volleyball & netball courts
Parkside	Parkside	All	Soccer & Rugby	Weekly	Staff quarters Security Change rooms are vandalized	Change rooms, netball & soccer fields
Gompo	Duncan Village	All	Soccer & Rugby	Weekly	Rehabilitation of playing surface, Staff quarters. Caretakers house	Change rooms, Ticket office, caretaker house, Flood lights & rugby & soccer
Schoeman	Buffalo Flats	All	Cricket & Hockey	Weekly	Rehabilitation of playing surface, Staff quarters. Caretakers house. Security, Floodlights and changerooms vandalized	Club house, change rooms, caretakers house & cricket field

Sisa Dukashe	Mdantsane	All	Soccer & Rugby	Weekly	Security	Change rooms, caretaker house, ticket office, grand stand, ablutions, soccer field & netball courts
Orlando	Mdantsane	All	Soccer & Pools	Weekly	Fencing and change rooms	Cricket and soccer fields
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Embekweni	Embekweni	Mdantsane & Surrounding Villages	Basket Ball & Soccer	Weekly	Soccer Fence, basketball surfacing and stands	Basketball posts
Mntlabati	Mncotsho	Surrounding Villages	Rugby & Events	Weekly	Ablutions	Pitch
Mabaleni	Mncotsho	Mncotsho Nkqonkqweni, Mntlabathi Postdam & Nxamkwana	Rugby & Soccer	Weekly	No toilets	Pitch, fencing
Nxaruni	Nxaruni	Surrounding Villages	Rugby	Weekly	Ablutions	Pitch, fencing

Gonubie	Gonubie	Community & Clubs	Cricket, Rugby & Soccer	Weekly	Playing area	Change rooms, club house, cricket, soccer & rugby
Gomoro Sports Field	Nu 3	Community & Clubs	Soccer	Weekly	Pitch resurfacing, no fence	None
Reeston	Reeston	Community & Clubs	Soccer	Weekly	Pitch resurfacing, no fence	None
Tshabo	Tshabo	Community & Clubs	Rugby & Soccer	Weekly	Pitch resurfacing, no fence	None
Forthmarry	Forthmarry	Community & Clubs	Rugby & Soccer	Weekly	Pitch resurfacing, no fence	None
Chalumna	Chalumna	Community & Clubs	Rugby & Soccer	Weekly & special events	Seating & public ablutions	None
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Chalumna	Chalumna	Community & Clubs	Rugby	Daily	Seating & public ablutions	Rugby field & 2 change rooms

Floodplain	Duncan Village	Community & Clubs	Soccer & Netball	Weekly	No fence, ablutions	Netball & soccer fields
Ncera	Ncera	Community & Clubs	Soccer	Weekly	Pitch resurfacing, no fence, soccer posts	None
Needscamp	Needscamp	Community & Clubs	Rugby and Soccer	Weekly	No fence, water, ablutions	None
Orlando	Mdantsane	All	Soccer & Pools	Weekly	Fencing and change rooms	Cricket and Soccer fields
Nu 1	Mdantsane	All	Rugby, Tennis & Events	Weekly	None	Tennis and rugby fields
Nu 6	Mdantsane	All	Soccer	Weekly	Boundary wall, Ablutions, ticket office, gates irrigation vandalized	Fencing, Irrigation, No 1 pitch, cottage
Nu 7	Mdantsane	All	Cricket	Weekly	Boundary wall, Ablutions, synthetic cricket wicket, gates, irrigation vandalized	Pitch
Nu 15	Mdantsane	Mdantsane	Soccer	Weekly	Boundary wall, Ablutions, gates,	None

					irrigation vandalized	
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Nu 17	Mdantsan e	All	Soccer & Softball	Weekly	Playing Area	None
Postdam	Postdam	All	Soccer & Events	Weekly	No soccer posts, gates and pitch resurfacing	Fence
Acorn Valley	Acorn Valley	Surrounding Villages	Soccer	Weekly	Changerooms and perimeter fence vandalized	Building for Change rooms
Berlin Fields	Berlin	Berlin	Rugby, Soccer & Cricket	Weekly	Open space (playing surface need to be upgraded)	None
Breidbach Fields	Breidbach	All	Rugby, Soccer & Cricket	Daily	Changerooms, perimeter fencing, boundary wall vandalized	Office, change rooms caretaker's house, storeroom

Ilitha Sportsfields	Ilitha	All	Rugby & Soccer	Weekly	Open space (playing surface need to be upgraded)	Caretakers house
Mt .Coke Fields	Mt Coke	All	Soccer Fields	Weekly	Open space (playing surface need to be upgraded)	None
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Phakamisa Fields	Phakamis a	All	Rugby & Soccer	Weekly	Fencing Goal Post Playing Area	None
Sweetwater Fields	Sweet-waters	All	Soccer fields	Not good to be used	Playing Area to be upgraded	None
Zwelitsha Stadium	Zwelitsha	All	Rugby, Soccer & Netball	Daily	Clubhouse Changerooms Toilets	Change rooms, Storeroom, caretaker's house

Zwelitsha Zone 6	Zwelitsha	All	Rugby & Cricket	Weekly	Playing Area to be upgraded	None
Zwelitsha Zone 10	Zwelitsha	All	Rugby	Weekly	Playing Area to be upgraded	None
Ndevana	Ndevana	All	Soccer & Rugby	Weekly	Playing Area to be upgraded	None
Amatola Field	Amatola	Bisho and surrounding area	Rugby	Weekly	Grand Stands	None
Bisho Stadium	Bisho	All and surrounding area	Events, Athletics, Rugby, Soccer Netball & Volleyball	Under construction	Security	Change rooms, Office
Bisho Fields	Bisho	All	Rugby, Soccer Netball & Cricket	Weekly	Grand stand, Irrigation pipes Security	Change rooms
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Farrer's Fields	Farrer's	Surrounding area	Soccer, Rugby, Cricket and Netball	Weekly	Floodlights, changerooms and boundary wall, Perimeter Fencing, Cricket Covers, Ticket	Change room, Store rooms, Caretaker's house, Office, Garage and Clubhouse

					Office vandalized	
Ginsberg Fields	Ginsberg	All	Soccer & Rugby	Weekly	Grand stands	Change rooms, Caretaker's house
Hanover Fields	Hanover	All	Rugby	Weekly	Fencing, Water and facilities	Change rooms
Old Airport Fields	Bisho	All	Rugby & Soccer	Weekly	Open space (playing surface need to be upgraded)	None
Schornville Fields	Schornville	All	Rugby	Weekly	Floodlights, stands, water, fence and facilities	Change rooms
Sikhobeni Field	Sikhobeni	All	Rugby	Weekly	Stand and fence and facilities	None
Tharrett's Fields	King Williams Town	Surrounding area	Soccer	Weekly	Floodlights, stands, water, fence and facilities	Change rooms, Club house
Tyutyu Sportsfields	Tyutyu	All	Soccer & Rugby	Weekly	Floodlights, stands, water, fence and facilities	None

Victoria Grounds	King Williams Town	Surrounding area	Rugby and Cricket	Under construction	2010 Legacy project	Change room, Storerooms, Caretaker house, Office, Garage, Club house
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Rayi	Rayi	All	Rugby	Weekly	Open space (playing surface need to be upgraded)	None
Nonkcampa	Nonkcampa	All	Rugby & Soccer	Weekly	Open space (playing surface need to be upgraded)	None
Amacal'egusha Fields	Amacal'egusha	All and Surrounding area	Cricket	Weekly	Vandalism of facilities	Building & office change rooms
Dimbaza Bridge	Dimbaza	All	Soccer	Weekly	Open space (playing surface need to be upgraded)	None

Dimbaza Central	Dimbaza	All and surrounding area	Soccer	Weekly	Open space (playing surface need to be upgraded)	None
Dimbaza Mannburg	Dimbaza	All	Rugby & Soccer	Weekly	Open space (playing surface need to be upgraded)	None
Dimbaza Stadium	Dimbaza	All and surrounding area	Rugby, Soccer, Cricket and Netball	Weekly	Floodlights, stands, water, fence and facilities	Change rooms
Dimbaza West Field	Dimbaza	All	Soccer & rugby	Weekly	Open space (playing surface need to be upgraded)	None
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Dikidikana Fields	Dikidikana	All	Rugby, soccer and netball	Weekly	Open space (playing surface need to be upgraded)	None

Great Place Fields	Mngqesha	All	Soccer, Rugby & Netball	Weekly	Floodlights, stands, water, fence and facilities	None
Pirie Misssion	Pirie	All	Soccer, Rugby & Netball	Weekly	Floodlights, stands, water, fence and facilities	None
Upper Mngqesha	Upper Mngqesha	All	Soccer, Rugby &Netball	Weekly	Floodlights, stands, water, fence and facilities	None
Lower Mngqesha	Lower Mngqesha	All	Soccer, Rugby and Netball	Weekly	Floodlights, stands, water, fence and facilities	None
Mdingi Fields	Mdingi	All	Cricket & Rugby	Weekly	Floodlights, stands, water, fence and facilities	None
Nomgwadla Fields	Nomgwadla	All	Rugby	Weekly	Floodlights, stands, water, fence and facilities	None
Pirie Trust Fields	Pirie	All	Cricket, rugby & netball	Weekly	Floodlights, stands, water, fence and facilities	None
Polar Park Fields	Polar Park	All	Rugby, soccer & netball	Weekly	Floodlights, stands, water,	None

					fence and facilities	
Name of the Sport field	Ward/ Township/ Area/of Location	Communities benefiting from the field	Use of the field	Frequency of usage	Current Challenges / Condition	Existing structures
Reeston Sports- field	Reeston	All	Rugby	Weekly	Floodlights, stands, water, fence and facilities	None
Scenery Park Sports- field	Scenery Park	All	Rugby, soccer & netball	Weekly	Boundary wall, ablutions, change rooms and seating	None
Nompumelelo Sports- Field	Nompumel elo	All	Rugby, soccer & netball	Weekly	Boundary wall, ablutions, change rooms and seating	None
Muzamhle Sports- field	Muzamhle	All	Rugby, soccer & netball	Weekly	Boundary wall, ablutions, change rooms and seating	None
Kwalini Location Sports- field	Kwalini Location	All	Rugby, soccer	Weekly	Fencing, leveling of surface, change rooms,	Open Field

					combination of goal poles	
Zinyoka	Zinyoka	All	Cricket	Weekly	Floodlights, stands, water, fence and facilities	None
Tyutyu Village	Tyutyu Village	All	Rugby	Weekly	Floodlights, stands, water, fence and facilities	None

Sports stadiums and Sportfields are used by local, regional , national associations use the sports facilities for their league programmes, Major Sports events are also hosted at the stadia, such as PSL matches at Sisa Dukashe Stadium. Safety issues of facilities and accreditation:

Currently there are insufficient Security Guards for all the sports facilities, which has resulted in vandalism and theft. Compliance with the SASREA Safety at Sport & Recreation Events Act. The Sisa Dukashe Stadium has been upgraded to the Premier Soccer League (PSL) standards is the responsibility of various stake holders such as SAPS and Disaster Management. Applicants are referred to SAPS when booking facilities.

RECREATION:

Swimming Pools:

There are 4 swimming pools within the BCMM boundaries, namely, Joan Harrison, and Ruth Belonsky (Coastal region), and King Williams Town and Zwelitsha pools (Inland region). The Mdantsane Nu2 Swimming Pool is currently being upgraded. A Professional Service has been appointed to upgrade Nu 2 Pool. A concept design has been finalized. Major events such as National Swimming galas are hosted at our swimming pools.

BEACHES:

The public beaches serviced include the following:

Table B20: Public beaches

All year round beaches	Seasonal beaches
Gonubie Main Beach and River Mouth	Western Seafront Rifle Range Tidal Pool
Bonza Bay Beach and Lagoon	Leaches Bay Tidal Pool
Nahoon Main Beach	Kidd's Beach
Eastern Beach	Hickman's River and Beach
Orient Pools and Beach and Waterwold Complex	Kaisers Beach
	Igoda River Mouth

The beaches are very popular especially in the peak festive season. Major event such as the Ion Man 70.3 are hosted at Orient Beach

Marine and Zoological Services

The Aquarium is popular with school groups and general tourists. It has a variety of displays for the public to enjoy, including seal shows. Aquarium is located in a prime beachfront area for tourists to enjoy.

Zoo:

There is one Zoo located within East London which serves the community of BCMM and areas outside BCMM as the zoo is a tourist attraction. Currently the development and upgrading of the zoo is guided by the PAAZAB Operational Standards. Currently the Zoo has 296 animals which include amongst others, the African Civet, African Grey parrot, Blue Duiker and Yellow Anaconda. It is however, important to note that animal collection varies depending on births, deaths, acquisition and disposal of animals.

Nature Reserves:

There are 2 nature reserves, the Nahoon Estuary Nature Reserve and Nahoon Point Nature Reserve. These nature reserves have very scenic and naturally beautiful trails and have a variety of species.

LIBRARIES, HALLS & RESORTS DEPARTMENT

Resorts

Buffalo City manages the Gonubie and Nahoon resorts. Gonubie comprises of self-catering chalets and campsites/ caravans, whilst Nahoon caters for campsites/caravans.

Gonubie: 20 Chalets, 86 Camp Sites

Nahoon: 52 Camps Sites

The Gonubie Resort has been awarded a 3-Star Grading from the Tourism Grading Council of South Africa in 2012.

Libraries

Buffalo City Council manages 17 libraries with 60 647 Subscribers on behalf of the Provincial Government. The latter only subsidizes Council's libraries operating budget of R26 978 280 by R4.3 million. There is a need to extend the library service to all communities especially by means of electronic media such as e-books which will take the service to all community members with e-reader capable hardware without the user having to commute to a library.

Halls

Buffalo City Council manages 36 tariff levying halls with approximately 4638 events having been held in the past 12 months. A general survey of halls was undertaken within the Directorate of Community 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 King Williams Town Transitional Local Councils or facilities reported by Amathole District Municipality.

These facilities fall into two categories namely:

Tariff levying halls which are managed by Buffalo City Metropolitan Municipality of which there are 36 which were inherited from the erstwhile East London and King Williams Town 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 as they have no operating budget, (despite previous requests) and no staff. It is also considered onerous for rural communities to book the facilities as there are only 4 booking points.

Many community halls are in need of major refurbishment, now estimated to exceed R70 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.

Horticultural Services

There are 97 existing parks in the BCMM jurisdiction and the target for development of new parks this financial year is 8 and maintenance therefore remains a challenge due to limited funding and resources.

Public spaces have never been considered part of BCMM menu of public city buildings. Traditional parks are increasingly also being eliminated. The fragmented and unsustainable nature of these conventional public parks has resulted in the belief that these are extravagant and nice to have.

Open spaces are regarded as unaffordable to provide and maintain and therefore cannot compete for popular and political support in the face of demands for basic services. As a result vast areas of the City are developed without this essential resource.

Children play in the dust and mud of the streets, teenagers play football on grassed banks of road interchanges, old people wait in blazing sun or rain for community events and ceremonies have no place or home.

The economic significance of public spaces is similarly neglected. Planning and design of neighbourhoods for poor communities has not accommodated either private or public locations for commercial activities or markets. Survivalist trading occurs in unregulated conditions that create health,

safety and access problems. Despite the limited focus in public spaces in BCMM over a period of time, certain milestone projects have been implemented.

A number of beautification projects were approved for implementation across the length and breadth of BCMM. These projects included initiatives in Horticulture, grass cutting, bush clearing, beautification of entrances to town and cities as well as development of parks and open spaces. Over the past ten years a total of thirty (30) parks were developed including the pedestrianisation of the St George's Park in East London. The establishment of the Eco-Parks in Mdantsane and Duncan Village are both ground breaking projects and will assist in setting the context for similar projects across the BCMM.

The response from ordinary people and councillors has been encouraging and confirms the startling premise that the implementation of these programmes viz. Parks and Open Space Development, Beautification and Bush Clearing is a relevant and meaningful part of transforming BCMM.

Cemeteries & Crematoria

Buffalo City is rapidly running out of grave sites and is under tremendous strain to develop new sites. Suitable land within 12km of residential areas is a challenge to get and this poses a problem with regards to accessibility of cemeteries. In order to sustain the existing cemeteries new cemeteries By-laws were promulgated which permit the burial of more than one body in a grave.

There is an observable increase in the number of pauper burials in Buffalo City because of indigent and poor families. There are approximately 279 cemeteries in the entire Buffalo City Municipal area and only one crematorium which is situated in the Cambridge area in East London. Of the 279 cemeteries twenty nine (29) are formal whilst the rest are informal. The majority of burial sites is in the rural areas and are either located on unsuitable or undeveloped land. The twenty nine formal cemeteries were properly established and meet the legal standards.

The Cambridge Crematorium located in East London not only renders services in the jurisdiction of BCMM but the whole of the Eastern Cape. Implications of the influx created by the services rendered would be the continuous usage of the crematorium incinerators will result in increased repairs and gas to operate the incinerators which can result in backlogs in cremations.

With regard to formalization of existing rural cemeteries it is not a viable option as currently 279 informal cemeteries exist hence to undertake this process it is detrimental that a full environmental impact assessment be conducted of all the 279 cemeteries. Currently the department has no capacity including Human Resources to maintain 29 Cemeteries.

The crematorium at the Cambridge cemetery has recently been upgraded with the installation of new gas operated incinerators which provides an alternative to the conventional burial practice. Serious education drive needs to be implemented in order to change the cultural beliefs regarding alternative burial methods. A new cemetery environment has still to be established aligning cemetery design, planning and development with the Buffalo City strategic goals and objectives.

Aspects to be looked at include:

Cemeteries that meet sustainable, technical and environmental criteria are needed in order to contribute to a sustainable Buffalo City.

Cemeteries accommodating Buffalo City's diverse cultural requirements, their functioning as significant public spaces as well as places ensuring that needs are provided for all in order to reflect a dignified city;

Building civil society and private sector partnerships in cemetery development and management;

Giving special attention to the indigent, respecting the needs of bereavement at burial, protecting cemeteries as public property and ensuring safe working conditions for employees working in cemeteries.

Challenges

Challenges relating to cemeteries and crematoria, grass cutting and bush clearing, beautification, parks and public open spaces are outlined below:

- Lack of suitable land for the development of cemeteries
- Rapid urbanisation and high mortality rate causing strain on cemeteries
- Lack of uniform By-laws
- Poor access roads
- Criminal activity in cemeteries
- Tariff deficiencies

- Uncontrolled and increased spread invasive alien vegetation species due to lack of funding and resources.
- Environmental damage due to human behaviour and natural disasters
- Lack of access to land for the development of community parks
- Existing play parks not fully equipped, i.e. fencing
- Play parks lacking in rural areas
- The high number of illegal dumping hampering grass cutting in BCMM
- Insufficient and aged vehicles.
- Lack of funding and resources, especially for the maintenance of newly established facilities.

MUNICIPAL HEALTH SERVICES

ENVIRONMENTAL HEALTH

Buffalo City Metropolitan Municipality has a fully functioning Municipal Health Services which delivers the full range of functions as defined in the Health act and the scope of profession of environmental Health. However, the level of service provided is restricted as not all BCMM are fully serviced. All urban area in BCMM are fully serviced in terms of MHS and 60% of rural areas are partially due to lack of human resources

BCMM has twenty-eight (28) Environmental Health Practitioners (EHP) in need of additional fifty-seven (57) EHP to fully service the entire BCMM area. The unit provides a fully-fledged Air Quality Management Service that operates three (3) fully equipped Air Monitoring stations. It is also mandated by department of environmental affairs to issue Atmospheric Emission Licenses (AEL).

Incomplete implementation of priority projects identified in two Sector plans (Air Quality Management plan and Municipal Health Services plan). Both sector (MHSP & AQMP) must be reviewed in the 2016/2017 going forward.

Legal context

The National Health Act, 61 of 2003 stipulates the broad role of national health to issue and promote adherence to norm and standards on health matters, including environmental conditions that constitutes

a health hazard. The act further stipulates and provides Environmental Health Practitioners with the power to enter any premises, except for a private dwelling, at any reasonable time and inspect such premises in order to ensure compliance with the act. Only a health officer registered as an environmental health practitioner in terms of the professions act, 1974 (act 56 Of 1974) may conduct environmental health investigations, in terms of section 83 of the National Health Amendment Bill,2011.

The regulations defining the Scope of profession of Environmental Health outlines functions of Environmental Health Practitioners as the nine Municipal Health functions. In terms of the National Health act, Municipal Health Services are defined to include the following environmental Health functions, which are provided with district and Metropolitan Municipalities.

1. Water quality monitoring.
2. Food control.
3. Waste management.
4. Health surveillance of premises.
5. Surveillance and prevention of communicable diseases, excluding immunizations.
6. Vector control.
7. Environmental pollution control.
8. Disposal of the dead; and
9. Chemical safety.

Challenges

- Limited resources (financial and human resources)
- Insufficient funding for staff capacitation (CPD points).
- Limited funding for basic EH programmes (e.g. sampling and health awareness/campaigns)
- Limited resources to MHS in various region due to increased area of service (lack of satellite offices)

PUBLIC SAFETY

Creating a safer and secure environment for BCMM's residents, visitors and businesses is a key priority and a significant challenge for the Metro. Crime remains a critical issue of BCMM, in terms of its impact

on the quality of life of residents and on economic growth. Whilst crime remains a serious issue within the Metro, Traffic and Law Enforcement officials together with SAPS are undertaking numerous strategies & collaborative efforts in which to combat crime. Incidences of crime are measured on a daily basis and Law Enforcement officials respond timeously and promptly to these calls. The bulk of the crime incidences recorded in the Metro, especially in the Central Business District are theft, robbery, smash & grab, snatch & run, drunk & disorderly behaviour & resultant crime from this behaviour and illegal street trading.

Criminal behaviour as mentioned above has migrated from Mdantsane to the CBD due to the installation of CCTV cameras at the Mdantsane Highway Rank which was a major crime spot in the past. The installation of these cameras has proven to be an effective deterrent for crime related incidents. The City has successfully installed 5 CCTV cameras along the Beachfront. This measure should prove effective for ensuring the continuous safety of residents, visitors and businesses along the Beachfront area. The City has also successfully completed a Master Plan for the implementation of CCTV cameras throughout BCMM. The next phase identified in the Master Plan for the roll out of CCTV cameras is the Central Business District area and various municipal buildings as well as the Western Seaboard, ie Leaches Bay and Waterworld area where crime has escalated to murders & rape. This project is currently underway. Improved safety & security is crucial for shared and accelerated economic growth.

Of course, crime, disorder and traffic violence are not the only safety-related threats that BCMM faces. Current levels of vulnerability to fires, flooding and other natural and human induced hazards, and the impact of these on communities and the environment, remain a threat to the city's development, growth and in some cases progress towards improved levels of safety. Against this backdrop the City is working towards improving the efficiency and effectiveness of its fire & rescue services and disaster management services.

TRAFFIC SERVICES

The primary function of the Traffic Department is the enforcement of traffic laws, regulations and by laws. Areas covered by Traffic Services in terms of operation covers the majority of the BCMM area of jurisdiction albeit in limited capacity. Whilst progress has been made in terms of the extension of services and facilities Traffic Services remain primarily focused in the urban areas. The shortage of staff, vehicles, facilities and equipment continue to hamper the extension of services. Traffic Safety extends beyond the law enforcement function, but rather includes a positive action across the full spectrum of services and challenges facing the residents of BCMM.

Traffic Services provide the following services/functions

- Traffic Control
- Enforcement of traffic laws
- Registration and licensing of vehicles
- Testing of vehicles for roadworthiness
- Testing of applicants for learners and driving licenses
- Issuing of business licenses in terms of the Business Act
- Maintenance of road traffic signs and markings
- Control of dogs
- Road Safety

Traffic Services operate out of offices in East London (Coastal) and King Williams Town (Inland) with a vehicle test station in Zwelitsha and a vehicle registration and licensing office as well as a driving license test facility in Gonubie.

The Traffic Services- Gonubie Vehicle Pound got much need facelift when the construction of the new office commenced in the year under review, the staff were working out of a dilapidated old guardhouse which was not very safe at times, however staff were commended in that even in the conditions they were under ensured continuation of service delivery. Construction of a more secure and modern structure commenced at the end of October 2017 with completion being the 4th April 2017. The official opening ceremony was on the 12th of June 2017.

The City is also in the process of implementing a new parking meter management system. Parking management systems utilise parking marshals who are issued with hand held wireless devices which are linked to the parking management system. Most, if not all of the Metros have already implemented the Parking Management Systems.

The high rate of vehicle accidents on the city's roads continues to claim countless lives and place a heavy burden on emergency services resources. The departments objectives are to reduce the vehicle accident rate on the City's roads by ensuring that resources are directed towards national road safety strategies, including the Arrive Alive campaign, no-nonsense approach towards the general disregard for traffic rules

and regulations especially by taxis, speed limit enforcement to be expanded especially in high frequency accident locations and pedestrian risk areas, the assignment of speed cameras based on the most problematic accident locations, increase visibility through peak hour patrols and regular roadblocks across the city to determine both driver and vehicle fitness.

Challenges

- Finalization rate of infringement notices (summonses, notices to appear in lower court, notices of intended prosecution and warrants of arrest)

Remedial action-

1. continuous road blocks, appointment of resources such (human & logistical resources)

- Number of motor vehicle accidents

Remedial action-

1. Interactions with other key role players such as Traffic engineers, Roads department, provincial entities, SAPS assisting in the reduction of the accidents.
2. Placing officers at strategic areas at hotspots where most fatalities occur
3. Design a strategic plan where most of the fatalities occur in BCMM and to place officers at these areas in terms of times, days to minimise the fatality rate.

- Extension of full services to all areas of BCMM

Remedial action-

1. To increase K53 driving license test facilities
2. To increase office accommodation, facilities, equipment and personnel
3. Skilling of existing staff
4. Improve poor communications systems
5. Appointment of additional staff in terms of the organisational structure.
6. Other departments to assist with regards to unrest, flooding & protests actions. (such as clearing debris, blocked drains, etc.)

LAW ENFORCEMENT SERVICES

Law Enforcement Services operates from the headquarters situated in Tudor Rose Road, Braelynn. The primary function of Law Enforcement Services is the enforcement of municipal by laws and crime prevention. However, their daily duties include:

- Traffic law enforcement
- Enforcement in respect of all offences
- Attending to complaints from the public
- Processing of applications in respect of the Gatherings Act
- Law enforcement operations in conjunction with the SAPS
- Visible patrols and crowd control at special events
- Safety of municipal installations and plant as and when required
- Monitoring of informal street trading
- Assisting the Electricity Dept with illegal electricity connections

High levels of disorder remain a persistent problem, with anti-social behaviour being fairly common in many areas of BCM. The high rate of unemployment and poverty in the Metro leads to many anti-social related behaviour.

Effectiveness in law enforcement is the extent to which a law enforcement agency is accomplishing its purpose. The city has recorded a marked increase in illegal trading by hawkers, spaza shops, illegal signs and posters defacing the city's buildings and infrastructure, littering, public drinking, loitering and drunkenness, illegal squatting and occupation of vacant buildings, urinating in public, excessive noise and the blatant disregard for the city's laws and regulations. This behaviour affects residents' quality of life, contributes to growing fears of crime and creates an environment for lawlessness and crime to flourish.

The Law Enforcement Dept is committed to enforcing the law against those committing crimes and by law offences. The approved Crime Prevention Strategy has set out the objectives, strategies and priorities of crime prevention and is currently being implemented. A major challenge for the department currently is the shortage of human resources and vehicles and this is particularly worrying given the steady increase in operational challenges since the city became a Metro. It is therefore imperative that the

department plans and budgets for additional staff and vehicles as well as ensuring the ongoing training & development of personnel, in pursuit of higher efficiency.

The completed Master Plan for the implementation of the CCTV cameras in the city will address the issue of crime in hot spot areas of the City, especially areas like the CBD and the Beachfront, both of which are recognized as economic hubs and the beachfront being a major tourist and holiday attraction.

The recent spate of murders, rape and criminal behaviour along the Western Seaboard of BCMM has prompted city officials to investigate ways of addressing this social ill and has seen the first stages of collaborative meetings between National, Provincial and local government taking place with a proactive view to enforcing the law through visible policing by both SAPS & BCMM. The roll out of CCTV Cameras along this stretch of the coastline is also on the cards and implementation expected in the 2016/2017 financial year.

The City is also embarking on a process of reviewing existing City By-Laws, policies and standard operating procedures to ensure that these are relevant to the changing environment. . The Liquor Trading Hours By-Law was promulgated in the Provincial Gazette on the 17 December 2013. Interactions with the Eastern Cape Liquor Board, SAPS and BCMM are currently underway to implement and enforce the trading hours throughout BCMM.

Challenges

- Use of hawker stalls for crime related activities
- Sale of liquor to minors by liquor outlets
- Crime in the CBD's & Beachfront & Western Seaboard
- Theft and vandalism of municipal property
- Shortage of staff, vehicles and equipment
- Illegal spaza shops & hawkers
- Increase in illegal squatting

METRO POLICE SERVICE

The establishment of a metropolitan police service can accurately be recognized as giving effect to some of the objectives of Local Government. Section 152(1) (d) of the Constitution provides that the objectives

of Local Government, inter alia includes, is to promote a safe and healthy environment. The South African Government adopted the National Crime Prevention Strategy in 1996. The national strategy provides a framework for a multi-dimensional approach to crime prevention, however it does not in any detail spell out specific options that local government should take to be involved in crime prevention. Therefore, it is incumbent upon local government to develop an integrated crime prevention strategy that will seek to address the core business of the entire municipality.

In view of the fact that BCMM acquired a status of a Metropolitan Municipality on the 28th July 2010, it was imperative that a Metro Police Service be established. On the 31st October 2011, minute number BCMC 190/11, the Council adopted and confirmed the establishment of the Buffalo City Metro Police Service. The application and the business were submitted to the office of the MEC: Safety and Liaison for consideration and approval on the 31st August 2012.

After the draft application which was submitted on the 28th of October 2016 to Community Police Relations, Safety and Liaison, Province of the Eastern, the Final application was then submitted to the M.E.C. Safety and Liaison on 23rd March 2017 and thereafter. On the 18 July 2017 BCMM application was assessed for compliance in relation to the South African Police Service Act and Metro Police applications and was found to be compliant. Metro Police Service will consist of the amalgamation of the City's Traffic Services & Law Enforcement Services. The functions of Metro Police Service as set out in the South African Police Service Amendment Act, No 19407 dated 28 October 1998 are:

- a) Traffic policing, subject to any legislation relating to road traffic;
- b) The policing of municipal by laws and regulations which are the responsibility of the municipality in question and;
- c) The prevention of crime

FIRE AND RESCUE SERVICES

Buffalo City Metropolitan Municipality Fire and Rescue Services is one of two local authorities in the Eastern Cape that operates a Hazmat Unit and a Water Rescue Unit. The section services the eastern region of the Eastern Cape area when dealing with hazardous incidents. The Fire & Rescue Service responds to, deals with and manages a large number of fire risk and other emergencies across BCMM on a daily basis. The risk of fire in the informal settlements remains a high risk factor and the challenge when dealing with these fires are inaccessibility to the shacks due to no or poor road network and

exposure of live electrical wires due to illegal electrical connections. Fire Stations are still mainly situated in urban areas resulting in considerable time delays when responding to emergencies in rural areas. Fire Stations are located at Fleet Street - East London, Greenfields, Dunoon Road - Gomo, Western Avenue - Vincent, NU 6 - Mdantsane, King Williams Town and Dimbaza. In June 2017 BCMM Fire and Rescue Services received a new major pump fully equipped.

ACHIEVEMENTS

The following items were purchased during the period under review:

- A major pump fully equipped (Fire engine)
- Portable Pump
- x Class A Chemical suits
- 15 x Akron Branches (fire hose nozzles)
- A set of confined space rescue equipment
- 2 x Thermal Imaging Cameras

DISASTER MANAGEMENT SERVICES

The Buffalo City Metropolitan Municipal Council adopted the Disaster Risk Management Policy Framework on 26 February 2014. 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 management of disasters requires the assessment of all possible hazards, risks and vulnerabilities in order to prevent, mitigate and prepare for rapid response and recovery. Disaster Management requires an integrated multi sectoral, multi-disciplinary approach

LEGAL PERSPECTIVE

The Disaster Management Act 57 of 2002, assigns the Disaster Management function at Local Authority level to Metropolitan and District Municipalities in terms of Section 156(1)(b), of the Constitution, 1996 and requires Local Municipalities to provide the function in conjunction with the District Municipality. The Disaster Management function became the responsibility of Buffalo City Municipality on acquiring Metropolitan status in May 2011.

The National Policy Framework for Disaster Risk Management in South Africa [GN 654 of 2005] provides a strategic framework for the implementation of Disaster Risk Management. Disasters cut across all sectors of society, therefore more than 20 National Acts address aspects of Disaster Management. The Disaster Risk Management Policy Framework is a sector plan of the Integrated Development Plan in terms of Section 26g of the Municipal Systems Act 32 of 2000 and Section 53(2)(a) of the Disaster Management Act 56 of 2002.

The Disaster Risk Management Policy Framework addresses the four key performance areas and three enablers addressed in the Disaster Risk Management Policy Framework for South Africa published under GN654 of 2005.

These are as follows:

- KPA1: Institutional Capacity.
- KPA2: Disaster Risk Assessment.
- KPA3: Disaster Risk Reduction.
- KPA4: Response and Recovery.
- E1: Information Technology and Communication.
- E2: Education, Training, Public Awareness and Research.
- E3: Funding

The following measures have been taken since the approval of the Policy Framework:

WARD FORUM

The Ward Forum has been re-established. This forum meets on a six monthly basis and is constituted by the 50 Ward Councillors of their nominated representatives. The purpose is to foster communications between the Disaster Management Centre and communities through the Ward Councillor.

POST DISASTER INTERVENTION TASK TEAM

Post disaster intervention remains a huge challenge. The responsibility to plan, budget and respond following incidents and disasters rests with Sector Departments. The Post Disaster Technical Task Team is the mechanism by which the process is integrated and co-ordinated. A process of stakeholder engagement was undertaken in 2017 to develop a Post Disaster Intervention Sector Plan has not yet been finalised due to outstanding information from stakeholders.

EVENT SAFETY TECHNICAL TASK TEAM

The large number of International, National and Local events hosted in the city, has highlighted the need to establish an Event Safety Technical Task Team to ensure that these events are organised and managed in terms of the Safety at Sports and Recreational Events Act, 2 of 2010. There is need to establish an Event Safety Committee and develop a By-Law. This project will be undertaken in 2018.

CHALLENGES AND CORRECTIVE ACTION

- **CHALLENGE:** There is frequent lack of understanding regarding funding of Disaster Risk Management.
- **CORRECTIVE ACTION:** The Disaster Management Act 57 of 2002 requires disasters to be first dealt with in terms of other legislation where applicable, Section 2(1)(b)(i).
- **CHALLENGE:** Disaster Management is not mainstreamed in Buffalo City Metropolitan Municipality, and the necessary structures have not been established. This results in fragmented and outdated risk data, fragmented prevention and mitigation interventions and fragmented and uncoordinated response and recovery.
- **CORRECTIVE ACTION:** To be implemented through a phased approach as addressed in the implementation plan.

The costs of repairing or replacing public sector infrastructure must be borne by the organ of state responsible for the maintenance of such infrastructure. The Disaster Management Centre is the hub that facilitates and co-ordinates the function in all sectors and at all levels, including communities at risk.

Sector departments must therefore make provision for Disaster Management funding for Risk Assessment and Reduction as well as Preparedness, Response and Recovery on their budgets and

within project costs. Risk assessments must be part of the feasibility studies of all new projects and developments, so that appropriate prevention and mitigation measures can be incorporated as development takes place. The need for sector planning and funding is clearly addressed in the Disaster Management Amendment Act, Act 16 of 2015.

- CHALLENGE: Disaster Management is a relatively new field in South Africa, there is thus a very small pool of qualified and experienced practitioners, making it difficult to find and recruit suitably qualified and experienced staff.
- CORRECTIVE ACTION: A learnership programme to be developed to address this challenge.

- CHALLENGE: Existing policy, plans, procedures and terms of reference are largely reactive and are outdated.
- CORRECTIVE ACTION: A list of response plans is contained in **Annexure 'B'**. These response plans to be updated once the Technical Task Teams are established.

- CHALLENGE: The institutional memory relating to Disaster Risk Management in Buffalo City is often poor or non-existent. The lack of accurate historic data on which to conduct assessments and undertake proper planning increases vulnerability.
- CORRECTIVE ACTION: Capacity (appointment of personnel) must be established to record and map all incidents and disasters that occur.

- CHALLENGE: Buffalo City Metropolitan Municipality has 154 informal settlements and 230 rural settlements. Each of these communities needs to be capacitated to assist them to assess their risk and vulnerability so that they can be equipped as first responders to emergencies and disasters.
- CORRECTIVE ACTION: This is addressed in the Implementation Plan however; staff and resources are required to achieve this.

- CHALLENGE: An increase in the frequency and intensity of severe storms, strong wind and heavy rain has been noticed in Buffalo City over the past 5 years. There are universal indications that climate change will have a major influence on these and other conditions such as drought,

temperature and sea level rise, and will result in an increase in both the frequency and severity of occurrences.

- **CORRECTIVE ACTION:** The impact of Climate Change must be addressed in all developments. The emphasis needs to shift from adaptation to building resilience.
- **CHALLENGE:** Poverty is the root cause of vulnerability to disaster. There is an urgent need to identify the specific needs of individuals and households so that a focused intervention can address these vulnerabilities and build resilient households and communities.
- **CORRECTIVE ACTION:** Staff and resources are required to achieve this. There is a need for an integrated approach to address poverty.

NATURAL ENVIRONMENT ANALYSIS

Environmental management and protection entails development of a set of tools, system and procedures to influence human activities that might negatively impact on the natural environment. Buffalo city metropolitan municipality have been impacted by landscape change (habitat destruction and degradation), invasive alien species, over exploitation for example illegal sand mining practices and pollution. Another significant and increasing threat in our city is the climate change. There has been an ongoing awareness of foundational importance of the natural environment in reducing risk, enhancing resilience and ensuring sustainable communities in the urban areas however a lot has to be done.

Biodiversity

The Buffalo City Municipality lies 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.

Our ecosystems: 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.

Our 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.

Our rivers and dams: The city area consists of seven main river catchments: Kwelerha, Gqunube, Nahoon, Buffalo, Gxulu, Tylomnqa and Keiskamma. All our water sources in our environment depend on biodiversity for their cleanliness and general usefulness

Our Nature Reserves are as follows:

- Umtiza Nature Reserve
- The Nahoon River Estuary Nature Reserve
- Bridle Dam Nature Reserve
- Quenera Nature Reserve
- King William's town Nature Reserve
- Fort Pato Nature Reserve
- Gulu Nature Reserve
- Kwelera Nature Reserve
- The Nahoon Point Nature Reserve
- Potters Pass Nature Reserve

Biodiversity threats

The major threats to our biodiversity include the loss of habitat which is caused by unsustainable development, invasive species, overexploitation, pollution, crime, inappropriate fires and climate change. A critical fact with regards to biodiversity is that it sustains our ecosystem processes and maintains water quality through filtering rain water run-off, acts as a flood control mechanism and most importantly replenishes ground water levels.

Invasive alien species in South Africa is another growing threat to biodiversity, Buffalo city is also affected negatively and therefore highlight this as a priority. 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 protection of species and ecosystems. Chapter 5 of the act deals with the, management of invasive species. In August 2014 the NEM:BA regulations for invasive species were promulgated and published. These regulations list four different categories of invasive alien species and provide instruction on how these should be managed, controlled and eradicated from areas where they may cause harm to the environment. In terms of NEM:BA all state entities (including municipalities) must develop strategy and management plan for the monitoring, control and eradication of invasive alien species on the land they own. The city is in the process of developing its strategic plan to address the challenge and such is at final procurement stage.

Sand mining, both legal and illegal poses a major challenge in the aquatic ecosystem in the city and compromising the inter alia delivery of sediment to the coast. Controlling the damage caused by sand mining represents a serious challenge for the city.

Wetland Ecosystem

The wetland ecosystems cover an area of approximately 3 338 ha which make up to 1.3% of the Buffalo City Metropolitan Municipality. 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.

Currently there is no specific ground –truthed /verified wetland map available covering the Buffalo City Metropolitan Municipality in its entirety. SANBI's National Freshwater Ecosystem Priority Area (NFEPA) provides a broad national – level overview of where wetlands are located within the landscape, including individual wetlands and cluster of wetlands that area considered to be regional or

national importance. As such, the SANBI NFEPA data can be used as a first-level or preliminary assessment of wetland occurrence within the municipality.

Flora

As indicated in the Buffalo City Metropolitan Municipality State of Environment Report (2005)¹⁵ in terms of plants, the thicket vegetation of the south-eastern Cape has been acclaimed as unique and deserving of urgent conservation attention, especially because of its plant diversity, including many succulents and bulbs. Since much of the Thicket Biome falls within the city which has a particularly important role to play in its conservation.

Fauna

An area east of King William's Town and close to Dimbaza in Buffalo City Metropolitan Municipality is home to the world's longest a-segmented worms (Annelida), the African giant earthworm (*Microchaetus rappi*). This huge worm can reach a length of as much as 6.7m and can weigh over 1.5 kg. The Buffalo City Metropolitan Municipality area has a rich bird diversity with nearly 500 species recorded. A significant number of threatened or vulnerable species occur in the area including:

- Cape Parrot (*Poicephalus robustus*) classified as Critically Endangered.
- White-backed Night Heron (*Gorsachius leuconotus*) classified as Vulnerable
- African Finfoot (*Podica senegalensis*) classified as Vulnerable
- African Black Oyster Catcher (*Haematopus monquini*) classified as Near Threatened

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

Rehabilitation of Wetlands in the Buffalo City Metropolitan Municipality

The value of wetlands and the ecosystem services they provide have been recognised by the multiple stakeholders working within the municipality and as such, efforts are being made to halt the loss of

wetlands and rehabilitate those that have been damaged or degraded with the purpose of restoring functionality and the subsequent provision of ecosystem services.

Climate change

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 livelihoods and damage to household assets. The South African National Climate Change Response (NCCR) White Paper (2011) indicates that the South African Government believes that:

- Climate change as one of the greatest threats to sustainable development; and
- Climate change has the potential to undo or undermine many of the positive advances made in meeting South Africa's own development goals.

The NCCR 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.

Impacts of climate change in BCMM

The National Climate Change Response (NCCR) White Paper (2011) outlines priority impact and response categories identified as part of a lengthy specialist input and consultation process that began with the National Climate Change Summit in March 2009. The White Paper outlines impacts to key sectors and systems. The possible climate change impacts on sectors and systems within BCMM are diverse. The manifestations of climate change are an added variable to the complex social, economic and environmental systems that make up the district. Since existing systems are dynamic in the first place, climate change impacts will play themselves out in a multitude of ways that are difficult to fully capture. This being said, the more salient risks to BCMM are discussed for each sector or system below.

1. Water

It is probable that there will be variations in changes to mean annual precipitation and runoff across BCMM, so that some areas may, for instance, experience reduced rainfall, with consequential reduced runoff and recharge to groundwater. For this reason the impacts on water resources that need to be addressed .

2. Agriculture, rural livelihoods and food security

Commercial livestock

The effect of climate change on the livestock sector is experienced through changes in quality and quantity of vegetation, availability of fodder, heat stress, and the occurrence of climate related animal diseases. Indirectly, these factors impact on livestock productivity parameters such as conception and calving rates, mortality rates and meat quality. Water demand by livestock is strongly related to temperature and is therefore likely to increase as temperatures rise. Warming and changes in rainfall distribution will lead to changes in the spatial or temporal distributions of those livestock diseases sensitive to moisture, for example Anthrax, and some vector-borne diseases (ticks).

Commercial crops

Even relatively small decreases in rainfall (e.g. 10%) can lead to significant loss of perennial drainage (e.g. 30%) in Southern African river basins. Since many crops are grown under irrigation, the future viability of the irrigation schemes becomes the most important risk under climate change. Increased temperatures will increase water demand, so that irrigation needs will become greater to sustain current productivity. Increased heat stress could become problematic, although not to the same extent as for dryland crops.

Subsistence farming

Threats to dryland/subsistence crops include more erratic/more extreme variations in rainfall, increased risk of very dry or very wet periods, the risk of intense storms which may destroy crops, flooding and erosion. Higher temperatures will increase soil moisture evaporation, reducing crop viability. It has been projected that, under climate change, maize yields in southern Africa could decrease by about 30% by 2030. Maize is important in terms of its

contributions to local food security. Threats to dryland maize and other subsistence crop production will have direct consequences for food security.

a. Human health

The South African Second National Communication to the UNFCCC (2010) notes that at least 30% of South Africa's population is vulnerable to sudden and harmful climatic shocks with low levels of endogenous resilience adaptation and coping skills (particularly among the poor).

Human health risks relevant to BCMM include:

- Reduced access to potable water during floods and droughts (particularly in rural areas and informal settlements)
- Reduced food security and the increased likelihoods of Protein Energy Malnutrition (PEM) among the poor.
- Increased range of vector borne diseases (malaria, tick borne diseases) and others such as cholera
- Increased number of days above 32°C and heat waves exacerbate the effects on the old, and those with HIV/AIDS, TB and other diseases.
- Direct threats to human life associated with extreme weather events including storms and floods and storm surges; extremely hot days and heat waves.

Disaster management

The NCCR White Paper (2011) notes the following in relation to disaster management:

- Climate change will result in an increase in the frequency and intensity of extreme weather events such as flooding and wild fire, with heightened requirements for effective disaster management.
- Climate Change has been identified as a key strategic threat facing the insurance industry. This industry sees climate risk as a factor that increases uncertainty and therefore risk and that must be determined and included in their cost structures.
- Government budgets stand to be increasingly strained into the future due to climate related disasters.

The city established Environment and Climate Change Committee in 2016 which seek to address the impacts of climate change and pursue climate change mitigation and adaptation measures. The '50 Municipal Climate Partnerships by 2015' programme funded by Engagement Global had set itself the goal of strengthening partnerships between municipalities in Germany and municipalities from the Global South (Buffalo City Metropolitan Municipality formed partnership with City of Oldenburg – Germany in 2012). The objectives of this partnership was to identify projects that will be implemented by both cities and to develop a concrete joint programme of action (JPA) that includes objectives and timeframe. The ongoing partnership will then assist both cities in mitigation and adaptation measures and looking at possible funding. The Joint Programme of action includes five key areas of action which are as follows:

- Solid Waste Management (piloting Separation at Source)
- Water Management along Nahoon River
- Energy Efficiency and Renewable sources (model Energy efficiency building currently piloted at Beacon bay Electricity department funded by Nakopa).
- Environmental Management and
- Education for sustainable development (possibility for expansion of Environmental Education Centre)

Legislative compliance

The city's compliance with environmental legislation is an area that requires an ongoing improvement. The Integrated Environmental Management and Sustainable Development unit assess and screen the development applications within the city's jurisdiction. These assessments include determination of Environmental Impact Assessment(EIA) and water use licence(WUL) triggers in terms of the National Environmental Management Act (no. 107 of 1997) and the National Water Act (N. 36 of 1998) respectively. The environmental impact assessment studies for major development in the city are conducted to ensure that development does not hinder the environment negatively such developments include township establishments (Berlin/ Lingelitsha, Mzamomhle in Gonubie, Amilinda Corop project, Ilitha Township) extension of cemeteries (Environmental Control Officer appointed for Haven Hills cemetery).

4. KPA 3: LOCAL ECONOMIC DEVELOPMENT

STRATEGIES / PLANS DEVELOPED IN LINE WITH THE LEGISLATION

- Municipal Open Space System, 2010
- State of the Environment Report, 2003 amended 2014
Coastal Management Programme, 2005 amended 2014
- Integrated Environment Report, 2005 amended 2014
- Environmental Education and Awareness Strategy, 2010
- Wetland report, 2017
- Climate Change Strategy, 2015
- Air quality Management Plan
- Nahoon Estuary Management Plan gazetted 2016

Opportunities

- Implementation of the IEMP through green expo
- Environmental education programme which will include youth and communities
- Revival of Environmental Education Centres (Nahoon Estuary and Nahoon Point)
- Wetland rehabilitation and restoration utilizing community based approach and work in collaboration with working for wetlands programme.
- Control, eradication of invasive alien species in collaboration with SANBI and ECPTA, this will also include training of coastal rangers and environmental protection rangers under coastal conservation department
- Working for the coast funding from Department of environmental Affairs continues to assist the city in terms of clearing the alien species, cleaning of Beaches and this is done utilising the extended public works programme concept.

Overview

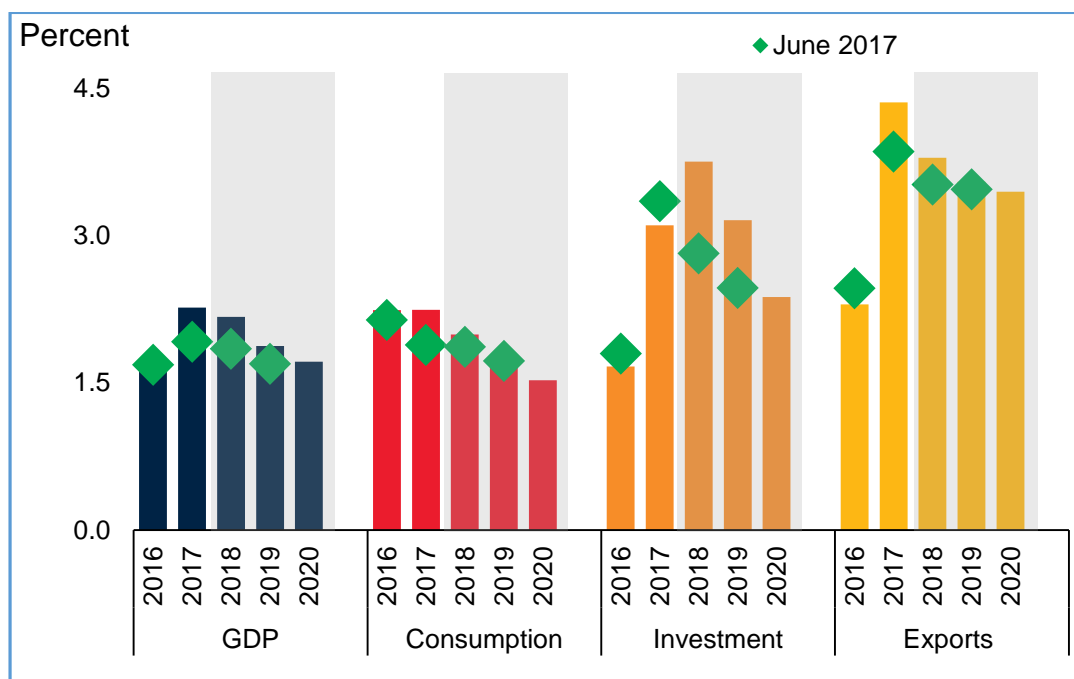
This section focuses on programmes and activities that the municipality has been involved in, to stimulate the local economy during the period under review. The chapter will account for interventions implemented and challenges encountered in creating a vibrant economic climate of Buffalo City Metropolitan city

Global Context of Economic Development

Global growth forecasts for 2018 and 2019 have been revised upward by 0.2 percentage point to 3.9 percent by the World Bank and IMF, following some interesting upswing in the European and Asian Economies. Furthermore, it is anticipated that the US will experience some robust economic activity due to the stimulus package which includes corporate income tax cuts. This positive effect, is expected to spill to trading partners.

According to the World Economic Outlook, about 120 countries, which represent about three quarters of the world GDP recorded the highest growth in 2017 since 2010. This confirms that there is some economic recovery, although slow in nature. Indicators from business surveys suggest manufacturing activity will remain strong. The World Bank further projects that growth in emerging market and developing economies as a whole is projected to strengthen to 4.5 percent in 2018, as activity in commodity exporters continues to recover. The advanced economies are showing strong signs of growth

Advanced-economy GDP and demand components growth



Source: World Bank.

Notes: Green diamonds correspond with the June 2017 edition of the *Global Economic Prospects* report. Shaded areas indicate forecasts. Aggregate growth rates and contributions calculated using constant 2010 U.S. dollar GDP weights.

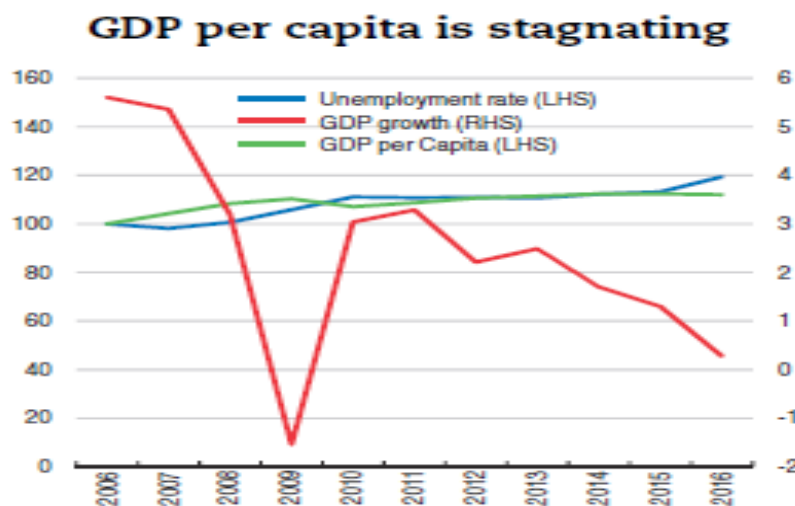
Emerging Markets and Developing Economies (EMDE) growth accelerated to an estimated 4.3 percent in 2017, in line with June projections. Emerging and developing Asia will grow at around 6.5 percent over 2018–19, broadly the same pace as in 2017. The region continues to account for over half of world growth. Growth is expected to moderate gradually in China (though with a slight upward revision to the forecast for 2018 and 2019 relative to the fall forecasts, reflecting stronger external demand), pick up in India, and remain broadly stable in the ASEAN-5 region.

According to the World Bank projections, growth in the Middle East, North Africa, Afghanistan, and Pakistan region is also expected to pick up in 2018 and 2019, but remains subdued at around 3½ percent.

South African Context of Economic Development

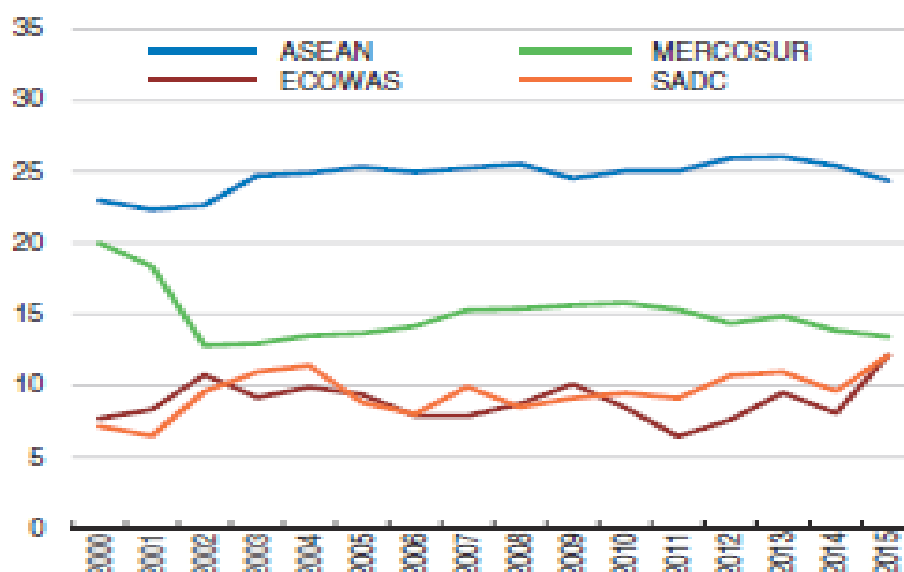
South Africa is forecast to tick up to 1.1 percent growth in 2018 from 0.8 percent in 2017. Nigeria is anticipated to accelerate to a 2.5 percent expansion this year from 1 percent in the year just

ended. According to the July 2017 OECD Report, the GDP per capita is stagnating in South Africa. The economic slowdown has pushed up unemployment and income inequalities have widened, weighing on social progress and cohesion. (See Graph below)



From a Trade point of view, the graph below shows clearly that although Regional Integration shows great potential, South Africa has not yet capitalized on Trade with SADC instead it is still focussing largely on Europe, Asia and South America. In 2015, only 10% of Trade took place with SADC. Reduction of non-tariff barriers and the promotion of Special Economic Zones (SEZs), however, is expected to yield positive results in the future.

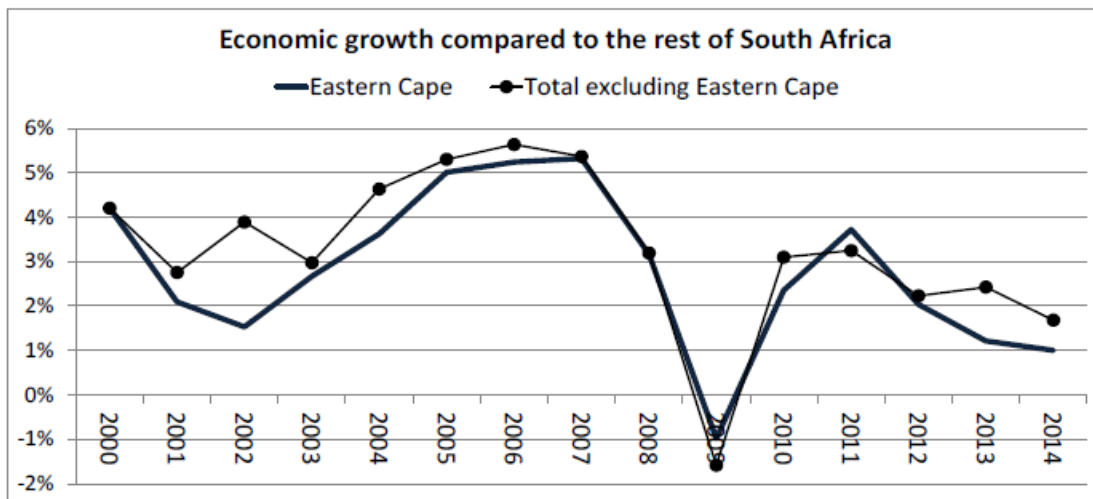
Share of intra-regional exports % of total exports



Eastern Cape Context of Economic Development

The real economy of the Eastern Cape is characterised by a relatively high share of manufacturing, but an economy that lags the national economy in productivity terms. This arose largely from the co-existence of:

- A strong manufacturing sector centred on the auto industry in the coastal metros, and
- The incorporation of two large apartheid “homeland” regions, which were historically heavily deprived of resources, infrastructure and public services.



Source: StatsSA, GDP Annual and Regional Tables 2016. Excel spreadsheet downloaded in June 2016.

4.4.1 Unemployment trends in South Africa and in the Eastern Cape

Amongst the leading causes for unemployment are the following:

- A slowdown in economic activity and inadequate economic growth leading to stagnation in the labour market,
- The inability of the formal and informal economy to create sufficient employment opportunities for a growing population,
- The increasing trend towards capital intensity in the South African economy due to labour market unrest, the influence of trade unions, the generally low level of skills, and rigid and inflexible

labour markets, and

- General uncertainty regarding future economic prospects.

BCM Sectoral Employment in 2014 - 2016			
	2014	2015	2016
Agriculture	12,541	17,000	18,400
Mining	106	41	274
Manufacturing	17,619	21,800	21,200
Electricity	744	980	2,520
Construction	14,279	19,400	24,300
Trade	52,582	53,000	57,900
Transport	9,771	10,800	11,000
Finance	27,234	24,800	28,100
Community Services	40,808	59,700	69,800
Households	36,896	22,800	23,800
Total	212, 580	230,000	257,000

4.5 Buffalo City Metropolitan Municipality Context of Economic Development

The Directorate of Economic Development and Agencies the following Departments:

- Tourism, Arts, Culture and Heritage
- Trade, Industry and Sector Development
- Agriculture and Rural Development and
- Fresh Produce Market

Within the context of de-industrialization, rising unemployment and poverty, Buffalo City has put investment retention and investment attraction on its priority list. This, coupled with a rapid acceleration of business development support, export promotion, driving of key economic sectors where the city has comparative and competitive advantages. These include but are not limited to Tourism, Agriculture, Ocean Economy, ICT and Energy. Further, the City will intensify its partnerships with various SETAs in terms of rolling out skills programmes, youth upliftment programmes as well continue to position the City as a sports and entertainment destination of choice.

TRADE & INDUSTRY DEVELOPMENT DEPARTMENT

The Department of Trade and Industry Development comprises of Agriculture and Rural Development, Enterprise Development and Trade and investment Promotions.

Legislative Framework

- 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

- National Small Business Act 102 of 1996 – The act stipulates how small businesses are to be promoted and developed.
- Cooperatives Act 14 of 2005 as amended – to provide information and registration of cooperatives as well as establishment of a cooperative advisory board.

Roles and Responsibilities

- To create a conducive environment for economic development - To promote trade and investment in the City
- To promote agriculture and rural development in the City
- To encourage and promote entrepreneurship culture within the City

AGRICULTURE AND RURAL DEVELOPMENT

Introduction

Buffalo City is a rural metropolitan municipality characterised by large tracts of rural communities with 38,9 per cent of unemployment, resulting in poverty and inequality. The majority of the unemployed is youth at 46 per cent. Greater portion of Buffalo City Metropolitan Municipality formed part of Ciskei homeland, where there were pockets of underdevelopment. This unfortunate situation resulted in people moving away from rural areas to urban centres. 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

Agriculture

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.

Land is owned communally, privately and by the state. Mostly land is owned privately by commercial farmers who happen to be white while emerging black farmers own small holdings. A certain percentage of commercial farms are owned by black farmers through state land reform programmes, even though their performance is very poor. The ownership of land by rural communities is through communal land tenure system.

Natural forests occur along the coastal area (Needs Camp, Kidd's Beach and Kwelerha) to Berlin and Nxarhuni. Grasslands can be found inland (King Williams Town, Bhisho and Dimbaza).

BCMM is a summer rainfall area, experiencing around 1400 mm per annum along the coast to 900 mm inland. However due to global warming, such summer rainfalls are no longer guaranteed. Major sources of water are Buffalo, Nahoon, Kwelerha and Chalumna rivers.

Contribution of Agriculture in the Economy

Contribution of agriculture in the economy of Buffalo City Metropolitan Municipality is shrinking annually, from 26% in 2015 to 19% in 2016. Jobs are lost as more commercial farmers are pulling out of the industry due to a number of reasons (crime, global warming, etc).

More agro-processing industries either closing down or leaving BCMM for other cities. Major employers

in BCMM are automotive and manufacturing industries.

Conclusion

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. BCMM needs to take opportunity of twinning agreements and MoUs signed with international countries or municipalities to provide international markets for our produce, not neglecting local markets. Access to finance and credit facility has to improve by engaging rural and agricultural development finance institutions, such as Land Bank, ECRDA, ECDC, etc. BCMM should also promote investment attraction in the field of agriculture and rural development.

Strategies to mitigate effects and causes of climate change have to be in place, working in partnership with relevant stakeholders. Reduction in gas emissions has to be promoted. Integrated Agriculture and Rural Development Strategy needs to address drought relief as well. The state, including BCMM, had to promote development of rural infrastructure, such as roads, irrigation systems, dams, communications infrastructure, markets, etc

Achievements

Buffalo City Metropolitan Municipality (BCMM) supported farmers with farming infrastructure to promote conducive agricultural environment. Two (2) Cattle dipping tanks, seven (7) fencing of arable and grazing land and construction of three (3) chicken and (2) piggery infrastructure. Seventeen (17) communal areas were assisted with cropping inputs. Buffalo City Metropolitan Municipality, in partnership with the Department of Rural Development and Agrarian Reform, hosted a successful agricultural show which was held in Bhisho. The main aim is to promote competition among farmers while marketing their produce

Challenges

While BCMM is doing all it can to promote agricultural development and farmer support, the agricultural sector is still facing a number of challenges in general.

□ Access to markets

Communal farmers are struggling to secure guaranteed markets and that demotivates them to produce. The failure of communal farmers to produce large volumes continuously is also limiting

- **Access to finance and credit**

Emerging farmers are still experiencing challenge to access funding and credit. This is mainly due to land tenure issues.

Poor infrastructure

There is lack of infrastructure development for agriculture for emerging farmers. The infrastructure ranges from irrigation infrastructure, dams, roads, telecommunications, dipping tanks to handling facilities. This lack of development is mainly due to neglect of resource poor farmers.

Access to machinery and equipment

Most communal and emerging farmers are struggling to access equipment and machinery to operate. This situation is made worse by the lack of cattle

Quality control

The quality of produce by communal farmers is far below the acceptable standard. This also contributes to the lack of access to markets

Drought

There is a high risk associated with drought due to global warming. Spring rains are no longer guaranteed and when it rains, it is in the form of thunderstorms and heavy rains which result in disaster.

Duplication of services among stakeholders

There is duplication of services among various role players and they tend to compete among themselves, instead of complementing each other. This sometimes results in the supporting the same projects

Budget

Budget allocated to agriculture and rural development unit limits the capacity of the BCMM to support a significant number of agricultural businesses and projects.

Remedial Actions

To address the above stated challenges, BCMM, developed the following programmes: □ Farmer

Support and Development Programme

□ Livestock Improvement Programme

□ Agricultural Infrastructure Development □ Drought Relief Programme

□ Conservation of Natural Resource □ Youth in Agriculture Programme

□ Cropping Programme

ENTERPRISE DEVELOPMENT

The Enterprise Development within Buffalo City Metropolitan Municipality comprises of SMME's Cooperatives and Informal Trade sector and therefore the analysis will be based on the three areas.

Internationally, in both developed and developing countries, it has been accepted that SMMEs are the backbone and the driving force of economic growth and job creation. In South Africa, SMMEs account for approximately 60 per cent of all employment in the economy and more than 35 per cent of South Africa's Gross Domestic Product (GDP). SMMEs are often the vehicle by which the lowest income people in our society gain access to economic opportunities. The sector represents 97.5 per cent of the total number of business firms in South Africa and that it contributes 42 per cent of total remuneration. SMMEs account for some 3.5 million jobs and have between 500 000 and 700 000 businesses.

Business Development is a key economic development tool and Buffalo City Metropolitan Municipality focused on the development of the second economy as its key intervention. Second economy is known for its potential to create jobs, encourage entrepreneurship and improve competitiveness

The Enterprise Development Unit through the interaction with the SMME sector has prioritized the following programmes in order to assist the sector to grow:

- ▯ Capacity Building Programme – the programme deals with basic training needs that are required by SMME's, Cooperatives and the Informal Trade Sector. A number of training programmes have been conducted for SMME's in 2015/16 and 16/17 financial years. About 350 SMME's and Cooperatives have been trained on Cooperative Governance, Business Skills, Marketing training, Digital skills workshop, conflict management workshop, Basic financial management training, and BBBEE workshop.
- ▯ Incubator Programme – It is widely accepted in order to grow our economy and tackle rising unemployment, we a thriving and healthy small business sector in South Africa. Changes to the BB-BEE Scorecard, an increased focus on skills and enterprise development, diversification of corporate supply chains and the creation of small business Ministry are just of the ways that both the Public and Private sector are working to try and boost the development of SMME's in our economy. In realizing the above and creating a culture of entrepreneurship the City has established and supported a number of incubation hubs within the City. In 2016/17 the Unit has established an incubation hub in King William's, which is not fully functional as yet due to recruiting the right SMME's to be incubated as well as in the Duncan Village Business Support Centre where the building has been partitioned to have more offices of about 8 that will accommodate SMME's. This will also act as an incubation hub.
- ▯ Franchise Expo - The franchising model of business is a useful tool for promoting SME development and increasing private sector development. It is also vehicle for small business development and offers many channels of business opportunity to the aspiring entrepreneur. Franchising can stimulate local entrepreneurship, create opportunities for self-employment and provide new employment. It is useful for transferring skills, fulfilling financial independence and encouraging an entrepreneurial culture. Franchises are usually based on proven business

models, their chances of success far exceed independent business ventures and consequently are less risky to finance. "Owning a franchise allows you to go into business for yourself, but not by yourself". "A franchise provides franchisees with a certain level of independence where they can operate their business. It also provides an established product or service which may already enjoy widespread brand-name recognition. The City has hosted successfully in the previous financial years and about four franchise opportunities have been created and new stores have

been opened in the City. The success of the event is not only to Buffalo City it spills over to other Municipalities provincially as the event attracts not only visitors from BCMM but Provincially.

- Access to markets – A number of SMMEs have been supported with access to markets for their businesses which is an area that has been identified as a key success factor for SMME growth. Most of these SMME's have been supported to attend the following market opportunities or exhibitions to showcase their products: Berlin November Horse racing event, which is one of the fast growing privately owned initiatives that the City funds. Different SMMEs benefited from the event, including crafters, vendors and fashion designers. About four SMME's businesses were taken to participate in the Mangaung Cultural Festival which is an annual music festival taking place in Bloemfontein. It has been proved that out of the crafters that are taken to this tremendous event BCMM crafters make money more than are other SMMEs Provincially. This has been confirmed by the Department of Sports Arts and Culture as the Departments coordinates all crafters that attend the show.
- Grahamstown Arts Festival is another platform where SMME's participated in and on arrival from the festival most of business owners who participated confirmed that business was not good as they did not make sales and they were not sure whether the show was declining as the standard was not the same comparing with the previous years.
- Skills Development and Youth Job Creation – Buffalo City invest in skills development for youth in priority areas of economy including artisan trainings that will assist young people to be employable. The programme also looks at building capacity and confidence for young people to be able to market and skill them for job seeking.
- Township Economy – revitalization of townships is a drive that the Country is taking to make sure that townships are liveable. It is based on that the City aligning with other Departments in the province is in the process of resuscitating businesses in the townships. The programme will focus on creating a platform for township businesses to grow.
- Waste Economy – The waste industry in Buffalo City currently consists mainly of collection and landfilling, with a limited amount of recycling. Buffalo City in partnership with East London IDZ and Green Cape to support businesses and investors in the green economy to remove barriers to establishment and growth in waste sector.
- Partnerships – The City entered into partnership with Transnet Head Office for an establishment of an Enterprise Development Hub. The hub accommodates Small Enterprise Development Agency

(SEDA), Small Enterprise Finance Agency (SEFA) and South African Revenue Services (SARS), these partners provide their services in the Transnet/BCMM Enterprise Development Hub in Mdantsane and this eliminates the time and the costs that will be travelled by SMME's to access their offices in town.

- Informal Trade Sector– In South Africa informal economy forms a key component of strategies to address unemployment and poverty alleviation and to support the creation of sustainable livelihoods. However, municipalities face various challenges in developing and implementing policies that create an enabling environment for the sector. In fact, the majority of South African municipalities, for various reasons, fail in providing LED friendly and more developmental and inclusive informal economy policies and by-laws.

This is one sector that has serious challenges and has never been given the attention it deserves. The sector contributes into the economy of the City with employment creation even though it is minimal. They awaken it comes to compliance with certain by-laws of the Municipality

SMMEs / Cooperatives and the Informal Trade Sector in BCMM have the following challenges

There are a number of challenges faced by the sector as follows:

- There are no appropriate tools and support programmes dealing with their challenges
- There is no dedicated and demarcated areas to accommodate informal trading
- They remain victims of law enforcement due to non-compliance with by-laws
- the City to develop the Informal Trade Sector Strategy. The unit is in a pilot project to implement hawker stalls around different areas such as midland, inland and coastal
- Access to finance
- Access to information
- Access to markets
- Access to business infrastructure
- Access to modern technology
- Access to land for informal traders

Remedial Actions

Incubations hubs designed to inculcate the culture of entrepreneurship and introduce new technology

- Identify exhibition platforms for marketing purposes

Demarcation of land for hawkers to address the infrastructure issues and engagement of ECDC for the

- donation of factories
- More information seminars to be hosted for SMMEs

Achievements

BCMM Franchise Expo which has been hosted successfully by the City in the past 4 years. The expo is anchored in BCMM but benefits the whole Eastern Cape Province. About 4 franchise business opportunities have opened within the City and that is a consequence of hosting the expo

- The exposure of vendors in all the BCMM events has benefited them a lot through business opportunities and market exposure
- There were 20 companies that were given technical training skills on manufacturing chemical detergent. The objective of this training was to support the local enterprises by sharing information and giving advice on how to start and manage a business enterprise. and giving local enterprises technical skills on manufacturing their chemical detergents. These companies were involved in recycling and cleaning sector.

Products that were manufactured are pine gel, car wash shampoo, dishwashing liquid, thick bleach and Handy Andy. All products are to be sold by the attendees in order to ensure profitability of their own products.

Trade and Investment Promotions

The trade and industry development unit plays a central role not only for only enabling a conducive business environment but to create much needed jobs from various sectors. One of the guiding strategic thrusts of the Unit is to create strategic partnerships for the purposes of sharpening in the City's approach towards poverty alleviation and business development.

Border Kei / Buffalo City partnership – the City entered into partnership with Border Kei Chamber of Business in an attempt to attract investment into Buffalo City Metropolitan Municipality. The partnership is about marketing the City both locally and internationally to potential investors. Attract investment as well as tourists to the City. Build and nurture Buffalo City Municipality Brand. Facilitate access to new markets. Continuous evaluation and execution of projects that are geared at enhancing Buffalo City Metropolitan economy. Share marketing resources and market intelligence

Eastern Cape Development Corporation / Buffalo City partnership – the partnership is about broadening the horizon of existing and prospective exporters within Buffalo City Metro by providing tailor-made support and hand holding. The main goals of the partnership are as follows:

- Creation of a joint export support programme between the two institutions
- Support local enterprises for the purposes of exporting goods and services to external markets
- Create an enabling environment for export readiness in collaboration with local businesses
- Explore capacity building programmes to enhance export potential

Retain existing industrial base – the City is in the process of attracting the new investment and resuscitate industries in Dimbaza through the partnership with ECDC. An initiative to ascertain the needs of industrialist operating in the BCMM industrial areas.

Challenges

Lack of awareness on export development programmes and products within communities

Solutions

The Buffalo City Export Help Desk is a partnership that is aimed at driving export awareness, support, provide economic intelligence on export opportunities, key growth sectors, etc. Already a number of SMMEs from Buffalo City have been exposed to various foreign markets including countries in Sub-Saharan, East and West Africa

Tourism, Arts, Culture and Heritage

The Department of Tourism Arts Culture and Heritage has a mandate to develop and promote tourism, art, culture and heritage in the city. This mandate is derived from the following legal frameworks:

- Constitution of the Republic of South Africa, 1996
- White Paper on Tourism Development and Promotion, 1996
- Eastern Cape Tourism Act of 2003
- Municipal systems Act
- National Tourism Sector Strategy, 2014
- Provincial Growth and Development Strategy
- Provincial Tourism Master Plan 2015 - 2020
- Buffalo City Tourism Master Plan, 2006
- Provincial Policy on Exhumation, Repatriation and Reburial of Victims of conflicts, 2013
- National Heritage Resources Act (25 of 1999)
- National Heritage Council Act (11 of 1999)

The role of the Department is as follows:

- Facilitate, coordinate and implement programmes that will contribute towards tourism planning, research and development
- Facilitate, coordinate and implement programmes aimed at marketing and promoting the city as destination of choice.
- Facilitate and coordinate programmes to develop the required skills
- Facilitate and coordinate programmes aimed at developing and promoting arts, culture and heritage
- To enforce by-laws and legislations in order to ensure compliance.

Status quo in the tourism industry

Buffalo City Metro is endowed with natural resources making it the best tourism destination. BCM attractions are diverse ranging from natural, culture and heritage and built environment. Beaches are the main attraction for Buffalo City. It is estimated that 50 000 visitors visit the beaches over the festive season. The city has 14 beaches of which two (Gonubie and Kidds beach) are demarcated as pilot blue flag beaches:

In 2016, the number of tourists grew from 690 000 in 2015 to 714 000 in 2016 indicating clearly that the marketing efforts carried out by the city paid off very well.

Whilst the number of tourist grew, it is concerning that the largest number (70.25%) of visitors are visiting friends and relatives. Leisure / Holiday tourism had the second highest share at 12.45%, followed by Business tourism at 10.03% and the Other (Medical, Religious, etc.) tourism with the smallest share of 7.27% of the total tourism within Buffalo City Metropolitan Municipality.

Buffalo City Metropolitan Municipality had a total tourism spending of R 2.3 billion in 2016 with an average annual growth rate of 7.7% since 2006 (R 1.1 billion). Eastern Cape Province had a total tourism spending of R 14 billion in 2016 and an average annual growth rate of 4.0% over the period. Total tourism spending in South Africa increased from R 127 billion in 2006 to R 266 billion in 2016 at an average annual rate of 7.7%.

In 2016, Buffalo City Metropolitan Municipality had a tourism spend per capita of R 2,710 and an average annual growth rate of 6.61%, 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 5,930 which reflects an average annual increase of 3.28% from 2006. This high spend could be associated with Sarah Baartman's Mohair Industry that continues to attract interest and buyers internationally. The municipality that ranked lowest in terms of tourism spend per capita is O.R.Tambo with a total of R 916 which reflects an increase at an average annual rate of 1.66% from 2006.

Tourism is the second largest economic sector in Buffalo City after manufacturing. The tourism spending as a percentage of GDP in 2016 was 3.36%. Tourism spending as a percentage of GDP for 2016 was 4.15% in Eastern Cape Province, 6.12% in South Africa.

Highlights

One of the key objectives of the Directorate of Economic Development and Agencies is to grow the tourism sector. In achieving this objective, the Directorate implemented nine programmes. These programmes focused on marketing and promoting the City as a tourism destination, increasing visitor numbers and encouraging local communities to participate in the tourism industry.

In the 2016/2017 financial year, the directorate participated in a number of platforms that were on the list of the destination marketing programme. These platforms included amongst other exhibiting in key tourism trade and consumer shows, advertising in influential publications and hosting some media educationals. The tourism trade shows that the City attended include both domestic and international shows. The international shows were as follows: Vakantiebeurs in Netherlands, ITB in Berlin (Germany), World Travel Market in London and Travel Trade Workshops in India. The domestic tourism shows included the Getaway Show, WTM Africa, Indaba and Meetings Africa.

The hosted media included: Getaway Magazine, Sawubona – SAA inflight magazine, Mzantsi Travel Magazine, Isolezwe (Newspaper). These platforms offer media houses ample opportunity to gain fresh insights of the destination in order to be able to share positive stories about the destination. There was also an opportunity for an advertorial for the destination provided by the media. The Directorate hosted journalists sampled amongst top ten media houses that publish tourism related material. Buffalo City

received positive coverage from all the hosted media. The total value of the media exposure received is estimated at 300 000.

Communities form part of the essential stakeholders in growing the tourism sector in Buffalo City. This can be achieved in two ways i.e. communities becoming the brand ambassadors for the City and/or owning tourism products. It is for this reason that the Municipality invests a considerable budget on tourism awareness programmes. In 2016/2017 financial year, Buffalo City hosted three tourism awareness campaigns targeting the community of Tyolomnqa, Ncerha and Tyusha. The focus of the campaign aimed at creating awareness about the importance of tourism and the opportunities that exists within the tourism industry. Over 400 members of the communities participated in the awareness campaigns.

One of the strategies that the Directorate of Economic Development and Agencies apply to attract people into the City is through events. In the 2016/2017 financial year, the Council approved to support the following events: Take me to Church, Daily Dispatch Cycle Tour, Berlin November, Buyel'Ekhaya Pan African Festival, Metro Heat Wave, Cruel Summer, ECMAS, Mdantsane Summer Re-Union, SA Masters Swimming Championship, Harbour Festival, Harley Davidson Africa Bike Week, Buffalo City Easter Festival and Countdown.

EXPANDED PUBLIC WORKS PROGRAMME

EPWP NATIONAL AND PROVINCIAL POLICY IMPERATIVES

The Expanded Public Works Programme is Cabinet approved and endorsed National Programme which seeks to increase and enhance work opportunities through the use of labour intensive methods of doing work. The programme (EPWP) is implemented in all three spheres of government and to that effect, Buffalo City Metropolitan Municipality signed a pledge with the Department of Public Works (EC) in 2009 and agreed to the following,

- 1.1. Appoint an official to coordinate and champion the EPWP within the Buffalo City Metropolitan Municipality.
- 1.2. Ensure that EPWP is incorporated and finds expression in BCMM departmental infrastructure project implementation plan or in the Integrated Development Plan (IDP) of the municipality.

1.3. Ensure that EPWP targets are incorporated in Performance Agreements of all senior officials of the Buffalo City Metropolitan Municipality.

1.4. Report on a monthly basis the implementation of the EPWP to the department of Public Works.

Buffalo City Metropolitan Municipal Council approved and adopted the Expanded Public Works Programme (EPWP) policy in 2013 and the policy acts as a guide on the implementation of the EPWP within Buffalo City Metropolitan Municipality.

1. LEGAL & STATUTORY IMPERATIVES FOR THE EPWP

The EPWP as a government Public Employment Programme is governed by the following pieces of legislation and policies, i.e.

1.1. Ministerial Determination 4, EPWP No. 35310

1.2. BCMM's EPWP Phase 3 Policy, 2013

2. Function and Role Of The Department

The role and function of the EPWP can be summarized as follows,

2.1. Provide an understanding of the EPWP within BCMM as delegated and authorised by the Accounting Officer.

2.2. Coordinate and facilitate the implementation of the EPWP as a labour intensive method Public Employment Programme (PEP)

2.3. Provide a monthly template which will capture and record EPWP Work Opportunities and Fulltime Equivalents and Training opportunities.

2.4. Coordinate monthly reports submitted by the respective sector coordinators for the Top Management Meeting.

2.5. Crowd-in technical support from National and Provincial Departments in the implementation of the EPWP.

2.6. Attend, represent the Municipality at the Provincial and Regional Steering Committee Meetings and provide feedback to the municipality.

2.7. Facilitate and coordinate the development of standard EPWP clauses to be incorporated into tender documentation.

2.8. Identify and sample BCMM tender documents to ensure that labour intensive principles are included in these contracts.

2.9. Monitor that EPWP Sector Managers brand and profile EPWP Projects.

- 2.10. Monitor BCMMs Performance with regard to its performance on the EPWP Integrated Grant.
- 2.11. Report on the BCMMs EPWP performance at the Management meetings on a monthly basis.
- 2.12. Prepare EPWP relevant inputs into Mayoral and City Manager's statements and speeches.
- 2.13. Address implementation challenges across the sectors

3. What is the status quo (Link your analysis to ten point plan)

The Expanded Public Works Programme in Buffalo City Metropolitan Municipality is not fully institutionalized and this is evidenced by the following, viz;

- 3.1. The EPWP Unit located in the Office of the Administrative Head (City Manager) is an unfunded mandate.
- 3.2. The EPWP structure is not fully populated as only the position of the Acting Senior Manager: EPWP currently has a person responsible.
- 3.3. The rest of the position as identified and outlined in the institutional organogram remain vacant.
- 3.4. BCMM has over the past five financial years including the current one performed as follows, in implementing the EPWP, i.e.

BUFFALO CITY METROPOLITAN MUNICIPALITY	Financial Year	No of Projects Reported	Work Opportunities Target	Work Opportunities Achieved	Full Time Equivalent Target	Full Time Equivalents Achieved
	2014/15	22	6 864	645	2 215	89
	2015/16	17	7 370	1 266	2 384	420
	2016/17	29	7 996	1 857	2 592	326
	2017/18	29	8 663	1 287	2 814	332
	2018/19	To report from 01/04/18	9 529	To report from 01/04/18	3 100	To report from 01/04/18
	Total					


BCMM directorates have implemented the EPWP in different forms and content and many of their projects have been basically not registered and captured in the EPWP Reporting/Registration System. This has meant that we have not been able to report and claim achievement against set targets in our performance information

4. Major projects

The following EPWP IG major projects are being implemented through various departments in BCMM.

4.1. EPWP INTEGRATED GRANTS PROJECTS

PROJECT LIST FOR	BUFFALO CITY METROPOLITAN MUNICIPALITY	
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NAME: SIMPHEWE DUNJANA			DESIGNATION: PROGRAMME MANAGER		SIGNATURE 			DATE: 01 JULY 2017			
Sector	Focus area	Project name	Project No.	Date of approval	System generated ID	Project Budget	Funding From EPWP Grant	No. of W/O	No. of FTEs	Start Date	End Date
Environment & Culture Sector		Coastal Protection Programme	BCMMC PS01	01 December 2016	50485	R 2660 250	R1 266 250	50	57.39	01 December 2016	30 June 2018
		Coastal Protection Programme	BCMMC PS01	01 December 2016	50485	R 2660 250	R1 266 250	50	57.39	01 December 2016	30 June 2018
		Ginsberg Cleaning &	BCMMG C04	30 May 2017	59318	R1 196 250	R4 96 250	20	21.04	01 August	30 June 2018

		Beautificati on								201 7	
Social Sector		Pirrie Mission Food Security	BCMMP M002	31 May 2017	59315	R 3 346 250	R 746 250	20	21.04	01 Aug ust 201 7	30 June 2018
		Duncan Village Revitalizati on	BCMMD VR17	31 May 2017	59316	R7 03 250	R7 03 250	20	21.4	01 Aug ust 201 7	30 June 2018

4.2. Achievements

The above mentioned projects are what the Service Level Agreement entered into outlines how, where and what will be entailed in their implementation. Buffalo City Metropolitan Municipality as part of implementing the EPWP's Incentive Grant Projects is expected to provide monthly EPWP Reporting System aligned data and information on the various EPWP IG Projects it implements.

Although there were delays in launching the EPWP Integrated Grants Projects for implementation as outlined and agreed upon in the Service Level Agreement entered into with the Department of Public Works, BCMMD EPWP Unit has been proactive in terms of recruitment and training of EPWP participants for the identified IG Projects.

The EPWP has adopted two new projects that compliment and support the Integrated Grant Projects, these are the following,

4.2.1. Call2Action

- The project has recorded twenty (20) work opportunities and 21.04 Full Time Equivalents (FTEs),

4.2.2. King William's Beautification and Waste Management.

- The project has recorded twenty (50) work opportunities and 57.39 Full Time Equivalents (FTEs),

5. Challenges/Gaps/ difficulties & constraints (include reasons/ causes of lack of achievement)

The implementation of EPWP IG Projects has experienced the following challenges, viz;

- 5.1. Delays in the recruitment of participants due to community squabbles and process of community consultation was tedious and time consuming.
- 5.2. Project launch got delayed due to the hectic schedule of the political champion (Executive Mayor)
- 5.3. Participants exiting in projects as they secure full time jobs and better opportunities.
- 5.4. Some participants not reporting for duty and supervisors and team leaders not reporting such incidents with Project Coordinator.

6. Remedial Actions and Opportunities

- 6.1. Proper project planning has been done to identify gaps and weaknesses in the following areas,
 - 6.1.1. Recruitment
 - 6.1.2. Project registration
 - 6.1.3. Project implementing agent
 - 6.1.4. Project reporting
 - 6.1.5. Number of participants and Work Opportunities to be created.
 - 6.1.6. Training of coordinators, supervisors and data capturers

5. KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

This is a key strategic area in ensuring that Buffalo City Metropolitan Municipality is well capacitated and in a healthy financial state to effectively provide services within the Municipal area.

This section is responsible for the following: -

- Financial Management;
- Revenue Management;
- Supply Chain Management; and
- Asset and Risk Management.

5.1 FINANCIAL PERFORMANCE

The section that follows provides an analysis of the financial performance for the financial years 2014/15 to 2016/17.

5.1.1 Summarized 2014/15 to 2016/17 Financial Performance

The Financial Statements listed below relate to the last three (3) financial years viz. 2014/15, 2015/16 and 2016/17.

Table B20: Statement of Financial Performance for 2014/15, 2015/16 and 2016/17

Description	2014/15	2015/16	2016/17
	Audited Outcome	Audited Outcome	Audited Outcome
Revenue By Source			
Property rates	794 518 847	872 354 384	978 230 867
Service charges - electricity revenue	1 463 542 963	1 629 603 993	1 670 645 689
Service charges - water revenue	374 223 421	463 290 067	551 615 423
Service charges - sanitation revenue	212 287 080	218 992 423	314 102 298
Service charges - refuse revenue	199 911 727	215 763 867	306 754 411
Service charges - other	24 018 406	43 538 975	24 851 880
Rental of facilities and equipment	17 430 173	16 583 409	19 062 021
Interest earned - external investments	124 166 422	154 706 454	148 011 397
Interest earned - outstanding debtors	34 998 995	32 661 327	50 425 493
Fines, penalties and forfeits	5 499 858	5 593 754	16 895 710
Licences and permits	14 034 279	12 611 825	14 107 061
Transfers and subsidies	948 513 477	1 334 131 274	1 304 827 288
Other revenue	593 519 975	274 869 958	213 376 372
Total Revenue (excluding capital transfers and contributions)	4 806 665 625	5 274 701 712	5 612 905 910

Description	2014/15	2015/16	2016/17
	Audited Outcome	Audited Outcome	Audited Outcome
Expenditure By Type			
Employee related costs	1 233 305 396	1 411 211 666	1 560 995 731
Remuneration of councillors	48 359 637	53 845 309	55 482 280
Debt impairment	365 110 172	210 111 414	310 915 665
Depreciation & asset impairment	685 335 711	857 418 572	807 050 491
Finance charges	60 674 266	63 334 552	49 359 423
Bulk purchases	1 213 641 773	1 426 744 459	1 558 513 807
Other materials			-
Contracted services	14 606 853	-	-
Transfers and subsidies	234 150 609	240 921 910	394 807 496
Other expenditure	1 337 880 247	1 253 861 139	1 276 298 950
Loss on disposal of PPE	32 772 122	499 569	31 097 166
Total Expenditure	5 225 836 788	5 517 948 590	6 044 521 010
Surplus/(Deficit)	-419 171 163	-243 246 878	-431 615 101
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	615 492 273	670 393 964	669 780 335
Transfers and subsidies - capital (in-kind - all)			
Surplus/(Deficit) after capital transfers & contributions	196 321 110	427 147 085	238 165 234
Taxation			638 439
Surplus/(Deficit) after taxation	196 321 110	427 147 085	237 526 795
Attributable to minorities			
Surplus/(Deficit) attributable to municipality	196 321 110	427 147 085	237 526 795
Share of surplus/ (deficit) of associate	22 359 440	30 383 365	15 247 675
Surplus/(Deficit) for the year	218 680 550	457 530 450	252 774 470

Table B21: Statement of Financial Position for 2014/15, 2015/16 and 2016/17

Description	2014/15	2015/16	2016/17
	Audited Outcome	Audited Outcome	Audited Outcome
ASSETS			
Current assets			
Cash	63 352 687	222 736 093	24 591 070
Call investment deposits	2 137 188 521	2 151 164 102	1 665 510 900
Consumer debtors	692 675 996	1 156 030 524	558 665 136
Other debtors	85 592 000	99 777 758	886 552 443
Current portion of long-term receivables	17 552	-	-
Inventory	44 878 411	36 030 237	38 569 512
Total current assets	3 023 705 167	3 665 738 714	3 173 889 061
Non current assets			
Long-term receivables	9 440	-	-
Investments	-	-	-
Investment property	328 302 102	342 030 031	408 315 388
Investment in Associate	81 908 295	112 291 660	127 539 335
Property, plant and equipment	12 481 254 701	13 024 536 002	15 875 781 844
Agricultural	-	-	-
Biological	-	-	-
Intangible	95 114 804	85 956 443	7 073 146
Other non-current assets	66 444 415	69 044 614	72 329 339
Total non current assets	13 053 033 757	13 633 858 750	16 491 039 052
TOTAL ASSETS	16 076 738 924	17 299 597 464	19 664 928 113
LIABILITIES			
Current liabilities			
Bank overdraft	-	-	-
Borrowing	48 835 300	50 709 031	47 641 565
Consumer deposits	48 504 722	53 708 070	57 321 210
Trade and other payables	811 540 192	1 309 322 380	1 079 481 575
Provisions	166 235 000	174 890 785	186 724 379
Total current liabilities	1 075 115 214	1 588 630 266	1 371 168 729
Non current liabilities			
Borrowing	497 243 882	445 767 675	398 126 111
Provisions	498 290 585	498 371 669	517 065 919
Total non current liabilities	995 534 467	944 139 344	915 192 030
TOTAL LIABILITIES	2 070 649 681	2 532 769 610	2 286 360 759
NET ASSETS	14 006 089 243	14 766 827 854	17 378 567 354
COMMUNITY WEALTH/EQUITY			
Accumulated Surplus/(Deficit)	9 383 408 351	10 152 887 014	10 405 662 845
Reserves	4 622 680 892	4 613 940 840	6 972 904 509
TOTAL COMMUNITY WEALTH/EQUITY	14 006 089 243	14 766 827 854	17 378 567 354

Table B22: Analysis of Revenue and Expenditure

Description	2014/15 Audited Outcome	2015/16 Audited Outcome	2016/17 Audited Outcome
Total Income	5 444 517 337	5 975 479 040	6 297 295 480
% Increase over previous year	2.97%	9.75%	5.39%
Total Expenditure	5 225 836 788	5 517 948 590	6 044 521 010
% Increase over previous year	12.89%	5.59%	9.54%
Surplus / (Deficit)	218 680 550	457 530 450	252 774 470
Budgeted Expenditure	4 890 429 235	5 688 007 908	6 035 604 968
% Increase / (Decrease) over previous year	9.42%	16.31%	6.11%
Salaries	1 233 305 396	1 411 211 666	1 560 995 731
% Of expenditure	25.22%	24.81%	25.86%
% Increase over previous year	8.70%	14.43%	10.61%
Number of Employees	4 538	4 997	5 149
% Increase / (Decrease) over previous year	4.71%	10.11%	3.04%
Repairs and Maintenance	287 392 606	350 105 699	382 959 405
% Of expenditure	5.88%	6.16%	6.35%
% Increase / (Decrease) over previous year	0.60%	21.82%	9.38%
Depreciation	685 335 711	857 418 572	807 050 491
% Of expenditure	14.01%	15.07%	13.37%
% Increase / (Decrease) over previous year	8.83%	25.11%	-5.87%
Finance Costs	60 674 266	63 334 552	49 359 423
% Of expenditure	1.24%	1.11%	0.82%
%(Decrease) over previous year	-7.75%	4.38%	-22.07%
Grant Income	1 564 005 750	2 004 525 238	1 974 607 622
% Of total income	28.73%	33.55%	31.36%
% Increase over previous year	1.12%	28.17%	-1.49%

The net surplus for the period under review (2016/17) amounted to R253 million representing a decrease of 45% when compared with R457 million in 2015/16.

The revenue growth was lower than the expenditure growth in the past year (Revenue: 5%, Expenditure: 10%).

(a) Revenue

In the 2016/17 financial year 31% of BCMM's total revenue comprised Government Grants (2015/16: 34%; 2014/15: 29%). This has decreased in percentage terms from the previous financial year indicating there is still a requirement of grant funding to provide basic services to the community.

The increase in tariffs is associated with inflation and ensuring that the level of Service Delivery is maintained. The City has to embark on a complete review process of its tariff structures in order to ensure that each service is self-sufficient and does not rely on cross subsidization from other services.

Revenue generated must also be able to accommodate future funding for maintenance, upgrading and replacement of infrastructure assets to sustain and enable growth in the City.

(b) Expenditure

The institution is focused on complying with National Treasury guidelines on insuring the future sustainability and viability of providing the adequate services.

Human resource costs as a proportion of operating expenditure is 26% and this has increased by 11% when compared to 2015/16 figure.

5.1.2 Capital Expenditure and Funding

The following table compares Buffalo City's actual capital expenditure against budget, spanning the three years 2014/15 to 2016/17.

Capital spending has decreased to 85% of the budget when compared to the previous year (2015/16: 91%, 2014/15: 83%). The contributing factors for the low expenditure is as follows:

- Procurement and project management challenges that resulted in the slow progress in implementing own funded capital projects.

- Appointed service provider not performing to required standards and project time frame.

Table B23: Capital Expenditure

Capital Expenditure Per Service	2014/15 Budget R m	2014/15 Actual R m	2014/15 % expend	2015/16 Budget R m	2015/16 Actual R m	2015/16 % expend	2016/17 Budget R m	2016/17 Actual R m	2016/17 % expend
Water	94 115	95 544	102%	125 672	124 180	99%	173 541	178 075	103%
Waste Water	201 677	115 631	57%	208 974	171 496	82%	204 690	205 993	101%
Electricity	123 218	123 682	100%	171 473	151 670	88%	154 613	122 088	79%
Roads and Stormwater	317 244	339 241	107%	363 894	364 483	100%	312 522	286 831	92%
Housing	156 156	155 405	100%	229 491	215 956	94%	183 646	185 021	101%
Transport Planning	51 572	41 265	80%	31 066	30 689	99%	84 657	38 726	46%
Local Economic Development	–	–	0	16 699	12 228	73%	52 364	32 963	63%
Spatial Planning	–	–	0	24 573	24 081	98%	67 627	41 071	61%
Waste Management / Refuse	81 184	30 953	38%	59 502	59 580	100%	9 132	2 157	24%
Amenities	41 491	19 910	48%	48 909	39 637	81%	51 377	45 522	89%
Public Safety	16 318	3 928	24%	15 428	4 825	31%	25 565	10 753	42%
Support Services	43 472	13 218	30%	37 597	13 944	37%	102 881	61 965	60%
Other - BCM Fleet	32 298	25 392	79%	48 000	47 384	99%	71 212	65 137	1
Environmental Services	10 000	10 529	105%	–	–	0	–	–	0
Total Capital Expenditure	1 168 745	974 699	83%	1 381 277	1 260 153	91%	1 493 827	1 276 301	85%

Table B24: Capital Expenditure per Funding

Capital Expenditure Per Funding	2014/15 Budget R m	2014/15 Actual R m	2014/15 % expend	2015/16 Budget R m	2015/16 Actual R m	2015/16 % expend	2016/17 Budget R m	2016/17 Actual R m	2016/17 % expend
Own Funding	447 886	308 287	69%	600 806	515 933	86%	761 199	609 842	80%
Grant Funding	720 859	666 412	92%	780 471	744 220	95%	732 628	666 460	91%
Total Capital Expenditure Per Funding	1 168 745	974 699	83%	1 381 277	1 260 153	91%	1 493 827	1 276 301	85%

The above table reflects the source of funding associated with Capital Programme.

In the 2016/17 financial year 49% of the capital budget was funded through grant funding (2015/16: 57%; 2014/15: 62%) followed by own funding of 51% (2015/16: 43%; 2014/15: 38%).

The City's finance's allows for it to borrow due to its low gearing ratio. It is envisaged that additional loan funding will be sourced into future associated with Revenue generating Capital Programmes.

5.1.3 Financial Profile and Liquidity

The City' cash generation remains stable and own funds invested has increased during 2014/15.

The effect of the slow economic growth is also a cause of real concern to the City and going forward. The city is focused on revenue collection and growth in order to improve the financial viability and sustainability. This is critical to the future financial sustainability of the City.

Table B25: Key Financial Ratios

REVENUE MANAGEMENT	2016/17	2015/16	2014/15
Revenue collection rate	89.03%	88.68%	87.84%
Net debtors to annual income	21.4%	18.9%	12.4%
Days debtors outstanding	78	69	45
LIQUIDITY	2016/17	2015/16	2014/15
Current ratio	2.31	2.31	2.81
Liquid ratio	2.29	2.28	2.77

Cash and cash equivalents decreased from the 2014/15 financial period to the 2016/17 financial year due to investing more of own funds on replacing ageing. Tight controls have been placed on monitoring projects funded externally, and project spending only occurs when BCMM's is certain that cash is available. Bridging finance for external public sector institutions is minimized.

The City's ability to meet short-term commitments, remains an area of strength.

The revenue collection rate has slightly increased to 89.03% when compared with 87.84%: 2014/15.

This is due to stringent implementation of creditors control policy. The City strive to improve the collection rate further through the following remedial actions:

- The ongoing services of a Service Provider to disconnect electricity meters for non-payment, to inspect the meters for tampers and to reconnect the meters once payments have been made. The implementation of the action plan related to the Revenue Enhancement Strategy.
- The ongoing analysis of the Billing Debt Book in order to write off irrecoverable debt.
- The implementation of a Debt Management Operating System in order to manage the debt internally.
- The extended debt management operations has been implemented and in-house legal collections has commenced.
- The current indigent registration campaign roll-out is being implemented. The indigent registration campaign is an on-going process.

A revenue management feature that stands out is the focused implementation of the credit control policy. This effects the continued effort to manage debtors in a rehabilitation environment, rather than a command-and-control technique.

Both the current and liquidity ratios are strong, the standard set for current ratio is 1.5:1 compared with the City is currently at 2.31:1, this ratio has remained constant over the past 3 financial years.

The liquidity ratio standard is 1:1 and the City is above the norm at a rate of 2.29:1. (2.28:1 2015/16; 2.77:1 2014/15). The ratio has decrease form 2014/15 financial year but it remains above the norm of 1:1 as per Circular 71. The ratio indicates that the City has ability to service current liabilities as they become due.

Table B26: Borrowing Management

	2016/17	2015/16	2014/15
Total debt to total asset ratio	2.57%	3.36%	3.37%
Interest bearing debt / Total Revenue	8.28%	9.63%	11.73%
Average Interest Paid on Debt	10.13%	10.17%	10.16%
Capital Charges to Operating Expenditure	1.66%	2.05%	2.31%

Structural improvements in the finances show that: -

- Debt to assets has decreased to 2.57%: (2016/17) from 3.36%; (2015/16) and 3.37%: (2014/15) this is as a result of loan amounts decreasing and assets values increasing. The City's revenue continues to increase year-on-year with a steady decrease in debt due to quarterly capital loan repayments.
- The total debt to total revenue ratio has decreased to 8.28% in 2016/17 financial year when compared with 2015/16 of 9.63% and 2014/15 of 11.73%. This is well within the National Treasury targets of 35% thus indicating a strong borrowing capacity for the City. In the past three years the City has successfully kept the debt to revenue ratio below National Treasury's ceiling. Capital charges to operating expenditure has decreased to 1.66% when compared with 2015/16 of 2.05% and 2.31% of 2014/15 due to certain challenges experienced which have been explained previously.
- An analysis of long-term debt maturity profile reveals no undue maturity concerns, with the majority of long term outstanding debt spread fairly evenly between 2014/15 and 2030/31. Maturity dates will require conservative operational budgets, whilst the Municipality gears up for stringent debt, asset and cash management.

5.1.4 Long Term Financial Planning

The Municipality converted into a Metropolitan Municipality and in order for the Municipality to fulfil its mandate as stipulated in the Constitution of South Africa, there is a need to maintain financial viability, create and expand its revenue base and ensure a balance between economic and social obligations

A long term financial plan is being developed and will be aligned to the Metro Growth Development Strategy (MGDS), IDP and all which must be aligned to the National Development Plan and Provincial and Local Priorities and needs.

The Municipality will continuously assess its financial viability to ensure that it will be able to continue to provide affordable and sustainable services and at the same time meet the demand from expected future economic and population growth.

Currently BCMM is contributing between 30% and 40% of its own funds towards capital infrastructure program. The emphasis of the long term financial planning is to establish sufficient reserves to fund the future capital infrastructure program.

The City must therefore also develop a long-term financial plan (LTFP) for an asset replacement program, to maintain the Municipality's infrastructure at acceptable service standards, with no large backlog of services.

The above will also require the review of the tariffs for all the services rendered by the Municipality to ensure that they are cost reflective and self sufficient to support future capital infrastructure assets upgrading and maintenance.

The intention is to create a surplus in the medium term (2018/19 MTREF Budget), restructure existing loans and externally borrow monies to fund new and upgrade assets rather than purely the use of grant funding.

5.2 Revenue Enhancement

CONSOLIDATED BILLING:

Additional staff have been allocated to do exception report vetting to ensure that billing of meters is a true reflection of what was read. Damaged infrastructure contributing to water leakages is reported to the Service Departments by the Billing Department, which is then attended to.

Billing Data Clean-up_and Debt Book Analysis

The Billing Debt Book is analysed on an on-going basis in order to identify and write off irrecoverable debt. Prepayment meters are also validated and updated on both the financial and prepayment system in order to ensure optimal credit control actions in the form of barring of prepayment meters when necessary; and address and contact details are updated regularly to minimize the returned mail and ensure that customers receive their municipal account statements timeously.

5.2.1 Revenue Enhancement Strategy

As a result of an increasing debt book, a Revenue Enhancement Strategy was developed and reviewed by National Treasury.

This strategy was developed with short term, medium term and long term objectives and action plan with deliverables and key accountabilities is currently being implemented institutionally.

Progress on implementation is reported to Top Management on a monthly basis. The strategy seeks to address such issues as debt collection, billing, meter tampering, opening of accounts and services provided to the Communities.

The department is constantly engaging in an Indigent Registration campaign to ensure that all consumers who qualify benefit from the Indigent Subsidy. This also ensures that all existing approved Indigent subsidy applications are audited.

5.2.2 General Valuations

The Municipality must in terms of the Local Government: Municipal Property Rates Act 6 of 2004 (MPRA) conduct a general valuation of all properties within its jurisdiction in order to compile a Valuation Roll. 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.

In order to keep the Valuation Roll up to date, a municipality must conduct at least one supplementary valuation (SV) within a financial year. The supplementary valuation roll is conducted in respect of any rateable property under the following circumstances:

- Where a property was incorrectly omitted from the valuation roll.
- Where a property was included in the municipality's demarcated area after the last general valuation (GV)
- Where a property was subdivided or consolidated after the last GV
- Where a market value has substantially increased or decreased for any reason after the last GV
- Where a property was substantially incorrectly valued in the last GV
- Where a property must be revalued for any exceptional reason
- When a property category has changed
- Where a value was incorrectly recorded in the valuation roll as a result of a clerical error.

BCMM's current valuation roll was implemented on 1 July 2014 and its validity period expires on 30 June 2018. The municipality has implemented 4 supplementary valuations since the implementation of the general valuation roll.

5.3 Asset Management and GRAP Compliance

To achieve and maintain full GRAP Compliance the Municipality requires a great deal of capacity and expertise as it is an onerous, demanding and complex undertaking that is further compounded by the fact that further accounting reforms in the Public Sector are inevitable.

In order to keep abreast with the latest accounting reform developments including achieving and maintaining full GRAP compliance, it is imperative that the Municipality has the necessary capacity and expertise.

In order to address the problems pertaining to insufficient internal capacity relating to the preparation of GRAP Financial Statements and preparing and maintaining a GRAP Compliant Financial Fixed Asset Register, the organizational structure in respect of Asset Reporting, Financial Management and Financial Statements was revised, approved and implemented. Certain key positions have been filled.

A concern however still exists regarding the lack of an integrated financial asset management system and the Municipality is investigating and considering various options to address this matter.

Asset Management has been provided with an external support and this support will be required until the Asset Management Unit within the organization is established and operational.

5.4 Supply Chain Management

Supply Chain Management System as per the Municipal Finance Management Regulations (9) of the MFMA Regulation should cover the following: -

- ❑ Demand Management;
- ❑ Acquisition Management;
- ❑ Logistics Management;
- ❑ Disposal Management;
- ❑ Risk Management;
- ❑ Performance Management;

Buffalo City Metropolitan Municipality' current Supply Chain Management Unit comprises: -

- Demand Management and Supplier Development

- Acquisition Management;
- SCM Risk and Compliance;
- Contracts and Performance Management; and
- Logistics, Disposal and Warehousing

The above are to ensure the following:

- A Supply Chain System that assists in job creation in the region,
- Beneficiation of vulnerable groups (women, youth, disabled and historically disadvantaged groups),
- Promotion of skills and capacitating small businesses,
- Circulation of the rand spent within the municipal area to boost and encourage economic growth within the region.

5.5 BCMM Audit Improvement Plan

Buffalo City Metropolitan Municipality received an unqualified audit report for the 2016/17 financial year. This is the culmination of a significant amount of effort on behalf of the municipality and is a positive development in the perception of the financial affairs of the institution.

There are certain compliance findings that have been identified by the Auditor General. In order to focus on these areas a “Clean Audit Committee” has been formed and managed from the City Manager’s office.

Although no audit opinion was expressed, an area which needs to be a focus is the reporting of performance information. In this regard there will be a focus in analysing the quarterly performance reports to ensure quality information is provided.

a. 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. Internal Audit reviews the effectiveness of controls that have been put in place by management and the outcomes of the reviews are reported to Top Management and Audit Committee. 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. Management has also developed and implemented an Audit Improvement Plan (AIP) which addresses the control weaknesses identified by the Auditor General.

6. KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

This section deals with public participation and governance issues and these are:

- ✓ Corporate Governance;
- ✓ IDP and Organisational Performance;
- ✓ Public Participation;
- ✓ Development Cooperation and International Relations
- ✓ Special Programmes vulnerable groups (cross cutting issues); and
- ✓ Communications and Marketing.

6.1 Corporate Governance

Corporate governance is comprised of Risk Management and Fraud Mitigation, Audit Committee/ Internal Audit, Compliance Services, Legal Services, Communication and Development Cooperation, Public Participation and Special Programmes, Knowledge Management, Research and Policy.

The preamble to the Local Government Municipal Systems Act provides inter alia for the “core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities; to define the legal nature of a municipality as including the local community working in partnership with the municipality’s political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed; to provide for community participation; to establish an enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government; to provide a framework for local public administration and human resource development; to put in place service tariffs and credit control policies by providing a framework for the provision of services, service delivery agreements; to provide for credit control and debt collection; and to provide for matters incidental thereto”.






Other piece of the legislative framework that impact on the activities of the Municipality is the King III Report. The introduction of the King IV Report on Corporate Governance necessitates increased attention

on compliance issues. This covers activities such as Internal Audit, Fraud and Risk Management as well as Information Technology and the newly formed Municipal Public Accounts Committee.





Within this overall framework falls activities such as risk and fraud management, internal audit, legal and compliance, knowledge management as well as public participation.

Risk Management

The management of risk is a crucial part of good governance. Risk management unit assist the City to identify any potential events that can hinder the achievement of set objectives and identify opportunities there may be to take the City forward. The following are the main roles of the risk management section:

-  Provide a support service to ensure systematic, uniform and effective enterprise risk management within BCMM.
-  Coordination of risk management throughout the institution and be the institutional advisor on all risk management matters.
-  Responsible for the regular review and updating of all risk processes within the City such as risk workshops, the Risk Register, Risk Management Committee meetings, Information Technology risk systems, etc.
-  Provide continuous support on implementation of the Municipality's fraud prevention strategy, risk; compliance frameworks and guidelines.
-  Assist the City in implementing and maintaining a conducive internal control environment towards ensuring an effective, efficient, economical and equitable service delivery.

Legislation/ prescripts governing risk management

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





Achievements

The City has been able to establish a risk management committee responsible for overseeing implementation of risk management activities and is functional.

Backlogs

Currently risk is only assessed at strategic level only and operational together with project risk assessments have not been conducted, which is but a crucial part of effective risk management.

Challenges

-  Risk Management culture is not yet matured
-  Focus is still limited to strategic and operational risk assessments and has not yet addressed project risk assessment which is a very critical area especially that our core mandate as the City is service delivery.
-  The risk management unit is not yet fully capacitated, and the structure is inadequate to service an organization of this size.
-  Lack of defined performance targets pertaining to risk management.

1. Remedial Actions and Opportunities

- Develop performance targets for risk management unit with which they will be measured against to ensure effectiveness of this function.
- Capacitate the risk management unit in order to ensure optimal functionality.
- Implement and monitor the risk management plan
- Continuous awareness and trainings to be held to improve the risk management culture.
- Revive the risk management forum to assist in execution of risk management activities and other compliance related matters Incorporate risk man

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.

Legislative Prescripts

Enabling prescripts that govern the functioning of Internal Audit Unit are namely,

Internal Audit Unit is established in terms of section 165[1] of the Local Government: Municipal Finance Management Act. The relevant provision reads as follows:

"Internal audit unit

165. [1] Each municipality ... must have an internal audit unit, subject to subsection [3].

[2] The internal audit unit ... must —

[a] prepare a risk-based audit plan and an internal audit program for each financial year;

Values stem from the following Internal Audit Attributable standards;

1. Responsibility
2. Professional Care and due diligence
3. Accountability
4. Objectivity and Independence

(To include information about MScoa and Audit)

Audit Committee

The Municipality has a functioning Audit Committee in place. This Committee operates in accordance with an approved Audit Committee Charter and meets on a regular basis. The Committee reports quarterly in writing to the Executive Mayor. The mandate of the Committee covers matters such as advising the council, political office-bearers, accounting officer and management of the municipality on issues raised by the Auditor-General in the audit report.

The Audit Committee is of the view that the control environment within the Municipality is stressed which evidences itself through the failure to embed fraud, risk, internal audit and managerial reviews into daily operations resulting in adverse findings by both the Internal Audit Unit as well as the Auditor General.

Legal Services

Legal Services occupies a strategic position within the municipality and ensures the provision of in-house legal services to all Departments and significant Units within the municipality. Importantly, the Unit recognizes its positioning in the successful achievement and implementation of the IDP objectives and strategies, however, its intentions must be understood in the context of staff and human resource limitations, as well as service delivery priorities, which impacts its activity patterns.

6.2 Integrated Development Planning

Section 25 (1) of the Municipal Systems Act 32 Of 2000 stipulates 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 which links, integrates and co-ordinates plans and take into account proposals for the development of the municipality; Aligns the resources and capacity of the municipality with the implementation of the plan and forms the policy framework and general basis on which annual budgets must be based.

The act further defines an integrated plan as a “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”. It also binds the municipality in the exercise of its executive authority. An IDP is developed for a 5 year period which coincides with a term of Council. Such a plan has to be reviewed on an annual basis.

In reviewing the IDP consideration is also taken of **outcome 9** which relates to a responsive, accountable, effective and efficient local government system. In ensuring the realization of the above outcome local government is expected to adopt IDP planning processes which are appropriate to the capacity and sophistication of the municipality. Buffalo City Metropolitan Municipality consistently adopts IDP planning

processes and conducts its affairs in accordance with legislative provisions as stipulated in the Municipal Finance Management Act and Municipal Systems Act.

6.3 Organizational Performance

The Performance Management System fulfills the role of measuring the implementation of the Integrated Development Plan. The targets of the Municipality as reflected in the IDP find expression in the Institutional Scorecard and Service Delivery and Budget Implementation Plan (SDBIP). The SDBIP forms the basis for Directorate Scorecards and the Performance Plans of section 57 managers and holds them accountable. Performance Management is a strategic approach through which the performance objectives of the Municipality are identified, defined, translated into business plans and cascaded into individual scorecards allowing for regular planning, monitoring, evaluating and reviewing of performance at both organizational and individual levels, effectively responding to inadequate performance and recognizing outstanding performance.

The performance of the institutions is linked to that of its staff, and it is important to periodically review the performance at both institutional and employee level to flag areas that may need attention.

BCMM has a Framework for Institutional Performance Management, which contains an annual work plan with processes to be followed in developing and implementing Performance Management.

Challenges encountered in relation to organisational performance relate to the following:

- ✓ Non -involvement of communities in setting of key performance indicators.
- ✓ Lack of integration between formal reporting and reporting to communities, e.g. performance is reported quarterly in addition to that, political leadership should also report to communities regularly on municipal performance.
- ✓ Lack of integrated municipal planning and reporting on basic services
- ✓ Managing change process in IDP/PMS to be perceived as a line function responsibility
- ✓ Managing and reporting Service Provider's performance is still a challenge.

Public Participation

Public participation is defined as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making. It is further defined as a democratic process of engaging people, deciding, planning, and playing an active part in the development and operation of services that affect their lives.

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 Buffalo City Metro is accessible to its citizens.

Legislative mandate

i) **The South African Constitution of 1996** states:

- Section 151(1) (e) Municipalities are obligated to encourage the involvement of communities and community organizations in Local Government.
- Section 152(1) states that local government must encourage the involvement of communities and community organizations in matters of local government.
- Section 195 (e) in terms of the basic values and principles governing public administration – people's needs must be responded to, and the public must be encouraged participate in policy making.

ii) **The Municipal Structures Act 117 of 1998 (as amended in 2000 and 2003)** allow for category A Municipality with sub-council or ward participatory system or a category B Municipality with a ward participatory system and Executive committees or Executive Mayors must annually report on the involvement of communities and community organizations in the affairs of the Municipality.

iii) **The Municipal Systems Act 32 Of 2000** requires a Municipality to develop a culture of Municipal governance that complements formal representative government with a system of participatory governance to encourage and create conducive conditions for the communities to participate in the

Municipal matters, including the IDP performance Management system, monitoring and review of performance, preparation of budget, strategic decisions and Municipal services. The Act further compels Municipalities to establish appropriate mechanisms, process and procedures to enable the local community to participate in the affairs of the Municipality.

iv) **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.

v) **The Municipal Structures Act 117 of 1998** specifically outlines the structures and processes required to effectively implement public consultation and participation in the matters of the municipality. The Act further establishes ward committees which consist of ten members and chaired by the ward councilor.

vi) **Traditional Leadership and Governance Framework Act 41 of 2003** stipulates that traditional leaders should be part of democratic structures at the local government level. In their co-operative relationship with municipalities, traditional leaders are expected to facilitate public participation in policy and service delivery initiatives that affect rural communities.

vii) **The Municipal Finance Management Act 56 of 2003** calls for the participation of the general public in the municipal budget formulation process in line with Chapter 4 of the Municipal Systems Act.

viii) **The Municipal Property Rates Act 6 of 2004** stipulates that a municipality must extensively consult with its citizens before it adopts its rates policy.

Public Participation Strategy

Public Participation Strategy was reviewed in 2016 with consideration of contemporary innovation for effective community engagement between Council and community. The Strategy is intended 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.

WARD COMMITTEES

Buffalo City Metropolitan Municipality established Ward Committees in January 2017 in 49 Wards of the Metro to play a meaningful role in the development of their communities. In Ward 39 party-politics infringed the establishment of Ward Committees. Ward Committees are required to submit monthly reports on their performance as to ascertain their functionality (Municipal Structures act, 117 of 1998).

Ward Committees contribute to the development of municipal affairs as they play an important role in mobilization of public meetings where the development priorities are deliberated. They participate in municipal activities, amongst others IDP/Budget Public hearings, IDP Rep Forum, State of the Metro Address, Indigent registration campaigns, Housing Beneficiary registrations, MPAC Public Hearings, Council Open day, Mayoral Imbizo and Ward Councillors feedback General meetings.

Ward Committee meetings are convened monthly chaired by the Ward Councilor, Public Participation Practitioners attend these meetings, their duty mainly is to take the Ward Committee concerns regarding service delivery issues and channel them to service delivery directorate for actioning. A report on functionality of Ward Committee is submitted quarterly to Municipal Council for consideration. The issues raised in Ward Committee meetings also form part of the quarterly reports to Council.

The Metro contribute towards functionality of Ward Committees through various empowerment and capacity-building programmes like trainings and workshops to ensure that Ward Committees are able to perform their intended functions. Training needs assessment (Skills Audit) for all ward committee members was done to develop a capacity development plan.

Ward Committees received training in **a) Good Governance; b) Conflict Management and Dispute resolution; c) Delegated Mandate, Accountability and Feedback Protocol**. They were also workshopped in developing **Ward Operational Plans and Ward Profiling**.

The Metro support Ward Committees with monthly stipend for transport, air time and meals; provide stationery quarterly and Identification Badges for recognition when executing their duties.

COMMUNITY DEVELOPMENT WORKERS (CDWs)

The main purpose of the CDWs is to work with municipalities in order to help bridge the gap between government and the community; and strengthen integration and coordination between services provided by government and access to these services by communities (DPSA, 2007).

The key task of CDWs is to improve service delivery, accessibility and to ensure that there's constant interaction between government and communities. CDWs are represented in the Metro Communicators' Forum which aims at strengthening communication between sector departments in the Metro.

There are thirty-five (35) permanent CDWs working within BCMM, 15 wards do not have CDWs viz: 4, 2, 3, 14, 16, 23, 25, 26, 31, 34, 38, 41, 44, 45, 47. The recent Ward Delimitation resulted in three wards (35, 37, 50) having two CDWs in one Ward. However, the recruitment of CDWs is the responsibility of the Provincial Department of Cooperative Governance & Traditional Affairs (COGTA).

CDWs were involved in the establishment of Social Labs in BCMM wards, which is an integrated approach of dealing with issues around HIV/Aids and Tuberculosis. The CDW coordinator is a member of the Metro Aids Council. CDWs participate in Child Welfare monthly meetings to discuss new developments on adoption and child removal to safety. We provide child protection services that promote, protect and enhance the safety, wellbeing and healthy development of children.

CDWs conduct door to door campaigns providing information about government services and organise relevant departments for intervention where necessary. They hold meetings with government departments, NGOs and other stakeholders for information sharing and presenting various problems they receive from the community. CDWs also assist with mobilisation communities for all Metro programmes.

OPERATING PROJECTS

The funding for the three projects namely; **Ward Committee Empowerment Programme (R240 000); Implement Ward Committee Performance Project: (R500 000) and Civic Education: (R250 000) in 2017/18** financial year was as result of recognizing the importance of participatory governance. Even

though the funding cannot be said to be enough the department is confident going forward that the Metro shall invest in community participation in improving its status.

MECHANISMS TO PROMOTE A CULTURE OF COMMUNITY PARTICIPATION

Buffalo City Metro has within its realm of development established different platforms to enhance participatory Local, Provincial and National governance. These include the following:

- ✓ Ward Committees
- ✓ Public meetings
- ✓ Newsletters
- ✓ IDP External Representative Forum
- ✓ Community Development Workers
- ✓ Surveys
- ✓ State of the Metro Address
- ✓ Mayoral Imbizo's
- ✓ Traditional Leaders
- ✓ State of the Nation Address (SoNA)
- ✓ State of the Province Address (SoPA)

CHALLENGES

Key Public Participation Challenges identified include the following:

- Poor response by BCMM internal departments in providing inputs/comments to the strategy.
- Poor response by Directorates on received queries and complaints from the community concerning service delivery, which makes it difficult for Public Participation Practitioners to provide feedback to the community or in Ward Committee meetings.
- Lack of a dedicated public participation capacity and public participation budgets in each Directorate which puts in place an intentional and planned public participation programmes;
- Insufficient funding for capacity building of Ward Committees and Civic Education Programmes.

- Poor working relationships between Ward Councillors, Community Development Workers and the Ward Committees.
- Ward Councillors not adhering to the annual schedule of meetings submitted to the Office of the Speaker, which results in Wards not convening the Ward Committee and Ward Public meetings.

IMPROVEMENT MEASURE

- Further engagements will be coordinated in order to finalise the review process of the Public Participation Strategy for adoption by Council.
- Directorates should have a dedicated person to respond to the issues/complaints raised in Ward Committees.
- A session with all Councillors, Ward Committees and Community Development Workers (CDWs) should be facilitated to clarify their different roles.
- Dissemination of information between the municipality and communities needs to be strengthened through regular ward public meetings.

Vulnerable Groups and Overlapping Vulnerabilities

The following groups are deemed to be “vulnerable” within the metro’s development trajectory - Women, Older Persons, Children and Youth, Persons with Disabilities, persons infected and affected by HIV and AIDS.

South African prides itself on having one of the most progressive Constitutions in the world. The Constitution of the Republic of South Africa, 1996 together with various legislation, guidelines and frameworks including but not limited to the Sustainable Development Goals: 2020, Municipal Structures Act 117 of 1998, Municipal System Act 32 of 2000, BCMMM’s Vulnerable Groups Strategies and Guidelines for BCMM’s Vulnerable Groups Forums namely Gender, Persons with Disabilities and Older Persons as well as the BCMM Youth Council Constitution and Metro AIDS Council, promote and protect

the rights of vulnerable groups and their participation and beneficiation in local government decision making and service delivery.

The Municipal Systems Act (Act no 32 of 2000), Section (2) states that *“a municipality must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality”*; Section (3) of the same Act states that, *when establishing mechanism, processes and procedures in terms of Section (2) the municipality must take into account the special needs of:*

- ✓ *People who cannot read or write;*
- ✓ *People with disabilities;*
- ✓ *Women and;*
- ✓ *Other disadvantaged groups*

Local government is under pressure to deliver basic services to its citizens and even more so to vulnerable groups especially in the context of overlapping vulnerabilities.

Women and the girl child account for just more than half of the population and the majority of the older population are women so it is not surprising that these vulnerable groups are characterized by gender inequalities, lower education levels, high poverty rates, unemployment, early sexual debut, sexually transmitted infections, teenage pregnancy, physical and sexual abuse as they seek to etch out a living amongst the very drivers of abuse, poverty, HIV and AIDS, unemployment, informal settlements and limited access to water, sanitation, schooling etc. Given the aforementioned scenario, it is evident that vulnerable groups have little or no access to social or economic freedom.

BCMM’s Transversal Vulnerability Reduction Mainstreaming Approach

BCMM subscribes to holistic transversal mainstreaming to addressing vulnerabilities and other social ills in keeping with its development trajectory. 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.

The responsibility for implementing transversal vulnerability mainstreaming rests within the metro and it is vital that senior manager's / decision makers lead the process and that this is linked to the metro's Performance Management and financial reporting systems. The reporting, monitoring and evaluating of transversal mainstreaming of vulnerable groups issues in metro directorates' planning and budgeting remains a challenge and typically Integrated Development Plan clusters grapple with how the cross-cutting issues are impacted on by their service delivery and how these impact only their directorates' delivering of metro services.

Acknowledging the limited resources and unlimited needs which that metro is faced with, BCMM has sought to strengthen and promote citizen participation within BCMM's IDP Planning and Budgeting processes thereby mainstreaming vulnerable groups within the metro's developmental processes. Each of the vulnerable groups has a dedicated BCMM Strategy and an annual plan of action is developed following a thematic environmental analysis per relevant vulnerable group.

BCMM has institutional structures for vulnerable groups to participate in metro processes so as to engage and advice on issues which impact on them. The Gender, Disability and Older Persons Forums as well the Metro AIDS Council and Youth Council receive logistical support from the relevant Coordinators within the Special Programmes Unit.

Children and Youth

The metro is committed to child and youth development through promoting access to education, economic empowerment as well as participation and beneficiation in local government processes and to this end the BCMM Reviewed Child and Youth Development Strategy: 2020 was adopted by Council in 2016. The strategy takes cognizance of the following child and youth specific legislation: Youth Employment Accord: 2013; Children's Act 38 of 2005; National Integrated Early Childhood Development Policy: 2015; National Integrated Plan for Early Childhood Development: 2010; National Youth Policy: 2015; SALGA Youth Development Guidelines For Local Government: 2015; Eastern Cape Integrated

Strategy for Early Childhood Development: 2014 and Eastern Cape Provincial Youth Development Strategy: 2015.

The metro has a Child and Youth Coordinator and 3 institutional youth flagship programmes being implemented with its Special Programmes Unit, namely:

***Three (3) Youth Development Centers** are situated in the Inland, Coastal and Midland regions and these Centers service both in and out of school children and youth for example back to school programmes, second chances, career guidance, job marketing skills and entrepreneurial opportunities. Children and youth are able to access computer labs and Wi-Fi at said Centers. Youth Development Officers also undertake outreach activities in all 50 wards. In addition to this the Centre's collaborate with child and youth development stakeholders so as to facilitate access to skills development projects and programmes with Narysec, National Youth Service, Expanded Public Works Programme, Office of the Premiers' Maritime Training, Facility Management and Aqua and Agrophonics, Local Economic Stimulation, Entrepreneurship Development Programme, Second Chance Matric Rewrite programme etc.

***The BCMM Bursary Fund** provides financial assistance to deserving youth pursuing scarce skills qualifications. BCMM Bursary Fund graduates undergo an internship programme so that they are ready to compete in the job market as well as increasing their chances of employment.

***The BCMM Youth Council** is a voluntary civil society youth structure which represents youth stakeholders from all sectors and formations including but not limited to business, civil society, political, faith based organizations, education, non-profit and non-government organizations. The Youth Council seeks to champion youth development within the metro and is guided by principles of non-racialism, non-sexism and democracy and is informed by national youth development policies, frameworks and structures.

In order to increase child and youth participation within local government decision making and democratic processes over and above the Ward Committee representation, the metro has a 3-year Youth Engagement (2016 – 2018) Project with the twinning Swedish City of Gävle municipality. Emanating from the aforementioned the metro has piloted the *Thetha Nathi App*. The software programme is designed to connect with youth using smart phones and provides an interactive platform for children and youth to engage the metro.

BCMM has piloted the Harambee Youth Employment Acceleration initiative in the Central Library as well as rolling out Department of Higher Educations' Khetha Centers which focus on Career Development, throughout the metro.

The metro seeks to optimize collaborations for accessing and enhancing youth development initiatives in mainstreaming and promoting access to youth economic empowerment opportunities

Gender and Persons with Disability

The metro has established its Gender Forum as well as Persons with Disability Forum.

These institutional platforms are elected from the respective Ward Committee representatives. These Forums in keeping with the BCMM Gender Policy and Strategy and BCMM Persons with Disability Strategy, work closely with the BCMM Gender and Persons with Disability Coordinator so as to promote their participation within local government processes and decision making as well as issues of equality and accessibility of basis services.

BCMM has a proportional number of people living with different forms of disabilities including sensory, physical and intellectual. Statistics for persons living with disabilities has increased from 5% (Census 2001) to 10% (Census 2011). It must be noted that the definition of disability was broadened within the latest Census.

Women and the girl child account for just more than half of the population and still face gender inequalities, lower education levels, high poverty rates and unemployment. BCMM upholds the South African Constitution in that all people but especially women and girl children irrespective of their circumstances are entitled to equal treatment, human dignity and recognition as members of the society.

HIV and AIDS, and Older Persons

BCMM has an active Metro AIDS Council and has established its Older Persons Forum. The HIV and AIDS, and Older Persons Coordinator provides secretariat support to the Mero AIDS Council and an annual action plan of action is developed based on the BCMM Local Implementation Plan as derived from the Provincial Strategic Plan HIV, TB and STIs: 2017-2022.

The metro has a growing older person's population and the BCMM Older Persons Strategy seeks to promote the interests and active participation of the older persons within local government planning processes.

The girl child and female older person are especially exposed to overlapping vulnerabilities emanating from gender based violence, lower education levels, unemployment, early sexual debut, sexually transmitted infections, teenage pregnancy, access to water and sanitation. There are clear linkages between an increase in HIV infections and other opportunistic infections as people living in informal settlements are prone to poverty, suboptimal living conditions, substance use, risky sexual behavior, sexual assault and commercial sex work.

Grandmothers also face the burden of raising and supporting HIV infected and affected grandchildren and orphaned / abandoned great grandchildren due to single parents and unemployment. Violence against rural older women and forced child marriages are especially concerning.

The metro's development trajectory can only be addressed through addressing HIV and its drivers (circumstances which promote or perpetuate the disease) by means of integrated and strategic

initiatives. Over and above the annual days of commemoration and awareness, the Metro AIDS Council has piloted 9 Ward Based Social Labs in wards 2,7,11,15,37,40,44,46,27. Social Labs allow for ward based interventions to address challenges at ward level and are chaired by the Ward Councillor and envisaged stakeholders include but not limited to: Youth rep Ward Committee, Youth Development Officer, Youth Council, Girls Club, Principal of the school / teacher, Tavern's rep, Health Facility Manager, Community Development Worker, Community Health Officer, Religious Leader, Ward Committee, Men's sector, Business sector, Disability sector, People living with HIV, Traditional leader (where relevant), NGO/ CBO's, Foreign nationals etc.

One of the game changers to address challenges facing the girl child and the drivers of HIV infection in the metro is the Bumbin'gomso project which is funded by the German government through the KFW Bank and implemented by the DG Murray Trust.

This multi stakeholder multipronged project targets young girls and women of Buffalo City Municipality between the age of 15 to 29 years and to date more than 39 000 young girls are members of the leadership network. The project promotes behavior change and addresses key issues like intergenerational sexual partners "sugar daddies", substance abuse, keeping young girls at school, local economic empowerment, gender rights and responsibilities as well as motivating young girls to know their status and remain negative whilst living a positive life.

The Metro AIDS Council is collaborating with the local Social Health and Empowerment (SHE) project which focusses on the Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) sector. This key population is vulnerable due to stigma and discrimination. To date workshops have been held to sensitive Councillors, Ward Committees and community members on the rights of the LGBTI sector.

Women's Caucus

The BCMM Women's Caucus is a Section 79 Committee of the Council which seeks to rally all women Councillors towards one common goal of ensuring involvement of women in all decision making structures of Council, and advocating gender equality within BCMM structures and processes. The objectives of

the Women's Caucus as per the Buffalo City Metropolitan Municipality Women's Caucus Terms of Reference: 2012 are to:

- Act as an advisory and consultative body of all women Councilors in BCMM by raising and representing their interests and concerns within Council structures;
- Engage Council and its structures on empowerment issues affecting women;
- Facilitate leadership development for women in Council and its structures;
- Ensure effective participation of women Councilors in decision making process;
- Work towards enhancing capacity of women Councilors in BCMM;
- Ensure that participation of women in the IDP and budget process in BCMM is promoted;
- Work towards profile building of women Councilors in BCMM;
- Engendering mainstreaming and equity within BCMM;
- Re-affirm and strengthen partnerships and networks that support women in Local Government;
- Promote and strengthen partnerships and networks in women's programmes with other spheres of government and civil society;
- To lobby for budget for women benefiting programmes.

The Women's Caucus has undertaken a number of Gender Awareness activities and capacitation sessions in conjunction with various Chapter 9 institutions like the Commission for Gender Equality so as to promote human rights, prevent discrimination, and advance the principles of dignity.

Development Cooperation/International Relations/Intergovernmental Relations

Development Cooperation, International Relations and Intergovernmental Relations focusses on the implementation of development cooperation, international relations and intergovernmental, strategies and programs that creates awareness, improves organizational, social, cultural and developmental objectives and goals of the Metro through the forging of partnerships, signing of agreements and conducting engagements with local, national and international partners, donors and stakeholders. Some partnerships are of a historic nature, however in the main most partnerships are of strategic and are tied to the overall strategy and goals of the Metro. The partnerships have to date have had a long-term time horizon, with corresponding commitment of resources, regular evaluation, and deliberate efforts to introduce new activities and expand collaboration so that the broader city and the community benefits.

The key priorities are to utilize and leverage off strategic national, regional and international partnerships with the aim to:

- a) Facilitate information and knowledge sharing;
- b) Equip councillors and officials with additional skills and capacity;
- c) Build managerial and technical capacity;
- d) Unlock bottlenecks and challenges;
- e) Promote Buffalo City Municipality as an attractive location for investment and tourism;
- f) Develop project partnerships for mutual benefits;
- g) Explore new ways of performing its core business of service delivery;
- h) Address regional and global challenges that have local impact which need to be tackled on a broad basis like climate change; and
- i) Contribute to global understanding, solidarity and peace.

Communications

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).

Communication 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. 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)

Development Cooperation, International Relations and Intergovernmental Relations in Buffalo City Metro is governed respectively by the Constitution of the Republic of South Africa, 1996, the South African Foreign Policy: 2012, the South African Local Government Policy Framework on Municipal International relations: 1999 and the Intergovernmental Relations Framework Act, 2005 (Act No.13 of 2005) . International Relations activities are also guided by the Sustainable Development Goals :2020.

Strategies and Plans Developed

- International Relations Strategy/Policy
- Terms of Reference for the BCMM Intergovernmental Relations Forum

International Relations

The Department maintains and coordinates the following partnership agreements:

- City of Leiden – Netherlands (agreement has ended with the City however BCMM/Leiden City Link still funds projects in the city)
- Milwaukee County – USA (partnership agreement resigned in 2008)
- City of Gävle –Sweden (partnership scheduled to end in December 2018 with the idea of exploring a new city partnership,
- City of Oldenburg – Germany, (In 2014 both partners agreed to participate in the '50 Municipal Climate Partnerships by 2015' project which has set itself the goal of strengthening partnerships between municipalities in Germany and municipalities from the Global South that aim to pursue

climate change mitigation and adaptation. It thus promoted the establishment and development of municipal climate partnerships)

- Jinhua City- China (renewing of agreement in August 2017)
- Qinhuangdao – China (existing agreement in place since 2012)
- Yubei District, Chongqing – China (new partnership agreement signed in July 2017).

The following projects are being facilitated and implemented by the Metro's municipal departments with partners:

City Partner	Project	Project Scope
City of Gävle, Sweden	Youth Engagement	In both Municipalities, some of the biggest challenges are youth unemployment and social exclusion and therefore, the urge to tackle the issue has emerged. Both municipalities have ongoing discussions regarding that and in September 2015 several workshops including the politicians on the matter were conducted in Gävle within the partnership. One of the main conclusions of the workshops was the realization that there is lack of knowledge on the situation of youth and their thoughts, dreams, problems and opinions and that the municipalities lack innovative platforms to reach youth, and to offer ways of influencing their society and communities. The project focus is on the need for strategic and political decisions in the municipalities concerning youth are to be knowledge based; creation of innovative platforms for youth influence in both municipalities and finding tools to be utilized for the Municipalities to reach and include youth in local democratic processes.
Milwaukee County , USA	Upgrading of Aspiranza Clinic	Sister Cities Award for Humanitarian Assistance Buffalo City Metro and Milwaukee County won the 2014 Sister Cities International Innovation Award in the area of Humanitarian Assistance. The award is in recognition of the outstanding exchange work done by Buffalo City Metropolitan

		Municipality partnership with Milwaukee County and the Centre for International Health in advancing the goals and mission of the sister cities movement and by implementing the upgrade and expansion of the Aspiranza Clinic in Buffalo Flats.
City of Oldenburg, Germany	Climate Change Projects: Renewable Energy Project: Model Energy Efficient Building	<p>Producing clean energy and adapting a green economy has become one of the key priorities of the Buffalo City Metropolitan Municipality. However, whilst the focus has been on reducing poverty and providing shelter for poor people, renewable energy and green economy are relatively new concepts to the Metro. However, small strides are being made to look at the environment and how to adapt best practices that produce sustainable solutions for the municipality, the country and most importantly its people.</p> <p>Therefore, through the partnership with the City of Oldenburg in the Lower Saxony Province, Buffalo City Metro has leveraged of the expertise and experience in the renewable energy and waste management sectors with the City of Oldenburg in order to collaborate on a pilot project utilizing one of its municipal owned buildings to improve energy efficiency and to improve the municipal carbon footprint through reducing, reusing and recycling. The pilot project offers opportunity for learning, sharing and knowledge exchange and to change the behavior and actions of the metro, its stakeholders and the community at large.</p>
	Nahoon Estuary Reserve Solar Lighting Project and Upgrading of the Nahoon	Forms part of the Climate change programme the aim being to reduce energy consumption and create awareness of climate change effects such as rising sea levels, droughts, floods, heat waves and environmental degradation.

	Estuary Reserve Boardwalk	
	Upgrade of German Settler Monument	In April 2013 the upgrade and expansion of the German Settler Monument was discussed with the German Community, representatives of Lower Saxony Province, artist's community of Buffalo City and Buffalo City Metropolitan Municipality. An opportunity to update the memorial and include the contribution of the descendants of the settlers and embrace the multi-cultural society of the City. The restoration of the monument was completed in May 2015 and includes mosaic artworks with information boards telling the story of the German settlers in the city.
BCMM- Leiden City Link	Isibindi Safe Park	The Safe Park Project was funded by the City of Leiden and Buffalo City Metro provided the land for the project. The project was official launched in 2014. The aim of the project is to provide a safe place (play, learning, care) for orphaned and vulnerable children in Duncan Village. The Isibindi Safe Park is managed by the East London High Transmission Area. BCMM - Leiden City Link has committed to providing financial support to the Isibindi Safe Park to continue the work they are doing in the community.
	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,

		<p>municipal swimming pools as well as rivers and dams which increases the potential for a water related accident to happen.</p> <p>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 following priority areas to realise the project goal:</p> <ul style="list-style-type: none"> ○ Water safety education ○ Water safety activities in an open-water environment ○ Learn-to-swim lessons ○ Surfing lessons ○ Introduction to competitive swimming
City of Jinhua, China	Homestay Project - an experience of history, culture, tolerance and respect.	<p>The aim of the project is to transform the current historical villages into international level centers for ecotourism & leisure holidays with distinctive local cultural elements, while preserving original elements of local culture, and bringing international popularity to Jinhua City. The Home-stay project provides an incredible opportunity for young people to experience other cultures, cuisine and lifestyle. It is also an opportunity to assist in the development of another town/village in another country. Buffalo City Metropolitan Municipality has supported this project since 2015 and to date has sent five (5) university students to participate in the programme.. The programme exposes young people in the city to broader global</p>

		issues, engage with other young people from other countries as well as make direct contributions for the improvement of cultural villages. This has inspired the Metro to also look at initiating this programme in the city.
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Intergovernmental relations

The South African Constitution, 1996, puts emphasis on fact that, 'the three spheres of government are distinctive, interdependent and interrelated'. However, although the three spheres of government are autonomous, they exist in a unitary State, and therefore are required to work together on decision-making and must synchronize budgets, policies and activities, particularly for those cross cutting functions of all spheres. This co-operative governance system makes provision for an enabling framework for the development of a system of inter-governmental relations (IGR) where all three spheres work together to provide citizens with a complete set of services. This therefore requires that all three spheres need to assist and support each other, share information and coordinate their efforts. Whilst the purpose of the IGR Framework Act No 13 of 2005 is noteworthy, there still some challenges that hinder progress in realizing the full potential of the act. Poor co-ordination within and between the different levels of government remains one of the major hindrances in delivering multi-sectoral community programmes.

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. Buffalo City Metropolitan Municipality's Intergovernmental Relations Forum is utilized as a vehicle to facilitate integrated planning and development thereby enhancing service delivery. The Forum's focus is on looking at:

- 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.

Buffalo City Metro holds at least four (4) Forum meetings per quarter. In addition to its own Forum meetings, the Metro also participates in the national and provincial intergovernmental relations forum meetings such as Minmec and Munimec as well as the Back to Basics Workstreams and the Communicators Forum meetings.

In order to improve decision taking and service delivery at the ward level, Buffalo City Metro has also been implementing 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.

The aim of Operation Masiphathisane is to address the non-existence of vertical and horizontal linkages on planning, and the non- effective participation of sector departments at local level. This results in silo mentality, duplication of efforts, lack of ownership and pressure on limited resources leading to social unrest.

Buffalo City Metropolitan Municipality (BCMM) has held a a number of meetings with representatives from the Office of the Premier and the Department of Cooperation Governance and Traditional Affairs to see how best Operation Masiphathisane can be implemented in all wards of the Metro. On 21st August 2017, the Department of Cooperative Governance and Traditional Affairs (COGTA) held an Orientation workshop for BCMM Councillors, Traditional leaders and Top Management. The purpose of the workshop was to introduce and orientate BCMM Councillors on Operation Masiphathisane (ISDM).

Achievements

The project achievements were supported by partners and donors, and numerous local stakeholders, councilors and officials. Focus of municipal partnerships with international partners are moving into a domain of investor relations which great potential to have a positive impact on economic development in the city.

SWOT ANALYSIS

Strengths	Weaknesses	Opportunities	Threats
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Partnerships established have strong political support and leadership	Changes could jeopardise partnerships	Explore new partners including African Countries	Economic & Migration Challenges could change priorities of partners
Concrete Projects with funding opportunities used to improve municipal services and competencies	BCMM will need to look at other sources of funding should partner withdraw from partnership	Explore new partners including African Countries	
IGR forum able to bring in relevant stakeholders on priority issues for BCMM	BCMM will need to look at other sources of funding should partner withdraw from partnership	Partnerships able to attract foreign direct investment to the city	Funding & lack of support from our own Municipal Departments

SECTION C

SPATIAL DEVELOPMENT FRAMEWORK

INTRODUCTION

The Buffalo City Municipality compiled its 1st Generation **Spatial Development Framework** (SDF) in 2003 to support the development vision, objectives and strategies identified in the Buffalo City Municipality's Integrated Development Plan (IDP). 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.

In 2011, the Municipality was uprated to a Category A Metropolitan Municipality and, having successfully pursued a series of more detailed Local SDFs over the period 2004 to 2012 to add detail and direction to the original 2003 SDF, it resolved to undertake a comprehensive review of the Buffalo City SDF in

2012/2013. The Review that was undertaken was a 10-year review and was designed to update the existing SDF and align it with the latest legal and policy directives of the state as well as incorporate the findings of the Local SDFs completed, to date. The BCMM SDF was approved by Council in December 2013. In addition, BCMM is currently involved in a processes of reviewing its SDF which was adopted in 2013 and with the development of the Settlers Way Local Spatial Development Framework (LSDF).

The Function of the Buffalo City Spatial Development Framework

Following the direction of the White Paper on Wise Land Use: Spatial Planning and Land Use Management (Department of Land Affairs, 2001), the revised SDF is intended to: -

- *Be the spatial image of the IDP*
- *Be a strategic, indicative and flexible forward planning tool, to guide decisions on land development*
- *Develop a set of policies and principles and an approach for the management of spatial development*
- *Must be clear enough to guide decision-makers in dealing with land development applications*
- *Provide a clear and logical framework for spatial development by :*
- *Providing an indication of where the public sector would support certain forms of development and where state investment is likely to be targeted in the short to medium term*
- *Provide a clear spatial logic that would facilitate private sector decisions on investment in the built environment*
- *Facilitate the social, economic and environmental sustainability of the area*
- *In the rural context provide a framework for dealing with key issues such as :
natural resource management land reform subdivision of rural land the conservation of prime and unique agricultural land*

THE SPATIAL DEVELOPMENT FRAMEWORK AND THE IDP

The Buffalo City Spatial Development Framework forms a component of the Municipality's Integrated Development Plan (IDP). In essence, the Spatial Development Framework is "the picture" of the IDP – that is, it illustrates the form and extent of development that the Buffalo City Municipality wishes to promote, within the strategic approach adopted by the IDP.

THE LONG TERM VISION AND MISSION FOR BUFFALO CITY METROPOLITAN MUNICIPALITY IS TO BE

"a responsive, people centered and developmental City" which:

- *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 principles at the centre of service delivery*

The SDF Review is guided and informed by the overall Development Vision contained in the IDP and aims to propose how best to use available land for development in a way that is both practical and sustainable (i.e. will not use up land or resources that are necessary for the future wellbeing of the Buffalo City Metropolitan area).

The Consultative Process Followed

In compiling the Spatial Development Framework for Buffalo City, BCMM engaged in a process of consultation within the Municipal organisation, as well as with external stakeholders representing different organisations and civil society in general.

Internally, the formulation of the Spatial Development Framework was managed and co-ordinated by a Task Team comprising officials and councillors from different Municipal departments, which was established in February 2012.

During the consultation process, engagement sessions were held with various stakeholders, including the Department of Environmental Affairs, BKCOB, SAPOA, Department of Agriculture, and Community meetings in East London, King William's Town and Mdantsane in the period March to August 2012.

Finally, draft proposals were advertised for public comment on 25th June 2013. Documents setting out the Spatial Development Framework proposals were made available at public libraries in King William's Town, Mdantsane, Beacon Bay, East London and Gonubie, and at the Municipal offices in Bhisho and East London

CURRENT REALITY AND A NEW VISION FOR SPATIAL DEVELOPMENT

The SDF Review has shown that Buffalo City Metropolitan Municipality's (BCMM) Spatial Planning has planned all key Urban and Rural areas. In total, BCMM has prepared 14 Local Spatial Development Frameworks (LSDFs) since the first BCM SDF was approved in 2003.

The Review has found that basic Land Use proposals in the 2003 SDF and the related LSDFs are still largely relevant and in line with Government Policy but more focus should be placed on:

- ❑ *Spatial transformation, integration of major land use areas and densification*
- ❑ *Directing a more strategic Spatial Focus to assist with implementation.*

With regard to the last made point: relevant proposals from all the LSDF's have been incorporated into this new SDF. Land parcels have been clearly identified in the LSDF's BUT it appears clear that implementation is a challenge, e.g.:

- *Land Acquisition*
- *Infrastructure Development*
- *Addressing the Spatial Fragmentation of Settlement Pattern*
- *Consolidation has taken place but challenges remain with Infrastructure and Road Networks*
- *Unmanaged Urbanisation*
- *Informal settlements are still being created as rural people come to the city in search of opportunities (urbanisation)*
- *Low Density Settlements/Urban Sprawl*
- *The overall settlement pattern is still inefficient: whilst the Urban Edge now contains most formal developments, unmanaged invasion of land is perpetuating sprawl*
- *Public-funded Housing Backlog: estimated at around 25,000 units (with approx.. 30,000 sites currently in planning or being addressed)*
- *Total 20-year additional housing need estimated at around 42,000 units, which translates into a land need of around 1,650 hectares at a prevailing gross density of 40 dwelling units per hectare*
- *Depletion of Natural Resources and Valuable Agricultural Land*
- *The natural environment remains under pressure*
- *Agricultural land is still laying unused while food security is now even more of an issue as more food needs to be imported*
- *Historically Low Economic Growth*
- *Low level of job creation*
- *Insecurity of opportunities*
- *Physical constraints limit the availability of usable land*
- *Topography and Environmentally sensitive areas*
- *Climate Change: Storm and flooding events more severe*
- *Access to land is complicated*

- Numerous forms of land rights from freehold to informal land rights
- Acquisition of land is complicated

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.

The latter point highlights that a new and more intense focus needs to be placed in the Metropolitan SDF on the transformation of the prevailing fragmented and relatively low density urban settlement patterns in Buffalo City as well as the improvement of the integration between key strategic land parcels in the urban areas as well as integration between the urban settlement components of Buffalo City and its rural hinterlands.

Accordingly, a revised SPATIAL VISION is proposed to guide the Buffalo City Municipal SDF 2013:

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“Re-Shaping Buffalo City: the Metro in 2023”

In 2023 Buffalo City is a City-in-a-Region providing a focus for socio-economic development, services and higher order human settlement in the central part of the Eastern Cape Province. The core elements of the City are its roles as a University Town; a hub for Green energy production and innovation; a centre of Industrial development with an innovative and world-class motor industry cluster at its heart; and a city that offers a rich lifestyle experience through the quality of its natural environment, the range of social, cultural and leisure activities offered in the area, and the excellence of its public infrastructure and social institutions.

SPATIAL DEVELOPMENT OBJECTIVES & STRATEGIES

In response to the conceptual framework below, the Spatial Development Framework for Buffalo City Metropolitan Municipality elaborates clear and detailed **objectives and strategies** for the management and direction of spatial development and land use management in the area according to proposed Spatial Development Frameworks and Land Use Management Guidelines, to be used to manage development in future in order to guide new investment to achieve the development vision set out in the BCMM IDP and the SDF.

- *Implement the principles of Integrated Environment Management and identify resources (natural/biodiversity; social; economic; heritage and cultural; human capital; financial) and manage land use in valuable resource areas;*
- *Urban Edge and Land Use Management System as spatial management and investment guidance tools;*
- *Consolidate and integrate spatial development by developing land in proximity to public transport facilities and existing services;*
- *Implement a Land Reform and Settlement Programme by identifying zones of opportunity for integrated development in peri-urban and rural areas;*
- *Pro-actively manage land use and set appropriate levels of service to achieve sustainability in urban, peri-urban and rural areas.*

STRATEGIC OBJECTIVES AND PLANNING TOOLS

The following objectives have been identified to achieve the overall vision and values identified within BCMM:

STRATEGIC OBJECTIVES AND PLANNING TOOLS	
Consolidate and integrate spatial development in the urban centres by developing land efficiently in proximity to existing infrastructure	Urban Edges to define limits of settlement & promote densification. Corridors to define main routes.
Implement a Land Reform and Settlement Programme by identifying zones of opportunity or integrated development in peri-urban and rural areas	Nodes where development can be focused – linked by Corridors. Special Development Areas where specific programmes and interventions are to be supported.
Manage land use in urban, peri-urban and rural areas	Identified Environmental/Resource areas where wise use of resources and environmental management is prioritized
Implement the principles of Integrated Environmental Management (IEM)	

STRATEGIC PROPOSAL FOR BCMM

In order to achieve the above SPATIAL VISION, the following is highlighted as being set out in the BCMM SDF Review for 2013: -

In an effort to try to bridge the gap between planning and implementation, the SDF now proposes THREE areas of strategic priority where, if focused attention is placed on implementing key catalytic projects, enormous developmental benefits can be attained over an extended period of time for the benefit of all communities and residents of Buffalo City as well as the broader region over which the socio-economic influence of BCMM extends. These 3 Priority Areas are described below: -

PRIORITY AREA 1

In order to provide Strategic direction to spatial development to BCMM, and in order to support investment and growth, it is proposed that the **Central East London Urban Renewal Area** should be **Priority 1**. This includes **East London and Mdantsane and the areas in between them**. This area is regarded as the **‘HEART’ of the City-In-A-Region**, which is BCMM. Due to the large number of people resident in this area, it is also subjected to critical infrastructure/service backlogs, which severely hinders progress of development. The urban area also has the potential to accommodate between 40 000 to 50 000 households at increased densities in the future. Creating infrastructure capacity in roads and services networks will give *“biggest bang for the buck”* in shortest time-frame.

PRIORITY AREA 2

Since 1980s, the **West Bank area** has been seen as having the best potential for large-scale urbanisation in the Greater East London area. Investment in the East London Industrial Development Zone (ELIDZ) is constrained from being fully realised by the lack of key infrastructure in Wastewater Treatment on the West Bank. As land prices have inflated and the developable land in close proximity to the City centre is depleted, the next available area after Quenera is the West Bank, with ample well-located land for integrated, higher density and mixed land use development close to the ELIDZ. It is primarily for these reasons that the **West Bank** has been identified as **Priority 2**. Critical for the success of the West Bank area is the need to complete catalytic projects that resolve the issue of Waste Water Treatment for the area as well as Roads and Bridges to link the West Bank to the Central Urban Area and Regional linkages (i.e. the N2 with a new bridge over the Buffalo River).

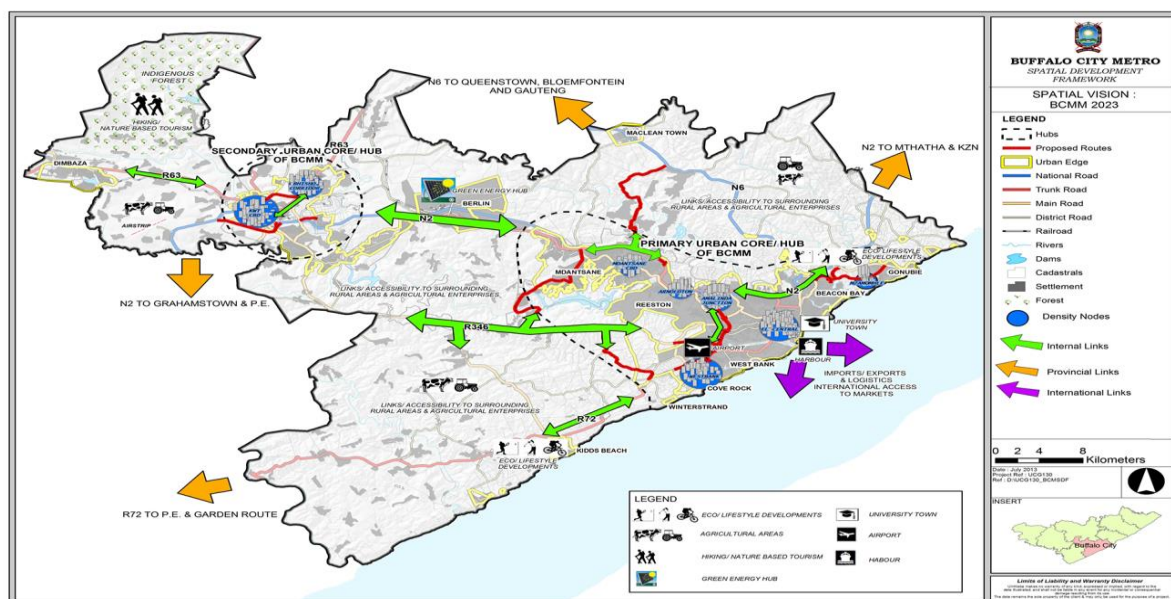
PRIORITY AREA 3

Priority 3 looks at two Key Focus areas to overcome existing problems as well as opening the doors for investment and growth. Firstly **King Williams Town/Bhisho** as an extended Rural Service Centre is an important segment of BCMM and continued support is required. Provincial Government is leading initiatives to consolidate Bhisho as an Administrative Capital of the Eastern Cape Province and BCMM needs to support the initiatives by ensuring that there is sufficient bulk infrastructure. Secondly, **Mza'momhle and Nompumelelo** are problem areas that need to be addressed without necessarily extending solution to mass-based housing in the eastern sector of BCMM as this will distort desired spatial pattern of **CENTRAL-WEST** Focus.

STRATEGIC PROPOSALS FOR BCMM	
Strategic Priority 1: Central East London-Mdantsane	
Spatial Focus	Rationale for Priority
<p>Focus and Investment in the Central Urban Renewal Area (EL-Mdantsane)</p> <p>Catalytic Projects are identified as:</p> <ul style="list-style-type: none"> • The Sleeper Site (mixed land use development and University Town node) • Roads and bridges to link West Bank to Central Urban Renewal Area and regional linkages (N2) 	<p><i>This area is home to the majority of the BCMM population.</i></p> <p><i>The “Heart” of the City-in-a-Region that is BCMM.</i></p> <p><i>Potential to house 40,000 to 50,000 households at increased densities, over time.</i></p> <p><i>Critical infrastructure/service backlogs hindering progress.</i></p> <p><i>Creating infrastructure capacity in roads and services networks will give “biggest bang for the buck” in shortest time-frame.</i></p>
Strategic Priority 2	
Spatial Focus	Rationale for Priority
<p>Investment in key enabling infrastructure on West Bank:</p> <p>Catalytic Projects are identified as:</p> <ul style="list-style-type: none"> • Water services – especially Wastewater Treatment • Roads and bridges to link West Bank to Central Urban Renewal Area and regional linkages (N2) • Harbour expansion and deepening • IDZ Science & Technology Park 	<p><i>Since 1980s, West Bank area seen as having best potential for large-scale urbanisation in Greater EL area.</i></p> <p><i>Investment in IDZ is constrained from being fully realised by lack of key infrastructure in Wastewater treatment on West Bank.</i></p> <p><i>Ample well-located land for integrated, higher density and mixed land use development close to IDZ.</i></p> <p><i>Transport Linkage to Central UR Area crucial to creating an integrated and better functioning city.</i></p>
Strategic Priority 3a: King William’s Town & Bhisho	

Spatial Focus	Rationale for Priority
<p>Investment in roads, public transport and infrastructure upgrades to support the KWT-Bhisho Revitalisation process</p> <p>Catalytic Projects are identified as:</p> <ul style="list-style-type: none"> • The Bhisho Revitalisation Precinct • “Green Energy” Hub located at Berlin 	<p>Support continuing function of KWT as an extended Rural Service Centre.</p> <p>Support Provincial Government-led initiatives to consolidate Bhisho as the Administrative Capital of Province.</p>
Strategic Priority 3b: Quenera Precinct	
Spatial Focus	Rationale for Priority
<p>Investment in Land in Quenera area</p> <p>Catalytic Project is identified as:</p> <ul style="list-style-type: none"> • The Beacon Bay-Gonubie Link Road and intersections 	<p>NEED to resolve critical problem areas of Mza'momhle and Nompumelelo without extending solution to mass-based housing as this will distort desired spatial pattern of CENTRAL-WEST Focus.</p>

The above concepts are illustrated overleaf on Plans 1-5.



BCMM CONCEPTUAL SPATIAL DEVELOPMENT FRAMEWORK:

Within the Buffalo City area the following three main land use patterns emerge:

- ❑ *The dominant East London - King William's Town - Dimbaza urban axis. This spatially defines a principal development corridor that services the greater Amatole region.*
- ❑ *The peri-urban fringe and rural settlement area. This component includes the Newland's settlements, settlements that previously fell within the former Ciskei 'Bantustan', and the Ncera communal settlements located west of East London.*
- ❑ *The commercial farming areas confined mainly to the north-eastern and south-western (coastal) sectors. These areas are characterised by both extensive and intensive agricultural land utilisation.*

The settlement pattern demonstrates spatial fragmentation occurring within East London and King William's Town, mostly in the form of racially segregated residential areas or dormitories. These areas comprise Mdantsane, Potsdam, Ginsberg, Zwelitsha, Phakamisa, Briedbach and Ilitha. In addition, the higher order function and natural growth of the historic towns of East London and King William's Town have been impacted by attempts to create satellite or "buffer strip" residential, commercial, industrial and administrative growth nodes - i.e. Bhisho, Berlin and Dimbaza. The City recognises such spatial development pattern as a legacy of apartheid and previous Bantustan policies that require urgent attention.

In terms of the BCMM IDP, an overall concept (described below) is accepted and endorsed as strategic direction provided by the Municipal Council for the purposes of this Spatial Development Framework.

In this regard, the Buffalo City IDP notes that: *"In essence, the [approach of Building on Urban and Rural Strengths] acknowledges that the urban areas of greater East London/Mdantsane and King William's Town/Bhisho and environs are likely to be focal points for significant economic growth and development within Buffalo City over an extended period of time.*

However, it is accepted that there is a dependency amongst a significant proportion of the residents of Buffalo City on access to peri-urban and/or rural land for basic livelihood (i.e. survival or subsistence) as well as cultural purposes, and that this is likely to continue to be so, at least in the medium term (10 years).

Therefore, it is concluded that:

- ❑ *It must be accepted that it is most rational and economically effective to focus higher order development investment (in infrastructure, housing and a diversity of economic enterprises) in the urban core areas.*
- ❑ *However, a proportion of the resources of the Buffalo City Municipality must also be targeted in areas of opportunity and areas of need in fringe rural and peri-urban areas, in order to*

upgrade existing settlements and create or facilitate new development opportunities in these areas.”

A spatial overview of the Buffalo City Metropolitan Municipality was conducted through the IDP process. Amongst the key spatial development issues identified, the prevailing spatially fragmented development pattern was identified as having essentially created a negative urban dimension.

From a conceptual point of view, the urban portion of Buffalo City extends in a linear form along the main watershed between East London and King Williams Town, with the historical settlements and urban nodes using the main roads and railway line as the central transport route to the surrounding area.

This urban form can be simply described as ‘beads on a string’ and, in order to enhance the operational effectiveness of this built form, it is envisaged that future development should be directed in such a way that the various settlements or nodes (beads) along the main rail and road transport routes (or string) be allowed to develop in intensity (i.e. density and variety or mix of land uses).

This is intended to create areas where the density of development and the increased variety of opportunities at points of good access to the majority of residents would improve both the overall functioning of the built environment in Buffalo City, as well as offer better social and economic opportunities for the residents.

More specifically, it is suggested that within areas of high need and/or development potential, the integration of modes of transportation, particularly public transportation modes, should be undertaken to create points of high accessibility for a greater number of people. These areas of public transport focus are seen as points of particular potential. Creating high density, mixed-use nodes, which provide intensive local markets, and thus, a climate in which small business can flourish around them, should reinforce these high accessibility points. The components of these nodes are discussed below.

For the purposes of the Buffalo City SDF, then, the central development concept is one of ‘beads on a string’, with the string comprising a linear system of integrated movement modes and the beads being the intensive mixed-use nodes, around multi-modal transportation terminals. An alternative (or more technical) description of the concept would be to focus on the concepts of nodes (beads) and corridors (string).

There can be no doubt that an efficient transport system is fundamental for the successful development of the City. The greater the integration between development and the road and rail modes of transport, the more opportunities there will be for economic development. This implies a need to develop intense and higher density settlements with mixed uses along the main transport routes; inner city medium density residential environments surrounding the East London and King William’s Town CBD’s and medium density residential development not more than 1 kilometre from bus/taxi routes and near stations. Densities to be aimed must be at least 40 dwelling units per hectare (gross) in order to attain the minimum threshold where public transport becomes economically sustainable.

Further investment in rural areas over and above the basic level of service prescribed by the constitution should ideally be aimed at those rural areas where water, soils and topography could sustain 'productive agricultural environments'. It is further proposed that market garden living environments be supported where commercial scale agriculture could be sustained.

Such a conceptual framework would enable a close relationship to develop between urban and rural settlements. There is a danger that urban sprawl could erode valuable agricultural land if it continues unchecked. Accordingly, it is proposed that this emphasises that increased densities close to transport and economic centres are a vital strategy.

Overall, new investment in housing, commercial buildings, industrial sites and recreation facilities should be used to increase the intensity of land use within the confines of the existing urban areas and thereby raise living densities, improve public transport viability and increase economic activity.

Investment in public facilities can also be used as development facilitators through the development of intensive mixed use nodes and creation of 'community bundles' containing public facilities, community services and sports infrastructure. Through this conceptual framework of integrating development closely with efficient transport systems, an improved environment is expected for the future city. In order to achieve such a future vision, certain key spatial structuring elements need to be used in all development decision making to direct growth and ensure the city starts to re-direct development into a framework which is more appropriate and desirable.

SPATIAL STRUCTURING ELEMENTS

Development Nodes

Nodes are generally described as areas of mixed 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.

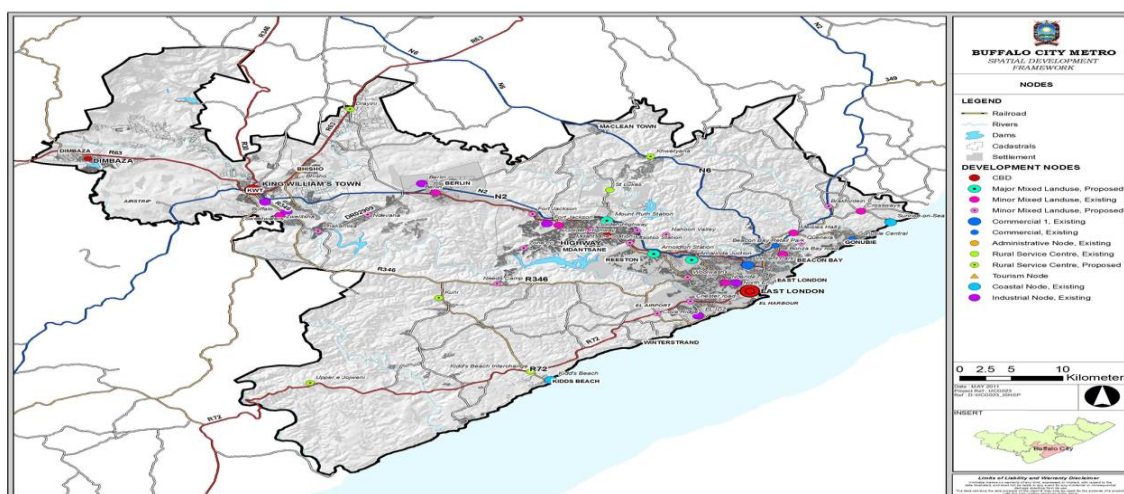
The following categories of nodes have been identified and/or are proposed:

(Refer to Plan No.1: Structuring Elements – Nodes)

NODES	
NODE TYPE	AREA/DESCRIPTION OF LOCALITY
PRIMARY NODES:	
Central Business Districts (CBDs)	<i>East London King William's Town Mdantsane Dimbaza</i>
	<i>Mount Ruth Station Arnoldton Station Amalinda Junction</i>
LOCAL NODES	
Minor Mixed Land Use Nodes (Existing)	<i>Meisies Halt Bonza Bay Road (Sparg's Centre)</i>

NODES	
NODE TYPE	AREA/DESCRIPTION OF LOCALITY
	<i>Ndende (Duncan Village)</i> <i>Golden Highway (Mdantsane)</i> <i>Berlin town centre</i> <i>Zwelitsha town centre</i>
Minor Mixed Land Use Nodes (Potential)	<i>Quenera</i> <i>Brakfontein</i> <i>Chester Road</i> <i>Cove Ridge</i> <i>Nahoon Valley</i> <i>Mdantsane Station</i> <i>Mtsotso Station</i> <i>Needs Camp</i> <i>Zone CC (Mdantsane)</i> <i>Fort Jackson Station</i> <i>Ndevana</i> <i>Phakamisa Junction</i>
Administrative Node	<i>Bhisho</i>
Commercial Nodes	<i>Vincent Park</i> <i>Beacon Bay Retail Park/The Hub</i>
Industrial Node	<i>East London IDZ</i> <i>North end</i> <i>Fort Jackson</i> <i>Berlin</i>

NODES	
NODE TYPE	AREA/DESCRIPTION OF LOCALITY
	<i>King Williams Town</i> <i>Zwelitsha</i>
Coastal Nodes	<i>Kidd's Beach</i> <i>Sunrise-on-Sea</i>
Rural Service Centre (Existing)	<i>Crossways</i> <i>St Luke's (Newlands)</i> <i>Kidd's Beach Interchange</i>
Rural Service Centre (Potential)	<i>Khwetyana Intersection (Newlands)</i> <i>Kuni Village</i> <i>Upper eJojweni Village (Tyolomnqa)</i> <i>Drayini Village (Yellowwoods)</i>



Development Corridors

(Refer to Plan No.2: Structuring Elements: Corridors)

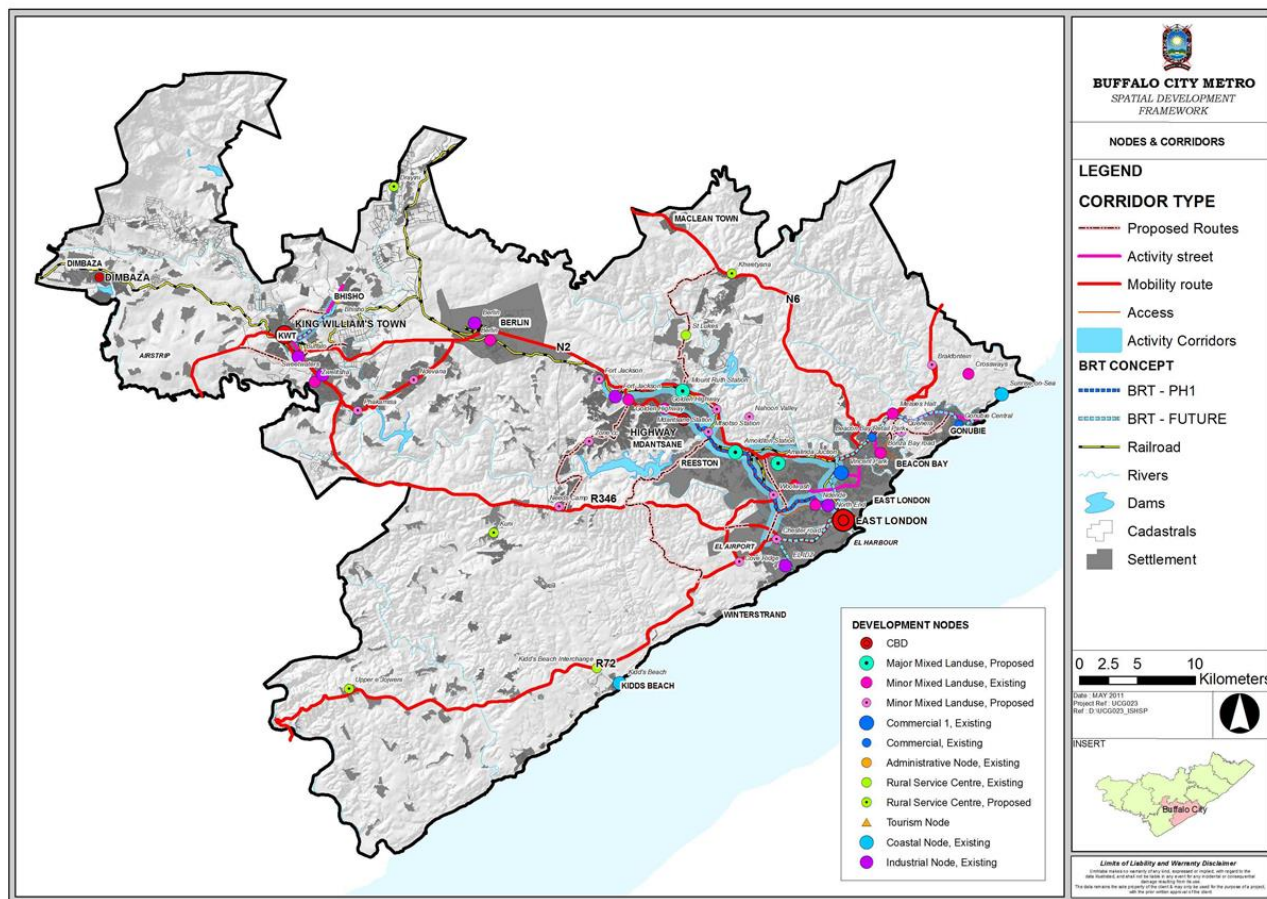
The notion of development corridors both as structuring elements to guide spatial planning as well as special development areas with specific types of development potential has been well established internationally.

Typically, development corridors have been identified as roads or other transport routes along which existing and/or potential land developments at a higher than average intensity (can) occur.

Development corridors can also be refined and described variously as follows: -

CORRIDORS		
CORRIDOR TYPE	MAP CODE	AREA/DESCRIPTION OF LOCALITY
Activity Corridors	1	<i>Mdantsane – East London Development Corridor</i>
	2	<i>Railway Corridor</i>
	3	<i>BRT Corridor</i>
	4	<i>Maitland Corridor(KWT-Bhisho)</i>
Activity Streets	5	<i>Devereux Avenue (Vincent)</i>
	6	<i>Lukin Road/Pearce Street (Berea)</i>
	7	<i>Old Transkei Road (Stirling/Nahoon)</i>
	8	<i>Gonubie Main Road</i>

		9	<i>King William's Town to Bhisho link (Maitland Road)</i>
		10	<i>Bonza Bay Road (Beacon Bay)</i>
		11	<i>Amalinda Main Road</i>
		12	<i>Oxford Street/ Western Avenue</i>
		13	<i>Alexander Road (KWT)</i>
Mobility Routes		14	<i>N2 (East London / King William's Town and East London / Umtata)</i>
		15	<i>N6 (East London / interior)</i>
		16	<i>R72 Coastal Road (East London / Port Alfred)</i>
		17	<i>Mount Coke Road ([346] East London to King William's Town)</i>
		18	<i>DR02909 linking Ilitha to Zwelitsha via Phakamisa and Ndevana</i>
Proposed Mobility Routes		19	<i>Quenera Road linking Beacon Bay Retail Park to Gonubie</i>
		20	<i>N2 Bypass (realigned) from Amalinda Interchange through Haven Hills and across Buffalo River to link into R72</i>
		21	<i>Route from Mdantsane Zone CC via Potsdam Village across Buffalo River to Needs Camp and 346</i>
		22	<i>Realignment of N2 through KWT to bypass CBD</i>
		23	<i>Mouth Ruth-Newlands-N6</i>
		24	<i>Ginsberg to Zwelitsha</i>
		25	<i>R30 (Stutterheim) to Bhisho</i>
		26	<i>Breidbach to the Bhisho access road</i>
		27	<i>Link between R346 and proposed new Buffalo River crossing</i>



Special Development Areas

In order to give a focus in the shared impact of public funding investments, many of the Spatial Development proposals are focused **Special Development Areas**: - areas where the Municipality (and other government, agencies and entities) would need to prioritise its spending and resources in enhancing and promoting integrated development outcomes. It is hoped that investments of private sector companies will also be encourage to align and to achieve shared impact in these special development areas.

These special development areas are described in detail below and include: -

Four **Urban Renewal Zones** identified as **Mdantsane** (an existing Urban Renewal Area identified as a Presidential Priority Project area and funded from various sources on that basis) and proposed **“Inner City Urban Renewal Areas”**; **Duncan Village**; **Southernwood**, **Quigney**, **Reeston**, **Zwelitsha** and **East London CBD**.

Provisional Restructuring Zones (PRZ), identified as **East London Inner City** comprising of **Duncan Village**, **Chislehurst**, **Belgravia**, **Southernwood**, **East London CBD**, **Sleeper Site**,

Quigney, Arnoldton/Reeston, Summerpride, West Bank in East London, whole of Amalinda, King Williams Town CBD and Bhisho/KWT Corridor.

The West Bank Mixed Land Use Cluster, which is associated principally with the East London Industrial Development Zone (ELIDZ) but which is comprised of numerous existing and potential developments, including the East London Harbour, the Daimler Chrysler Manufacturing Plant and areas identified for industrial development, mixed land use, and public-funded housing; and King Williams Town Economic Upliftment Programme.

Potential Mixed Land Use areas located west of the Buffalo Pass Road, which is unlikely to encompass a mix of commercial and smallholding agricultural land uses.

Public funded residential developments:-

- *The Nongqongqo Restitution and Airport Phase 11A Residential Developments, located North/North West of Phase 1 of the ELIDZ;*
- *Potential residential areas located west of the Noise Interference Zone associated with the East London Airport*

King Williams Town/Berlin: specific upliftment programmes which includes Bhisho-Kwt Revitalisation Initiative, KWT CBD Revitalisation and the Industrial Revitalisation

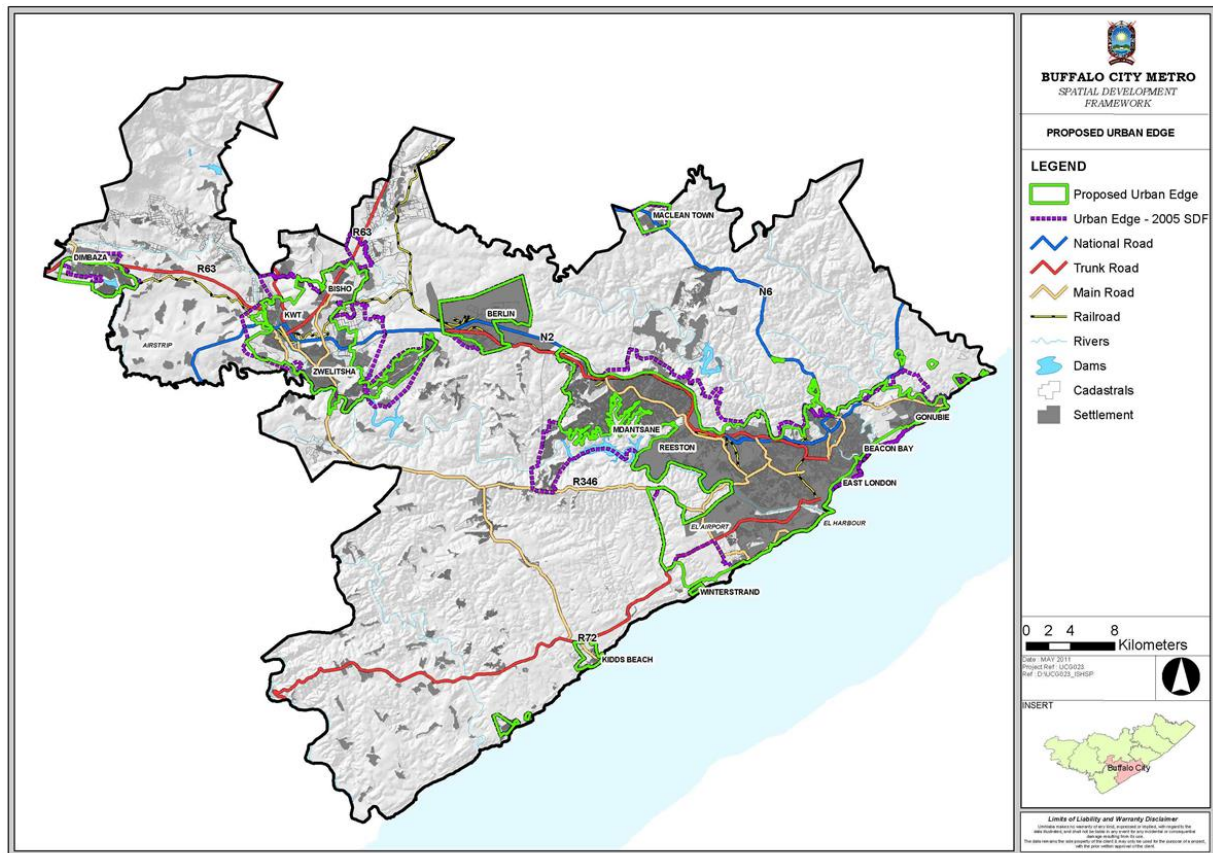
Urban Edge

As part of the effort to consolidate the urban areas and achieve a more compact city, the Spatial Development Framework proposes that an Urban Edge be defined beyond which it is envisaged that lower density rural development will be favoured (refer to **Plan 3 below**).

As part of the review of this SDF, the coverage of the Urban Edge was adjusted according to the Services Edges proposed by Engineers. The Services Edge comprises a boundary (similar to the concept of an urban edge), up to which municipal infrastructure can be provided according to current resources.

In view of the pressure as well as information produced from Local Spatial Development Frameworks on the Metropolitan to provide services, the urban edge has been adjusted in Dimbaza, King Williams Town, Bhisho, Zwelitsha, Berlin, Mdantsane and Summerpride, West Bank and Gonubie and is depicted on Plan below.

The plan below shows the original urban edge (SDF 2005) and the new (proposed urban edge) in a different colour, so the difference can be easily distinguished.



Key Economic Opportunities

The following key economic opportunities, which have been highlighted from previous discussions and documents within the municipality: -

- *Green-Energy hub in Berlin Industrial Area;*
- *Horse Racing Track and Complex at Berlin;*
- *Marketing “Lifestyle City” based on natural environmental assets;*
- *Promoting University Town Concept;*
- *Enhance Beachfront as Tourist attraction i.e. Esplanade Upgrade*

Densification Strategy

For the purposes of the present SDF, it is proposed that BCMM continue to promote densification and intensification of land uses, recognizing that such outcomes would improve the environmental and economic efficiency and sustainability of the city overall, and especially those parts of the city where public (or social) goods and services are central to the wellbeing of residents.

Accepting that the overall population growth rate in BCMM is relatively low and that therefore densification should be pursued in areas where it makes best strategic sense to do so, it is proposed that the SDF

continue to facilitate an increase in densities and the mix and intensity of land uses in specific focus areas or so-called INTEGRATION ZONES. This is proposed deliberately to continue the re-structuring of the city, with the ultimate objective remaining that of a functional and inter-related settlement pattern where high-density, efficiently functioning urban areas provide the platform for a strengthening urban economy with strong linkages to outlying peri-urban and rural areas (“Building on Urban and Rural Strengths”).

In this regard, the overall objective of densification in the identified Integration Zones will be to attain an improvement in operating thresholds for a range of public and private goods and services so that services such as public transport become economically viable and sustainable.

Proposed Integration Zones

The following are the key focus areas (Integration Zones) identified where, it is proposed, the objective of densification and the intensification of a range of land uses are to be promoted. The table provides an indication of the rationale (reason) for the identification of the Focus Area: -

PROPOSED INTEGRATION ZONES	
INTEGRATION ZONES	MOTIVATION
A. East London CBD	<i>Mass-Transit Node</i> <i>Fort Hare University Centre</i> <i>Student accommodation</i> <i>CBD multi-user focal area</i>
B. Southernwood and Belgravia	<i>CBD-Peripheral Area</i> <i>Area of good access to Transport routes</i> <i>Existing high density development can be extended</i>
C. Quigney	<i>CBD-Peripheral Area</i> <i>Area of good access to Transport routes</i> <i>Existing high density development can be extended</i>
D. Mdantsane CBD	<i>Mass-Transit Node</i> <i>CBD multi-user focal area</i>
E. West Bank / Greenfields	<i>Integrated Mixed Land Use Potential</i> <i>Residential/Business/Industrial</i> <i>Future Mass-Transit Node</i>

F. KWT CBD	<i>Mass-Transit Node</i> <i>CBD multi-user focal area</i>
G. Arnoldton	<i>Future Mass-Transit Node</i> <i>Mixed Land Use Potential</i> <i>Residential/Business/Office</i>
H. Mount Ruth Node	<i>Future Mass-Transit Node</i> <i>Mixed Land Use Potential</i> <i>Residential/Business/Office</i>
I. Bhisho Corridor	<i>CBD multi-user focal area</i> <i>Administrative Centre</i> <i>Mixed Land Use Potential</i> <i>Residential/Business/Office</i>

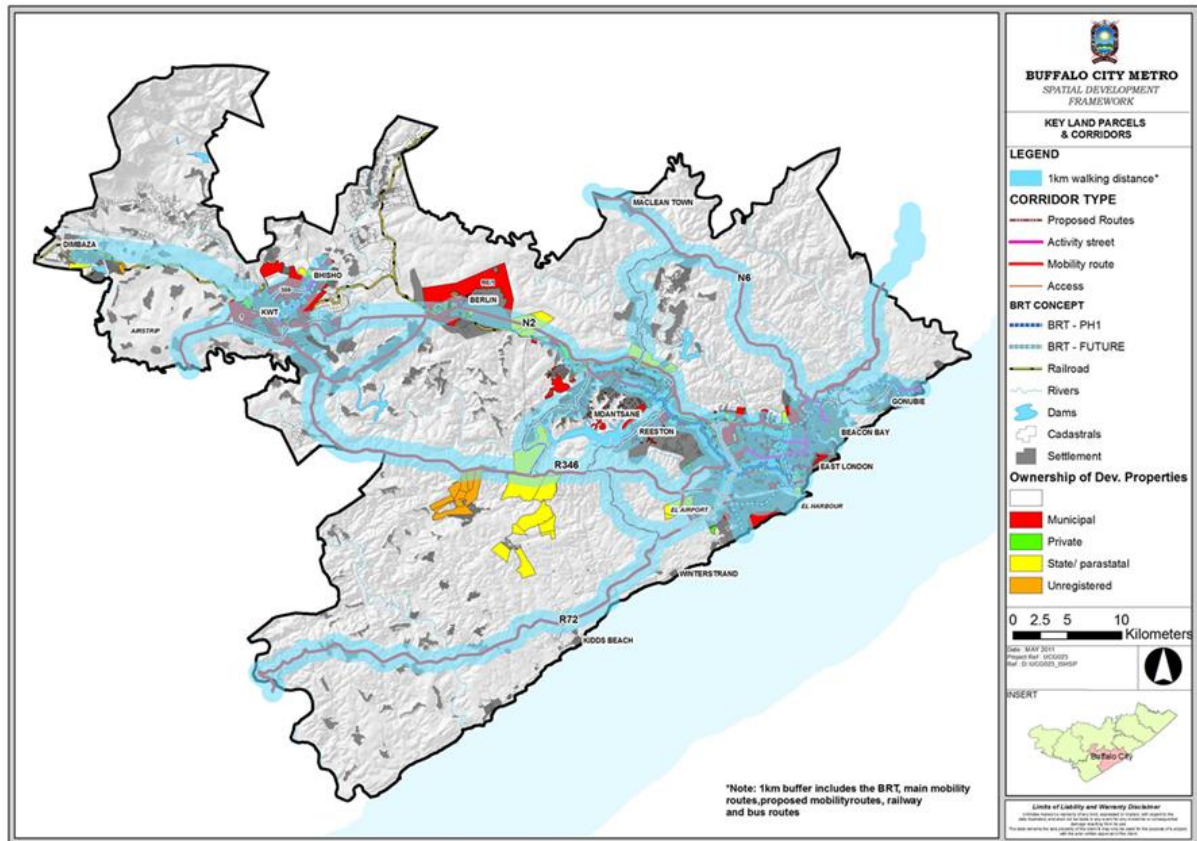
Densification, the Urban Edge and Erf Sizes

Simply put, the concept of Densification works together with the Urban Edge towards the achievement of a more Compact City by encouraging the intensification of residential land uses in areas within the urban edge and thereby limiting urban sprawl. Densification can be achieved by:

- o *Allowing the development of smaller residential erven (access to these smaller erven by using 'panhandles' and Right of Way servitudes needs to be carefully considered).*
- o *Encouraging higher densities in 'low cost' housing developments, bearing in mind that this will need to be achieved in many cases as an outcome of an extended "dialogue" between the needs and expectations of a given beneficiary community and the Municipality and its representatives.*
- o *Encouraging development of flats and townhouses (cluster housing) in areas of high accessibility (especially in the Integration Zones)*
- o *Discouraging subdivision of agricultural land (outside of the Urban Edge) by setting a minimum subdivision size of 10ha. This will encourage densification within the Urban Edge and protect valuable agricultural land.*
- o *Encouraging development of 'Social Housing' in the Integration Zones identified within the Urban Edge.*
- o *Supporting the range of generic settlement models proposed in the Amathole District Municipality in the Land Reform & Settlement Plan with respect to peri-urban and rural settlement formation.*

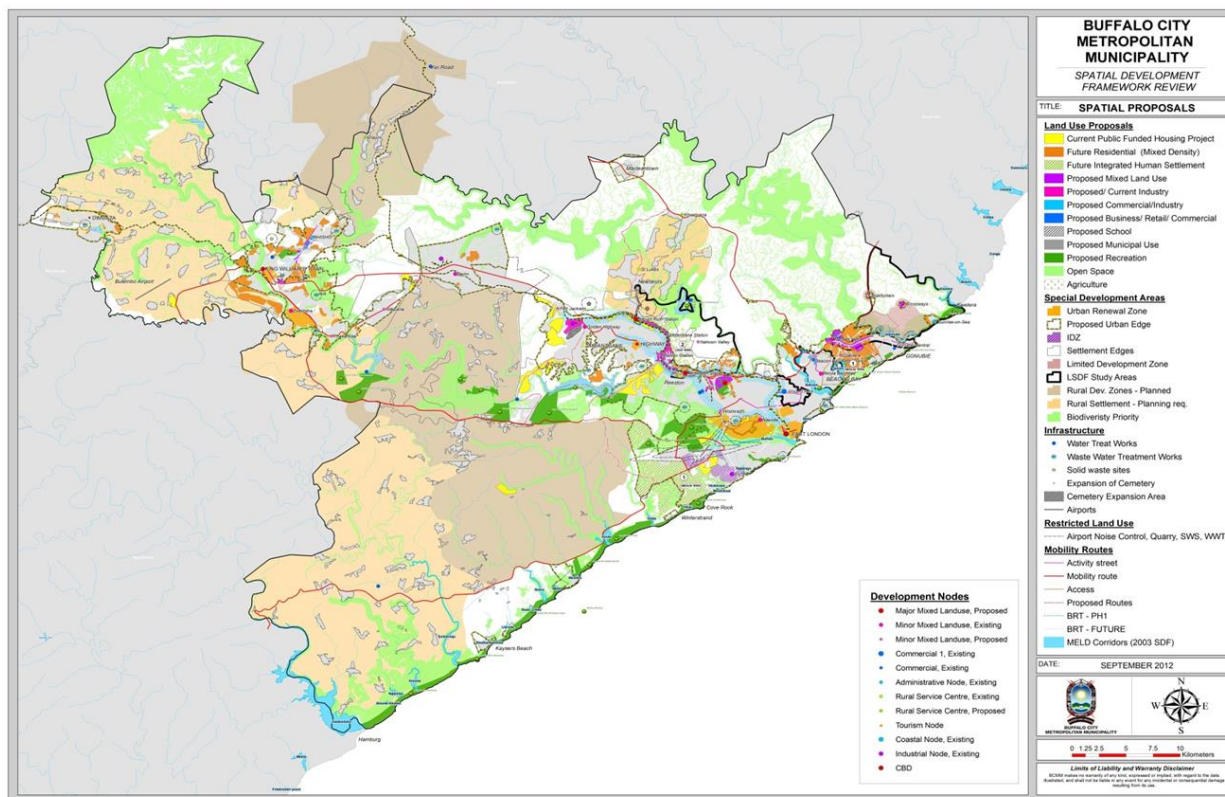
1km Densification Zone

The following plan indicates a 1km wide zone along development corridors and public transport routes where densification could possibly take place.



BCMM Spatial Development Plan

The following plan represents the overall Spatial Development Framework which is a summary of environmental and resource elements; development nodes and corridors; special development areas, infrastructure proposals and proposed land uses identified for Buffalo City Metropolitan Municipality.



Spatial Planning & Land Use Programmes

In order to give effect to the SDF, three spatial development programmes and related priority projects are identified. It should be noted that the Priority Projects identified within the Programmes are not prioritised for completion in the time frame under review but extend beyond that.

The three spatial development programmes are noted as: -

- The Urban and Rural Forward Planning Programme;
- The Settlement Planning Programme;
- Land Use Management

This programme addresses the ongoing need for the BCMM to be pro-active in spatial planning matters to ensure a secure and facilitative environment within which development can occur. The need for forward planning is acknowledged in the Development Facilitation Act (Act No. 67 of 1995) as well as the White Paper on Wise Land Use: Spatial Planning and Land Use Management and the related Land Use Management Bill (2001).

In essence, the SDF defines the notion of forward planning, in that it is the overall indicative plan applicable to a given municipal area. However, it is necessary for forward planning to be applied at

different levels of detail in order to guide and inform current and future land developments and land uses at different scales. To this end BCMM has developed and is developing more detailed or Local SDF's, to apply to certain precincts within the overall municipal area, where this is deemed necessary or desirable within the overall framework.

Since the approval of the BCM SDF in 2003 the following Local Spatial Development Frameworks have been approved by Council:

- Vincent Berea LSDF
- West Bank LSDF
- Mount Ruth Nodal Framework Plan
- Quenera LSDF
- Mount Coke Dimbaza LSDF
- Urban Edge Policy Framework
- Bonza Bay LSDF
- Duncan Village LSDF
- Beach Front LSDF
- Gonubie Main Road LSDF
- Kwelera LSDF
- Mdantsane LSDF
- Bhisho/KWT LSDF
- Newlands LSDF

The following LSDF's have been identified as priority Urban and Rural Forward Planning projects for the next three years, in addition the development of the Settlers Way LSDF is underway to give effect to the directions established in this SDF and subsequent review process.

Forward Planning Programme: 2015 – 2018

2015/16	2016/17	2017/18
Mdantsane Residential Township Feasibility Study	Two Rivers Drive Mixed Use Feasibility Study	Settlersway LSDF Review
Bonza Bay LSDF Review	North West Corridor LSDF	SDF Review

The Settlement Planning Programme: 2015 - 2018

This Programme focuses on the design of settlements for human habitation and includes the following: -

- Implementation, management, monitoring and evaluation of in-house and consultant project teams for a wide variety of Settlement Planning projects and interventions;
- Planning for municipal 'Greenfield' developments (i.e. the design and layout of new settlements);
- Planning for municipal 'Brownfield' developments (i.e. the re-design and subdivision and/or consolidation of existing settlements or developed areas);
- Planning for and upgrading of in-situ settlements of existing less formal and informal urban, peri-urban and rural settlements; and
- A wide range of feasibility studies that enable successful and comprehensive Settlement Planning projects.

The following Settlement Planning Programmes are scheduled to be undertaken during the next three years, in support of the overall BCMM SDF and the LSDF's prepared for the respective areas.

2015/2016	2016/2017	2017/2018
Duncan Village Township Establishment Programme	Identification of suitable TRA able to accommodate 500 units.	Township Establishment for Urban settlements inside Urban Edge
Township Establishment for East Bank Restitution, Phase 2.	Township Establishment for Rural settlements outside Urban Edge	Township Establishment for Rural settlements outside Urban Edge
Informal Settlement Programme: In-situ Upgrading of High & Medium Priority Settlements	Township Establishment for Infill Areas located in Mdantsane	Township Establishment for Infill Areas located in Mdantsane

Township Establishment for Infill Areas located in Mdantsane		In Situ Upgrading of Informal Settlements
Feasibility Studies for Township Establishment for Xhwitinja, Ginsberg and KwaTshatshu	Township establishment of Xhwitinja, Ginsberg and KwaTshatshu	

Land Use Management

Land Use Management addresses the ongoing need for the BCMM to engage in land use management within the terms of reference of the new, normative planning system promoted by National government in recent policy and legislation. The critical legislation here is the Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA). The Act has been implemented on the 1 July 2015. In order to make SPLUMA operational and to process land use applications each Municipality requires a By- Law. BCMM has finalized this By-Law and it is awaiting final approval by Council. The draft By-Law was submitted and work shopped with council and it has been advertised and presented to the public. Once Council has approved the By Law it will be gazetted in the Provincial Gazette.

In order to deal more effective with illegal land uses in BCMM, which is becoming a major problem in the municipality, BCMM is in the process a develop a Land Use Enforcement By- Law. The objective of this By-Law is to have more “teeth” from a legal point of view to deal more effective and quicker with illegal land uses. This By Law has been work shopped with Councilors and then it will be advertised for public comments and the submitted to Council for final approval. Once Council has approved the By Law it will be gazetted in the Provincial Gazette.

Key activities here include establishing a sound knowledge base to provide clear direction on land use and potential areas for land development and land use changes, but principally, the formulation of a new, integrated and unitary Land Use Management Scheme, which would have a binding effect on land development and land use management in the different settings of the urban and rural environments in Buffalo City.

SECTION D

IDP OBJECTIVES, STRATEGIES, KEY PERFORMANCE INDICATORS AND TARGETS 2017 – 2021

Section D contains IDP Objectives, Key Performance Indicators and Targets for 2017-2021. The section is structured in line with the following Buffalo City Metropolitan Municipality's Metro Growth & Development Strategy (MGDS) 5 strategic outcomes to be achieved by the year 2030 and are listed as follows:

- **An innovative and productive city:** with rapid and inclusive economic growth, and falling unemployment
- **A green city:** environmentally sustainable with optimal benefits from our natural assets. A clean and healthy city of subtropical gardens.
- **A connected city:** high-quality (and competitively priced) connections to ICT, electricity and transport networks (inside the city and to the outside world). By 2030 BCMM must be a fully logistics hub.
- **A spatially-integrated city:** the spatial divisions and fragmentation of the apartheid past are progressively overcome and township economies have become more productive.
- **A well-governed city:** a smart and responsive municipality (working with other levels of government) that plans and efficiently delivers high quality services and cost effective infrastructure, without maladministration and political disruptions.

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
STRATEGIC OUTCOME 1: AN INNOVATIVE & PRODUCTIVE CITY						
Institutional Service Delivery & Operating Model	Promote sound financial and administrative capabilities	% of the municipality's budget spent on implementing its workplace skills plan on training and development opportunities to BCMM staff	1.7%	1.7%	1.7%	1.7%
Safety	To develop and maintain world class infrastructure and utilities	Number of fire stations refurbished	0	1	2	2
Operations & Maintenance of Revenue	To develop and maintain world class infrastructure and utilities	Number of BCMM owned resort facilities upgraded	1	2 (Gonubie and Nahoon)	2	2

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
Generating Assets						
Economic Development	Maintain Inclusive and sustainable economic Growth	Number of industrial areas provided with support	1	1	1	1
Economic Development		Number of infrastructure projects for informal traders implemented	2	2	2	4
Economic Development		Number of small businesses & cooperatives supported	600	1000	1000	1000
		% of Budget allocated for SMMEs & Businesses within BCMM Boundaries	0	15%	15%	20%
Economic Development		Number of job opportunities created through LED initiatives including implementation of capital projects	1000	1300	1300	1300
Economic Development		Number of Arts, Culture and Heritage projects implemented	14	12	12	12
Economic Development		Number of programmes implemented to grow Buffalo City Tourism sector	11	11	11	11

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
Agriculture & Rural Development	Enhance land productivity through sustainable agriculture land-use technologies	Number of Agricultural projects supported with infrastructure	10	2	2	4
Economic Development	Maintain Inclusive and sustainable economic Growth	Number of incubation / innovation hubs established and supported	2	1	1	2
Economic Development		Number of tourism infrastructure supported	2	2	2	2
Economic Development		Number of businesses provided with export development support	13	20	20	20
STRATEGIC OUTCOME 2: A GREEN CITY						
Waste Economy	To Promote an environmentally friendly city	Number of waste cells constructed	1	1	1	0

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
Operations & Maintenance of Revenue Generating Assets		% Progress towards construction of Leachate Treatment Plant at Roundhill	0	25%	100%	N/A
		% of households with access to basic solid waste removal services	126 500 (100%)	126 500 (100%)	126 500 (100%)	126 500 (100%)
		Number of clean-up campaigns implemented	4	4	4	4
		Number of sports fields upgraded	8	4	10	10
		Number of Zoo facilities upgraded	5	6	0	0
		Number of nature reserves facilities upgraded	3	2	0	0
		Number of BCMM entrances open spaces beautified	0	6	6	6

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
		Number of areas cleared of invasive plants	0	6	6	6
		Number of beaches facilities upgraded	4	4	4	4
		Number of Swimming Pools upgraded	2	7	1	0
Agriculture & Rural Development		Number of Agricultural Famer support programmes implemented	4	8	8	8
STRATEGIC OUTCOME 3: A CONNECTED CITY						
Infrastructure & ICT	Develop and maintain world class logistics infrastructure	Number of High Sites with LTE Network	0	3	3	3
		Number of Business processes automated	0	4	4	4

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
		Number of Directorates that are connected to Citizens Engagement App	4	4	0	0
		Number of Public Wi-Fi hotspots established for BCMM citizens	15	15 Hotspots	20 Hotspots	25 Hotspots
		Kilometers (km) of roads surfaced	30km	30km	30km	
		Number of pedestrian bridges constructed	1	2	2	0
		Number of bridges rehabilitated	3	3	3	3
		Kilometers (km) of gravel roads rehabilitated	80km	80km	80km	0
		Kilometers (km) of sidewalks constructed	1km	3	3	3
		Number of speed humps constructed	32	32	32	32
Housing		Number of formal dwellings provided with a basic electricity service (RDP)	1700	1200	1200	1200
		Number of informal dwellings provided with a basic electricity service (RDP)	500	1000	1000	1000

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
		Km of gravel Roads upgraded to Surfaced Standard	0	3km	0	0
Infrastructure		Number of Taxi Embayments constructed	1	5	3	3
STRATEGIC OUTCOME 4: A SPATIALLY TRANSFORMED CITY						
Land	To promote an integrated spatial form	Number of land parcels approved by Council for acquisition for Mixed Use Integration Zone, privately owned.	0	4	6	0
Infrastructure		Number of ablution facilities constructed	0	2 (Gonubie and Mdantsane)	0	0
		Number of cemeteries upgraded	11	14	14	14
		Number of community halls constructed	Completion of Phase 1 of Nompumelelo community hall	1 (Nompumelelo community hall)	0	1
		Number of community halls upgraded	5	3	5	5
		Number of public transport facilities rehabilitated	1	1	1	1

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
Housing		Number of new high mast lights installed	5	10	10	10
		% households with access to basic level of sanitation	90%	93%	94%	96%
		Number of top structures Practically Completed	583	1050	1100	1150
		Number of sites provided with municipal basic services	866	1300	1350	1400

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
Operations & Maintenance of Revenue Generating Assets		Number of BCMM owned buildings upgraded	0	14	0	0
<p style="text-align: center;">STRATEGIC OUTCOME 5: A WELL GOVERNED CITY</p>						
Institutional Service Delivery &	Promote sound financial and administrative capabilities	Number of people from employment equity target groups (females) employed in the 3 highest levels of management	3	3	3	2

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
Operating Model		Number of people from employment equity target groups (disabled) employed	3	6	5	4
		Number of Areas covered by surveillance cameras	3	3	2 (KWT and Bhisho)	3
		% Compliance of water treatment works with SANS 241 requirements	95%	95%	95%	95%
		Compliance with effluent quality standards (weighted cumulative average)	<75%	<75%	<75%	<75%
		% of a municipality's capital budget spent on capital projects identified in the IDP	90%	90%	90%	
		% revenue Collection Rate as measured in accordance with the MSA performance regulations	89%	94%	95%	95%
		% of SMMEs and Local Businesses paid within 30days	0	100%	100%	100%
ICT		Number of Smart Meters installed	18000	11000	11000	0

BCMM Council Key Focus Areas	Strategic Objective	Key Performance Indicator	2017/18 Baseline	2018/19 Target	2019/20 Target	2020/21 Target
Institutional Service Delivery & Operating Model		Number of households earning less than R3200 per month with access to free basic services	5000	5000	0	0
		Number of training sessions provided for ward committees	2	2	1	1
		Number of sporting events supported	3	3	3	3
		Number of By-Laws Reviewed	12	12	0	0

SECTION E

BUDGET, PROGRAMMES & PROJECTS

1. The 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 Capital Programmes for 2018/2019 Draft MTREF are indicated below:

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
EXECUTIVE SUPPORT SERVICES				
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS
OFFICE FURN AND EQUIPMENT (COUNCILLORS)	3 000 000	0	0	OWN FUNDS
TOTAL: EXECUTIVE SUPPORT SERVICES	3 500 000	500 000	500 000	
CITY MANAGER'S OFFICE				
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	0	OWN FUNDS
FIBRE NETWORK	23 000 000	23 000 000	5 000 000	OWN FUNDS
LTE INFRASTRUCTURE	13 000 000	12 000 000	5 000 000	OWN FUNDS
DISASTER RECOVERY ENHANCEMENT	2 000 000	1 000 000	5 000 000	OWN FUNDS
PROCUREMENT OF ICT EQUIPMENT	1 260 000	1 260 000	4 000 000	OWN FUNDS
NETWORK EQUIPMENT REFRESH(KWT,MDA,BISHO)	0	0	5 000 000	OWN FUNDS
INTELLIGENT OPERATING CENTRE HARDWARE & SOFTWARE	12 000 000	6 000 000	6 000 000	OWN FUNDS
OFFICE FURNITURE AND EQUIPMENT-EPMO	80 000	80 000	80 000	USDG
TOTAL: CITY MANAGER'S OFFICE	51 840 000	43 840 000	30 080 000	
CORPORATE SERVICES				
OFFICE FURN AND EQUIPMENT (DIRECTORATE)	500 000	500 000	0	OWN FUNDS
EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM	3 000 000	0	0	OWN FUNDS
PHASE 1-UPGRADING OF THE DISABILITY FRIENDLY OF MUNICIPAL BUILDINGS	0	0	0	OWN FUNDS
PHASE 2-UPGRADING OF THE DISABILITY FRIENDLY OF MUNICIPAL BUILDINGS	0	0	1 500 000	OWN FUNDS
FURNITURE FOR INTERNS	100 000	0	500 000	ISDG
TOTAL: CORPORATE SERVICES	3 600 000	500 000	2 000 000	

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
SPATIAL PLANNING & DEVELOPMENT				
UPGRADING OF LIFTS FOR BCMM BUILDINGS	2 500 000	0	0	OWN FUNDS
UPGRADING OF KING WILLIAMS TOWN PAYMENTS HALL	2 500 000	0	0	OWN FUNDS
MDANTSANE MAIN COMPLEX RESURFACING	3 472 900	0	0	OWN FUNDS
REFURBISHMENT OF NEW DISABLED FACILITIES	500 000	0	0	OWN FUNDS
BISHO CIVIC CENTRE (FENCING)	1 500 000	0	0	OWN FUNDS
CONSTR - NEW OFF - CHISELHURST BMS DEPOT	1 000 000	0	0	OWN FUNDS
EXTENS - WORKSH AT CHISELHURST BMS DEPOT	1 000 000	0	0	OWN FUNDS
MAJOR REFURBISHMENT OF MUNICIPAL BUILDING IN VARIOUS AREAS	1 250 000	0	0	OWN FUNDS
MDANTSANE ZONE 6 REFURBISHMENT	2 500 000	500 000	0	OWN FUNDS
MUNICIPAL BUILDINGS REFUBISHMENT OF DISAB FAC (ACC PATH & RAMPS)	1 250 000	0	0	OWN FUNDS
GREENFIELDS FLATS REFURBISHMENT	1 250 000	0	0	OWN FUNDS
BUXTON AND ELECTRICITY HOUSE REFURBISHMENT	4 000 000	0	0	OWN FUNDS
GREENPOINT BOWLING CLUB REFURBISHMENT	4 000 000	0	0	OWN FUNDS
BEACONSFIELD HEALTH DEPARTMENT REFURBISHMENT	4 000 000	0	0	OWN FUNDS
FLEET STREET FIRE STATION REFURBISHMENT	1 250 000	0	0	OWN FUNDS
SLEEPER SITE REFURBISHMENT	4 000 000	0	0	OWN FUNDS
ORIENT THEATRE REFURBISHMENT	2 000 000	1 000 000	2 000 000	OWN FUNDS
NEW AIR-COND (REPLAC-SHOPRITE CAXTON ST)	2 500 000	0	0	OWN FUNDS
NEW A/CON PLANT - CITY ENGINEERING BUILD	2 500 000	3 000 000	0	OWN FUNDS
NEW A/CON PLANT - MUNIFIN (ONE PLANT)	4 500 000	0	0	OWN FUNDS
GONU TRAFF R/WORT REFURB & UPGR OF OFF	2 500 000	0	0	OWN FUNDS
UPGRADING OF ELECTRICAL - FIRE DEPART EL	800 000	0	0	OWN FUNDS
UPGRADING OF ELECTRICAL - OLD MUTUAL	800 000	0	0	OWN FUNDS
UPGRAD OF ELECTRICAL -BISHO CIVIC CENTRE	800 000	0	0	OWN FUNDS
UPGRADING OF ELECTRIC -KWT CIVIC CENTRE	800 000	0	0	OWN FUNDS
SOFTWARE	4 000 000	0	0	OWN FUNDS
LAND ACQUISITION	11 000 000	25 000 000	0	OWN FUNDS
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	0	OWN FUNDS
ROADS	23 000 000	14 500 000	25 000 000	USDG
ROADS - 50%	4 000 000	18 000 000	30 000 000	LOAN
QUMZA HIGHWAY PHASE 7 - PHASE 1 & 2	81 165 000	213 614 000	167 020 000	PTIG
MDANTSANE ACCESS ROAD	0	5 000 000	80 000 000	PTIG
BRIDGE DESIGNS & IMPLEMENTATION	4 500 000	9 000 000	12 000 000	USDG
TAXI/BUS EMBAYMENTS	3 000 000	2 500 000	2 000 000	USDG
TAXI RANK INFRAST (ROADS & ABLUTION FAC)	8 500 000	5 000 000	0	USDG
TAXI RANK INFRAST (ROADS & ABLUTION FAC)	0	18 000 000	0	OWN FUNDS
TRAFFIC CALMING	3 000 000	4 200 000	4 200 000	USDG
TRAFFIC SIGNALS	3 500 000	3 600 000	3 000 000	USDG
SIDEWALKS	5 500 000	5 000 000	5 000 000	USDG
GUIDANCE SIGNAGE	200 000	200 000	300 000	USDG
GUARDRAILS	800 000	1 000 000	1 000 000	USDG
MARKET SQUARE TAXI RANK	15 000 000	24 500 000	0	OWN FUNDS
NORTH WEST CORRIDOR	4 000 000	4 000 000	25 000 000	OWN FUNDS
TAXI CITY TAXI RANK	7 000 000	0	0	OWN FUNDS
MARKET SQUARE BUS RANK	7 000 000	9 500 000	0	OWN FUNDS
MARY STREET	6 000 000	7 500 000	6 000 000	OWN FUNDS
NEEDS CAMP POTSDAM BRIDGE	19 000 000	2 500 000	0	USDG
TOTAL: SPATIAL PLANNING & DEVELOPMENT	263 837 900	377 614 000	362 520 000	

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
ECONOMIC DEVELOPMENT & AGENCIES				
UPGRADING OF MARKET HALL	0	18 000 000	20 000 000	USDG
UPGRADING OF MARKET HALL	10 000 000	0	0	OWN FUNDS
HYDROPONICS AND PACKHOUSE	4 000 000	5 000 000	10 000 000	OWN FUNDS
INFORMAL TRADE (HAWKER STALLS)	8 000 000	9 000 000	15 000 000	OWN FUNDS
UPGRADING OF BUILDINGS	1 000 000	1 000 000	1 000 000	OWN FUNDS
OFFICE FURN & EQUIPMENT - SMME INCUBATOR	1 000 000	1 000 000	2 000 000	OWN FUNDS
BUILD A TOMBSTONE FOR CHIEF TSHATSHU	70 000	200 000	200 000	OWN FUNDS
FENCING OF GERMAN SETTLER MONUMENT - KWT	350 000	200 000	200 000	OWN FUNDS
RESTORAT WORK - DIMBAZA CHILDREN'S GRAVE	600 000	200 000	500 000	OWN FUNDS
UPGRADE OF RHARHABE ROYAL FAMILY GRAVES	600 000	200 000	200 000	OWN FUNDS
UPGRADE OF RUBUSANE GRAVE IN BRAELYN	60 000	200 000	200 000	OWN FUNDS
EXTENSION OF MDANTSANE ART CENTRE	1 600 000	1 000 000	1 000 000	OWN FUNDS
KWT ART CENTRE	1 720 000	1 000 000	1 500 000	OWN FUNDS
FENCING OF THE SITE	2 000 000	0	2 500 000	OWN FUNDS
SITE LANDSCAPING - COMMUNITY LODGE	2 500 000	0	2 000 000	OWN FUNDS
INSTALLATION OF KIDDIES PLAY PARK FACC	4 500 000	0	1 000 000	OWN FUNDS
INSTALLATION OF THE THREE PHASE ELECTRIC	3 000 000	0	3 000 000	OWN FUNDS
INSTALLATION OF SANITATION INFRASTRUCT	2 000 000	0	3 000 000	OWN FUNDS
INSTALLATION OF WATER INFRASTRUCTURE	2 000 000	0	3 000 000	OWN FUNDS
UPGRADING OF ACCESS ROAD TO COMMUN LODGE	3 000 000	0	5 000 000	OWN FUNDS
TOURISM HUB	4 000 000	10 000 000	10 000 000	OWN FUNDS
REVITALISATION OF INDUSTRIAL AREA	4 000 000	1 000 000	5 000 000	OWN FUNDS
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS
WATERWORLD	25 000 000	0	0	OWN FUNDS
BCMDA CAPITAL PROJECT	0	50 000 000	50 000 000	OWN FUNDS
TOTAL: ECONOMIC DEVELOPMENT & AGENCIES	81 500 000	98 500 000	136 800 000	297

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUNDS
FINANCE SERVICES				
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	0	OWN FUNDS
COMPUTERS (INTERNS)	100 000	100 000	100 000	FMG
SMART METERING SOLUTIONS (64 120 000	100 120 000	0	OWN FUNDS
ASSET REPLACEMENTS - INSURANCE	10 000 000	10 000 000	0	OWN FUNDS
FULLY INTEGRATED ASSET MANAGEMENT SYSTEM	0	15 000 000	0	OWN FUNDS
ACQUIRE ERP SYSTEM (ACQUISITION OF ASSET MANAGEMENT SYSTEMS)	30 000 000	40 000 000	0	OWN FUNDS
INDIGENT MANAGEMENT SYSTEM	10 750 000	1 500 000	1 500 000	OWN FUNDS
NEW METER READING SYSTEM	7 168 000	0	2 000 000	OWN FUNDS
CONSTRUCTION OF OFFICE ACCOMODATION -CUSTOMER CARE OFFICE-MIDLAND	20 000 000	15 000 000	0	OWN FUNDS
PROCUREMENT SYSTEM	10 000 000	0		OWN FUNDS
TOTAL: FINANCE SERVICES	152 638 000	182 220 000	3 600 000	
HEALTH/PUBLIC SAFETY AND EMERGENCY SERVICES				
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	1 000 000	0	OWN FUNDS
EARLY WARNING SYSTEMS	1 200 000	0	1 600 000	OWN FUNDS
DISASTER MANAGEMENT: EVENT SAFETY EQUIPM	120 000	150 000	180 000	OWN FUNDS
FIRE ENGINES PROCURED	5 000 000	9 000 000	12 000 000	OWN FUNDS
REFURBISH & REHAB - FIRE INFRASTRUCTURE	1 200 000	1 200 000	1 600 000	OWN FUNDS
AIR MONITORING STATION	900 000	0	1 000 000	OWN FUNDS
CLOSED CIRCUIT TELEVISION NETWORK - CCTV	2 000 000	0	3 500 000	OWN FUNDS
TRAFFIC AND LAW ENFORCEMENT EQUIPMENT	600 000	1 000 000	1 000 000	OWN FUNDS
RADIO NETWORK	800 000	0	1 500 000	OWN FUNDS
FIRE EQUIPMENT	0	0	1 000 000	OWN FUNDS
REFURBISHMENT OF FIRE STATIONS	0	0	1 000 000	OWN FUNDS
NEW FIRE STATION	0	0	10 000 000	OWN FUNDS
NEW EMERGENCY SERVICES CENTRE	0	0	10 000 000	OWN FUNDS
FOOD SAFETY EQUIPMENT	0	0	450 000	OWN FUNDS
TOTAL: HEALTH/PUBLIC SAFETY AND EMERGENCY SERVICES	12 320 000	12 350 000	44 830 000	

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
HUMAN SETTLEMENTS				
OFFICE FURN & EQUIPMENT (DIRECTORATE)	500 000	500 000	500 000	OWN FUNDS
POTSDAM IKHWEZI BL 1 - STORMWATER (8.2%)	751 464	0	1 640 000	USDG
POTSDAM IKHWEZI BL 1 - ROADS (12.8%)	1 173 018	0	2 560 000	USDG
POTSDAM IKHWEZI BL 1 - SANITATION(69%)	18 183 840	0	3 800 000	USDG
POTSDAM IKHWEZI BL 1 - WATER (10%)	3 035 278	0	2 000 000	USDG
POTSDAM IKHWEZI BL 2 - WATER (10%)	0	500 000	16 575 500	USDG
POTSDAM IKHWEZI BL 2 - SANITATION(69%)	0	3 450 000	0	USDG
POTSDAM IKHWEZI BL 2 - ROADS (12.8%)	0	640 000	0	USDG
POTSDAM IKHWEZI BL 2 - STORMWATER (8.2%)	0	410 000	0	USDG
POTSDAM NORTH KANANA - STORMWATER (8.2%)	751 464	1 640 000	4 100 000	USDG
POTSDAM NORTH KANANA - ROADS (12.8%)	1 173 018	2 560 000	6 400 000	USDG
POTSDAM NORTH KANANA - SANITATION(69%)	6 323 298	11 800 000	20 000 000	USDG
POTSDAM NORTH KANANA - WATER (10%)	916 420	2 000 000	5 000 000	USDG
ILITHA NORTH 177 UNITS - WATER (10%)	500 000	500 000	0	USDG
ILITHA NORTH 177 UNITS - SANITATION(69%)	3 450 000	3 450 000	0	USDG
ILITHA NORTH 177 UNITS - ROADS (12.8%)	1 050 000	1 050 000	0	USDG
ILITHA NORTH 177 UNITS - STORMWATER (8.2)	410 000	410 000	0	USDG
DUNCAN VILLAGE PROPER - STORMWATER (8.2%)	82 000	41 000	10 000 000	USDG
DUNCAN VILLAGE PROPER - ROADS (12.8%)	64 000	64 000	0	USDG
DUNCAN VILLAGE PROPER - SANITATION(69%)	345 000	345 000	0	USDG
DUNCAN VILLAGE PROPER - WATER (10%)	50 000	50 000	0	USDG
MDANTSANE Z 18 CC PH 2 - WATER (10%)	800 000	800 000	0	USDG
MDANTSANE Z 18 CC PH 2 - SANITATION(69%)	5 520 000	5 520 000	0	USDG
MDANTSANE Z 18 CC PH 2 - ROADS (12.8%)	1 024 000	1 024 000	0	USDG
MDANTSANE Z 18 CC PH 2 - STORMWATER (8.2)	656 000	656 000	0	USDG
AMALINDA CO- OP - STORMWATER (8.2%)	656 000	656 000	0	USDG
AMALINDA CO- OP - ROADS (12.8%)	1 024 000	1 024 000	0	USDG
AMALINDA CO- OP - SANITATION(69%)	5 520 000	5 520 000	0	USDG
AMALINDA CO- OP - WATER (10%)	800 000	800 000	0	USDG
AMALINDA FAIRLANDS - WATER (10%)	0	500 000	0	USDG
AMALINDA FAIRLANDS - SANITATION(69%)	0	3 450 000	0	USDG
AMALINDA FAIRLANDS - ROADS (12.8%)	0	640 000	0	USDG
AMALINDA FAIRLANDS - STORMWATER (8.2%)	0	410 000	0	USDG
CLUSTER 1 - STORMWATER (8.2%)	410 000	410 000	410 000	USDG
CLUSTER 1 - ROADS (12.8%)	640 000	640 000	640 000	USDG
CLUSTER 1 - SANITATION(69%)	3 450 000	1 450 000	3 450 000	USDG
CLUSTER 1 - WATER (10%)	500 000	2 500 000	500 000	USDG
CLUSTER 2 - WATER (10%)	1 500 000	1 500 000	0	USDG
CLUSTER 2 - SANITATION(69%)	9 350 000	18 350 000	0	USDG
CLUSTER 2 - ROADS (12.8%)	1 920 000	10 920 000	0	USDG
CLUSTER 2 - STORMWATER (8.2%)	1 230 000	5 230 000	0	USDG
CLUSTER 3 - STORMWATER (8.2%)	410 000	3 592 010	0	USDG
CLUSTER 3 - ROADS (12.8%)	640 000	4 107 040	0	USDG

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
HUMAN SETTLEMENTS				
CLUSTER 3 - SANITATION(69%)	3 450 000	5 225 450	0	USDG
CLUSTER 3 - WATER (10%)	500 000	4 380 500	0	USDG
DUNCAN VILL COMP/SITE - WATER (10%)	400 000	200 000	4 912 500	USDG
DUNCAN VILL COMP/SITE - SANITATION(69%)	1 380 000	1 380 000	0	USDG
DUNCAN VILL COMP/SITE - ROADS (12.8%)	256 000	256 000	0	USDG
DUNCAN VILL COMP/SITE - STORMWATER (8.2%)	164 000	164 000	0	USDG
BLOCK YARD TRA - ROADS (12.8%)	1 024 000	416 000	0	USDG
BLOCK YARD TRA - STORMWATER (8.2%)	266 500	266 500	0	USDG
BLOCK YARD TRA - SANITATION(69%)	2 242 500	2 242 500	0	USDG
BLOCK YARD TRA - WATER (10%)	325 000	325 000	0	USDG
BRAELYN EXT 10 - SANITATION(69%)	2 070 000	2 070 000	8 000 000	USDG
BRAELYN EXT 10 - WATER (10%)	300 000	300 000	8 000 000	USDG
BRAELYN EXT 10 - STORMWATER (8.2%)	246 000	246 000	8 000 000	USDG
BRAELYN EXT 10 - ROADS (12.8%)	384 000	384 000	8 000 000	USDG
TYUTYU PHASE 3 - SANITATION(69%)	2 070 000	2 070 000	0	USDG
TYUTYU PHASE 3 - STORMWATER (8.2%)	246 000	246 000	0	USDG
TYUTYU PHASE 3 - ROADS (12.8%)	384 000	384 000	500 000	USDG
TYUTYU PHASE 3 - WATER (10%)	300 000	300 000	0	USDG
WESTBANK RESTITUTION - SANITATION(69%)	6 070 000	2 070 000	8 000 000	USDG
WESTBANK RESTITUTION - WATER (10%)	5 987 840	300 000	8 000 000	USDG
WESTBANK RESTITUTION - STORMWATER (8.2%)	246 000	246 000	8 000 000	USDG
WESTBANK RESTITUTION - ROADS (12.8%)	384 000	384 000	8 000 000	USDG
C SECTION AND TRIANGULAR SITE - ROADS (12.8%)	64 000	0	640 000	USDG
C SECTION AND TRIANGULAR SITE - STORMWATER (8.2%)	41 000	0	410 000	USDG
C SECTION AND TRIANGULAR SITE - WATER (10%)	50 000	0	500 000	USDG
C SECTION AND TRIANGULAR SITE - SANITATION(69%)	345 000	0	3 450 000	USDG
D HOSTEL - ROADS (12.8%)	0	0	640 000	USDG
D HOSTEL - STORMWATER (8.2%)	0	0	410 000	USDG
D HOSTEL - WATER (10%)	0	0	500 000	USDG
D HOSTEL - SANITATION(69%)	0	0	3 450 000	USDG
FORD MSIMANGO - ROADS (12.8%)	0	0	640 000	USDG
FORD MSIMANGO - STORMWATER (8.2%)	0	0	410 000	USDG
FORD MSIMANGO - WATER (10%)	0	0	500 000	USDG
FORD MSIMANGO - SANITATION(69%)	0	0	3 450 000	USDG
N2 ROAD RESERVE - ROADS (12.8%)	0	0	640 000	USDG
N2 ROAD RESERVE - STORMWATER (8.2%)	0	0	410 000	USDG
N2 ROAD RESERVE - WATER (10%)	0	0	500 000	USDG
N2 ROAD RESERVE - SANITATION (69%)	0	0	3 450 000	USDG
HAINI PARK - WATER	0	0	1 500 000	USDG
HLALANI - WATER	0	0	1 500 000	USDG
PHOLA PARK - WATER	0	0	1 500 000	USDG
BERLIN LINGELITSHA - PHASE 1 - WATER	0	0	1 500 000	USDG
BERLIN LINGELITSHA - PHASE 1 - WATER	0	0	1 500 000	USDG

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BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
HUMAN SETTLEMENTS				
CLUSTER 3 - SANITATION(69%)	3 450 000	5 225 450	0	USDG
CLUSTER 3 - WATER (10%)	500 000	4 380 500	0	USDG
DUNCAN VILL COMP/SITE - WATER (10%)	400 000	200 000	4 912 500	USDG
DUNCAN VILL COMP/SITE - SANITATION(69%)	1 380 000	1 380 000	0	USDG
DUNCAN VILL COMP/SITE - ROADS (12.8%)	256 000	256 000	0	USDG
DUNCAN VILL COMP/SITE - STORMWATER (8.2%)	164 000	164 000	0	USDG
BLOCK YARD TRA - ROADS (12.8%)	1 024 000	416 000	0	USDG
BLOCK YARD TRA - STORMWATER (8.2%)	266 500	266 500	0	USDG
BLOCK YARD TRA - SANITATION(69%)	2 242 500	2 242 500	0	USDG
BLOCK YARD TRA - WATER (10%)	325 000	325 000	0	USDG
BRAELYN EXT 10 - SANITATION(69%)	2 070 000	2 070 000	8 000 000	USDG
BRAELYN EXT 10 - WATER (10%)	300 000	300 000	8 000 000	USDG
BRAELYN EXT 10 - STORMWATER (8.2%)	246 000	246 000	8 000 000	USDG
BRAELYN EXT 10 - ROADS (12.8%)	384 000	384 000	8 000 000	USDG
TYUTYU PHASE 3 - SANITATION(69%)	2 070 000	2 070 000	0	USDG
TYUTYU PHASE 3 - STORMWATER (8.2%)	246 000	246 000	0	USDG
TYUTYU PHASE 3 - ROADS (12.8%)	384 000	384 000	500 000	USDG
TYUTYU PHASE 3 - WATER (10%)	300 000	300 000	0	USDG
WESTBANK RESTITUTION - SANITATION(69%)	6 070 000	2 070 000	8 000 000	USDG
WESTBANK RESTITUTION - WATER (10%)	5 987 840	300 000	8 000 000	USDG
WESTBANK RESTITUTION - STORMWATER (8.2%)	246 000	246 000	8 000 000	USDG
ILITHA SPORTSFIELD - WATER	0	0	1 500 000	USDG
EMPILISWENI- WATER	0	0	1 500 000	USDG
MATSHENI PARK - WATER	0	0	1 500 000	USDG
KHAYALITSHA - WATER	0	0	1 500 000	USDG
XHWITINJA - WATER	0	0	5 000 000	USDG
KWATSHATUSHU - WATER	0	0	1 500 000	USDG
GINSBERG - WATER	0	0	1 500 000	USDG
SLOVO PARK - WATER	0	0	1 500 000	USDG
EKUPHUMLENI - WATER	0	0	1 500 000	USDG
ETHEMBENI - WATER	0	0	1 500 000	USDG
EAST BANK RESTITUTION - WATER	0	0	1 500 000	USDG
REESTON PHASE 3 STAGE 2 - ROADS 35%	0	0	3 500 000	USD301
REESTON PHASE 3 STAGE 2 - STORMWATER 10%	0	0	1 000 000	USDG
REESTON PHASE 3 STAGE 2 - WATER 25%	0	0	2 500 000	USDG
REESTON PHASE 3 STAGE 2 - SANITATION 30%	0	0	3 000 000	USDG
TOTAL: HUMAN SETTLEMENTS	104 004 640	122 965 000	204 488 000	

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
INFRASTRUCTURE SERVICES				
OFFICE OF THE DIRECTOR				
OFFICE FURN & EQUIPMENT (DIRECTORATE)	1 000 000	1 200 000	0	OWN FUNDS
ELECTRICITY				
BULK ELEC INFRAS UPGR(RING-FENCED 4%)	46 500 000	50 000 000	50 000 000	OWN FUNDS
BULK ELEC INFRAS UPGR - REPL EXIST INF	29 000 000	30 000 000	35 000 000	OWN FUNDS
INEP ELECTRIFICATION PROGRAMME	6 200 000	22 400 000	32 000 000	INEP
INEP ELECTRIF PROGR - COUNTERFUNDING	4 000 000	7 000 000	5 000 000	USDG
ELECTRIF - INFOR DWELLING AREAS - BCMM	8 000 000	10 000 000	10 000 000	OWN FUNDS
STR LIGHT & H/MASTS - BCMM AREAS OF SUPP	4 000 000	9 000 000	5 000 000	USDG
TOOLS AND EQUIPMENT (SPECIALISED VEHICLES)	1 000 000	5 000 000	1 000 000	OWN FUNDS
REPLACEMENT OF EXISTING STREETLIGHTNING WITH ENERGY EFFICIENT LIGHTNING	8 000 000	10 000 000	10 000 000	EEDSMG
BUILD ALTER - B/BAY C/CENTRE & OPER DEPO	1 000 000	500 000	1 000 000	OWN FUNDS
ELECTRICITY	107 700 000	143 900 000	149 000 000	
ROADS				
QUENERA BEACON BAY LINK ROAD	43 000 000	0	40 136 105	USDG
RURAL ROADS - WARD 17	2 000 000	0	200 000	USDG
RURAL ROADS - WARD 24	0	2 500 000	0	USDG
RURAL ROADS - WARD 24	3 000 000	0	3 000 000	USDG
RURAL ROADS - WARD 25	1 500 000	0	3 000 000	USDG
RURAL ROADS - WARD 26	0	2 500 000	5 000 000	USDG
RURAL ROADS - WARD 31	0	1 000 000	5 000 000	USDG
RURAL ROADS - WARD 32	2 000 000	2 500 000	5 000 000	USDG
RURAL ROADS - WARD 33	2 000 000	3 500 000	5 000 000	USDG
RURAL ROADS - WARD 34	0	0	3 000 000	USDG
RURAL ROADS - WARD 35	0	3 000 000	3 000 000	USDG
RURAL ROADS - WARD 36	2 000 000	0	3 000 000	USDG
RURAL ROADS - WARD 38	1 500 000	3 000 000	3 000 000	USDG
RURAL ROADS - WARD 50	1 000 000	3 000 000	5 000 000	USDG
RURAL ROADS - WARD 43	1 500 000	0	2 500 000	USDG
RURAL ROADS - WARD 40	1 500 000	6 000 000	2 500 000	USDG
UPGR OF MDANTSANE RDS - CLUST 1: WARD 17	1 500 000	7 000 000	20 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 1: WARD 42	10 000 000	5 000 000	10 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 1: WARD 14	4 500 000	5 000 000	10 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 1: WARD 12	6 000 000	10 000 000	20 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 1: WARD 11	3 000 000	9 000 000	10 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 2: WARD 11	2 000 000	5 000 000	15 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 2: WARD 17	1 500 000	5 000 000	15 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 2: WARD 20	7 000 000	7 000 000	15 000 000	USDG

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
INFRASTRUCTURE SERVICES				
ROADS				
UPGR OF MDANTSANE RDS - CLUST 2: WARD 30	3 500 000	9 000 000	15 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 3: WARD 24	3 000 000	11 000 000	15 000 000	USDG
UPGR OF MDANTSANE RDS - CLUST 3: WARD 23	20 000 000	16 000 000	15 000 000	USDG
UPGR - MDANTSANE RDS - CLUST 3: WARD 21	10 000 000	14 000 000	20 000 000	USDG
WARD 37-KWT ROADS	11 000 000	17 000 000	22 000 000	USDG
WARD 39-KWT ROADS	2 000 000	3 000 000	4 000 000	USDG
WARD 43-KWT ROADS	2 000 000	3 000 000	4 000 000	USDG
REHABILIT OF BCMM BRIDGES AND STORWATER	6 000 000	11 000 000	16 000 000	USDG
ROADS PROVISION - WARD 10 & 8 AND 7	2 500 000	3 500 000	5 000 000	OWN FUNDS
ROADS PROVISION - WARD 1 AND 9	2 582 000	3 000 000	3 000 000	OWN FUNDS
ROADS PROVISION - WARD 19	0	2 000 000	5 000 000	OWN FUNDS
ROADS PROVISION - WARD 18	4 000 000	5 500 000	5 000 000	OWN FUNDS
ROADS PROVISION - WARD 25	2 000 000	3 000 000	4 000 000	OWN FUNDS
ROADS PROVISION - WARD 25 AND 41	2 500 000	4 000 000	7 000 000	OWN FUNDS
ROADS PROVISION - WARD 25 AND 41	1 000 000	1 500 000	0	OWN FUNDS
ROADS PROVISION - WARD 3	2 500 000	3 000 000	4 000 000	OWN FUNDS
ROADS PROVISION - WARD 29	5 000 000	10 000 000	10 000 000	OWN FUNDS
ROADS PROVISION - WARD 28	2 500 000	3 000 000	7 000 000	OWN FUNDS
ROADS PROVISION - WARD 26	3 000 000	3 000 000	4 000 000	OWN FUNDS
ROADS PROVISION - WARD 26	2 500 000	4 000 000	0	OWN FUNDS
ROADS PROVISION - WARD 31 AND 32	2 000 000	2 000 000	3 000 000	OWN FUNDS
ROADS PROVISION - WARD 34 AND 36	2 500 000	5 500 000	7 000 000	OWN FUNDS
ROADS PROVISION - WARD 39	2 500 000	3 500 000	4 500 000	OWN FUNDS
ROADS PROVISION - WARD 4	2 500 000	5 500 000	7 000 000	OWN FUNDS
ROADS PROVISION - WARD 43	2 000 000	5 000 000	7 000 000	OWN FUNDS
ROADS PROVISION - WARD 44	2 000 000	4 000 000	6 000 000	OWN FUNDS
ROADS PROVISION - WARD 45	3 000 000	5 500 000	6 000 000	OWN FUNDS
ROADS PROVISION - WARD 47	0	10 000 000	5 000 000	OWN FUNDS
ROADS PROVISION - WARD 5	2 000 000	4 000 000	7 000 000	OWN FUNDS
ROADS PROVISION - WARD 50	2 000 000	2 000 000	3 000 000	OWN FUNDS
ROADS PROVISION - WARD 6 AND 19	3 500 000	3 500 000	4 500 000	OWN FUNDS
ROADS PROVISION - WARD 9	2 000 000	4 000 000	5 000 000	OWN FUNDS
PROCURE - GRADERS FOR R/RDS - YELLOW FLT	3 000 000	0	2 000 000	OWN FUNDS
INTEGRATED CITY DEVELOPMENT GRANT	10 003 000	11 494 000	12 134 000	ICDG
UPGR OF RDP SETTLEMENTS-CLUST 1:WARD 44	0	0	5 000 000	OWN FUNDS

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
INFRASTRUCTURE SERVICES				
ROADS				
UPGR OF RDP SETTLEMENTS-CLUST 1:WARD 36	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 1:WARD 39	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 1:WARD 35	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 1:WARD 45	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 2:WARD 22	0	0	8 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 2:WARD 30	0	0	2 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 46	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 10	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 9	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 4	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 15	0	0	10 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 27	0	0	5 000 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 33	0	0	2 500 000	OWN FUNDS
UPGR OF RDP SETTLEMENTS-CLUST 3:WARD 33	0	0	2 500 000	OWN FUNDS
BOWLS ROAD REHABILITATIONNN	0	0	15 000 000	OWN FUNDS
UPGRADE OF NORTH EAST EXPRESSWAY	0	0	15 000 000	OWN FUNDS
REHABILITATION OF ZIPHUNZANA BYPASS	0	0	15 000 000	OWN FUNDS
REHABILITATION OF BEACONHURST DRIVE	0	0	15 000 000	OWN FUNDS
REHABILITATION OF DOUGLAS SMITH HIGHWAY	0	0	15 000 000	OWN FUNDS
REHABILITATION OF SETTLERS WAY	0	0	15 000 000	OWN FUNDS
LIGHTING WITHIN THE MDANTSANE CBD	2 250 000	2 400 000	1 600 000	NDPG
CONSTRUCTION OF ROAD INFRASTRUCTURE	7 000 000	7 420 000	12 000 000	NDPG
SIDEWALKS	4 000 000	4 300 000	7 610 000	NDPG
ROADS	240 335 000	299 614 000	663 680 105	
WASTEWATER				
ABLUTION FACILITIES	3 000 000	4 000 000	0	USDG
EAST BEACH GRAVITY SEWER UPGRADE	33 000 000	35 000 000	29 880 803	OWN FUNDS
MDANTSANE SANITATION	18 000 000	5 000 000	0	USDG
MDANTSANE WASTEWATER TREATMENT WORKS	0	0	25 000 000	OWN FUNDS
BERLIN SEWERS	5 000 000	14 000 000	0	USDG
HOOD POINT MARINE OUTF SEWER & AUXILLIARY WORKS	59 900 000	121 455 390	0	USDG
BISHO KWT & ZWELITSHA BULK REG SEWER SCH-PHASE 2	86 294 290	63 848 450	0	USDG
PUMP STATIONS	4 000 000	5 000 000	0	OWN FUNDS
RETICULATION	24 000 000	22 000 000	0	OWN FUNDS
WASTEWATER TREATMENT WORKS	29 000 000	37 000 000	0	OWN FUNDS
E/L SEWER DIVERSION : CENTRAL TO REESTON	69 000 000	189 000 000	176 000 000	LOAN
UPGRADING OF LABORATORY	4 000 000	2 000 000	0	OWN FUNDS
WASTEWATER	335 194 290	498 303 840	230 880 803	

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGE	PROGRAM FUN
INFRASTRUCTURE SERVICES				
WATER				
BULK MAINS-WESTBANK RESTITUTION	4 000 000	6 000 000	7 000 000	USDG
DISTRIBUTION MAINS-WESTBANK RESTITUTION	0	3 000 000	3 000 000	USDG
RESERVOIRS-WESTBANK RESTITUION	5 000 000	2 000 000	2 000 000	USDG
W/DEMAND MANGM - WATER CONSERV - PRV STA	5 000 000	4 000 000	5 000 000	USDG
FEASIBILIT- ALTERN W/SUPPLY - BULK MAINS	2 000 000	1 000 000	1 000 000	USDG
BULK MAINS-WATER BACKLOGS	6 000 000	7 500 000	14 000 000	USDG
RESERVOIRS-WATER BACKLOGS	4 317 550	1 500 000	10 000 000	USDG
DISTRIBUTION MAINS-WATER BACKLOGS	3 082 450	2 500 000	6 000 000	USDG
DISTRIBUTION MAINS-KWT & Bisho infrastructure	2 000 000	0	0	USDG
DAMS AND WEIRS-KWT & Bisho infrastructure	1 500 000	6 500 000	15 000 000	USDG
PUMP STATION- KWT & Bisho infrastructure	0	2 500 000	0	USDG
WATER TREATMENT WORKS-KWT & Bisho infrastructure	6 000 000	5 500 000	20 000 000	USDG
BULK MAINS-KWT & Bisho Infrastructure	4 500 000	5 500 000	5 530 000	USDG
BULK MAINS-AMAHLEKE WATER SUPPLY	2 000 000	2 000 000	0	USDG
PUMP STATION-AMAHLEKE WATER SUPPLY	1 000 000	1 000 000	0	USDG
DISTRIBUTION-AMAHLEKE WATER SUPPLY	0	4 600 000	3 000 000	USDG
RESERVOIRS-AMAHLEKE WATER SUPPLY	4 600 000	0	0	USDG
RESERVOIRS-UPGRADE WATER NETWORKRS	3 800 000	2 400 000	0	USDG
DISTRIBUTION-UPGRADE WATER NETWORKS	1 000 000	1 000 000	0	USDG
PUMP STATION-UPGRADE WATER NETWORKS	1 200 000	1 000 000	3 155 315	USDG
BULK MAINS-UPGRADE WATER NETWORKS	2 000 000	2 000 000	5 000 000	USDG
BULK-PIPE AND WATER METER REPLACEMENT IN EL	8 000 000	9 000 000	9 000 000	OWN FUNDS
DISTRIBUTION POINTS-PIPE AND WATER METER REPLACEMENT IN EL	9 000 000	8 000 000	8 000 000	OWN FUNDS
RESERVOIRS-PIPE AND WATER METER REPLACEMENT IN EL	4 000 000	2 000 000	2 000 000	OWN FUNDS
WATER TREATMENT WORKS-PIPE AND WATER METER REPLACEMENT IN EL	2 000 000	1 000 000	1 000 000	OWN FUNDS
RESERVOIRS-PIPE AND WATER METER REPLACEMENT IN MDANTSANE	3 000 000	10 000 000	8 000 000	OWN FUNDS
WATER TREATMENT WORKS-PIPE AND WATER METER REPLACEMENT IN MDANTSANE	2 000 000	2 000 000	2 000 000	OWN FUNDS
DISTRIBUTION POINTS-PIPE AND WATER METER REPLACEMENT IN MDANTSANE	5 000 000	10 000 000	10 000 000	OWN FUNDS
BULK-PIPE AND WATER METER REPLACEMENT IN MDANTSANE	14 250 000	8 000 000	8 000 000	OWN FUNDS
BULK-PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	0	9 800 000	9 800 000	OWN FUNDS
DISTRIBUTION POINTS-PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	11 550 000	10 200 000	10 200 000	OWN FUNDS
RESERVOIRS-PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	2 700 000	2 000 000	2 000 000	OWN FUNDS
WATER TREATMENT WORKS-PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	0	5 000 000	5 000 000	OWN FUNDS
PUMP STATION-PIPE AND WATER METER REPLACEMENT IN BISHO,KWT & DIMBAZA	0	3 000 000	3 000 000	OWN FUNDS
UMZONYANA DAM UPGRADE	78 950 950	0	30 000 000	USDG
UMZONYANA DAM UPGRADE	0	170 000 000	0	LOAN
UMZONYANA DAM UPGRADE	0	0	20 939 197	OWN FUNDS
WATER	199 450 950	311 500 000	228 624 512	
FLEET				

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
MUNICIPAL SERVICES				
OFFICE FURN & EQUIPMENT (DIRECTORATE)	1 000 000	1 000 000	0	OWN FUNDS
DEVELOPMENT OF C/HALLS & FACILITIES	7 500 000	0	10 000 000	OWN FUNDS
HALLS-TOOLS AND EQUIPMENT	500 000	0	0	OWN FUNDS
UPGR & REFURB EXIST C/HALLS & FACILITIES	0	0	10 000 000	OWN FUNDS
ABLUTION FACILITIES	500 000	0	0	OWN FUNDS
LIFESAVER TOWERS	200 000	0	0	OWN FUNDS
POOLS	300 000	0	0	OWN FUNDS
SUPER TUBES	500 000	0	0	OWN FUNDS
VENDOR STALLS	500 000	0	0	OWN FUNDS
PLAY AREA	250 000	0	0	OWN FUNDS
AMPHITHEATRE	0	250 000	0	OWN FUNDS
BRAAI AREA	500 000	0	0	OWN FUNDS
BRAAI STANDS	200 000	0	0	OWN FUNDS
UPGRADING OF ORIENT BUILDING	500 000	0	0	OWN FUNDS
PUBLIC ABLUTIONS	200 000	0	0	OWN FUNDS
DEVELOPMENT OF MASTER PLAN	200 000	0	0	OWN FUNDS
FENCING	200 000	0	0	OWN FUNDS
LIFE GUARDS FACILITIES	200 000	0	0	OWN FUNDS
MACHINERY AND EQUIPMENT FOR BONZA BAY	450 000	0	0	OWN FUNDS
FURNITURE AND OFFICE EQUIPMENT - ORIENT	350 000	0	0	OWN FUNDS
FURNITURE AND OFFICE EQUIPMENT-GONUBIE	1 050 000	0	0	OWN FUNDS
MACHINERY AND EQUIPMENT-NAHOON BEACH	25 000	0	0	OWN FUNDS
MACHINERY AND EQUIPMENT-NAHOON BEACH	25 000	0	0	OWN FUNDS
MACHINERY AND EQUIPMENT-NAHOON BEACH	100 000	0	0	OWN FUNDS
BOARDWALK (NEW)	2 000 000	0	0	OWN FUNDS
BUILDING OF S/POOL AT GONUBIE RESORT	3 450 000	0	3 000 000	OWN FUNDS
DEMOL & CONST - OFFICE AT GONUBIE RESORT	2 000 000	0	0	OWN FUNDS
BUILD - CHALETs AT NAHOON CARAVAN PARK	1 000 000	3 000 000	2 000 000	OWN FUNDS
CONSTRUCTION OF OFFICES AND GUARD HOUSE AT NAHOON CARAVAN PARK	500 000	0	0	OWN FUNDS
INSTALLATION OF FLOODLIGHTS AT GONUBIE RESORTS	100 000	100 000	100 000	OWN FUNDS
PAVING AROUND CAMPING SITES AND CHALETs	200 000	200 000	200 000	OWN FUNDS
PURCHASE OF FURNITURE FOR CHALETs	500 000	500 000	500 000	OWN FUNDS
PURCHASE OF OFFICE FURNITURE AND EQUIPMENT	500 000	500 000	500 000	OWN FUNDS
INSTALLATION OF CCTV CAMERAS AT GONUBIE RESORT	500 000	500 000	300 000	OWN FUNDS
INSTALLATION OF SECURITY ALARMS IN 20 CHALETs	800 000	250 000	50 000	OWN FUNDS
REVAMPING OF JUMPING CASTLE	200 000	100 000	100 000	OWN FUNDS
REFUBISHMENT OF ABLUTION BLOCKS AT RESORTS	400 000	400 000	300 000	OWN FUNDS
PURCHASE OF COIN OPERATING WASHING MACHINES AND TUMBLE DRYERS AT NAHOON CARAVAN PARK	100 000	50 000	0	OWN FUNDS
CONSTRUCTION OF BRAAI STANDS AT NAHOON CARAVAN PARK	500 000	200 000	200 000	OWN FUNDS
PAVING AROUND CAMPING SITES AT NAHOON CARAVAN PARK	750 000	200 000	100 000	OWN FUNDS
JOHN HARRISON SWIMMING POOLS	900 000	0	0	OWN FUNDS
SUPP & INST SEC SYST - ALL BCMM S/POOLS	400 000	0	0	OWN FUNDS

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
MUNICIPAL SERVICES				
REFUBISHMENT OF RUTH BELONSKY SWIMMING POOL	400 000	0	0	OWN FUNDS
REFURBISHMENT OF WATER WORLD SWIMMING POOL	450 000	0	0	OWN FUNDS
REFUBISHMENT OF KING WILLIAMS TOWN SWIMMING POOL	300 000	0	0	OWN FUNDS
REFURBISHMENT OF ORIENT SWIMMING POOLS	450 000	0	0	OWN FUNDS
REFURBISHMENT OF ZWELITSHA SWIMMING POOLS	500 000	0	0	OWN FUNDS
MASTER PLAN	300 000	0	0	OWN FUNDS
REFURBISHMENT OF TICKET OFFICES	250 000	0	0	OWN FUNDS
UPGRADE OF ENTRANCE	250 000	0	0	OWN FUNDS
ELECTRIC CONTROL SYSTEMS	1 000 000	0	0	OWN FUNDS
UPGRADING OF FILTRATION SYSTEM	700 000	0	0	OWN FUNDS
ABLUTION FACILITIES	500 000	0	0	OWN FUNDS
REFURBISHMENT OF CHANGE ROOMS	1 673 503	0	0	OWN FUNDS
UPGRADING OF SISA DUKASHE	400 000	0	0	OWN FUNDS
REFURBISHMENT OF STAFF QUARTERS	396 497	0	0	OWN FUNDS
UPGRADING OF SISA DUKASHE	30 000	0	0	OWN FUNDS
UPGRADING OF SISA DUKASHE	2 500 000	0	0	OWN FUNDS
UPGRADING OF RURAL SPORTSFIELDS	2 500 000	0		OWN FUNDS
UPGRADING OF URBAN SPORTSFIELDS	2 500 000	0		OWN FUNDS
PLANT AND EQUIPMENT -JOHN HARRISON SWIMMING POOLS	850 000	0	0	OWN FUNDS
PLANT AND EQUIPMETN - KING WILLIAMS TOWN SWIMMING POOL	650 000	0	0	OWN FUNDS
PLANT AND EQUIPMENT- ORIENT SWIMMING POOLS	650 000	0	0	OWN FUNDS
PLANT AND EQUIPMENT- RUTH BELONSKY SWIMMING POOL	650 000	0	0	OWN FUNDS
PLANT AND EQUIPMENT- WATER WORLD SWIMMING POOL	500 000	0	0	OWN FUNDS
PLANT AND EQUIPMENT -ZWELITSHA SWIMMING POOLS	500 000	0	0	OWN FUNDS
REDEVEL- MDANTS SPORT PRECINT NU2 S/POOL	1 000 000	5 000 000	0	OWN FUNDS
SPORTS EQUIPMENT	1 000 000	0	0	OWN FUNDS
SPORTS COURT	1 000 000	0	0	OWN FUNDS
UPGRADING OF SISA DUKASHE	2 000 000	3 000 000	0	OWN FUNDS
GOMPO DEPOT	200 000	200 000	2 000 000	OWN FUNDS
GONUBIE DEPOT	150 000	1 150 000	200 000	OWN FUNDS
KWT BOTANIC GARDENS DEPOT	100 000	100 000	200 000	OWN FUNDS
MEADOW RD DEOPT	150 000	150 000	200 000	OWN FUNDS
NU 6 MDANTSANE DEPOT	0	100 000	200 000	OWN FUNDS
BERLIN DEPOT	200 000	1 100 000	200 000	OWN FUNDS
ZWELITSHA BLOCKYARD DEPOT	200 000	200 000	200 000	OWN FUNDS
GRASS CUTTING EQUIPMENT	500 000	500 000	3 000 000	OWN FUNDS
WATER TRANSPORT TRAILOR-AQUARIUM	198 708	0	0	OWN FUNDS
OFFICE EQUIPMENT AQUARIUM	996	0	0	OWN FUNDS
OFFICE EQUIPMENT AQUARIUM	1 864	0	0	OWN FUNDS
OFFICE EQUIPMENT AQUARIUM	2 930	0	0	OWN FUNDS
OFFICE EQUIPMENT OFFICE RESERVCS	6 958	0	0	OWN FUNDS
MEDICAL EQUIPMENT AQUARIUM	15 495	0	0	OWN FUNDS

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
MUNICIPAL SERVICES				
COASTAL CEMETRIES (BUFFALO FLATS)	875 000	1 000 000	0	OWN FUNDS
COAST CEMETRIES (CAMBRIDGE CREMATORIUM)	250 000	1 000 000	0	OWN FUNDS
COAST CEMETRIE (CAMBRIDGE CREMATORIUM) 2	875 000	1 000 000	0	OWN FUNDS
COASTAL CEMETRIES (EAST CEMETERY)	0	1 000 000	0	OWN FUNDS
COASTAL CEMETRIES (HAVEN HILLS)	875 000	0	0	OWN FUNDS
CONSTRUCTION OF KWT CREMATORIUM	500 000	750 000	0	OWN FUNDS
INLAND CEMETRIES (BHISHO)	500 000	875 000	0	OWN FUNDS
INLAND CEMETRIES (KWT / CLUBVIEW)	500 000	875 000	0	OWN FUNDS
INLAND CEMETRIES (BREIDBACHT)	800 000	0	0	OWN FUNDS
INLAND CEMETRIES (PHAKAMISA)	700 000	875 000	0	OWN FUNDS
INLAND CEMETRIES (ZWELITSHA)	1 500 000	875 000	0	OWN FUNDS
MIDLANDS CEMETRIES (FORT JACKSON)	1 575 000	875 000	0	OWN FUNDS
MIDLANDS CEMETRIES (MACLEANTOWN)	175 000	0	0	OWN FUNDS
MIDLANDS CEMETRIES (MTSOTSO CEMETERY)	875 000	875 000	0	OWN FUNDS
DEVELOPMENT OF CEMETERIES-INLAND	0	0	9 000 000	OWN FUNDS
DEVELOPMENT OF CEMETERIES-COASTAL	0	0	9 000 000	OWN FUNDS
DEVELOPMENT OF CEMETERIES-MIDLAND	0	0	9 000 000	OWN FUNDS
UPGRADING OF EE CENTRE NAHOON POINT	200 000	0	0	OWN FUNDS
OFFICE FURNITURE NAHOON ESTUARY	17 811	0	0	OWN FUNDS
ENTRANCE FEATURE AT NAHOON POINT	200 000	0	0	OWN FUNDS
EXTENT - EXIST SIDE WALK AT NAHOON POINT	156 001	0	0	OWN FUNDS
REFURB - EDUCAT CENTER AT NAHOON ESTUARY	160 295	0	0	OWN FUNDS
REFURBISH -FENCE AT NAHOON POINT	200 000	0	0	OWN FUNDS
REFURBISH-WOODEN BOARWALKS -NAHOON POINT	65 892	0	0	OWN FUNDS
ADDITION TO STAFF CHANGE ROOMS	100 000	0	0	OWN FUNDS
NEW REPTILE ENCLOSURE	75 000	0	0	OWN FUNDS
PRIMATE NIGHT ROOM	200 000	0	0	OWN FUNDS
UPGRADING OF REPTILE ENCLOSURE	200 000	0	0	OWN FUNDS
UPGRADING OF PREDATOR ENCLOSURE	250 000	0	0	OWN FUNDS
ZOO BOUNDARY WALL	1 000 000	0	0	OWN FUNDS
TOOLS AND EQUIPMENT (ZOO)	20 000	0	0	OWN FUNDS
RELOCATION OF AQUARIUM	1 582 100	0	0	OWN FUNDS
FENC OF COMMUNITY PARKS - EAST DISTRICT	100 000	100 000	1 000 000	OWN FUNDS
FENC OF COMMUNITY PARKS - NORTH DISTRICT	150 000	100 000	1 000 000	OWN FUNDS
FENC OF COMMUNITY PARKS - SOUTH DISTRICT	150 000	100 000	2 000 000	OWN FUNDS
FENC OF COMMUNITY PARKS - WEST DISTRICT	100 000	100 000	2 000 000	OWN FUNDS
FENCING OF COMMUNITY PARKS - NOMPUMELELO	0	100 000	0	OWN FUNDS
UPGR & DEVEL COMM PARKS - SOUTH DISTRICT	1 000 000	1 000 000	3 000 000	OWN FUNDS
UPGR & DEVEL COMM PARKS - WEST DISTRICT	1 000 000	1 000 000	4 000 000	OWN FUNDS
UPGRADE & DEV COMM PARKS -EAST DISTRICT	1 000 000	1 000 000	2 000 000	OWN FUNDS
UPGRADE & DEV COMM PARKS - NORTH DISTRICT	0	0	2 000 000	OWN FUNDS
UPGRADE AND DEVEL OF COMM PARKS -KWT 1	400 000	400 000	2 000 000	OWN FUNDS
UPGRADE AND DEVEL OF COMM PARKS -KWT 2	300 000	300 000	2 000 000	OWN FUNDS

BCMM CAPITAL PROJECTS-2018/2019 DRAFT MTREF BUDGET

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2010/2021 BUDGET	PROGRAM FUN
MUNICIPAL SERVICES				
UPGRADE AND DEVEL OF COMM PARKS -KWT 3	300 000	300 000	2 000 000	OWN FUNDS
UPGRADE AND DEVEL COMM PARKS - MDANTSANE 1	400 000	400 000	2 000 000	OWN FUNDS
UPGRADE AND DEVEL COMM PARKS - MDANTSANE 2	300 000	300 000	2 000 000	OWN FUNDS
UPGRADE AND DEVEL COMM PARKS - BERLIN	300 000	300 000	2 000 000	OWN FUNDS
CHIPPING MACHINE	0	300 000	0	OWN FUNDS
INPECTION CAMERA	0	100 000	0	OWN FUNDS
STORAGE CONTAINERS	0	490 000	0	OWN FUNDS
WEIGHING SCALES	0	100 000	0	OWN FUNDS
COMPUTERS AND PRINTERS	0	10 000	0	OWN FUNDS
FENC OF TRANSF STATION (PALISADE FENCE)	0	3 500 000	0	OWN FUNDS
GUARD HOUSE ABLUTION FACILIT & OFFICES	0	500 000	0	OWN FUNDS
CONSTRUCTION OF LEACHATE TREATMENT PLANT	5 000 000	18 000 000	0	USDG
BEDDING PIPES	1 500 000	3 500 000	0	USDG
CONSTR OF MATERIAL RECOVERY FAC (MRF)	6 552 360	20 900 000	0	USDG
EARHWORKS (ROADS & SUGRADE)	3 000 000	5 000 000	0	USDG
EATHWORKS (PIPE TRENCHES)	2 500 000	4 000 000	0	USDG
GABIONS AND PITCHING	2 000 000	4 000 000	0	USDG
GEOSYTHETIC CLAY LINER (GCL)	6 300 000	6 500 000	0	USDG
INSTALLATION OF GEOMEBRANE LINER	3 000 000	4 500 000	0	USDG
MEDIUM PRESSURE PIPES	2 000 000	4 000 000	0	USDG
STORM WATER DRAINADGE	2 500 000	4 500 000	0	USDG
INSTALLATION OF CAMERAS	100 000	100 000	0	USDG
CONSTRUCTION AND REHABILITATION OF WASTE CELLS-KWT LANDFILL SITE	5 000 000	0		OWN FUNDS
CONSTRUCTION OF LEACHATE TREATMENT PLANT	20 000 000	0	0	OWN FUNDS
INSTALLAT OF LINERS ON CELL 3 AND CELL 4	8 000 000	30 000 000	0	OWN FUNDS
PURCHASE OF CAMBRIDGE/TRANSFER FACILITIES	0	0	10 000 000	OWN FUNDS
PURCHASE OF BULK CONTAINERS WITH REMOVAL VEHICLES	0	0	10 000 000	OWN FUNDS
TOTAL: MUNICIPAL SERVICES	143 079 460	144 250 000	109 550 000	
TOTAL CAPITAL PROJECTS-BCMM	1 718 000 240	2 257 576 840	2 189 553 420	

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

BUF Buffalo City - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Innovative and Productive City	Promote sound financial and administrative capabilities	A		25 256	–	324 818	418 948	415 933	415 933	124 827	120 450	193 400
A green city	To Promote an enviromentally Friendly City			30 727	29 362	80 465	103 784	103 037	103 037	68 772	110 150	21 780
A connected city	Develop and maintain world class logistics infrastructure			357 070	300 072	328 137	423 229	420 183	420 183	422 875	510 874	865 760
A spatially Transformed city	To promote an integrated spatial form			347 776	855 323	376 866	485 118	482 582	482 582	941 788	1 332 883	1 102 513
A well governed city	Promote sound financial and administrative capabilities			169 220	1 570	166 015	214 125	212 584	212 584	159 738	183 220	6 100
Allocations to other priorities			3									
Total Capital Expenditure			1	930 050	1 186 327	1 276 301	1 645 204	1 634 320	1 634 320	1 718 000	2 257 577	2 189 553

2. The Operating Budget

The reviewed objectives and strategies formed the basis for the identification and selection of projects within each of the IDP Strategic Objectives.

The Operating Projects for 2018/2019 Draft MTREF are indicated below:

BCMM OPERATING PROJECTS-2018/2019 DRAFT MTREF				
ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2020/2021 BUDGET	PROGRAM_FUND
EXECUTIVE SUPPORT SERVICES				
SPORTS DEVELOPMENT MASTERPLAN	300 000	0	0	OWN FUNDS
REVIEW OF THE INTERNATIONAL RELATIONS FRAMEWORK	200 000	0	0	OWN FUNDS
CADASTRAL AUDIT (DATA CLEANUP)	1 500 000	0	0	OWN FUNDS
COMMUNICATION ,MEDIA,MARKETING AND BRANDING STRATEGY-MEDIA LIASING	450 000	450 000	0	OWN FUNDS
COMMUNICATION ,MEDIA,MARKETING AND BRANDING STRATEGY-CONSULTANT: GRAPHIC DESIGNERS	50 000	3 000 000	0	OWN FUNDS
COMMUNICATION ,MEDIA,MARKETING AND BRANDING STRATEGY-WEB DEVELOPMENT	100 000	0	0	OWN FUNDS
COMMUNICATION ,MEDIA,MARKETING AND BRANDING STRATEGY-AWARENESS SESSION	350 000	0	0	OWN FUNDS
COMMUNICATION ,MEDIA,MARKETING AND BRANDING STRATEGY-PROMOTIONAL AND MARKETING	300 000	0	0	OWN FUNDS
COMMUNICATION ,MEDIA,MARKETING AND BRANDING STRATEGY- OFFICE DECORATIONS	50 000	0	0	OWN FUNDS
COMMUNICATION ,MEDIA,MARKETING AND BRANDING STRATEGY -PRINTING & PUBL	200 000	0	0	OWN FUNDS
COASTAL MANAGEMENT PROGRAM	300 000	300 000	0	OWN FUNDS
IMPLEMENT WARD COMMITTEE PERFORMANCE PROJECT-TRAINING OF WARD COMMITTEES	400 000	400 000	500 000	OWN FUNDS
TRAINING OF COUNCILLORS	1 713 896	1 815 307	2 000 000	OWN FUNDS
YOUTH				
OS: CATERING SERVICES (YOUTH)	47 850	50 738	53 740	OWN FUNDS
CONTR: EVENT PROMOTERS (YOUTH)	28 710	30 443	32 244	OWN FUNDS
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS (YOUTH)	9 570	10 148	10 748	OWN FUNDS
OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL (YOUTH)	9 570	10 148	10 748	OWN FUNDS
DISABILITY				
OS: CATERING SERVICES (DISABILITY)	47 850	50 738	53 740	OWN FUNDS
CONTR: EVENT PROMOTERS (DISABILITY)	28 710	30 443	32 244	OWN FUNDS
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS (DISABILITY)	9 570	10 148	10 748	OWN FUNDS
OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL (DISABILITY)	9 570	10 148	10 748	OWN FUNDS
HIV				
OS: CATERING SERVICES (HIV)	47 850	50 738	53 740	OWN FUNDS
CONTR: EVENT PROMOTERS (HIV)	28 710	30 443	32 244	OWN FUNDS
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS (HIV)	9 570	10 148	10 748	OWN FUNDS
OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL	9 570	10 148	10 748	OWN FUNDS
ELDERLY				
OS: CATERING SERVICES (ELDERLY)	47 850	50 738	53 740	OWN FUNDS
CONTR: EVENT PROMOTERS (ELDERLY)	28 710	30 443	32 244	OWN FUNDS
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS (ELDERLY)	9 570	10 148	10 748	OWN FUNDS
OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL (ELDERLY)	9 570	10 148	10 748	OWN FUNDS
GENDER				
OS: CATERING SERVICES (GENDER)	47 850	50 738	53 740	OWN FUNDS
CONTR: EVENT PROMOTERS (GENDER)	28 710	30 443	32 244	OWN FUNDS
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS (GENDER)	9 570	10 148	10 748	OWN FUNDS
OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL(GENDER)	9 570	10 148	10 748	OWN FUNDS
YOUTH ADVISORY CENTRES				
OS: CATERING SERVICES (YAC)	478 496	507 378	537 400	OWN FUNDS
CONTR: EVENT PROMOTERS (YAC)	95 699	101 476	107 480	OWN FUNDS
OC: PRINTING & PUBLICATIONS (YAC)	9 570	10 148	10 748	OWN FUNDS
INVENTORY - MATERIALS & SUPPLIES (YAC)	143 549	152 213	161 220	OWN FUNDS
OC: TRANSPORT - EVENTS	38 280	40 590	42 992	OWN FUNDS
C&PS: B&A RESEARCH & ADVISORY	191 398	202 951	214 960	OWN FUNDS
OS: ADMINISTRATIVE & SUPPORT STAFF	191 398	202 951	214 960	OWN FUNDS
TOTAL: EXECUTIVE SUPPORT SERVICES	7 540 781	7 690 393	4 327 159	

BCMM OPERATING PROJECTS-2018/2019 DRAFT MTREF

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2020/2021 BUDGET	PROGRAM_FUND
CITY MANAGER				
PROJ MANAG FUND EMPO -ADVERTISING	20 000	20 000	20 000	USDG
PROJ MANAG FUND EMPO -TELEPHONES 3G & AI	150 000	150 000	150 000	USDG
PROJ MANAG FUND EMPO -ENTERT - SEN MANAG	100 000	80 000	80 000	USDG
PROJ MANAG FUND EMPO -CONFERENCE & DEPUT	240 000	240 000	240 000	USDG
PROJ MANAG FUND EMPO -MACHINE RENTAL	10 000	10 000	10 000	USDG
PROJ MANAG FUND EMPO -VEH LICENS & REGIS	700	750	800	USDG
PROJ MANAG FUND EMPO -PRINTING & PUBL	15 000	15 000	15 000	USDG
PROJ MANAG FUND EMPO -PROF BODIES M/SHIP	30 000	30 000	30 000	USDG
PROJ MANAG FUND EMPO -TRAV & SUBS ALLOW	600 000	500 000	600 000	USDG
PROJ MANAG FUND EMPO -PROTECTIVE CLOTHIN	70 000	70 000	70 000	USDG
PROJ MANAG FUND EMPO -PETROL	10 000	10 000	10 000	USDG
PROJ MANAG FUND EMPO -CATERING SERVICES	80 000	70 000	70 000	USDG
PROJ MANAG FUND EMPO -CONTRACTED SERVICES	6 940	7 000	9 780	USDG
PROJ MANAG FUND EMPO -PROFESSIONAL STAFF	19 536 120	20 779 410	22 000 000	USDG
PROJ MANAG FUND EMPO -CONSULTANCY FEES	250 000	200 000	200 000	USDG
PROJ MANAG FUND EMPO -INVEN - MAT & SUPP	100 000	100 000	100 000	USDG
PROJ MANAG FUND EMPO -OFFICE EXPENSES	80 000	80 000	80 000	USDG
PROJ MANAG FUND EMPO -SUNDRY PETTY CASH	6 000	6 000	6 000	USDG
PROJ MANAG FUND EMPO -OFFICE RENT 5TH FL	1 500 000	1 550 000	1 600 000	USDG
PROJ MANAG FUND EMPO -MAINT UNSPEC ASSET	5 000	5 000	5 000	USDG
SHARE POINT	5 000 000	2 000 000	5 000 000	OWN FUNDS
SYSTEM INTEGRATION	5 000 000	4 000 000	6 000 000	OWN FUNDS
NETWORK MANAGEMENT	0	0	6 000 000	OWN FUNDS
MAINTENANCE OF COMMAND CENTRE (3 YEAR PERIOD)	0	0	6 000 000	OWN FUNDS
IMPL FRAUD HOTLINE -TRAINING	200 000	200 000	0	OWN FUNDS
IMPL FRAUD HOTLINE -INVESTIGATION	493 500	493 500	0	OWN FUNDS
EXPANDED PUBLIC WORKS PROGRAMME	4 050 000	0	0	EPWP
TOTAL: CITY MANAGER'S OFFICE	37 553 260	30 616 660	48 296 580	
CORPORATE SERVICES				
TELEPHONE LINE ADMINISTRATION	6 500	6 500	0	OWN FUNDS
INFRASTR SKILLS DEV -CATERING	50 000	50 000	50 000	ISDG
INFRASTR SKILLS DEV -CELLPHONE ALLOWANCE	43 000	43 000	43 000	ISDG
INFRASTR SKILLS DEV -INTERN STIPENDS	4 204 000	4 625 000	4 625 000	ISDG
INFRASTR SKILLS DEV -LICENCES FOR SOFTWA	5 000	0	0	ISDG
INFRASTR SKILLS DEV -MENTORS SALARY	4 210 000	4 051 000	4 051 000	ISDG
INFRASTR SKILLS DEV -PPE & UNIFORM	66 000	26 000	26 000	ISDG
INFRASTR SKILLS DEV -REGISTRATION FEE	232 000	202 000	202 000	ISDG
INFRASTR SKILLS DEV -SOFTWARE	20 000	25 000	25 000	ISDG
INFRASTR SKILLS DEV -STATIONARY & PRINTI	30 000	35 000	35 000	ISDG
INFRASTR SKILLS DEV -TRAIN CONFEREN W/SH	1 100 000	900 000	883 000	ISDG
INFRASTR SKILLS DEV -PROJECT ADMIN	240 000	260 000	260 000	ISDG
INFRASTR SKILLS DEV -TRAVELLING & SUBSIS	500 000	300 000	300 000	ISDG
IMPLEMENTATION OF JOB EVALUATION	2 000 000	2 000 000	0	OWN FUNDS
TRAINING - VARIOUS	8 335 375	8 828 578		OWN FUNDS
TRAINING - SETA	0	0		OWN FUNDS
TOTAL: CORPORATE SERVICES	21 041 875	21 352 078	10 500 000	

BCMM OPERATING PROJECTS-2018/2019 DRAFT MTREF

ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2020/2021 BUDGET	PROGRAM_FUND
SPATIAL PLANNING & DEVELOPMENT				
TRAFFIC SAFETY MASTER PLAN	2 000 000	5 350 000	0	PTIG
SIGNAGE REMOVAL	500 000	2 000 000	0	OWN FUNDS
OUTDOOR ADVERTISING	600 000	0	0	OWN FUNDS
MUNICIPAL PLANNING TRIBUNAL IN TERMS OF SPLUMA -CATERING	30 000	0	0	OWN FUNDS
MUNICIPAL PLANNING TRIBUNAL IN TERMS OF SPLUMA -VENUE	20 000	0	0	OWN FUNDS
MUNICIPAL PLANNING TRIBUNAL IN TERMS OF SPLUMA -PRINTING &	30 000	0	0	OWN FUNDS
MUNICIPAL PLANNING TRIBUNAL IN TERMS OF SPLUMA -TRANSPORT	20 000	0	0	OWN FUNDS
FEASIBILITY STUDIES	300 000	0	0	OWN FUNDS
CADASTRAL SURVEY	0	0	1 700 000	OWN FUNDS
OPERATIONAL & BUSINESS PLAN	5 500 000	0	0	PTIG
INDUSTRY TRANSITION	3 000 000	5 000 000	0	PTIG
INDUSTRY TRANSITION	2 000 000	5 000 000	0	PTIG
PUBLIC TRASNPORIT PLAN	1 500 000	500 000	0	PTIG
TOTAL: SPATIAL PLANNING & DEVELOPMENT	15 500 000	17 850 000	1 700 000	
ECONOMIC DEVELOPMENT & AGENCIES				
FRANCHISE EXPO-MARKETING & PROMOTIOAL MATERIAL	800 000	800 000	1 500 000	OWN FUNDS
FRANCHISE EXPO-VENUE HIRE & CONFERENCE FACILITIES	500 000	500 000	1 000 000	OWN FUNDS
FRANCHISE EXPO -COORDINATOR & MANAGEMENT FEES FOR THE EXPO	200 000	200 000	200 000	OWN FUNDS
SUPPLIER DEVELOPMENT -VENUE HIRE	100 000	0	200 000	OWN FUNDS
SUPPLIER DEVELOPMENT -CONDUCT W/SHOPS SEMINAR	400 000	100 000	200 000	OWN FUNDS
SUPPLIER DEVELOPMENT -CATERING SERVICES	100 000	0	100 000	OWN FUNDS
SMME CAPACITY BUILDING -CATERING SERVICES	200 000	200 000	200 000	OWN FUNDS
SMME CAPACITY BUILDING -COOPERATIVE & SMME TRAIN	1 300 000	1 800 000	2 500 000	OWN FUNDS
YOUTH WORK READINESS & SKILLS DEVELOPMENT SUPPORT -TRAINING FOR YOUTH	1 500 000	2 500 000	3 000 000	OWN FUNDS
YOUTH WORK READINESS & SKILLS DEVELOPMENT SUPPORT-CATERING SERVICES	250 000	250 000	300 000	OWN FUNDS
YOUTH WORK READINESS & SKILLS DEVELOPMENT SUPPORT -VENUE HIRE	250 000	250 000	250 000	OWN FUNDS
BUSINESS CENTRES OPERATIONS -VENUE HIRE	50 000	100 000	200 000	OWN FUNDS
BUSINESS CENTRES OPERATIONS -WORKSHOP & SEMINARS	50 000	100 000	200 000	OWN FUNDS
BUSINESS CENTRES OPERATIONS -SMME ROADSHOWS	50 000	100 000	200 000	OWN FUNDS
BUSINESS CENTRES OPERATIONS -OUTREACH PROGRAMME	50 000	100 000	200 000	OWN FUNDS
BUSINESS CENTRES OPERATIONS -PROCURE EQUIP & MACH	2 650 000	4 500 000	6 000 000	OWN FUNDS
BUSINESS CENTRES OPERATIONS -STRAT DEVEL & REVIEW	1 000 000	0	1 000 000	OWN FUNDS
TRADE & INVESTMENT PROGRAMMES -EXPORT DEVELOPMENT	1 500 000	1 500 000	2 500 000	OWN FUNDS
TRADE & INVESTMENT PROGRAMMES -INVEST BUFFALO CITY	500 000	500 000	500 000	OWN FUNDS
TRADE & INVESTMENT PROGRAMMES -REVIEW OF COST OF D	200 000	200 000	200 000	OWN FUNDS
AGRICULTURE & RURAL DEVELOPMENT SUPPORT PROGRAMME -CHEMICALS	700 000	700 000	700 000	OWN FUNDS
AGRICULTURE & RURAL DEVELOPMENT SUPPORT PROGRAMME -MAIZE SEEDS	900 000	900 000	900 000	OWN FUNDS
HH OTH TRANS: RURAL DEV - IMPR FOOD PROD	570 000	400 000	1 300 000	OWN FUNDS
AGRICULTURE & RURAL DEVELOPMENT SUPPORT PROGRAMME) -PROCURURMENT OF FERTILISERS	650 000	650 000	650 000	OWN FUNDS
AGRICULTURE & RURAL DEVELOPMENT SUPPORT PROGRAMME -TRANSPORTATION TO 15 VILLAGES	250 000	200 000	300 000	OWN FUNDS
PRODUCTION INPUTS (VEGETABLES & POULTRY) -PROCUREMENT OF BROILERS	100 000	200 000	300 000	OWN FUNDS
PRODUCTION INPUTS (VEGETABLES & POULTRY) -PROCURE FEEDER	100 000	100 000	200 000	OWN FUNDS
PRODUCTION INPUTS (VEGETABLES & POULTRY) - PROCUREMENT OF SEEDLINGS	150 000	200 000	200 000	OWN FUNDS
HH OTH TRANS: RURAL DEV - IMPR FOOD PROD	0	1 200 000	1 200 000	OWN FUNDS
LIVESTOCK IMPROVEMENT -PROCUREMENT LIVESTOCK SHEEP	500 000	500 000	1 500 000	OWN FUNDS
LIVESTOCK IMPROVEMENT -GOATS	500 000	500 000	1 000 000	OWN FUNDS
FARMER SEMINARS -SEMINARS & INFORMATION DAYS	150 000	250 000	250 000	OWN FUNDS
FARMER SEMINARS -CATERING	50 000	100 000	100 000	OWN FUNDS

BCMM OPERATING PROJECTS-2018/2019 DRAFT MTREF				
ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2020/2021 BUDGET	PROGRAM_FUND
ECONOMIC DEVELOPMENT & AGENCIES				
FARMER SEMINARS -VENUE HIRE	20 000	50 000	50 000	OWN FUNDS
FARMER SEMINARS -PROMOTIONAL MATERIAL	50 000	50 000	50 000	OWN FUNDS
FARMER SEMINARS -PA SYSTEM	30 000	50 000	50 000	OWN FUNDS
HOSTING OF BCMM AGRICULTURE SHOW -DOMESTIC - ACCOMODATION	150 000	150 000	200 000	OWN FUNDS
HOSTING OF BCMM AGRICULTURE SHOW -DOMESTIC - CAR HIRE	50 000	50 000	100 000	OWN FUNDS
HOSTING OF BCMM AGRICULTURE SHOW -MARKETING & PROMOTIONAL	100 000	100 000	200 000	OWN FUNDS
HOSTING OF BCMM AGRICULTURE SHOW -HIRE TENTS	60 000	60 000	100 000	OWN FUNDS
HOSTING OF BCMM AGRICULTURE SHOW -CATERING	100 000	100 000	150 000	OWN FUNDS
HOSTING OF BCMM AGRICULTURE SHOW - -PROCURE OF INPUTS	390 000	390 000	500 000	OWN FUNDS
HOSTING OF BCMM AGRICULTURE SHOW - -DOMESTIC FLIGHTS	150 000	150 000	200 000	OWN FUNDS
TRACTOR & IMPLEMENTS MAINTENANCE -COLLECT TRACTORS -	50 000	0	50 000	OWN FUNDS
TRACTOR & IMPLEMENTS MAINTENANCE -TRACTOR & IMPEM	600 000	600 000	800 000	OWN FUNDS
TRACTOR & IMPLEMENTS MAINTENANCE -HIRING TRACTORS DR	200 000	200 000	500 000	OWN FUNDS
EXHUMAN/REPART & REBUR -CATERING	200 000	200 000	300 000	OWN FUNDS
EXHUMAN/REPART & REBUR -DECORATION	70 000	70 000	100 000	OWN FUNDS
EXHUMAN/REPART & REBUR -HIRE TENTS & PA	30 000	30 000	100 000	OWN FUNDS
EXHUMAN/REPART & REBUR -MARKETING & PUBL	40 000	40 000	50 000	OWN FUNDS
EXHUMAN/REPART & REBUR -DOM - CAR HIRE	10 000	10 000	10 000	OWN FUNDS
EXHUMAN/REPART & REBUR -DOM - ACCOM	20 000	20 000	20 000	OWN FUNDS
EXHUMAN/REPART & REBUR -TRANSPORT	50 000	50 000	50 000	OWN FUNDS
EXHUMAN/REPART & REBUR -VENUE HIRE	10 000	10 000	10 000	OWN FUNDS
EXHUMAN/REPART & REBUR -GRAVESITE	50 000	50 000	50 000	OWN FUNDS
EXHUMAN/REPART & REBUR -UNDERTAKER SERVI	50 000	50 000	60 000	OWN FUNDS
EXHUMAN/REPART & REBUR -DOM - FLIGHTS	10 000	10 000	20 000	OWN FUNDS
EXHUMAN/REPART & REBUR -FOREIGN - ACCOM	30 000	30 000	50 000	OWN FUNDS
EXHUMAN/REPART & REBUR -FOREIGN - DAILY	15 000	15 000	30 000	OWN FUNDS
EXHUMAN/REPART & REBUR -FOREIGN - CAR HI	5 000	5 000	5 000	OWN FUNDS
EXHUMAN/REPART & REBUR -FOREIGN - FLIGHT	100 000	100 000	100 000	OWN FUNDS
EXHUMAN/REPART & REBUR -DOM - DAILY ALLO	10 000	10 000	10 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -HIRING OF TEN	100 000	100 000	120 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -HIRING - VENU	100 000	100 000	150 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -TRANSPORT	120 000	120 000	120 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -HIRING SOUND	100 000	100 000	200 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -MARKETING & P	150 000	150 000	150 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -DECORATION	80 000	80 000	100 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -PAY PERFORM A	150 000	150 000	200 000	OWN FUNDS
HERIT/ H/RIGHTS/FREED DAY -CATERING	200 000	200 000	300 000	OWN FUNDS
GEOGRAPHICAL NAME CHANGE	300 000	0	300 000	OWN FUNDS
LIBERAT HERIT ROUTE DEV -DECLARA HERIT S	100 000	100 000	100 000	OWN FUNDS
LIBERAT HERIT ROUTE DEV -CONSULTANCY/PRO	1 000 000	1 000 000	1 000 000	OWN FUNDS
ART TRAIN & CAP BUILD -HIRE TRAIN FACILI	150 000	200 000	200 000	OWN FUNDS
ART TRAIN & CAP BUILD -CATERING	150 000	300 000	300 000	OWN FUNDS
ART TRAIN & CAP BUILD -MARKETING & PUBL	40 000	70 000	170 000	OWN FUNDS
ART TRAIN & CAP BUILD -HIRING PA SYST	50 000	80 000	80 000	OWN FUNDS
ART TRAIN & CAP BUILD -TRANSPORT	0	80 000	0	OWN FUNDS
ART TRAIN & CAP BUILD -HIRING OF VENUES	100 000	100 000	100 000	OWN FUNDS
ARTIST MARK ACCESS SUPP -TRADE EXHIBITIO	350 000	400 000	400 000	OWN FUNDS
ARTIST MARK ACCESS SUPP -MARKETING & PUB	150 000	500 000	500 000	OWN FUNDS
ARTIST MARK ACCESS SUPP -ARTIST RECORD F	300 000	300 000	300 000	OWN FUNDS
ARTIST MARK ACCESS SUPP -TRAVEL & SUBS	200 000	300 000	300 000	OWN FUNDS

BCMM OPERATING PROJECTS-2018/2019 DRAFT MTREF				
ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2020/2021 BUDGET	PROGRAM_FUND
ECONOMIC DEVELOPMENT & AGENCIES				
TOURISM NICHE PRODUCT DEVELOPMENT	1 000 000	0	1 000 000	OWN FUNDS
TOURISM AWARE -CONSULTANCY FEE	100 000	0	120 000	OWN FUNDS
TOURISM AWARE -CATERING	200 000	0	200 000	OWN FUNDS
TOURISM AWARE -SOUND STAGE & LIGHT	50 000	0	60 000	OWN FUNDS
TOURISM AWARE -VENUE HIRE	50 000	0	50 000	OWN FUNDS
TOURISM AWARE -TRANSPORTATION	80 000	0	80 000	OWN FUNDS
TOURISM AWARE -STATIONERY	20 000	20 000	0	OWN FUNDS
TRACT & IMLEM MAINT -DIPPING TANKS	2 000 000	1 500 000	0	OWN FUNDS
TOURISM SUPP CAP BLDG -FOREIGN - FLIGHTS	60 000	60 000	0	OWN FUNDS
TOURISM SUPP CAP BLDG -FOREIGN - ACCOM	70 000	70 000	0	OWN FUNDS
TOURISM SUPP CAP BLDG -DOM - FLIGHTS	60 000	60 000	0	OWN FUNDS
TRACT & IMLEM MAINT -IRRIGATION SCHEME	2 000 000	2 000 000	0	OWN FUNDS
TRACT & IMLEM MAINT -PIGGERY & POULTRY	1 200 000	1 500 000	0	OWN FUNDS
TOURISM SUPP CAP BLDG -DOM - ACCOM	60 000	60 000	60 000	OWN FUNDS
TOURISM SUPP CAP BLDG -DOM - CAR HIRE	50 000	50 000	50 000	OWN FUNDS
TOURISM SUPP CAP BLDG -VENUE HIRE	100 000	100 000	100 000	OWN FUNDS
SIGNAGE SUPPORT	80 000	100 000	100 000	OWN FUNDS
TOURISM SUPP CAP BLDG -PA SYSTEM	50 000	50 000	50 000	OWN FUNDS
MARKETING AND PUBLICITY SUPPORT	350 000	450 000	450 000	OWN FUNDS
THE FRESH PRODUCE MARKET AWARENESS	250 000	250 000	250 000	OWN FUNDS
TOURISM SUPP CAP BLDG -GRADING SUPPORT	50 000	100 000	100 000	OWN FUNDS
TOURISM SUPP CAP BLDG -CATERING	150 000	200 000	200 000	OWN FUNDS
TOURISM SUPP CAP BLDG -TRAINING FACILITA	1 920 000	200 000	200 000	OWN FUNDS
TOTAL: ECONOMIC DEVELOPMENT & AGENCIES	32 760 000	33 450 000	41 125 000	
DIRECTORATE OF FINANCE				
AUDIT IMPR PLAN -EMPLOYEE COSTS (TEMPS)	1 500 000	1 500 000	0	OWN FUNDS
AUDIT IMPR PLAN -CONSULTANTS	1 000 000	1 000 000	0	OWN FUNDS
MSCOA IMPEMETATION	8 000 000	5 000 000	0	OWN FUNDS
BUDGET REFORMS	1 000 000	2 000 000	0	OWN FUNDS
BUDGET REFORMS -INTERNS COMPENSATION	1 050 000	900 000	900 000	FMG
REVENUE ENHAN STRAT -IMPLEMENT COST EFFECTIVE TARIFF STRUCTURE	2 000 000	3 000 000	0	OWN FUNDS
DEBT COLLECTION PROJECT	1 530 933	2 500 000	0	OWN FUNDS
FIN SYSTS REVENUE -CONSULTANCY THROUGH NATIONAL TREASURY	3 500 000	9 778 000	0	OWN FUNDS
REVENUE ENHAN STRAT -INDIGENT MANAGEMENT SYSTEM (CONSULTANTS)	250 000	100 000	0	OWN FUNDS
REVENUE ENHAN STRAT -INDIGENT REGISTR CAMPAIGN-RURAL (CONSULTANTS)	2 500 000	3 000 000	0	OWN FUNDS
REVENUE ENHAN STRAT -PROJECTS (CONSULTANTS)	0	16 900 000	0	OWN FUNDS
REVENUE ENHAN STRAT -IVR SYSTEM	2 000 000	3 300 000	3 500 000	OWN FUNDS
MOBILE COMMUNICATION SERVICES FOR METERS	0	1 000 000	0	OWN FUNDS
GENERAL VALUATIONS ROLL-2017	2 000 000	0	0	OWN FUNDS
TOTAL: FINANCE SERVICES	26 330 933	49 978 000	4 400 000	316

BCMM OPERATING PROJECTS-2018/2019 DRAFT MTREF				
ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2020/2021 BUDGET	PROGRAM_FUND
HEALTH/PUBLIC SAFETY & EMERGENCY SERVICES				
COMMUNITY BASED RISK REDUCTION - VENUE HIRE	8 800	8 800	0	OWN FUNDS
COMMUNITY BASED RISK REDUCTION - PRINTING & PUBL	7 000	5 000	0	OWN FUNDS
COMMUNITY BASED RISK REDUCTION - STATIONERY	1 500	1 200	0	OWN FUNDS
COMMUNITY BASED RISK REDUCTION - TOOLS & EQUIP	12 000	10 000	0	OWN FUNDS
COMMUNITY BASED RISK REDUCTION - STIPEND	110 000	105 000	0	OWN FUNDS
COMMUNITY BASED RISK REDUCTION - CATERING	15 000	10 000	0	OWN FUNDS
COMMUNITY BASED RISK REDUCTION - TRAINING	20 000	20 000	0	OWN FUNDS
COMMUNITY BASED RISK REDUCTION - HIRE OF TRANSP	15 000	10 000	0	OWN FUNDS
DISASTER MANAGEMENT:EDUCATION,TRAINING & AWARENESS - CATERING	35 000	40 000	0	OWN FUNDS
DISASTER MANAGEMENT:EDUCATION,TRAINING & AWARENESS - CONSULTANT	70 000	80 000	0	OWN FUNDS
DISASTER MANAGEMENT:EDUCATION,TRAINING & AWARENESS - STATIONERY	5 000	7 000	0	OWN FUNDS
DISASTER MANAGEMENT:EDUCATION,TRAINING & AWARENESS - PRINTING & PUBLICATIONS	10 000	13 000	0	OWN FUNDS
DISAST MAN STRUCTURES - PRINTING & PUBLICATIONS	10 000	10 000	0	OWN FUNDS
DISAST MAN STRUCTURES - STATIONERY	60 000	60 000	0	OWN FUNDS
DISAST MAN STRUCTURES - VENUE HIRE	45 000	45 000	0	OWN FUNDS
DISAST MAN STRUCTURES - CATERING	35 000	35 000	0	OWN FUNDS
EVENT SAFETY CAPACITY BULDING - CATERING	40 000	50 000	0	OWN FUNDS
EVENT SAFETY CAPACITY BULDING -VENUE HIRE	15 000	20 000	0	OWN FUNDS
EVENT SAFETY CAPACITY BULDING - STATIONERY	15 000	20 000	0	OWN FUNDS
EVENT SAFETY CAPACITY BULDING - PRINTING & PUBLICATION	50 000	50 000	0	OWN FUNDS
DISASTER MANAGEMENT SECTOR PLANS - PRINTING & PUBLICATIONS	15 000	5 000	0	OWN FUNDS
DISASTER MANAGEMENT SECTOR PLANS - STATIONERY	15 000	5 000	0	OWN FUNDS
DISASTER MANAGEMENT SECTOR PLANS - VENUE HIRE	10 000	5 000	0	OWN FUNDS
DISASTER MANAGEMENT SECTOR PLANS - CATERING	40 000	25 000	0	OWN FUNDS
DISASTER MANAGEMENT SECTOR PLANS - CONSULTANT	220 000	100 000	0	OWN FUNDS
REVIEW OF AIR QUALITY MANAGEMENT PLAN - STATIONERY	0	1 000	0	OWN FUNDS
REVIEW OF AIR QUALITY MANAGEMENT PLAN - PRINTING & PU	0	2 000	0	OWN FUNDS
REVIEW OF AIR QUALITY MANAGEMENT PLAN - VENUE HIRE	0	5 000	0	OWN FUNDS
REVIEW OF AIR QUALITY MANAGEMENT PLAN- CATERING	0	7 000	0	OWN FUNDS
REVIEW OF AIR QUALITY MANAGEMENT PLAN- CONSULTANT	0	585 000	0	OWN FUNDS
MHS: ENVIRONMENTAL HEALTH EDUCATION TRAINING & AWARENESS - CATERING	115 000	130 000	0	OWN FUNDS
MHS: ENVIRONMENTAL HEALTH EDUCATION TRAINING & AWARENESS - VENUE HIRE	65 000	70 000	0	OWN FUNDS
MHS: ENVIRONMENTAL HEALTH EDUCATION TRAINING & AWARENESS - PRINTING &	85 000	65 000	0	OWN FUNDS
MHS: ENVIRONMENTAL HEALTH EDUCATION TRAINING & AWARENESS - TRANSPORTATION	0	40 000	0	OWN FUNDS
MHS: ENVIRONMENTAL HEALTH EDUCATION TRAINING & AWARENESS - STATIONERY	35 000	45 000	0	OWN FUNDS
TOTAL: HEALTH/PUBLIC SAFETY AND EMERGENCY SERVICES	1 179 300	1 690 000	0	
HUMAN SETTLEMENTS				
HOUSING NEEDS DATABASE & ACCREDITATION	0	1 000 000	1 000 000	HSDG
AMALINDA CO - OP P5	500 000	5 500 000	5 500 000	HSDG
MDANTSANE ZONE 18CC - P5	0	100 000	4 000 000	HSDG
REESTON PHASE 3 STAGE 3 P5	1 500 000	3 200 000	3 200 000	HSDG
POTSDAM VILLAGE PHASE 1 & 2 - P5	10 000 000	8 000 000	12 000 000	HSDG
ESTABLISH OF ALLOCATION & RELOCATION COM	70 000	0	0	OWN FUNDS
POTSDAM IKHWEZI BLOCK 2- P5	5 750 000	3 500 000	13 640 000	HSDG
ILITHA NORTH - 177 UNITS P5	0	500 000	2 000 000	HSDG
TYUTYU PHASE 3	500 000	500 000	2 000 000	HSDG
CLUSTER 1 P5	3 000 000	7 500 000	10 000 000	HSDG
CLUSTER 3 P5	15 000 000	14 950 000	15 000 000	HSDG
POTSDAM NORTH KANANA - P5	0	500 000	2 000 000	HSDG
PEELTON CLUSTER - P5	8 000 000	7 500 000	9 060 000	HSDG
PEELTON Phase 2 800 units	2 000 000	8 000 000	10 000 000	HSDG

BCMM OPERATING PROJECTS-2018/2019 DRAFT MTREF				
ACCOUNT DESCRIPTION	2018/2019 REVISED BUDGET	2019/2020 REVISED BUDGET	2020/2021 BUDGET	PROGRAM_FUND
HUMAN SETTLEMENTS				
HANOVER - P5	200 000	500 000	500 000	HSDG
SKOBENI - P5	301 024	500 000	500 000	HSDG
HH OTH TRANS: HOUSING - PEOPLE HOUS PROC	500 000	500 000	0	HSDG
MDANTSANE SHARING HOUSES DISPUTE	250 000	250 000	0	HSDG
CLUSTER 2 (CHRIS HANI 3; WINNIE MANDELA; DELUXOLO VILLAGE ; SISULU VILLAGE; FRANCIS MEI; MAHLANGU VILLAGE,MATHEMBA VUSO,GWENT SHE) P5 - 647 UNITS	7 200 000	8 000 000	10 000 000	HSDG
POTSDAM IKHWEZI BLOCK 2- P5	0	0	100 000	HSDG
DVRI PILOT PROJECT	500 000	3 920 000	4 000 000	HSDG
C SECTION AND TRIANGULAR SITE	0	0	100 000	HSDG
D HOSTEL	0	0	100 000	HSDG
FORD MSIMANGO	0	0	100 000	HSDG
N2 ROAD RESERVE	0	0	100 000	HSDG
DV PROPER	0	0	100 000	HSDG
SUNNY SOUTH ELECTRIFICATION	1 000 000	100 000		HSDG
CONSUMER EDUCATION	0	0	745 000	OWN FUNDS
EMERGENCY HOUSING PROJECT	0	0	2 000 000	OWN FUNDS
RELOCATION OF BENEFICIARIES TO COMPLETED HOUSES	0	0	2 000 000	OWN FUNDS
HUMAN SETTLEMENTS CONSUMER EDUCATION	0	0	300 000	OWN FUNDS
TOTAL: HEALTH/PUBLIC SAFETY AND EMERGENCY SERVICES	56 271 024	74 520 000	110 045 000	
INFRASTRUCTURE SERVICES				
RURAL SANITATION BACKLOG	55 000 000	55 000 000	60 000 000	USDG
BCMM FLEET MANAGEMENT SYSTEM - LEASE	2 000 000	2 000 000	6 000 000	OWN FUNDS
PLANNING (WSDP)	0	0	700 000	OWN FUNDS
POLICIES AND BY LAWS	0	0	200 000	OWN FUNDS
FEASIBILITY STUDIES	0	0	2 000 000	OWN FUNDS
DESIGN GUID	0	0	350 000	OWN FUNDS
TOTAL: INFRASTRUCTURE SERVICES	57 000 000	57 000 000	69 250 000	
MUNICIPAL SERVICES				
OS: CATERING SERVICES	150 000	100 000	0	OWN FUNDS
ENVIRONM ENHANCEM: PARKS	100 000	100 000	400 000	OWN FUNDS
CARRY OUT EIA'S FOR CEMETRIES - (IDENTIFICATION OF SUITABLE LAND)	100 000	100 000	1 000 000	OWN FUNDS
DEVEL HORTICULT FEATURES & CITY SCAPES	350 000	350 000	500 000	OWN FUNDS
DEVEL & IMPLEMENT A CEMETERY MANAGEMENT PLAN FOR BCMM	350 000	325 000	3 000 000	OWN FUNDS
DEVEL & IMPLEMENT A PARKS MANAGEMENT PLAN FOR BCMM	350 000	325 000	2 000 000	OWN FUNDS
GRASS CUTTING FOR CEMETERIES	200 000	200 000	2 000 000	OWN FUNDS
ERADICATION OF INVASIVE PLANTS - COASTAL	900 000	1 000 000	2 000 000	OWN FUNDS
ERADICATION OF INVASIVE PLANTS - MIDLAND	800 000	1 000 000	2 000 000	OWN FUNDS
ERADICATION OF INVASIVE PLANTS - INLAND	800 000	1 000 000	2 000 000	OWN FUNDS
STREET LITTER BINS	300 000	0	3 000 000	OWN FUNDS
OPERATIONS & MAINTENANCE OF WASTE CELLS	8 000 000	33 000 000	6 000 000	OWN FUNDS
ASSESSMENT PRIOR REHABILITATION OF UNLICENSED DISPOSAL SITES/IWMP	500 000	500 000	0	OWN FUNDS
PILOT PROJ - CO-OPERATIVES FOR SOLID WASTE DEPARTMENT/GREENING/BCMM@WORK PROJECT	500 000	500 000	0	OWN FUNDS
WASTE MINIMISATION, RECYCLING, AWARENESS AND WASTE SEPARATION PROGRAMMES	500 000	1 000 000	0	OWN FUNDS
PURCHASE OF WHEELIE BINS	1 000 000	2 000 000	10 000 000	OWN FUNDS
ROUNDHILL LANDFILL SITE-OPERATIONS	0	0	3 500 000	OWN FUNDS
TOTAL: MUNICIPAL SERVICES	14 900 000	41 500 000	37 400 000	
TOTAL OPERATING PROJECTS BCMM	878 277 174	885 817 184	887 840 700	

The Operating Budget is prepared on the analysis of past year trends and the operations within the various service categories. National Treasury Circular 89 and 91 were used as a guideline in preparation of the 2017/18 MTREF budget.

Emphasis was placed on the following expenditure categories:

- ❑ Repairs and Maintenance budget is currently 7.6% of the total Operating Expenditure Budget. The City is striving towards a 10% repairs and maintenance of its total operating budget owing to the aging of the City's infrastructure and historic deferred maintenance. As a result, the City has budgeted an annual increase that is above the projected CPI in the MTREF (10%).
- ❑ Bulk Purchases have increased from 2017/18 financial year as a result of annual increase. The amount has also increased over the 2018/19 to 2020/21 period escalating from R1.70 billion to R1.97 billion. The increases from 2018/19 to 2020/21 can be attributed to the increase in the cost of bulk electricity from Eskom and water from Amatola Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions.
- ❑ The Employee Related Costs depicts an increase from R1.73 billion in the 2017/18 financial year to R1.97 billion in the 2018/19 financial year. The budget allocation to fund unfunded posts has been put on hold up until the City's revenue base can reflect improvement.
- ❑ Employee Related Costs and Bulk Purchases are the main cost drivers within the municipality. The institution has attempted to identify operational efficiencies in other expenditure items by undertaking a line by line analysis to determine where budgeted expenditure can be reduced.
- ❑ Ongoing operational gains and efficiencies are continuously identified to lessen the impact of wage and bulk tariff increases in future year.

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

BUF Buffalo City - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Innovative and Productive City	Promote sound financial and administrative capabilities			128 741	128 241	146 680	167 700	160 586	160 586	175 629	189 767	204 660
	Maintain Inclusive and sustainable economic Growth											
	Enhance land productivity through sustainable agriculture land-use technologies											
A green city	To Promote an enviromentally Friendly City			322 630	346 672	392 894	449 199	430 144	430 144	470 437	508 306	548 200
A connected city	Develop and maintain world class logistics infrastructure			65 802	87 267	59 147	67 623	64 755	64 755	70 821	76 521	82 527
A spatially Transformed city	To promote an integrated spatial form			1 985 279	2 299 115	2 708 025	3 096 107	2 964 770	2 964 770	3 242 495	3 503 502	3 774 471
A well governed city	Promote sound financial and administrative capabilities			2 304 213	2 413 407	2 116 139	2 053 488	2 316 768	2 316 768	2 533 791	2 737 751	2 952 621
Allocations to other priorities				2								
Total Revenue (excluding capital transfers and contributions)			1	4 806 666	5 274 702	5 422 886	5 834 118	5 937 024	5 937 024	6 493 173	7 015 847	7 562 479

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

BUF Buffalo City - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Innovative and Productive City	Promote sound financial and administrative capabilities			369 166	441 610	505 424	518 269	496 358	496 358	542 804	585 984	633 418
A green city	To Promote an enviromentally Friendly City			326 867	369 279	394 296	404 316	387 223	387 223	423 457	457 143	496 346
A connected city	Develop and maintain world class logistics infrastructure			827 229	876 902	1 016 569	1 042 404	998 334	998 334	1 091 751	1 178 600	1 273 893
A spatially Transformed city	To promote an integrated spatial form			2 788 799	3 002 831	3 176 501	3 257 230	3 119 522	3 119 522	3 411 425	3 682 804	3 948 074
A well governed city	Promote sound financial and administrative capabilities			913 776	827 327	951 731	965 860	934 660	934 660	1 022 119	1 103 428	1 203 919
Allocations to other priorities												
Total Expenditure			1	5 225 837	5 517 949	6 044 521	6 188 080	5 936 097	5 936 097	6 491 556	7 007 959	7 555 650

SECTION F

FINANCIAL PLAN

1. Introduction

One of the key issues identified for the sustainability of BCMM is “expanding its revenue in relation to its costs and its financial viability, whilst implementing its mandate”. The responsive key objective is “effective, efficient, coordinated financial management and increased revenue – enabling BCMM to deliver its mandate”.

Effective and Efficient service delivery also alludes to the reduction of operational expenditure by means of increased productivity and the introduction of cost-saving mechanisms whilst at the same time striving to increase the overall revenue base. The plans and strategies detailed in this chapter contribute to the achievement of this objective.

2. Capital & Operating Budget Estimates

The five-year financial plan includes an Operating Budget (Table F.1) and the Capital Investment Programme per source of funding (Table F.2), for the seven years ending June 2021.

2.1 Budget Assumptions

The selected key assumptions relating to this budget are as follows:

DESCRIPTION	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
National Treasury Headline Inflation Forecasts	6.60%	6.40%	5.30%	5.70%	5.60%
Salaries	6.00%	7.40%	6.30%	5.40%	5.50%

Electricity Purchases	7.86%	0.31%	7.32%	7.32%	7.32%
Water Purchases	10.00%	10.00%	9.46%	9.46%	9.46%
Free Basic Electricity	50 kwh p.m.	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.	6 kl p.m.
Basic Welfare Package	R 572.42	R 623.08	R 614.56	R 668.53	R 721.20
Equitable Share Allocation	R 678 197 000	R 705 277 000	R 778 048 000	R 844 411 000	R 918 677 000
Bad Debt Provision	7.50%	7.50%	7.50%	7.50%	7.50%
Property Rates	7.60%	9.60%	0.00%	9.00%	8.00%
Refuse Tariff	7.80%	9.80%	9.00%	9.00%	8.00%
Sewerage Tariff	7.80%	9.80%	9.00%	9.00%	8.00%
Electricity Tariff	7.64%	1.88%	6.84%	6.84%	6.84%
Water Tariff	8.00%	9.50%	9.00%	9.00%	8.00%
Fire Levy	7.60%	9.20%	9.00%	9.00%	8.00%
Sundry Income	7.60%	9.20%	9.00%	8.00%	7.90%

2.2 Operating Budget Estimates

TABLE F.1: OPERATING BUDGET:

2018/2019 BUDGET REVENUE FRAMEWORK	2017/2018 ADJ BUDGET R	2018/2019 DRAFT BUDGET R	2019/2020 DRAFT BUDGET R	2020/2021 DRAFT BUDGET R
Revenue Per Source				
Property Rates	1 121 174 877	1 421 961 244	1 549 937 756	1 673 932 777

Electricity Charges	1 865 136 415	1 992 711 746	2 129 013 229	2 274 637 734
Water Charges	511 438 410	557 467 867	607 639 975	656 251 173
Sanitation Charges	293 155 577	319 539 579	348 298 141	376 161 992
Refuse Charges	266 916 625	290 939 121	317 123 642	342 493 534
Other Service Charges	0	0	0	0
Rental of facilities and equipment	25 118 822	17 562 735	18 967 754	20 466 206
Interest earned - external investments	131 002 322	140 172 485	149 984 558	160 483 478
Interest earned - outstanding debtors	42 843 509	54 405 059	57 493 790	60 757 877
Dividends received	0	0	0	0
Fines	9 894 023	16 591 440	17 918 756	19 334 337
Licences and permits	16 254 435	14 597 466	15 765 264	17 010 719
Agency services	44 763 403	30 280 323	32 702 749	35 286 266
Transfers recognised - operational	1 370 858 240	1 471 572 784	1 592 400 160	1 732 952 580
Other revenue	238 466 939	165 371 236	178 600 935	192 710 409
Total Operating Income	5 937 023 597	6 493 173 086	7 015 846 709	7 562 479 081
Expenditure Per Category				
Employee related costs	1 733 321 396	1 974 139 111	2 080 742 623	2 295 183 467
Remuneration of councillors	60 381 043	64 185 049	67 651 041	71 371 849
Debt impairment	317 788 481	343 696 467	371 400 956	399 260 791
Depreciation & asset impairment	778 272 577	895 013 464	943 344 191	995 228 121
Finance charges	45 240 109	47 608 017	95 216 034	118 752 037
Bulk purchases				
Electricity Bulk Purchases	1 352 869 074	1 451 899 090	1 558 178 104	1 672 236 741
Water Bulk Purchases	225 297 436	246 610 573	269 939 934	295 476 251
Contracted services	124 238 133	133 631 034	140 847 110	148 593 701

Transfers and grants	69 590 345	83 278 633	87 775 679	92 603 342
Repairs and Maintenance	450 642 211	495 706 432	545 277 075	599 804 783
Operating projects	309 403 868	270 077 174	335 647 131	327 043 739
Other expenditure	382 896 099	404 568 739	426 415 451	449 868 301
Other materials	77 078 241	81 141 750	85 523 404	90 227 191
Loss on disposal of PPE	9 078 121	0	0	0
Total Operating Expenditure	5 936 097 134	6 491 555 532	7 007 958 733	7 555 650 314
Surplus / (Deficit)	926 463	1 617 553	7 887 976	6 828 768

2018/2019 Notes

The Employee Related Costs is 30% of the total cost and the Remuneration of Councillors is 1% whilst the Repairs and Maintenance is 8%.

2.3 Cash Flow Projections

R thousand	Current Year 2017/18	2018/19 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	1 037 087	1 315 314	1 441 442	1 565 127
Service charges	2 716 398	2 923 609	3 163 930	3 412 324
Other revenue	309 410	226 073	245 315	265 943
Government - operating	1 370 858	1 471 573	1 592 400	1 732 953
Government - capital	819 099	804 000	999 577	1 083 553
Interest	173 846	194 578	207 478	221 241
Dividends	—	—	—	—
Payments				
Suppliers and employees	(4 624 590)	(5 121 959)	(5 510 222)	(5 949 806)
Finance charges	(45 240)	(47 608)	(95 216)	(118 752)
Transfers and Grants	(77 470)	(83 279)	(87 776)	(92 603)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1 679 398	1 682 301	1 956 929	2 119 980
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE		—	—	—
Decrease (Increase) in non-current debtors		—	—	—
Decrease (increase) other non-current receivables		—	—	—
Decrease (increase) in non-current investments		—	—	—
Payments				
Capital assets	(1 634 320)	(1 718 000)	(2 257 577)	(2 189 553)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1 634 320)	(1 718 000)	(2 257 577)	(2 189 553)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans		—	—	—
Borrowing long term/refinancing		73 000	377 000	206 000
Increase (decrease) in consumer deposits		—	—	—
Payments				
Repayment of borrowing	(47 642)	(52 572)	(57 974)	(54 396)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(47 642)	20 428	319 026	151 604
NET INCREASE/ (DECREASE) IN CASH HELD	(2 563)	(15 271)	18 378	82 031
Cash/cash equivalents at the year begin:	1 686 754	1 684 191	1 668 920	1 687 298
Cash/cash equivalents at the year end:	1 684 191	1 668 920	1 687 298	1 769 329

2.4 Capital Budget Estimates

Table F.2 details the estimated Capital Investment Programme for the three years starting July 2018 and ending 30 June 2021. The Capital Investment Programme remains subject to the availability of funding.

TABLE F.2: 2018/19 TO 2020/2021 CAPITAL INVESTMENT PROGRAMME PER FUNDING SOURCE

2018/2019 CAPITAL BUDGET PER FUNDING	2018/2019 Draft Capital Budget	2019/2020 Draft Capital Budget	2020/2021 Draft Capital Budget
<u>Own Funding</u>			
Own Funds	841 000 000	881 000 000	900 000 000
LOAN	73 000 000	377 000 000	206 000 000
<u>Total Own Funding</u>	914 000 000	1 258 000 000	1 106 000 000
<u>Grant Funding</u>			
DoE (Integrated National Electrification Programme)	6 200 000	22 400 000	32 000 000
Finance Management Grant	100 000	100 000	100 000
Integrated City Development Grant	10 003 000	11 494 000	12 134 000
Neighbourhood Development Partnership Grant	13 250 000	14 120 000	21 210 000
Urban Settlement Development Grant	685 182 240	722 848 840	760 589 420
Public Transport Infrastructure Grant	81 165 000	218 614 000	247 020 000
Energy Efficiency and Demand Side Management Grant	8 000 000	10 000 000	10 000 000
Infrastructure Skills Development Grant	100 000	0	500 000
<u>Total Grant Funding</u>	804 000 240	999 576 840	1 083 553 420
<u>Total Funding</u>	1 718 000 240	2 257 576 840	2 189 553 420

2.4.1 2015/2016 Percentage of Expenditure on Grants Usage

<u>Funding/Grant</u>	<u>2015/2016 Adjusted Budget</u>	<u>YTD Expenditure</u>	<u>Variance</u>	<u>% Exp vs. Budget</u>
Integrated National Electrification Programme Grant	30 000 000	11 989 641	18 010 359	40%
Energy Efficiency & Demand Side Management Grant	4 000 000	3 997 896	2 104	100%
Finance Management Grant	1 300 000	1 299 759	241	100%
Infrastructure Skills Development Grant	8 500 000	4 380 084	4 119 916	52%
Urban Settlement Development Grant	755 535 408	755 420 405	115 003	100%
Integrated City Development Grant	5 605 000	5 076 370	528 630	91%
Municipal Human Settlement Capacity Grant	9 253 000	3 308 033	5 944 967	36%
Expanded Public Works Programme Grant	1 149 000	1 034 388	114 612	90%
TOTAL	815 342 408	786 506 575	28 835 833	96%

2016/2017 Percentage of Expenditure on Grants Usage

<u>Funding/Grant</u>	<u>2016/2017 Adjusted Budget</u>	<u>YTD Expenditure</u>	<u>Variance</u>	<u>% Exp vs. Budget</u>
Integrated National Electrification Programme Grant	36 612 579	11 141 767	25 470 812	30%

Finance Management Grant	1 300 000	1 299 471	529	100%
Infrastructure Skills Development Grant	9 000 000	6 986 940	2 013 060	78%
Urban Settlement Development Grant	731 499 000	731 498 805	195	100%
Integrated City Development Grant	6 080 000	5 963 350	116 650	98%
Expanded Public Works Programme Grant	1 188 000	1 187 861	139	100%
Public Transport Network Grant	35 289 000	2 152 314	33 136 686	6%
TOTAL	820 968 579	760 230 508	60 738 071	93%

BCMM invests Conditional Grants in separate ring fenced Bank Accounts and report on its Conditional Grants according to DoRA Requirements.

2.4.2 Percentage of Capital Expenditure

Capital Expenditure Per Service	2016/17 Budget R m	2016/17 Actual R m	2016/17 % expend	2015/16 Budget R m	2015/16 Actual R m	2015/16 % expend
Water	173 541 122	178 074 791	103%	125 671 580	124 180 419	99%
Waste Water	204 689 601	205 992 618	101%	208 973 687	171 495 798	82%
Electricity	154 612 579	122 087 631	79%	171 473 372	151 670 002	88%
Roads and Stormwater	312 522 091	286 831 061	92%	363 894 034	364 483 138	100%
Housing	183 645 828	185 021 215	101%	229 490 997	215 955 744	94%
Transport Planning	84 657 282	38 725 571	46%	31 065 637	30 688 961	99%
Local Economic Development	52 364 025	32 963 331	63%	16 698 616	12 228 324	73%
Spatial Planning	67 627 225	41 071 116	61%	24 573 317	24 080 690	98%

Waste Management / Refuse	9 132 262	2 157 027	24%	59 502 220	59 579 710	100%
Amenities	51 376 990	45 521 534	89%	48 908 657	39 637 485	81%
Public Safety	25 565 169	10 753 493	42%	15 427 855	4 824 564	31%
Support Services	102 881 377	61 964 927	60%	37 596 914	13 944 106	37%
Other - BCM Fleet	71 211 561	65 137 002	91%	48 000 000	47 384 030	99%
Total Capital Expenditure	1 493 827 112	1 276 301 316	85%	1 381 276 886	1 260 152 972	91%

2.5 Debt Management Framework

Table F.3 details the Debt Management Framework

	2017/18	2018/19	2019/20	2020/21
	R	R	R	R
CLOSING BALANCE	402,593	418,554	791,976	988,771

3. Financial Strategy

BCMM is currently implementing the Revenue Enhancement Strategy and in order for the municipality to perform its major objective of service delivery to its citizens the Metro must ensure that there is effective and efficient financial sustainability which encompasses national norms and standards. A municipality can be categorized into either:

* Developed – maintenance

Buffalo City can be categorized as a developing – growing municipality and as a result the metro requires significant additional resources and funding to conduct the growth that is expected of them. The challenge being experienced by most municipalities is to maintain the existing infrastructure.

The financial plan and related strategies will need to address a number of key areas in order to achieve this goal. The areas, which have been identified, are detailed below.

3.1 The Financial Framework

3.1.1 Revenue Adequacy and Certainty

It is essential that the City has access to adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable it to carry out its functions. It is furthermore necessary that there is a reasonable degree of certainty with regard to source, amount and timing of revenue. The Division of Revenue Act has laid out the level of funding from National Government that will be received for the 2018/19 to 2020/21 financial years.

The City strives to grow its own revenue by implementing an effective Revenue Strategy. This is to ensure that the City will be able to fund its own Capital Infrastructure Programmes into the future.

- **Cash / Liquidity Position**

Cash and cash management is vital for the short- and long-term survival and good management of any organization. The appropriate benchmarks which can assist in assessing the financial health of the City are:

The current ratio, which expresses the current assets as a proportion to current liabilities. “Current” refers to those assets which could be converted into cash within 12 months and those liabilities which will be settled within 12 months. The norm for current ratio in the industry is between 2:1 and 1.5:1, which is considered to be healthy.

The City currently stands at a ratio of 2.3:1 and is striving to maintain a ratio which is above 1.5:1 in the medium term as the City’s objective is not profit driven, but focused on service delivery.

Debtors’ collection measurements, which have a great impact on the liquidity of the City. Currently the City’s targets an annual debt collection rate of 92.5%. The City will attempt to reduce the outstanding debt days to less than 60 days in the medium term and will strive to reach a collection rate of 93%.

- **Sustainability**

The City’s budget in the 2018/19 MTREF period is funded. As there are limits on revenue, it is necessary to ensure that services are provided at levels that are affordable, and that the full costs of service delivery are recovered. BCMM is striving to ensure that all households within the jurisdiction of the metro will have access to basic services.

- **Effective and Efficient Use of Resources**

In an environment of limited resources, it is essential that the City make maximum use of the resources at its disposal by using them in an effective and efficient manner. Efficiency in operations and investment will increase poor people's access to basic services.

- **Accountability, Transparency and Good Governance**

The City is accountable to its people who provide the resources. The budgeting process and other financial decisions are open to public scrutiny and participation. In addition, accounting and financial internal control procedures are in place to minimize opportunities for corruption. It is also essential that accurate financial information is produced within acceptable time-frames.

- **Development and Investment**

In order to deal effectively with backlogs in service delivery, the City needs to maximize its investments in municipal infrastructure (see Table F.2).

- **Macro-economic Investment**

As the City plays a significant role in the area, it is essential that it operates efficiently within the national macro-economic framework. The City's financial and developmental activities should therefore support national fiscal policy.

- **Borrowing**

The strong capital market in Southern Africa (banks and other lending institutions like DBSA, RMB etc.) provides an additional instrument to access financial resources.

BCMM is indebted to DBSA for a portion of its infrastructure investments in the previously disadvantaged areas. Currently the City is assessing its capacity to borrow so as to invest in income generating infrastructure assets, so as to grow the City's revenue base. BCMM maintains a long term Credit Rating of A. The current "capital charges" as a percentage of operating expenditure is 1.08%.

Loans are serviced in terms of Section 46 of MFMA 2003 are repaid quarterly.

3.2 Strategies and Programmes

With the above framework as a background, strategies and programmes have been identified and form part of the financial plan to achieve the desired objective – the financial viability and sustainability of the City. Time frames have been set for each of the projects that have been identified.

3.2.1 Revenue Raising Strategies and Programmes

BCMM bills the consumers on a monthly basis as per the norms and standards of revenue management. The following are some of the more significant programmes that have been identified:

- **The review and implementation of a Credit Control & Debt Collection Policy**

This policy and the relevant procedures detail all areas of credit control, collection of amounts billed to customers, procedures for non-payment etc.

- **The review and implementation of an Indigent Policy**

This policy defines the qualification criteria for an indigent, the level of free basic services enjoyed by indigent households, penalties for abuse etc

- **The review and implementation of a Uniform Tariff Policy**

This policy ensures that fair tariffs are charged in a uniform manner throughout the Buffalo City area.

- **The review and implementation of a Property Rates & Valuation Policy**

This will ensure that a fair rates policy and an updated valuation roll is applied to the entire Buffalo City area and will aim to ensure that all properties are included in the City's records. Furthermore, the policy will ensure that valuations are systematically carried out on a regular basis for all properties.

3.2.2 Asset Management Strategies and Programmes

The 2017 Fixed Asset Register (FAR) has been finalized and was made available and handed to the AG on 31 August 2017. BCMM strives to maintain an accurate and updated Fixed Asset Register that is GRAP compliant. The following are some of the more significant programmes that have been identified:

- **The implementation of an Integrated Asset Management System.**

This programme involves the investigation, identification and implementation of a suitable integrated asset management system. It also includes the capture of all assets onto this system, the maintenance of this system and the production of a complete asset register in terms of GRAP requirements.

- **The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio.**

This programme involves the identification of risks in conjunction with insurers and all Directorates and the review and update of the asset and risk insurance procedure manual. It also includes the review of the existing insurance portfolio and the renewal of the insurance policy as per the renewal terms.

3.2.3 Financial Management Strategies and Programmes

The following are some of the more significant programmes that have been identified:

- **The review of the computerized accounting system.**
- **Integration of all computerized systems and acquisition of hardware and software required**

The integration of computerized systems and acquisition of the required hardware and software within the Buffalo City area to ensure that information is accurate, relevant and prompt, which in turn will facilitate the smooth running and effective management of the City.

- **Develop and implement a uniform budget reporting framework**
- **Review of Post GRAP implementation issues and standards**
- **Review and update asset and accounting policies and procedures**
- **Training and development of finance officials and other staff**

The aim of this project will be to constantly ensure that the Finance officials (and other) staff receive the training they require to ensure a cost-effective and efficient service to the City.

- **Enhance budgetary controls and timeliness of financial data**

The Budget Office submits performance reports of the municipality timeously to the various stakeholders and ensuring compliance with the Municipal Finance Management Act (MFMA). Section 71 Reports are submitted to the Executive Mayor 10 days after month end indicating the year-to-date performance of the municipality.

3.2.4 Capital Financing Strategies and Programmes

The following are some of the more significant programmes that have been identified:

- **The review and implementation of a debt capacity policy**

This policy will ensure that any borrowings taken by the City will be done in a responsible manner and that the repayment and servicing of such debt will be affordable.

- **The development and implementation of a policy for accessing finance (including donor finance)**

3.2.5 Operational Financing Strategies and Programmes

The following programme has been identified:

- **Investigation of service delivery options and public/private partnerships**

This refers to the ongoing investigation into how the City can service the community in the most efficient and effective manner, including an investigation of public/private partnerships for service delivery.

4. Financial Management Policies

BCMM have the financial management policies in place and are reviewed yearly. The policies below are promulgated into by-laws and are gazetted.

4.1 General Financial Philosophy

The financial policy of the BCMM is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services for the citizens of BCMM. It is the goal of the City to achieve a strong financial position with the ability to:

- withstand local and regional economic impacts;
- adjust efficiently to the community's changing service requirements;
- manage the City's budget and cash flow to the maximum benefit of the community;
- prudently plan, coordinate and implement responsible and sustainable community development and growth;
- provide a high level of fire and other protective services to assure public health and safety.

BCMM's financial policies shall address the following fiscal goals: -

- keep the City in a fiscally sound position in both the long and short term;
- maintain sufficient financial liquidity through regular reviews and adjustments to meet normal operating and contingent obligations;
- Apply credit control policies which maximize collection while providing relief for the indigent;
- Credit control policies that recognize the basic policy of customer care and convenience;
- operate utilities in a responsive and fiscally sound manner;
- maintain existing infrastructure and capital assets;

- provide a framework for the prudent use of debt financing;
- direct the City's financial resources toward meeting the goals of the City's IDP.

4.2 Operating Budget Policies

The annual budget is the central financial planning document that embodies all operating revenue and expenditure decisions. It establishes the level of services to be provided by each department.

The City Manager shall incorporate the BCMM's priorities in the formulation of the preliminary and final budget proposal.

The budget will be subject to monthly control and be reported to Council with recommendations of action to be taken to achieve the budget's goal. The budget will be subject to a mid-term review, which will result in a Revised Budget.

Adequate maintenance and replacement of the City's capital plant and equipment will be provided for in the annual budget.

The budget shall balance recurring operating expenses to recurring operating revenues.

The budget will have Revenue plans based on realistically expected income and expenditure figures. Plans will be included to achieve maximum revenue collection percentages.

4.3 Revenue Policies

The City will estimate annual revenues through a conservative, objective and analytical process based on realistically expected income.

The City will consider market rates and charges levied by other public and private organizations for similar services in establishing rates, fees and charges.

The City will set fees and user charges at a level that fully supports the total direct and indirect costs of operations. Tariffs will be set to reflect the Development and Social Policies of the City.

The City will continue to identify and pursue grants and appropriations from Province, Central Government and other agencies that are consistent with the City's goals and strategic plan.

The City will follow an aggressive policy of collecting revenues.

4.4 Credit Control Policies and Procedures

The Principles supported in this Policy are:

- The administrative integrity of the municipality must be maintained at all times.
- This Policy must have the full support of all Councillors.
- Councillors must have full knowledge of the implementation and enforcement of the Policy.
- The Executive Mayor oversees & monitors the implementation and enforcement of this Policy.

- The City Manager implements and enforces this Policy.
- The City Manager may delegate the implementation and enforcement of this Policy to the Chief Financial Officer.
- Consumers must be informed of the contents of this Policy.
- Consumers must apply for services from Council by the completion of the prescribed application form.
- Consumers must receive regular and accurate accounts that indicate the basis for calculating the amounts due.
- Consumers must pay their accounts regularly by the due date.
- Consumers are entitled to reasonable access to pay points and to a variety of reliable payment methods.
- Consumers are entitled to an efficient, effective and reasonable response to appeals, and should not suffer any disadvantage during the processing of a reasonable appeal.
- Debt collection action will be instituted promptly, consistently, and effectively without exception and with the intention of proceeding until the debt is collected.

4.5 Indigent Policy

This Policy identifies the criteria for one to qualify as an indigent and the process one needs to follow in order to register for indigent status.

The form of subsidy is identified, as is the process of auditing indigent applications. In addition, procedures, which will be followed in the event of a death of an indigent and a false indigent application is covered. Finally, treatment of debt of a customer on becoming an indigent and interest on arrear charges are addressed.

Indigent monthly welfare package: 70 680 indigent households are provided for in the budget as indicated below (70 680, including provision of free electricity by Eskom in rural areas):

Table 20: Indigent Cost Per Month 2018/19

Total Households	Rates	Refuse	Sewerage	Fire	Electricity	Water	Rand value per household per month
70 680	R159.90	R175.61	R95.42	R46.85	R61.94	R74.85	R614.56

BCMM reviews the Indigent Register annually to maintain its credibility. Registered indigents continue to receive free basic services and the City will continue to ensure that poor households who qualify, register as indigents.

4.6 Investment Policies

In terms of the Municipal Finance Management Act, Act 56 of 2003, Section 13(2) and the draft municipal investment regulations: "Each Municipal Council and Governing body shall adopt by resolution an investment policy regarding the investment of its money not immediately required.

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The portfolio shall remain sufficiently liquid to enable the City to meet daily cash flow demands and conform to all state and local requirements governing the investment of public funds. The preservation of principal is the foremost objective of the investment program.

The City will continue the current cash management and investment practices, which are designed to emphasize safety of capital first, sufficient liquidity to meet obligations second, and the highest possible yield third.

Investment shall be made with care, skill, prudence and diligence. The approach must be that which a prudent person acting in a like capacity and familiar with investment matters would use in the investment of funds of like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Municipality. The standard of prudence to be used by the Investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall Investment portfolio. Investment officials are required to:

- a) Adhere to written procedures and policy guidelines.
- b) Exercise due diligence.
- c) Prepare all reports timeously.
- d) Exercise strict compliance with all legislation.

The City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow requirement, the City will not directly invest in securities maturing more than two years from the date of issue. The City’s financial information system will provide adequate information concerning cash position and investment performance.

The City will not invest more than 30% of available funds with a single institution.

The Minister of Finance may identify by regulation in terms of Section 168 of the MFMA instruments or investments other than those referred to below in which Municipality may invest:

- Deposits with banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990);
- Securities issued by the National Government;
- Investments with the Public Investment Commissioners as contemplated by the Public Investment Commissions Act, 1984 (Act No. 5 of 1984);
- Listed corporate bonds with an investment grade rating from a nationally or internationally recognized credit rating agency;
- Deposits with the corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act, 1984 (Act 46 of 1984);
- Banker's acceptance certificates or negotiable certificates of deposits of banks registered in terms of the Banks Act, 1990 (Act 94 of 1990);
- Municipal Bonds issued by a Municipality;
- Guaranteed endowment policies with the intention of establishing a sinking fund; and
- Repurchase agreements with banks registered in terms of the Banks Act, 1990
(Act 94 of 1990)

4.7 Debt Management Policies

- The City shall issue debt only when necessary to meet a public need and when funding for such projects is not available from current revenues, reserves or other sources.
- Long-term borrowing will be used to finance capital improvements as approved in the City's CIP.
- Capital projects financed through the issuance of debt shall be financed for a period not to exceed the expected useful life of the project.
- The City will not incur debt to finance current operations.

- Lease-purchase obligations, capital outlay notes or other debt instruments may be used as a medium-term method of borrowing for the financing of vehicles, computers, other specialized types of equipment, or other capital improvements.

4.8 Asset Management Policies

The objective of the asset management policy is to prescribe the accounting and administrative policies and procedures relating to Property, Plant & Equipment (PPE), which are fixed assets of BCMM.

A summary of the Principles supported in this policy are:

A fixed asset shall mean an asset, either movable or immovable, under the control of the municipality, and from which the municipality reasonably expects to derive economic benefits, or reasonably expects to use in service delivery, over a period extending beyond 12 months.

- The fixed asset register shall comply with the requirements of Generally Recognized Accounting Practice (GRAP) and any other accounting requirements, which may be prescribed.
- Fixed assets are classified under the following headings:

○ Land	○ Recreational Facilities
○ Buildings	○ Finance Leased Assets
○ Plant and Equipment	○ Roads
○ Furniture and Fittings	○ Wastewater Network
○ Motor Vehicles	○ Water Network

- Office Equipment
- Other Properties
- Community Buildings

- Every Head of Department shall be directly responsible for the physical safekeeping of any fixed asset controlled or used by the department in question.
- PPE is carried at cost less accumulated depreciation and any impairment losses, except for land, buildings, roads and stormwater which are revalued. Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated due to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life.
- Subsequent expenditure relating to property, plant and equipment is capitalized if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which are capitalized.
- Property, plant and equipment are depreciated on the straight line basis over their expected useful lives to their residual value, except for furniture and fittings which are depreciated using the diminishing balance method at 10% per annum.
- Incomplete construction work is stated at historic cost.
- The carrying amount of an item or a group of identical items of PPE will be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount. When such a decline has occurred, the carrying amount will be reduced to the recoverable amount. The amount

of the reduction will be recognized as an expense immediately, unless it reverses a previous revaluation, in which case it will be charged to the revaluation non-distributable reserve.

- Assets are eliminated from the Statement of Financial Position on disposal or retirement.
- The difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the statement of financial performance.

4.9 Accounting Policies

A summary of the principal accounting policies adopted in the preparation of the annual financial statements is as follows:

- a. Basis of presentation - the annual financial statements are prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for the revaluation of land and buildings, which are carried at fair value. The annual financial statements are prepared in accordance with South African Statements of Generally Recognized Accounting Practice (GRAP) issued by the Accounting Standards Board in accordance with the Municipal Finance Management Act (Act 56 of 2003).
- b. Basis of consolidation - the consolidated annual financial statements incorporate the financial statements of Buffalo City Metropolitan Municipality and municipal entities controlled by Buffalo City Metropolitan Municipality.
- c. Presentation currency - the annual financial statements are presented in South African Rand.
- d. Going concern assumption - the annual financial statements are prepared on a going concern basis.
- e. Reserves – the economic entity creates and maintains the following reserve in terms of specific requirements:
 - Revaluation reserve

- f. Property, plant and equipment (PPE) - is stated at cost, less accumulated depreciation and accumulated impairment losses, except land, buildings, roads and stormwater. The accounting policies for PPE include the following:
- Depreciation of property, plant and equipment
 - Disposal of property, plant and equipment
 - Impairment losses
 - Revaluation of land, buildings, roads and stormwater
 - Intangible assets
- g. Investments - the accounting policies for investments include the following:
- Where the carrying amount of an investment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Position.
- h. Inventories – Inventories are initially measured at cost except where inventories are acquired at no cost, or for nominal consideration, then their costs are their fair value as at the date of acquisition. Subsequently inventories are measured at the lower of cost and net realizable value. The cost of inventories is assigned using the first-in, first out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity.
- i. Revenue from exchange transactions:
- **Measurement** – Revenue is measured at fair value of the consideration received or receivable, net of trade discounts and volume rebates.
 - **Sale of goods** – Revenue from sale of goods is recognized when all the following conditions have been satisfied:
 - a. The entity has transferred to the purchaser the significant risks and rewards of ownership of the goods;
 - b. The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- c. The amount of revenue can be measured reliably;
- d. It is probable that the economic benefits or service potential associated with the transactions will flow to the entity; and
- e. The costs incurred or to be incurred in respect of the transactions can be measured reliably.
- **Rendering of services** – Service revenue is recognized by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as percentage of total serviced to be performed.
- j. Revenue from non-exchange transactions:
 - **Recognition** – An inflow of resources from a non-exchange transaction recognized as an asset is recognized as revenue, except to the extent that a liability is also recognized in respect of the same inflow.
 - **Measurement** – Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognized by the economic entity.
- k. Conditional grants and receipts – Revenue received from conditional grants, donations and funding are recognized as revenue to the extent that the entity has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognized.
- l. Provisions – are recognized when the economic entity has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate based on the information available can be made of the amount of the obligation.
- m. Cash and cash equivalents – Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.
- n. Unauthorized expenditure – Unauthorized expenditure means:

- a. Overspending of a vote or a main division within a vote; and
- b. Expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.
- o. Irregular expenditure - is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998), the State Tender Board Act, 1968 (Act No. 86 of 1968), any provincial legislation providing for procurement procedures in that provincial government or is in contravention of the Municipality's or Municipal Entities' supply chain management policies.
- p. Fruitless and wasteful expenditure - is expenditure that was made in vain and would have been avoided had reasonable care been exercised.
- q. Allowance for doubtful debts – On debtors an impaired loss is recognized in surplus and deficit when there is objective evidence that is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.
- r. Effective interest rate – The economic entity uses the prime interest rate to discount future cash flows.
- s. Financial Instruments – The economic entity classifies financial assets and financial liabilities into the following categories:
 - Loans and receivables
 - Available-for-sale financial assets
 - Financial liabilities measured at amortized cost
- t. Comparative figures – Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.
- u. Leases – A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.
- v. Intangible assets - are initially recorded at their cost price and are subsequently amortized over their expected useful lives.

Post-retirement benefits – The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

4.10 Supply Chain Management System Policy

Section 111 of the Local Government Municipal Finance Management Act (MFMA) requires municipalities to develop and implement a supply chain management policy. The principle objective of the legislation has been to comply with Section 217 of the Constitution, which among other things states that when contracting for goods and services the system must be fair, equitable, transparent, competitive and cost effective.

Supply Chain Management (SCM) generally refers to the management of activities along the supply chain including the supplier, manufacturer, wholesaler, retailer and consumer

The MFMA and its relevant regulations also identify processes/mechanisms which must be included in a SCM Policy.

The supply chain management system is applicable for the: –

- Procurement by Buffalo City Metropolitan Municipality (and any municipal entity of Buffalo City) of all goods and services or works;
- Selection of contractors to provide assistance in the provision of municipal services;

- Selection of external mechanisms for the provision of municipal services in circumstances contemplated in section 83 of the Local Government: Municipal Systems Act;
- Disposal of assets or goods no longer required;
- Letting or sale of Municipal property.

BCMM's Supply Chain Management Policy was last reviewed in the 2016/17 financial year.

The specific objective of the SCM Unit is to ensure effective, efficient and transparent SCM systems, complemented by a strategy of coordinating and implementing comprehensive demand management plans as per the approved budget.

4.11 Ratio Analysis/Benchmarks

Table F.4 gives details of commonly used financial ratios/benchmarks. The information in the Table is in terms of 2018/19 MTREF.

TABLE F.4: Ratio Analysis / Financial Benchmarks for the 2017/18 to 2020/21

FINANCIAL BENCHMARKS	BASIS OF CALCULATION	2017/18	2018/19	2019/20	2020/21
<u>Borrowing Management</u>					

Capital charges to operating expenditure	Interest & principal paid / Operating expenditure	1.6%	1.5%	2.2%	2.3%
<u>Revenue Management</u>					
Annual debtors collection rate (payment level %)	Last 12 months receipts / Last 12 months billing	92.50%	92.50%	92.50%	93%
Outstanding debtors to revenue	Outstanding debtors (net)/Ann rev (total inc)	28.9%	28.0%	30.3%	32.6%
<u>Efficiency</u>					
Personnel costs to operating expenditure	Personnel costs / Operating expenditure	29.2%	30.40%	29.7%	30.3%
<u>Creditors Management</u>					
Creditors days	Outstanding creditors / Credit purchases x 365	30	30	30	30

4.12 Asset Management Information

To ensure that assets are adequately maintained, a programme for the planned maintenance and replacement of all fixed and moveable assets is essential.

5. Revenue Enhancement Strategy

As a result of increasing debt book, during the 2013/14 financial year, a Revenue Enhancement Strategy was developed and reviewed by National Treasury.

This strategy was developed with short term, medium term and long term objectives and action plan with deliverables and key accountabilities is currently being implemented institutionally.

Progress on implementation is reported to Top Management on a monthly basis. The strategy seeks to address such issues as debt collection, billing, meter tampering, opening of accounts and services provided to the Communities.

Currently the Revenue department is engaging in an Indigent Registration campaign to ensure that all consumers who qualify benefit from the Indigent Subsidy. The project will also ensure that all existing approved Indigent subsidy applications are audited. In addition to this the Department will be obtaining new service agreements from all debtors'/account holders in the financial system. This will ensure compliance with the Credit Control Policy.

The Debt Management Operations has been expanded over a period of three (3) years. Additional staff had been employed to focus on specific aspects of debt management. A Debt Management Operations System with the objective of stabilizing the growth in debt and manage the collection process had been implemented successfully.

BCMM has included the Revenue Enhancement Strategy in its budget to the tune of R 31.55 Million over a period of 3 years from 2018/19 to 2020/21 in order to perform strategy review including Indigent Registration Campaign and Indigent Management System.

6. Electronic Document Management System (EDMS Filing System)

BCMM has taken a paperless route. The municipality has implemented a paperless way of communicating which will see councillors receiving electronic copies of all council documents.

Council documents are loaded in the municipality's electronic document management system (EDMS) and councillors download soft copies. This saves a lot of paper and other resources including ink, and improves the life span of our printers

The public will easily be able to access public documents.

The metro is required to comply with the SA Constitution as well as the Promotion of Access to Information Act 2 of 2000. Easy retrieval of information promotes good governance, in that when communities submit requests for information or a record they can be provided with such information within a short space of time.

EDMS provided a comprehensive solution for managing documents and files.

Rolling out of the EDMS reduces printing and stationery costs, as agendas of council, mayoral, and portfolio committee are voluminous and use a lot of paper and cartridges. The use of EDMS reduces this cost and the savings could be used for other projects that will benefit the citizens, especially the poorest of the poor.

7. 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 conducts regular reviews on the effectiveness of controls that have been put in place by management and the outcomes of the reviews are reported quarterly to the Risk Management Committee and Top Management. 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. Management has also developed and implemented an Audit Improvement Plan (AIP) which addresses the control weaknesses identified by the Auditor General.

8. BCMM's audit opinion in 2016/2017 financial year

Buffalo City Metropolitan Municipality received an unqualified audit report for the 2016/17 financial year. This is the culmination of a significant amount of effort on behalf of the municipality and is a positive development in the perception of the financial affairs of the institution.

There are certain compliance findings that have been identified by the Auditor General. In order to focus on these areas a “Clean Audit Committee” has been formed and managed from the City Manager’s office.

Although no audit opinion was expressed, an area which needs to be a focus is the reporting of performance information. In this regard there will be a focus in analysing the quarterly performance reports to ensure quality information is provided.

9. Supply Chain

Supply Chain Management System as per the Municipal Finance Management Regulations (9) of the MFMA Regulation should cover the following: -

- ❑ Demand Management;
- ❑ Acquisition Management;
- ❑ Logistics Management;
- ❑ Disposal Management;
- ❑ Risk Management;
- ❑ Performance Management;

Buffalo City Metropolitan Municipality’ current Supply Chain Management Unit comprises: -

- Demand Management and Supplier Development
- Acquisition Management;

- SCM Risk and Compliance;
- Contracts and Performance Management; and
- Logistics, Disposal and Warehousing

The above are to ensure the following:

- A Supply Chain System that assists in job creation in the region,
- Beneficiation of vulnerable groups (women, youth, disabled and historically disadvantaged groups),
- Promotion of skills and capacitating small businesses,
- Circulation of the rand spent within the municipal area to boost and encourage economic growth within the region.

The supply chain management open bid tender processes operate as per the MFMA, with three committees clustered into:

- Two committees within the Bid Specification Committee System
- Three committees within the Bid Evaluation Committee System
- One Bid Adjudication Committee

In terms of the law, an open bid tender has to be awarded within 90 days from the date of closure and BCMM has an average award period of 110 days.

10. Valuations Roll

In terms of section 32(1) b of the Local Government: Municipal Property Rates Act (MPRA), No. 6 of 2004 as amended, a valuation roll remains valid for a maximum period of four financial years. BCMM's current valuation roll was implemented on 1 July 2014 and its validity period expires on 30 June 2018. The municipality has implemented 4 supplementary valuations since the implementation of the general valuation roll.

11. Financial Reporting

a) Municipal Standard Chart of Accounts (mSCOA):

An mSCOA Implementation Team was appointed to assist with the implementation of mSCOA. This team meets on a weekly basis to discuss issues and take decisions regarding the implementation of mSCOA. It is required that the mSCOA Implementation Team submit progress reports to the mSCOA Project Steering Committee.

Status of mSCOA implementation

- Functional Assessment Teams (FAT's) comprising representatives from affected Directorates were established per business process to assess compliance against MFMA circular 80. These teams have developed activity plans with due dates to ensure full compliance is achieved.
- The Project Implementation Team, Project Steering Committee and Workstreams have been established.
- Entire mSCOA is hosted on SOLAR
- Budget unbundled into projects and all mSCOA segments
- Data string successfully submitted to National Treasury

- Transacting on mSCOA from 1 July 2017
- Structure streamlined by eliminating multiple roll-ups
- SOP's for 48 key financial business processes have been developed and are in various stages of review.

b) MFMA 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.

SECTION G

OPERATIONAL PLAN

1. Buffalo City Metropolitan Municipality

: Political Structure

The section 12 notice published by the Member of the Executive Council for Local Government & Traditional Affairs determined that Buffalo City Metropolitan Council, in terms of section 9(d) of the Municipal Structures Act 1998, would have an Executive Mayoral System combined with a Ward Participatory System.

BCMM has hundred Councillors, fifty Councillors were elected in terms of the system of proportional representation and fifty Councillors represent wards. The first Council Meeting elected the Executive Mayor, Deputy Mayor, Council Speaker and Chief Whip. The Executive Mayor has a nine member Mayoral Committee.

1.1 Ward Committees

Local Government elections were held on 18 May 2011, which established new ward boundaries and ushered in new ward Councillors. Ward Committees have been established, in terms of sections 72-78, of the Municipal Structures Act, for the 50 wards.

Ward committees are chaired by the ward Councillors and consist of ten elected members. Ward committees are consultative community structures, whose purposes is to broaden participation in the democratic process of Council and to assist the Ward Councillor with organising consultation, disseminating information and encouraging participation from residents in the ward.

1.2 Portfolio Committees

In terms of sections 79 & 80 of the Municipal Structures Act (117 of 1998) and Section 160 of the Constitution, Portfolio Committees have been established to assist and advise the Executive Mayor. The alignment of the political and administrative structure is as follows:

2. Buffalo City Metropolitan Municipality: Administrative Structure

The Buffalo City Metropolitan Municipality implements its Integrated Development Plan and has recently approved the metro administrative structure headed by the City Manager with the following Directorates:

- City Manager's Office-(Filled)
- Directorate: Executive Support Services- (Filled)
- Directorate: Corporate Services- (Filled)
- Directorate: Economic Development and Agency- (Filled)
- Directorate: Infrastructure- (Filled)
- Directorate: Municipal Services – (Vacant)
- Directorate: Health, Public Safety and Emergency Services- (Filled)
- Directorate: Finance- (Filled)
- Spatial Planning and Development – (Filled)
- Directorate: Human Settlement- (Vacant)

The table below represents the overall BCMM staff complement per directorate and include vacant funded positions and the number of staff who currently receive scarce skills allowance.

SUMMARY BCMM : STAFF COMPLEMENT : 03 2017

<u>DIRECTORATE</u>	-	<u>FILLED</u>	<u>FUNDED</u>	<u>VACANT</u>	<u>S/S ALLOWANCE</u>
CITY MANAGER'S OFFICE		92	121	29	3
EXECUTIVE SUPPORT SERVICES		156	180	24	0
CORPORATE SERVICES		164	183	19	13
ECONOMIC DEVELOPMENT & AGENCY		73	85	12	1
INFRASTRUCTURE SERVICES		1282	1513	231	121
MUNICIPAL SERVICES		1524	1713	189	12
HEALTH, PUBLIC SAFETY & EMERERGENCY		947	1009	62	122
FINANCE		628	738	110	14
DEVELOPMENT & SPATIAL PLANNING		181	222	41	69
HUMAN SETTLEMENT		53	63	10	7
TOTALS		5100	<u>5827</u>	<u>727</u>	<u>362</u>

All the existing positions have job descriptions and the job descriptions for the newly created posts during the annual review of the structure are in the process of being developed.

BCMM has currently 727 vacant funded posts as at February 2018. We have a moratorium that is in place for post that were vacant as at March 2017. Out of the 727 vacant funded posts, 493 is under moratorium and the moratorium ends on 31 March 2018. the posts that became vacant from 1 April 2017 are not affected by the moratorium so they can be advertised.

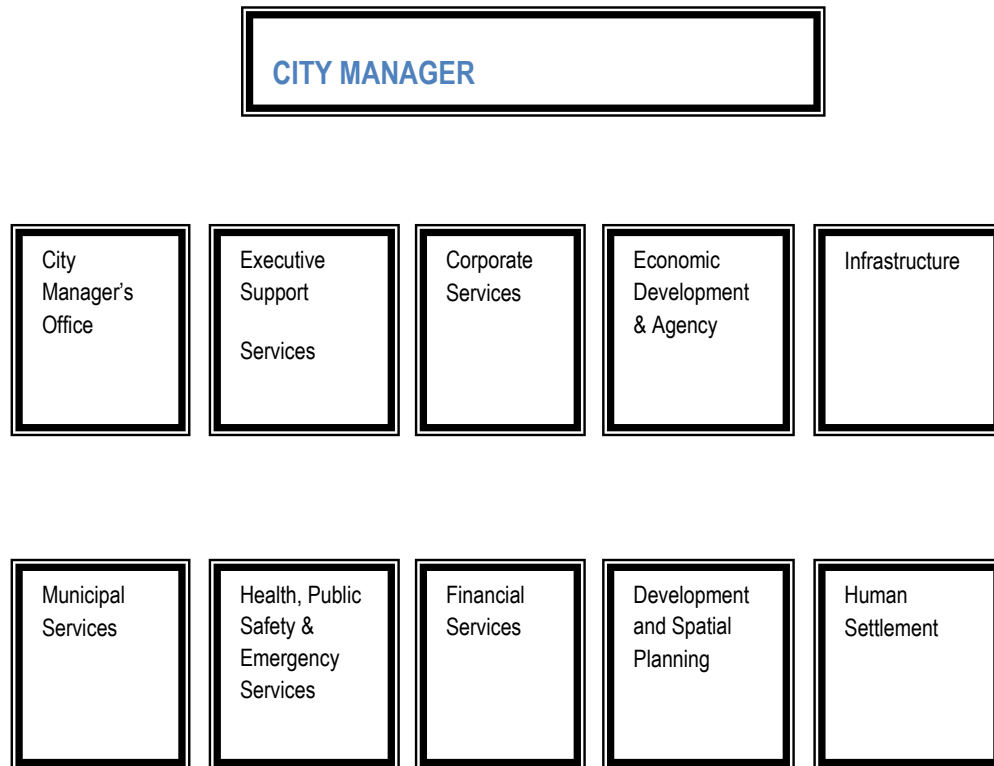


FIGURE 1: BUFFALO CITY MUNICIPALITY: ADMINISTRATIVE STRUCTURE

2.1 City Manager's Office:

This office consists of following departments which all report direct to the City Manager:

- Governance and Internal Auditing
- Chief Operating Office
- Legal Services and Municipal Court
- Enterprise Project Management Unit
- Information, Knowledge Management, Research and Policy
- Expanded Public Works Programme.

Figure 2 details the organogram of the Directorate of the City Manager's Office up to Management level.

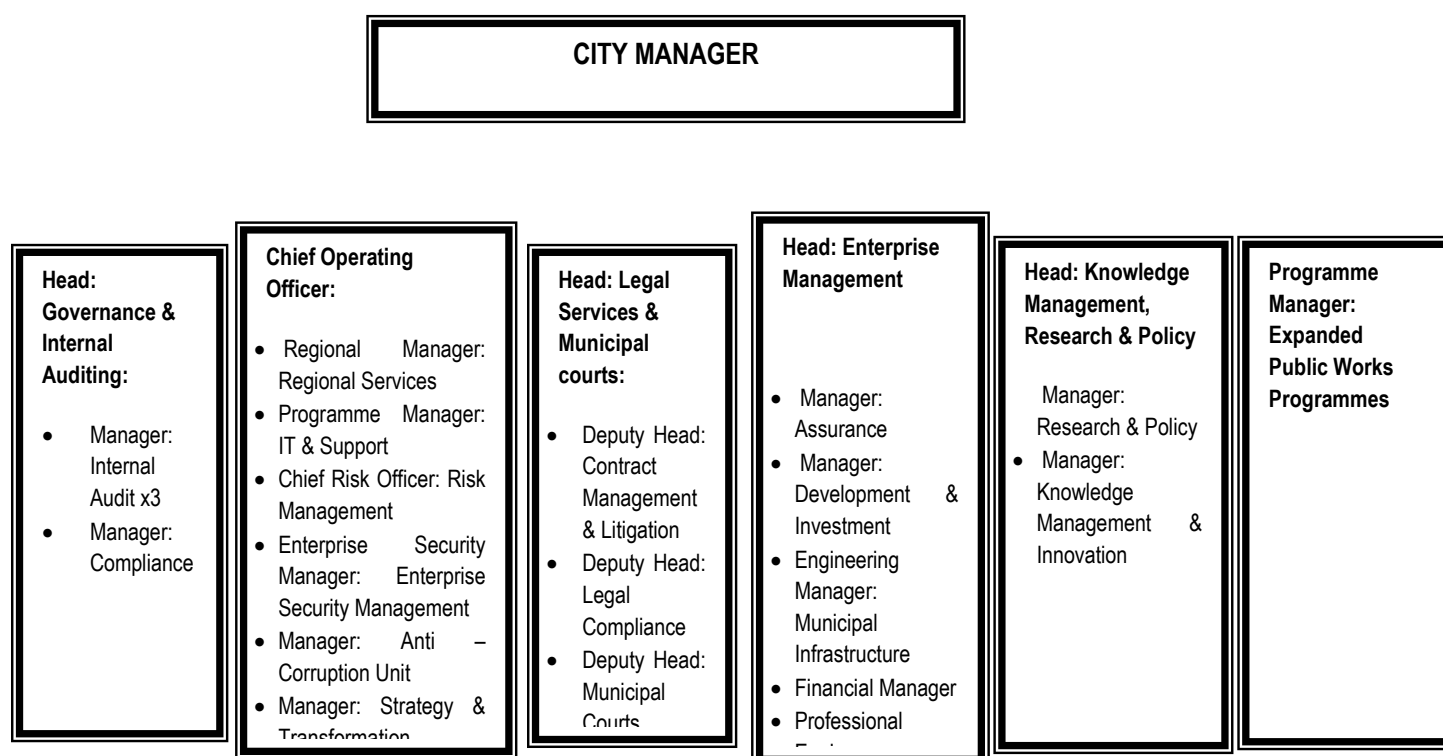


Figure 2: City Manager's Office

1.2 Directorate: Executive Support Services

The Directorate of Executive Support Services consists of the following Departments, namely:

- Sports Services & Special Programmes
- IDP, Budget Integration, GIS, Performance Management and IEMP & Sustainable Development
- Communication & Marketing, International and Intergovernmental Relations
- Political Office Administration

- Monitoring and Evaluation

Figure 3 details the organogram of the Directorate of Executive Support Services up to Management level.



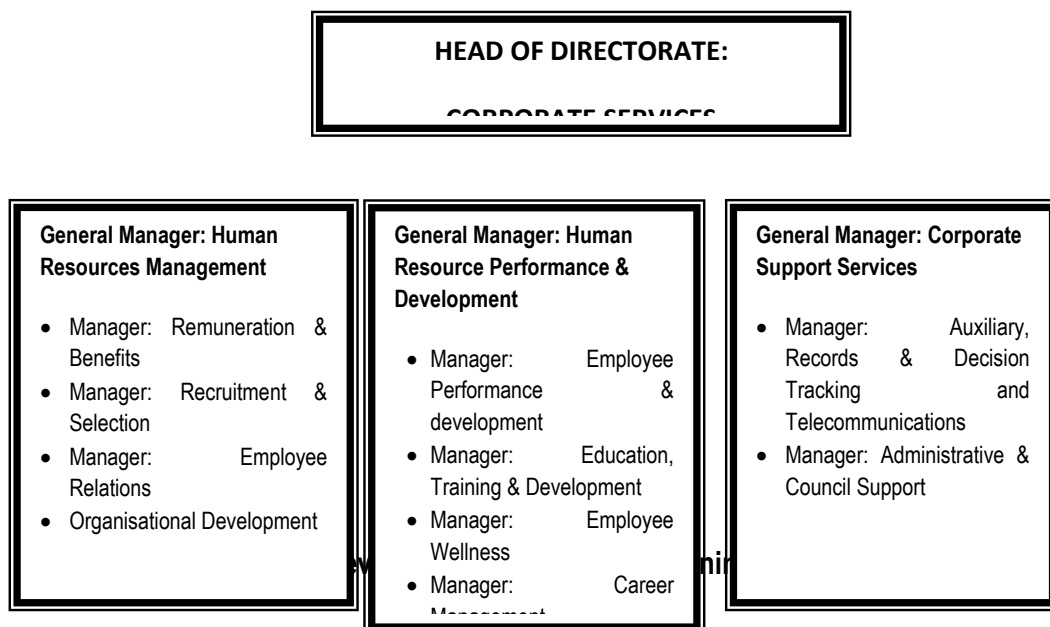
FIGURE 3: EXECUTIVE SUPPORT SERVICES

2.2 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

Figure 4 details the organogram of the Directorate of Corporate Services up to management level.

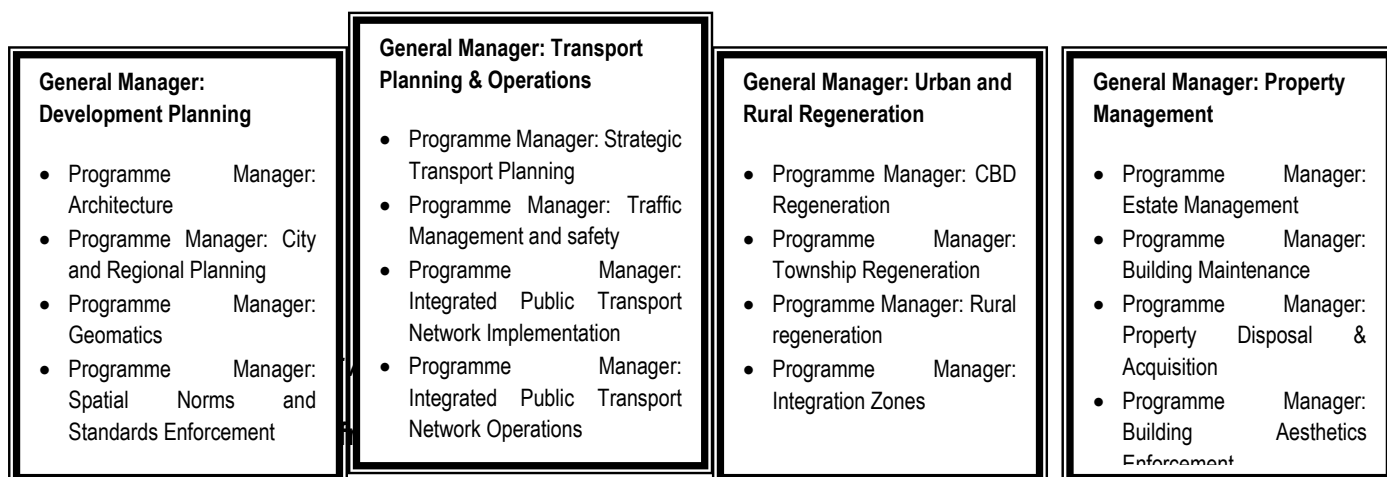


The Directorate of Development and Spatial Planning consists of the following Departments, namely:

- Development Planning
- Property Management
- Urban and Rural Regeneration
- Transport Planning & Operations

Figure 5 details the organogram of the Directorate of Development and Spatial Planning up to management level.

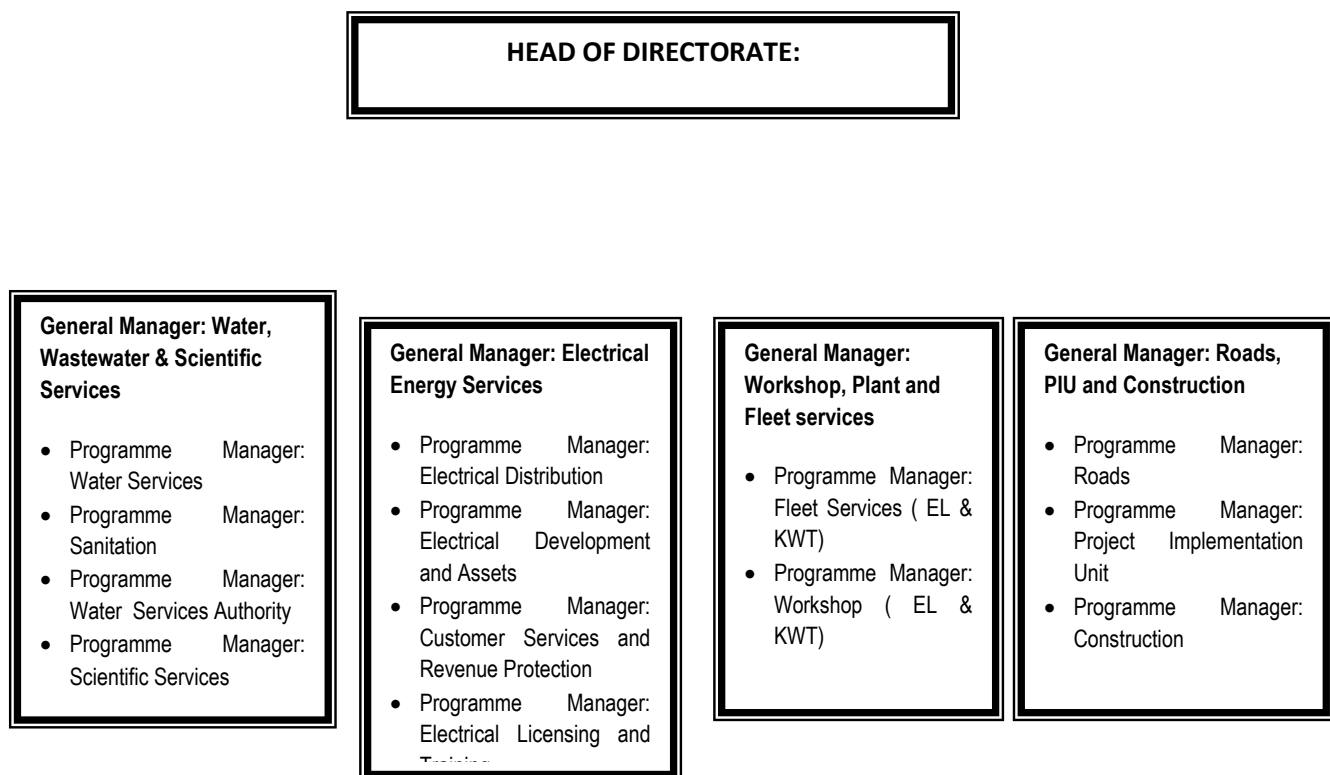
<p align="center">HEAD OF DIRECTORATE:</p> <p align="center">DEVELOPMENT AND SPATIAL PLANNING</p>



The Directorate Infrastructure consists of the following Departments, namely:

- Water, Wastewater & Scientific Services
- Electrical & Energy Services
- Workshop, Plant and Fleet Services
- Roads, PIU and Construction

Figure 6 details the organogram of the Directorate of Infrastructure up to management level.



2.5 Directorate: Municipal Services

The Directorate Municipal Services only has the following Departments, namely:

- Solid Waste Management
- Environmental, Amenities & Arts & Cultural Services
- IEMP & Sustainable Development
-

Figure 7 details the organogram of the Directorate of Community Services up to management level.

<p align="center">HEAD OF DIRECTORATE:</p> <p align="center">MUNICIPAL SERVICES</p>

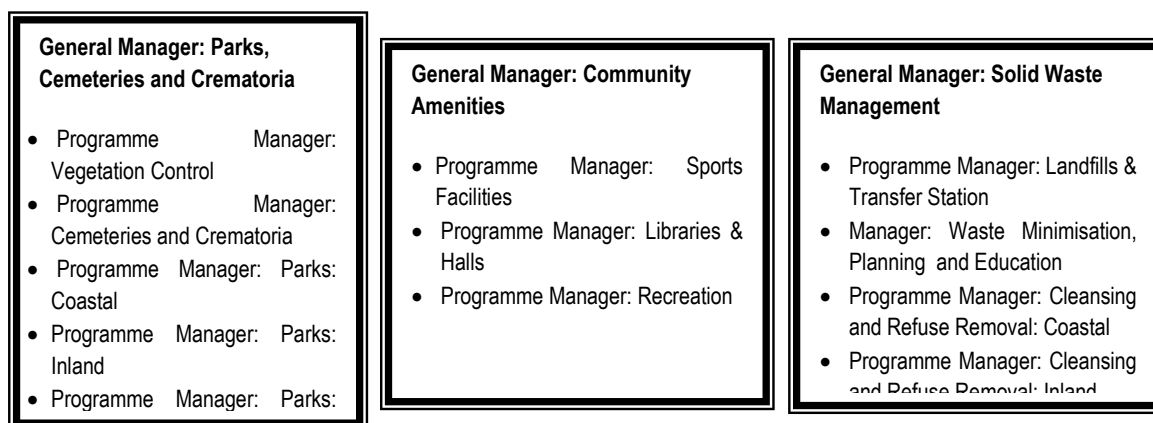


FIGURE 7: MUNICIPAL SERVICES

2.6 Directorate: Health, Public Safety and Emergency Services

The Directorate Health, Public Safety and Emergency Services has the following Departments, namely:

- Municipal Health Services
- Public Safety and Protection Services
- Emergency Services

Figure 8 details the organogram of the Directorate of Health, Public Safety and Emergency Services up to management level.

HEAD OF DIRECTORATE:
HEALTH, PUBLIC SAFETY AND EMERGENCY SERVICES

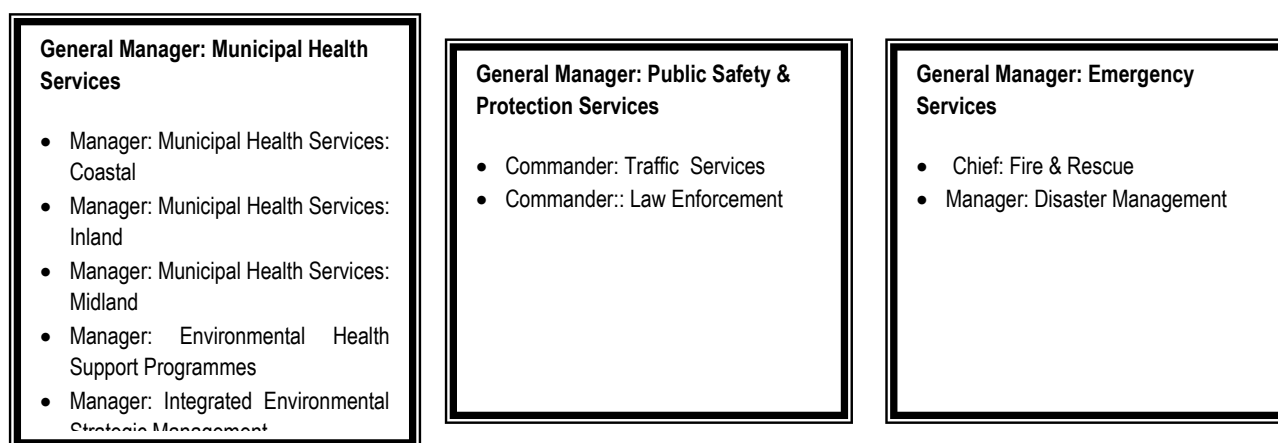


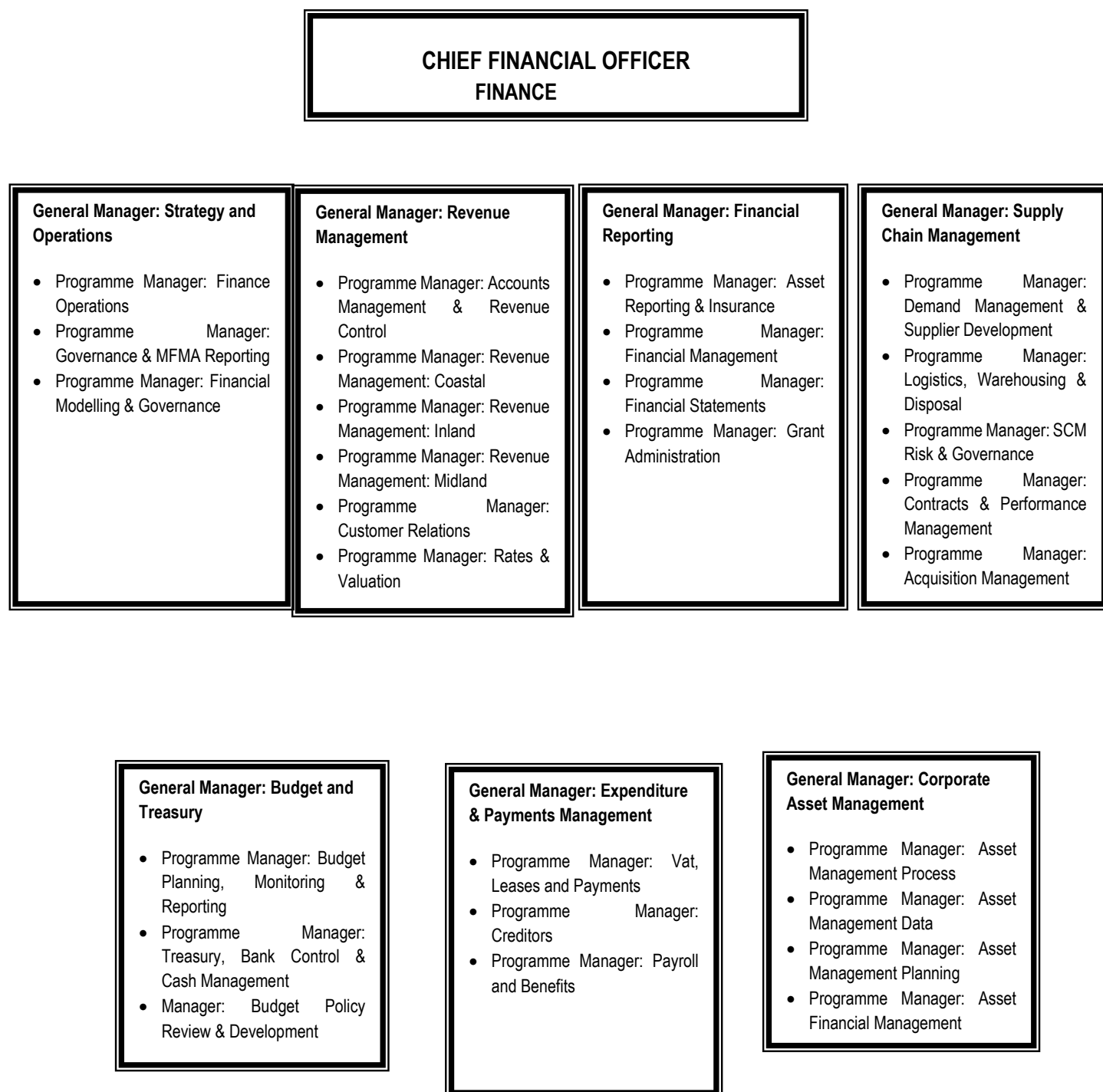
FIGURE 8: HEALTH, PUBLIC SAFETY AND EMERGENCY SERVICES

2.7 Directorate: Finance

The Directorate Finance consists of the following departments, namely:

- Asset & Risk Management
- Revenue Management
- Budget & Treasury
- Supply Chain Management

Figure 9 details the organogram of the Directorate of Finance up to management level.



2.7 Directorate: Human Settlement

The Directorate: Human Settlement consists of the following departments, namely:

- Housing Planning & Strategy
- Housing delivery & Implementation
- Human Settlement Special Projects

Figure 10 details the organogram of the Directorate: Human Settlement up to management level.

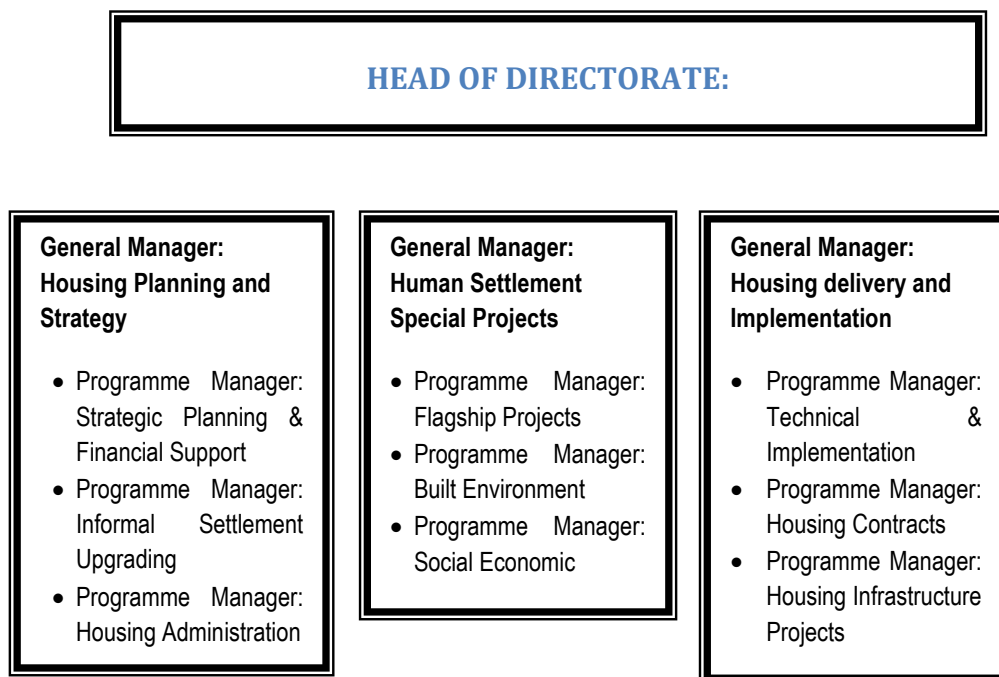


Figure 10: Human Settlement

2.8 Directorate: Economic Development and Agencies

The Directorate: Economic Development and Agencies consists of the following departments, namely:

- Fresh Produce Market
- Trade, Industry and Rural Agrarian
- Tourism, Arts, Culture and Heritage

Figure 11 details the organogram of the Directorate: Economic Development and Agencies up to management level

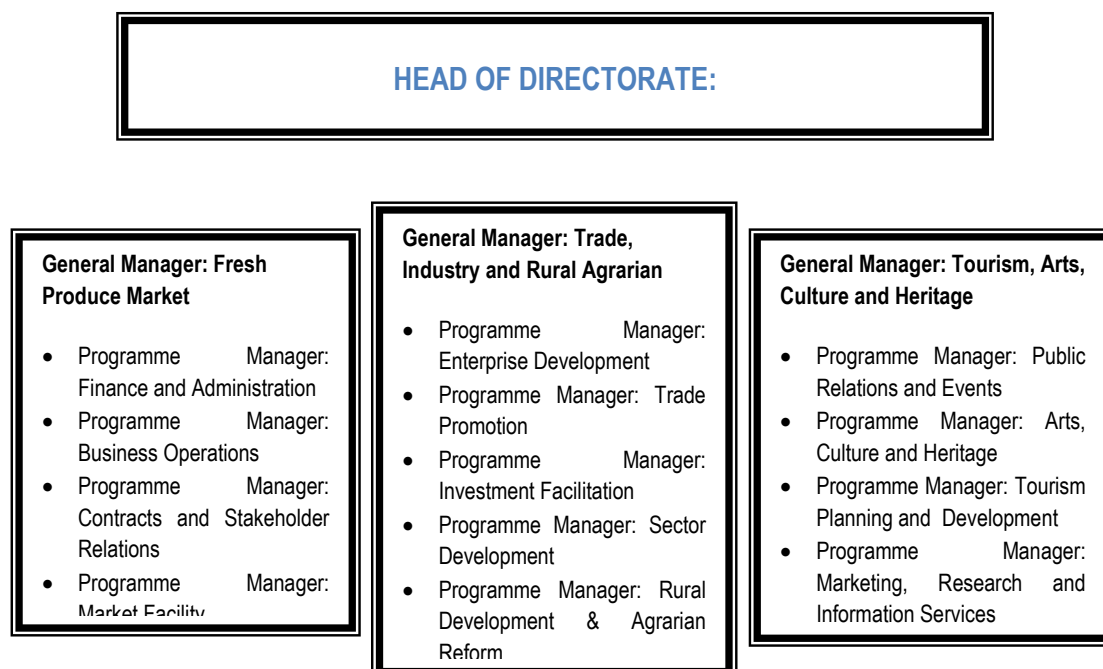


Figure 11: Economic Development and Agencies

SECTION H

FRAMEWORK FOR PERFORMANCE MANAGEMENT SYSTEM

1. INTRODUCTION

Performance Management System (PMS)-is a process which measures the implementation of the IDP. It is intended to monitor continuously the performance of municipalities in fulfilling their mandates. It equips leaders, managers, workers and stakeholders with a set of tools and techniques for regular planning, continuously monitoring, and periodically measuring and reviewing the performance of the City in terms of indicators and targets for efficiency and effectiveness. It is against these measures that the community can monitor the municipality and its members.

Buffalo City Metropolitan Municipality (BCMM) has implemented an integrated Performance Management System (PMS) since 2001 in order to comply with the legislative requirements as laid down by relevant legislation at the time, such as the Municipal Systems Act, 32 of 2000 and the Municipal Structures Act, 117 of 1998 and the Municipal Structures Amendment Act, 2000.

1.1 Legislative Framework that Governs Performance Management System (PMS)

- 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)

Other legislation that impacts on and relates to performance management includes:

- Labour Relations Act (Act No. 66 of 1995): Code of Good Practice
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- Employment Equity Act, 1998 (Act No. 55 of 1998)

- The Skills Development Amendment Act (Act 31 of 2003)
- Promotion of Access to Information Act (Act 2 Of 2000)
- Municipal structures Act (1998)

1.2 Objectives of the Performance Management System

Beyond the fulfilling of legislative requirements, a performance management system constitutes the primary mechanism to plan, monitor, and review and improve the implementation of the objectives set in the municipality's Integrated Development Plan. PMS process plan includes the following objects that the system should in addition fulfil.

i) Facilitate increased accountability

The performance management system 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.

ii) Facilitate learning and improvement

The performance management system provides a mechanism for learning and improvement by assisting the municipality to determine which strategies and plans are having the desired impact, to ensure that services are delivered in the most efficient and effective manner.

It forms the basis for monitoring, evaluating and improving the implementation of the Integrated Development Plan.

iii) Provide early warning signals

The Performance Management System 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.

iv) Facilitate decision-making

The performance management system provides appropriate management information to facilitate efficient, effective and informed decision-making.

The above objectives are not exhaustive, but summarise the intended benefits of the performance management system.

The system is configured around the five Key Performance Areas (KPA) identified by Department of Co-operative Governance and Traditional Affairs, namely:

i. Basic service delivery- Free basic services for the poor, integrated human settlement, water and sanitation, roads and infrastructure, electricity, refuse removal etc.

ii. Local Economic Development- Job creation special intervention, SMMEs, EPWP

iii. Financial Viability- Reduce Municipal debt, appropriate billing system, revenue enhancement mechanisms etc.

iv. Municipal Transformation- Monitoring performance, improved organizational culture, communication, skills audit, capacity building and implementation of Employee Plan.

v. Good Governance– Participation and community development, Public empowerment and anti-corruption initiatives/ strategy, Internal Audit.

1.3 The Institutional Scorecard

At institutional level the IDP forms the basis for performance management, whilst at operational level the annual SDBIP forms the basis. The IDP is a long-term plan and by its nature the performance measures associated with it have a longer-term focus.

The institutional scorecard provides an overall picture of performance for the municipality as a whole, reflecting performance on the strategic priorities set in the IDP. The developmental perspective of this scorecard necessitates that information be also collected from other development role players in the municipal area. These include other spheres of government, business formations and civil society organisations.

The institutional scorecard is reported to Council annually. The City Manager is primarily responsible for performance on the institutional scorecard. The institutional scorecard therefore forms a large component of how the City Manager's performance is appraised.

1.4 Service Delivery and Budget Implementation Plan (SDBIP)

At operational level the Service Delivery and Budget Implementation Plan forms the basis for performance management. The measures at operational level are captured in the SDBIP of the Municipality and the SDBIPs of the various Directorates.

The Service Delivery and Budget Implementation Plan (SDBIP) is comprised of sections dealing with the performance of each Head of Directorate (HOD), based on the funds allocated in the Budget. Unlike the Institutional Scorecard, which reflects on the strategic priorities of the municipality, the Service Delivery and Budget Implementation Plan (SDBIP) provides a comprehensive picture of the performance of the Directorates. It comprises objectives, indicators and targets derived from the IDP and service strategies for each Head of Directorate.

Each Senior Manager is primarily responsible for performance against the Service Delivery and Budget Implementation Plan (SDBIP). The scorecard forms a large component of how each Senior Manager's performance is appraised.

1.5 Performance contracts in terms of Section 57 of the Local Government: Municipal Systems Act

Each Senior Manager is required to enter into a Performance Contract in terms of section 57 of the Local Government: Municipal Systems Act. In the case of the City manager, this agreement is entered into by and between the City Manager and the Executive Mayor. In the case of Head of Directorate (HOD) the agreements are entered into by and between each HOD and the City Manager. The primary foundation of these agreements is found in the Service Delivery and Budget Implementation Plan (SDBIP). Performance against these scorecards is assessed quarterly as regulated by 2006 Regulations.

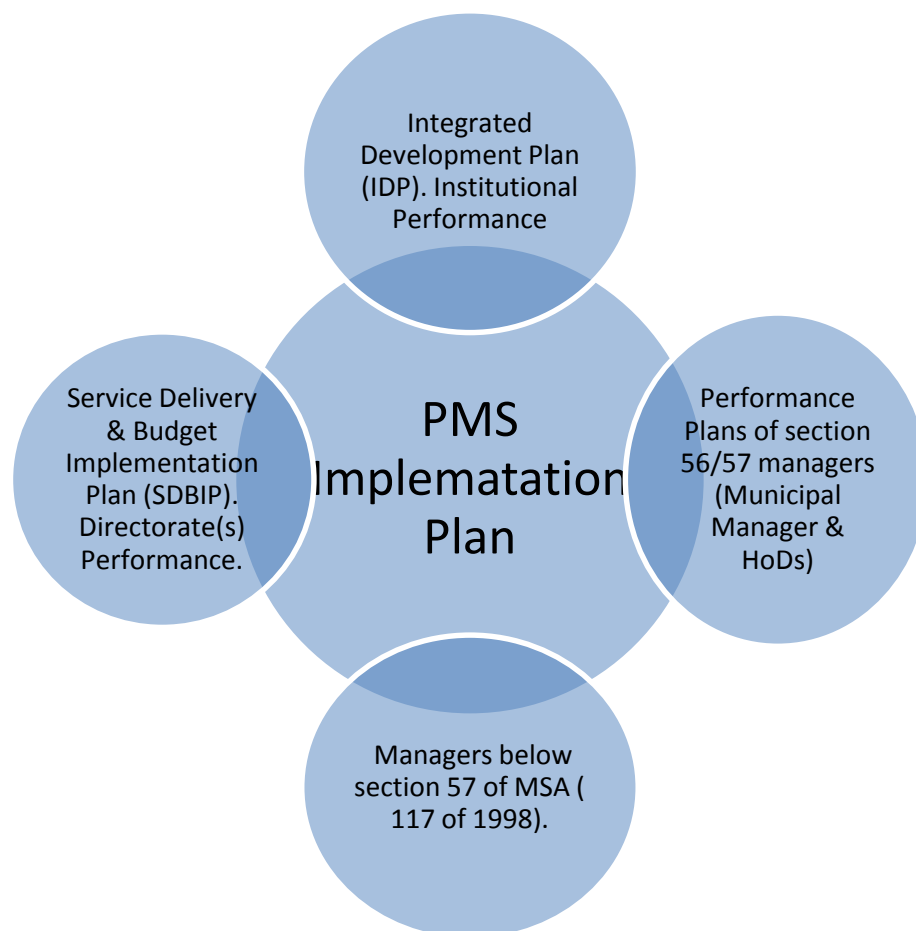
In terms of section 55 of Municipal Systems Act No. 32 of 2000 The municipal manager as a head of municipal administration is subjected to the policy directions of the municipal council, responsible and accountable for the implementation of the municipality's Integrated Development Plan, and the monitoring of progress with implementation of the plan.

In terms of Section 27 of Local Government: Municipal Performance Regulations 2006; The performance plan sets out the standards and procedures for evaluating the employee's performance; and the intervals for the evaluation of the employee's performance. Not only does the Act set out standards and procedures section 28 also states clearly that the performance of the employee in relation to his or her performance agreement must be reviewed in all the 4 quarters with the understanding that **first** and **third** quarter review may be done verbally and the employer must keep a record of the **mid-year** review and **annual** assessment meetings.

The criteria upon which the performance assessments of City Manager and Head of Directorates used consist of two components both which are contained in their performance agreements. They are

assessed against both components, with a weight of 80:20 allocated to the Key Performance Areas **(KPA's)** and Core Competency Requirements **(CCRs)**, as regulated by Local Government: Municipal Systems Act No. 32 of 2000 section 26 subsection (5).

PERFORMANCE MANAGEMENT SYSTEM CYCLE



An overall rating is calculated by using the applicable **assessment- rating calculator**. Such overall rating represents the outcome of appraisal.

The table below is the template of **assessment- rating calculator**

1	2	3	4	5	6
KEY PERFORMANCE AREA (KPA)	WEIGHT FOR EACH KPA	NUMBER OF INDICATORS PER KPA	SCORING PER KPA (calculation of score awarded by panel)	FINAL SCORE (divide scoring awarded by panel with total number of indicators per KPA)	Multiply final score with the weight of the KPA and divide by 100
KPA1: Municipal Transformation and Organisational Development					
KPA2: Municipal Basic Services Delivery and Infrastructure Development					
KPA3: Local Economic Development					
KPA4: Municipal Financial Viability and Management					
KPA5: Good Governance and Public Participation					
OVER ALL TOTAL					

1.7 Service Provider Performance

In terms of MSA and as further required by the MFMA, the municipality must ensure that it measures the performance of service providers. This legislative mandate is further spelled out in Section 46 of MSA, which requires that the municipality must, for each financial year, prepare performance report reflective of the performance of each external service provider during that financial year.

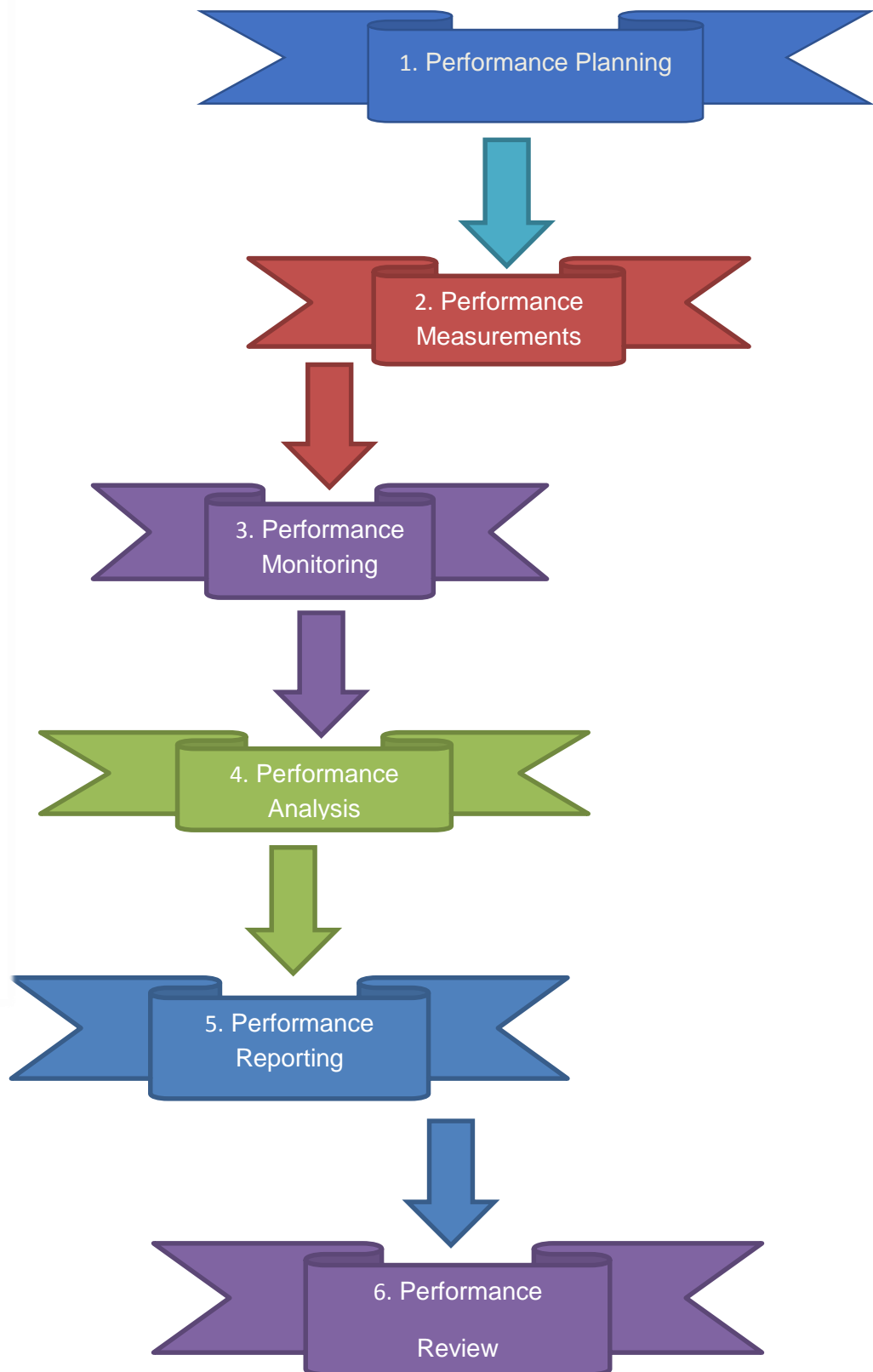
Service Provider Performance deals with the performance of service providers rendering a Municipal Service on behalf of the Municipality in terms of an agreement between the municipality and an institution or person in terms of which such municipal service is provided.

Performance indicators and targets are required to monitor the efficiency and effectiveness of such service delivery mechanism. Reviewing service provider performance at regular intervals provides management with information on the economies of alternative service delivery mechanisms.

1.7 Components of Performance Management Framework

The annual process of managing performance at organisational level in the Municipality involves the steps as set out in the diagram below:

PERFORMANCE MANAGEMENT



SECTION I

BCMM SECTOR PLANS

1. OVERVIEW OF DEVELOPMENT SECTORS

Sectors are defined as fields of intervention aimed either at specific human needs (such as food, housing, water, health, education, transport, recreation) or as specific ways of satisfying human needs (such as agriculture, trade, mining, tourism). Sectors, as fields of intervention, are frequently related to specific planning and implementation agencies (departments, ministries) heading up such interventions. The key characteristic of sectors in the IDP process is that they may or may not be considered in the planning process, depending on the specific local needs and resources.

2. ROLE OF SECTOR PLANNING IN IDP

Local government powers and functions are outlined in the 1996 Constitution and in the Municipal Structures Act. They vary from sector to sector and according to provincial discretion on the delegation of functions to municipalities in respect of some sectors. The principle underlying the role of sector planning in the IDP process can be summarised as follows:

- Sector planning requirements contained in national sectoral legislation in respect of municipal functions such as water and environment should be dealt with as part of the IDP process, where they are relevant to the local priority issues.
- Specific sectors which fall beyond the ambit of local competencies, such as education, may be directly related to the priority issues identified in a specific municipal area. As the municipality is not the implementation agency, attention will still need to be given to the planning process from analysis to integration; to facilitate alignment and co-ordination with other spheres of government and institutions, in the course of the IDP process. What is proposed is that even for sectors where there are no legally prescribed planning requirements, local government can use the integrated

planning process to lever national and provincial sectoral contributions (funds and support) for development by ensuring compliance with national and provincial policy principles and sector guidelines. Local government can also use the IDP process to lobby provincial sector departments by involving them in the local planning process at appropriate points.

Sector planning and national sector departments have set up municipal sector-driven planning requirements, to inform their strategic planning, budgetary and implementation processes. For example the Department of Water Affairs and Forestry requires municipalities that are Water Services Authorities to formulate Water Services Development Plans, and the Department of Housing requires municipalities to formulate a housing strategy and targets as part of their IDP process. These planning requirements are meant to assist in the process of alignment.

Sector planning requirements vary in nature and status. The following categorisation of requirements can assist municipalities in differentiating between the various kinds of requirements:

- (a) legal requirements for the formulation of a sector plan;
- (b) a legal compliance requirement;
- (c) a planning requirement to be undertaken as a component of, or part of, the IDP; and
- (d) a recommendation, which is deemed to add value to the municipal planning process and product.

Below is a list of BCMM Sector Plans. Full copies of the below plans are available on request.

3. LIST OF BCMM SECTOR PLANS

Sector Plan	Relevant Legislation
<ul style="list-style-type: none"> • Metro Growth and Development Strategy 	National Development Plan
<ul style="list-style-type: none"> • Housing Sector Plan 	Section 9 of Housing Act of 1997
<ul style="list-style-type: none"> • Public Transport Framework Plan 	Section 36 of National Land Traffic Act

• State of the Coast Plan	National Environmental Management Act
• State of the Environment Plan	National Environmental Management Act
Sector Plan	Relevant Legislation
• Municipal Open Spaces System	National Environmental Management Act
• Electricity Master Plan	Electricity Act 41 of 1987
• National Aids Strategy	National HIV/Aids / TB Strategic Plan & Provincial HIV/Aids / TB Strategic Plan
• Local Economic Development Strategy	Section 26 of the Municipal Systems Act
• Youth Development Strategy	National Youth Policy & Provincial Youth Strategy
• Coastal Zone Management Plan	National Environmental Management Act
• Integrated Environmental Management Plan	National Environmental Management Act
• Integrated Transport Plan	Section 36 of National Land Transport Act, 5 of 2009
• Water Services Development Plan	Section 12 of Water Services Act
• Tourism Master Plan	Tourism Act, 72 of 1993 /Tourism Act, 3 of 2014
• Integrated Waste Management Plan	Section 11(4)(a)(ii) NEMA: Waste Act 2008
• Spatial Development Framework	Section 26 of the Municipal Systems Act
• Crime Prevention Strategy	Criminal Procedure Act 51 of 1977 South African Police Services Act
• Traffic Safety Plan	National Road Traffic Act Province of the Eastern Cape Road Traffic Act 3 of 2003
• Employment Equity Plan	Employment Equity Act
• Human Resource Management Strategy	Skills Development Facilitation Act


<ul style="list-style-type: none"> Disaster Risk Management Policy Framework 	Section 53 of Disaster Management Act
<ul style="list-style-type: none"> Air Quality Management Plan 	Air Quality Act 39 of 2005
<ul style="list-style-type: none"> Roads Master Plan 	
<ul style="list-style-type: none"> Municipal Health Services Plan 	National Health Act
Sector Plan	Relevant Legislation
<ul style="list-style-type: none"> Integrated Agriculture Strategy 	EC Agricultural and Rural Development Plan
<ul style="list-style-type: none"> SMME Strategy 	Small Business Tax Amnesty Act
<ul style="list-style-type: none"> Co-operatives Strategy 	National Co-operatives Act
<ul style="list-style-type: none"> Trade and Investment Strategy 	

ANNEXURE A: PROCESS PLAN	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
JUNE 2017				
Pre-planning phase (June – August 2017)	Make public/Advertise 2017/18 Draft SDBIP and Draft S57 Annual Performance Agreements, 5 days after its approval.	PMS	MFMA Sec 75 (1&2)	01 June 2017
	Advertise adoption of the approved 2017/18 IDP and 2017/18 to 2019/20 MTREF Budget (local newspaper, BCMM website and notice boards)	IDP/ BUDGET	MSA 25(4)(a)(b)	7 June 2017
	Special Top Management Meeting <ul style="list-style-type: none"> • Draft SDBIP 2017/18 • Demand Management Plans • Presentation of the final State of the Metro inputs 	IDP & FINANCE Office of the Executive Mayor	MFMA	8 June 2017
	Submit approved IDP and MTREF Budget to MEC for Local Government and Traditional Affairs, Provincial Treasury and National Treasury (in both electronic and printed formats) <ul style="list-style-type: none"> • Make public a copy of the tariff book and resolutions for public inspection at municipal offices 	BUDGET	MFMA 24(3) and MBRR 20	8 June 2017
JUNE 2017				

ANNEXURE A: PROCESS PLAN	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
Pre-planning phase (June – August 2017)	City Manager submit Draft SDBIP and Draft S57 Annual Performance agreements 2017/18 within 14 days after budget approval	IDP/BUDGET/COMM	MFMA 69(3)(a)(b)	9 June 2017
	Top Management Meeting: • Tabling of IDP/Budget/PMS Process Plan for 2017/18 IDP Review	IDP/PMS	MSA/MFMA	10 July 2017
	Submission of Specifications to the Bid Specifications Committee	Finance	MFMA	17 June 2017
	State of the Metro Address	Office of the Executive Mayor	MSA/MFMA	22 June 2017
	Mayor approves 17/18 Final SDBIP 28 days after budget approval	PMS	MFMA 53 (1) (C) (ii)	23 June 2017
JULY 2017				
	Work sessions between departments / stakeholders who submitted comments / inputs to metros if required	EPMO	MSA/DORA	1 July – 29 September 2017
Pre-planning phase (June –	IDP and Organisational Performance Management Portfolio Committee: • Tabling of IDP/Budget/PMS Process Plan for 2017-18 Review	IDP/PMS	MSA/MFMA	05 July 2017
	Circulate the 2017/18 IDP/Budget Process Plan Annual Report Process Plan	IDP/PMS	MFMA circular 62	10 July 2017 (Top Management)

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		Consolidate inputs for the 2016/17 Annual Report	IDP/PMS	MSA	July/August 2017

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
AUGUST 2017					
Pre-planning phase (June – August 2017)	BEPP Internal Preparations and Workshops	Enterprise Project Management Office (EPMO)	Division of Revenue Act (DORA)	01 August 2017	
	Budget Steering Committee Meeting: ✚ Consideration of 2016/17 roll over adjustment budget (excluding Conditional Grant Funded Projects). With potential impact on 2017/18.	IDP/PMS/Budget & Treasury	MFMA 28 & MBRR 23	02 August 2017	
	BCMM Political IGR Forum (Afternoon 14:00 – 17:00 after Mayoral Committee Meeting)	Deputy Executive Mayor BCMM IGR Secretariat	MSA / IGR Framework 13 Act of 2005	8 August 2017	
Pre-planning phase (June – August 2017)	Submission of the fourth Quarter SDBIP report	IDP/PMS and Finance	MFMA	11 August 2017	
	Publicize draft process plan on BCMM website, local newspaper and notice boards	IDP/PMS	MSA (28) (2)(3)	11 August 2017	

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		Municipal Entities submit draft Annual Report to the Municipal Manager	CEO of Municipal Entity	MFMA Circular No 63 MSA 46 MFMA 121	11 August 2017
		Review and registration of BCMM stakeholders for participation in the IDP review processes: <div>  Advertise and invite new stakeholders to register on BCMM database </div>	IDP/PMS	MSA	15 August 2017
		Publicise/advertise fourth Quarter 2016/17 SDBIP report	IDP/PMS	MFMA Sec 75	17 August 2017
		IDP/Budget/PMS workshop (All Cllrs, Heads of Directorates and General Managers) <ul style="list-style-type: none"> Presentation of draft IDP Review Process Plan 2017/18 	IDP/PMS, Finance, Office of the Executive Mayor and Office of the Speaker	MSA/MFMA	17 August 2017
		Submission of Annual Financial Statements to the Audit Committee	Finance	MFMA	24-25 August 2017
Pre-planning phase (June – August 2017)		Submit Annual Performance Report including annual financial statements to the Combined Audit / Performance Committee	Chief Financial Officer and Accounting Officer	MFMA Circular No 63 MSA 46 MFMA 121	24-25 August 2017

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		IDP Representative Forum: <ul style="list-style-type: none"> • Report 16/17 Annual Performance Report • Presentation of draft IDP Review Process Plan 2017/18 	IDP /PMS Budget & Treasury	MSA 16 (a)(i) MFMA	24 August 2017

ANNEXURE A: PROCESS PLAN <i>PHASE</i>	<i>ACTIVITY</i>	<i>CO-ORDINATING DEPARTMENT</i>	<i>LEGISLATIVE REQUIREMENT</i>	<i>TIME FRAME</i>
	Submission of roll-over requests and business plans by Directorates for consideration by Top Management for the roll-over adjustment budget (Conditional Grant funded projects) of 2016/17	IDP/PMS/ Budget & Treasury	MFMA Budget Guiding circulars	24 August 2017

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		<p>Council meeting:</p> <ul style="list-style-type: none"> • Adoption of IDP/Budget/PMS process plan for 2017/18 IDP Review • Submission of 2017/18 SDBIP and performance plans to Council for NOTING • Adoption of Approval of 2016/17 roll over adjustment budget (excluding Conditional Grant Funded Projects) • Tabling of unaudited annual report 	IDP/PMS/Budget & Treasury	<p>MSA Sec 28(1)/MFMA Sec 21(1)</p> <p>MSA Sec 28(1)/MFMA Sec 21(1)</p> <p>MSA 21(b), MFMA 28(7) & MBRR 24, 26 & 27(2) (b).</p>	25 August 2017

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
Pre-planning phase (June – August 2017)	AUGUST 2017				
	Workshop to present Delegations Framework as well as IDP & Budget related policies & By-laws	Budget & Treasury	MFMA	29 August 2017	
	Submission of 2016/17 Annual Financial Statements and unaudited Annual Report	Finance IDP/PMS	MSA/MFMA	31 August 2017	
	Submit draft Annual Performance Report and evidence to Internal Auditors including annual financial statements and financial and non-financial information. [Note that the annual performance report and the annual financial statements form part of an Annual Report.]	Chief Financial Officer [Annual Financial Statements] and HOD: Executive Support Services [Performance Report].	MFMA Circular No 63 MSA 46 MFMA 121	31 August 2017	
	Assessments of Section 57 managers	PMS	MSA MFMA	31 August 2017	
	Formulation and Issuing of Guidelines	EPMO	MSA/DORA	31 August 2017	
	Submission of roll-over requests to National Treasury (Conditional Grant funded projects) of 2016/17	Budget & Treasury	MFMA Budget Guiding Circulars	31 August 2017	
SEPTEMBER 2017					

ANNEXURE A: PROCESS PLAN PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
Situational Analysis phase (September – October 2017)	Internal Departmental BEPP Workshops	EPMO	MSA/DORA	1 September – 30 November 2017
	Advertise adopted IDP/Budget/PMS Process Plan <ul style="list-style-type: none"> Publication of process plan on BCMM website, local newspaper and notice boards 	IDP/PMS	MSA 21, 28(3)	5 September 2017
	Submit adopted process plan to MEC for Local Government and Traditional Affairs	IDP/PMS	MSA 31 (a)(b)(c)(d)	5 September 2017
	IDP and Organisational Performance Management Portfolio Committee	IDP/PMS	MSA/MFMA	6 September 2017

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		Review of Ward & External Stakeholders needs and priorities	IDP/PMS	MSA	5-30 September 2017

ANNEXURE A: PROCESS PLAN	<i>ACTIVITY</i>	<i>CO-ORDINATING DEPARTMENT</i>	<i>LEGISLATIVE REQUIREMENT</i>	<i>TIME FRAME</i>
<i>PHASE</i>	IDP/PMS/Budget Technical Steering Committee Meeting	IDP/PMS	MSA	8 September 2017

ANNEXURE A: PROCESS PLAN PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
	Publication of 17/18 SDBIP <ul style="list-style-type: none"> • Advertise • Place on website • Distribute in libraries 	IDP/PMS	MFMA 53(3)(a)(b), Budget Regulations Chapter 2, Part 3, 15(3)	08 September 2017
	Submit adopted 2017/18 SDBIP to National Treasury and MEC Local Government and Traditional Affairs	IDP/PMS	MFMA 53(3)(a)(b), Budget Regulations Chapter 2, Part 3, 15(3)	08 September 2017
	<ul style="list-style-type: none"> • Submit to National Treasury 2016/17 Roll-over adjustment budget in terms of National Treasury reporting requirements • Publicise 2016/17 Roll-Over Adjustment Budget 	Budget and Treasury	MSA 21(b), MFMA 28(7) & MBRR 24, 26 & 27(2) (b).	13 September 2017
	IDP Technical Work Stream meeting <ul style="list-style-type: none"> • Progress on situational analysis 	IDP/PMS	MSA	13 September 2017
	IDP Technical Work Stream meeting <ul style="list-style-type: none"> • Progress on situational analysis 	IDP/PMS	MSA	18 September 2017
	BCMM Technical IGR Forum Meeting: <ul style="list-style-type: none"> • Process plan and expectations • Progress report on programmes and projects 	IDP/PMS	MSA / IGR Framework Act	22 September 2017

ANNEXURE A: PROCESS PLAN	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
OCTOBER 2017				
Situational Analysis phase (September – October 2017)	IDP Technical Work Stream Meetings <ul style="list-style-type: none"> Progress on situational analysis 	IDP/PMS	MSA	2 October 2017
	IDP and Organisational Performance Management Portfolio Committee <ul style="list-style-type: none"> Table progress report on IDP Review Process 	IDP/PMS	MSA/MFMA	4 October 2017
	BCMM Political IGR Forum Meeting: <ul style="list-style-type: none"> Process plan and expectations Progress report on programmes and projects 	IDP/PMS	MSA / IGR Framework Act	05 October 2017
Situational Analysis phase (September – October 2017)	Top Management Meeting: <ul style="list-style-type: none"> Consideration of 2016/17 roll over adjustment budget for Conditional Grant Funded Projects 	IDP/PMS/Budget & Treasury	MFMA	09 October 2017
	Submission of 2017/18 First Quarter SDBIP Report	PMS	MFMA Sec 52 (d)	11 October 2017
	Executive Mayoral Imbizo <ul style="list-style-type: none"> Executive Mayor interacts with ward communities to listen to needs and concerns Executive Mayor provides feedback on approved 	Executive Mayor's office	MSA	10;11;12 & 13 October 2017

ANNEXURE A: PROCESS PLAN PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
	programmes and projects			
	Advertise/publish 2017/18 First Quarter SDBIP Report	PMS	MFMA Sec 75	16 October 2017
	IDP/PMS/Budget Steering Committee Meeting <ul style="list-style-type: none"> Presentation of draft situational analysis report 	IDP/PMS	MSA/MFMA	17 October 2017
	Mayoral Lekgotla Session: <ul style="list-style-type: none"> Review of strategic objectives for service delivery and development 	Executive Mayor's office	MSA / MFMA	19-21 October 2017
	Council meeting <ul style="list-style-type: none"> Table 2017/18 SDBIP 1st quarter report to Council 	IDP/PMS/Budget and Treasury	MSA/MFMA Sec 52 (d)	25 October 2017

ANNEXURE A: PROCESS PLAN	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		NOVEMBER 2017		
Strategies phase (November – December 2017)	Session with Ward Councillors: <ul style="list-style-type: none"> Reviewal of Ward Priorities 	IDP/PMS	MSA/MFMA	1-3 November 2017
	Top Management meeting <ul style="list-style-type: none"> Consideration of 2016/17 roll over adjustment budget for Conditional Grant Funded Projects 	BTO	MSA/MFMA	06 November 2017
	Councillors Session on Outcomes of the Mayoral Lekgotla	IDP/PMS, Office of the Speaker & Office of the Executive Mayor	MSA/MFMA	7-8 November 2017
	Budget Steering Committee: <ul style="list-style-type: none"> Consideration of 2016/17 roll over adjustment budget for Conditional Grant Funded Projects 	Budget and Treasury	MFMA	8 November 2017
	Technical Work Stream Meetings <ul style="list-style-type: none"> Commencement of situation analysis phase 	IDP/PMS	MSA	9- 10 November 2017
		NOVEMBER 2017		
Strategies phase (November – December 2017)	Budget Workshops – with all Directorates	Budget and Treasury	MFMA	13 - 17 November 2017
	IDP Technical Work Stream Meeting	IDP/PMS	MSA 34(a)(i)(ii)	15-16 November 2017
	IDP Political Work Stream Meetings	Office of the Executive Mayor	MSA / MFMA	22-23 November 2017

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		<ul style="list-style-type: none"> Consider draft situational analysis report Confirmation of cluster priorities 			
		Council Meeting <ul style="list-style-type: none"> Approval of 2016/17 Roll-over adjustment budget for conditional grant funded projects 	Office of the Speaker/BTO	MSA / MFMA	29 November 2017
		BCMM Technical IGR Forum	City Manager BCMM IGR Secretariat	MSA / IGR Framework 13 Act of 2005	30 November 2017
DECEMBER 2017					
Strategies phase (November – December 2017)		IDP Political Steering Committee Meeting	IDP/PMS	MSA/MFMA	1 December 2017
		IDP Representative Forum: <ul style="list-style-type: none"> Presentation of BCMM Situational Analysis report Presentation of draft reviewed IDP objectives and strategies 	IDP/PMS	MSA Sec 16(1)(a) MFMA Sec 52(d)	7 December 2017
		BCMM political IGR Forum	Deputy Executive Mayor BCMM IGR Secretariat	MSA / IGR Framework 13 Act of 2005	12 December 2017

ANNEXURE A: PROCESS PLAN	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
	Submit to National Treasury 2016/17 Roll-over Adjustment Budget for Conditional Grant Funded Projects	Budget and Treasury	MFMA	13 December 2017
	Publicise 17/18 roll-over adjustment budget for conditional grant funded projects	Budget and Treasury	MFMA	13 December 2017
	Council Meeting	Office of the Speaker	MSA / MFMA	13 December 2017
JANUARY 2018				
Projects phase (January – February 2018)	Submission of adjustment budget request together with the revised Business Plans for consideration by Top Management for the 2017/18 Mid-Year Adjustment budget.	IDP/PMS/Budget & Treasury	MFMA Budget Guiding circulars	08 January 2018
	Top Management Technical Planning Session: <ul style="list-style-type: none"> Confirmation of draft reviewed IDP Objectives, Strategies and Projects 2018/19 MTREF Budget 	IDP/PMS	MSA	17-19 January 2018

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		<ul style="list-style-type: none"> Consideration of 2017/18 mid-year adjustment budget 			
		Submission of 2017/18 mid-year assessment report to the Executive Mayor	IDP/PMS/Budget and Treasury	MFMA Sec 72 & 51(a), Budget Regulation Part 5 (32) & PM Regulations 2001 (2)(a)	25 January 2018
		Budget Steering Committee Meeting: <ul style="list-style-type: none"> Consideration of 2017/18 Mid-year adjustment budget 	IDP/PMS/Budget & Treasury	MFMA	26 January 2018
		2017/18 Mid-year Budget and BEPP Review including strategic thrust of BEPP 2018/19 (IGR Engagement)	EPMO	DORA/MFMA	25 January – 26 February 2018
		Performance Assessment of the City Manager and Section 57 Managers	IDP/PMS	MFMA, 72(1), PM Regulations 2006	30 January 2018
Projects phase (January – February 201-8)		Mayor tables draft Annual Report and audited financial statements to Council	Executive Mayor	MFMA Circular No 63 MSA 46 MFMA 121	31 January 2018
		Submission and publication of the 2017/18 MID Year Assessment Report	IDP/PMS/Budget and Treasury	MFMA Sec 51(a), Sec 72, Budget Regulation Part 5 (35) & PM Regulations 2001 (2)(a)	31 January 2018

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		Submission of the Business Plans for consideration by Top Management for the 2018/19 to 2020/21 MTREF budget.	IDP/PMS/Budget & Treasury	MFMA Budget Guiding circulars	31 January 2018
		Council Meeting: <ul style="list-style-type: none"> Consider 2017/18 SDBIP 2nd quarter reports (Mid -year report) Draft Annual Report 2016/17 	IDP/PMS/Budget and Treasury	MFMA Sec 52(d) & 51(a), Sec 72, Budget Regulation Part 5 (32) & PM Regulations 2001 (2)(a)	31 January 2018
		Municipal Entity to submit the proposed budget, priorities and objectives to the municipality.	Municipal Entity/ BTO/IDP/PMS	MFMA 87 (i) (ii) & (iii) and 88	31 January 2018
FEBRUARY 2018					
Projects phase (January – February 2018)		National Treasury Mid-year Budget and Performance Assessment Review	IDP/PMS/Finance/ Compliance Office	MFMA	February 2018 (TBC)
		Top Management Meeting: Consideration of draft IDP 2018/19 to 2020/21 MTREF budget.	IDP/PMS/Budget & Treasury	MFMA	12 February 2018
		Submission of the 2017/18 2 nd quarter Report to both National and Provincial Treasury	IDP/PMS/Budget and Treasury	MFMA Sec 51(a), 52 (d) Sec 72, Budget Regulation Part 5 (35) & PM Regulations 2001 (2)(a)	14 February 2018
		Budget Steering Committee Meeting: <ul style="list-style-type: none"> Consideration of 2017/18 Mid-year adjustment budget 	IDP/PMS/Budget & Treasury	MFMA	14 February 2018

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		IDP Political Work Stream Meetings <ul style="list-style-type: none"> Consideration of draft 2018/19 IDP review and MTREF Budget 	IDP/PMS/Budget & Treasury	MSA/MFMA	15-16 February 2018
		Council considers and approve the 2017/18 Mid-Year Adjustment Budget, IDP, BEPP and SDBIP	IDP/PMS/Budget & Treasury	MFMA 28, 54(1)(c) and MBRR 23	28 February 2018
MARCH 2018					
Consolidation phase (March – April 2018)		Council Workshop (all Cllrs, HODs and GMs) <ul style="list-style-type: none"> Review and confirm draft 2018/19 IDP, BEPP and MTREF Budget Review of budget related policies 	IDP/PMS/Finance	MSA/MFMA	6-7 March 2018
		<ul style="list-style-type: none"> Submits to National Treasury 2017/2018 Mid-Year Adjustment Budget in terms of the National Treasury Reporting Requirements Publicise 2017/2018 Mid-Year Adjustment Budget for public comment Place 2017/2018 Mid-Year Adjustment Budget on BCMM website Publish mid-year adjustment budget 	IDP/PMS/Budget and Treasury	MSA/MFMA	14 March 2018

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		and Service Delivery targets			
		IDP & Organisational Performance Management Portfolio Committee Meeting: <ul style="list-style-type: none"> • Presentation of draft 2018/19 IDP review and MTREF • Presentation of the IDP/Budget Road Shows process plan 	IDP/PMS	MSA	14 March 2018
		BCMM IGR Forum Meeting: <ul style="list-style-type: none"> • Presentation of draft 2018/19 IDP review and MTREF 	IDP/PMS	MSA / IGR Framework Act	16 March 2018
Consolidation phase (March – April 2018)		IDP/Budget/PMS External Representative Forum Meeting: <ul style="list-style-type: none"> • Presentation of draft 2018/19 IDP review and MTREF 	IDP/Budget & Treasury	MSA Sec 16(1)(a) / MFMA	22 March 2018
		The City to consider the proposed budget of the entity and assess the entity's priorities and objectives	Municipal Entity/BTO/IDP/PMS	MFMA 87 (i) (ii) & and 88	23 March 2018
		Council Meeting: <ul style="list-style-type: none"> • Approve 2018/19 Draft IDP review and MTREF Budget • Approve draft BEPP 	Budget and Treasury	MFMA MSA	28 March 2018

ANNEXURE A: PROCESS PLAN PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
	Tabling Oversight report on the Annual Report.	Chairperson of MPAC	MFMA Circular No 63 MSA 46 MFMA 121	30 March 2018
APRIL 2018				
Consolidation phase (March – April 2018)	IDP/Budget/PMS Technical Steering Committee Meeting: <ul style="list-style-type: none"> Present state of readiness for IDP/Budget roadshows 	IDP/PMS	MSA/MFMA	4 April 2018
	City Manager submit annual report and oversight report within seven days after the municipal council has adopted	PMS	MFMA 132	4 April 2018
	IDP/Budget/PMS Political Steering Committee Meeting: <ul style="list-style-type: none"> Present state of readiness for IDP/Budget roadshows 	IDP/PMS	MSA/MFMA	5 April 2018
	Councillors Briefing Session on IDP/Budget Roadshows	IDP/PMS	MSA/MFMA	6 April 2018

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		<ul style="list-style-type: none"> Submits to MEC for Local Government and Traditional Affairs, National Treasury 2018/19 Draft IDP, SDBIP and MTREF Budget Advertise 2018/19 Draft IDP, SDBIP and MTREF Budget for public comment Place 2018/19 Draft IDP and MTREF Budget on BCMM website 	IDP/PMS/Budget and Treasury	MSA/MFMA	11 April 2018
APRIL 2018					
Consolidation phase (March – April 2018)		IDP Budget Road Shows: <ul style="list-style-type: none"> Present summarised draft IDP & Budget BCMM response to key issues raised by wards Highlight planned projects and programmes 	IDP/PMS/Budget & Treasury	MSA/MFMA	18 April – 14 May 2018
		Submission of 2017/18 3 rd quarter SDBIP report and MFMA Section 52 (d) report to Council	IDP/PMS	MFMA (52) (d)	25 April 2018
MAY 2018					

ANNEXURE A: PROCESS PLAN	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
Approval Phase (May 2018)	Top Management Meeting: Consideration of final 2018/19 to 2020/21 MTREF budget.	IDP/PMS/Budget & Treasury	MFMA	07 May 2018
	Consultation with Organised Business and Traditional Leadership on the Draft 2018/19 IDP & Budget <ul style="list-style-type: none"> • Business Breakfast • Session with traditional leadership 	IDP/PMS/ Budget and Treasury	MSA 16(1)(a)(b)(c)	9-10 May 2018
	Budget Steering Committee Meeting: Consideration of final 2018/19 to 2020/21 MTREF budget.	IDP/PMS/Budget & Treasury	MFMA Budget Guiding circulars	09 May 2018
	Council Open Day	Office of the Speaker	MSA Sec 16(1)(a)	16 May 2018
	IDP/Budget/PMS External Representative Forum Meeting: <ul style="list-style-type: none"> • Presentation of final draft 2018/19 IDP review and MTREF 	IDP/Budget & Treasury	MSA Sec 16(1)(a) / MFMA	18 May 2018
	Council Workshop on the final IDP/Budget before adoption	IDP/PMS	MSA, MFMA	24-25 May 2018
	Council Meeting: <ul style="list-style-type: none"> • Approval of final 2018/19 IDP review and MTREF Budget • Approval of final BEPP 	Budget and Treasury	MFMA MSA	30 May 2018
JUNE 2018				

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		Share BEPPs 2018/19 MTREF with IGR Stakeholders	EPMO	MSA/DORA	06 June 2018
		BCMM Technical IGR Forum	City Manager BCMM IGR Secretariat	MSA / IGR Framework 13 Act of 2005	8 June 2018
		Top Management Meeting: <ul style="list-style-type: none"> • Tabling of IDP/Budget/PMS Process Plan for 2018/19 Review • Draft SDBIP 2018/19 • Demand Management Plans • Presentation of the final State of the Metro inputs 	IDP/PMS	MSA/MFMA	12 June 2018
Monitoring and Evaluation (June – July 2018)		Publicise BCMM adopted tariffs <ul style="list-style-type: none"> • BCMM website and newspaper • Make public a copy of the tariff book and resolutions for public inspection at municipal offices • Submits to MEC for Co-operative Governance and Traditional Affairs a copy of the tariff resolution and public advert 	Budget & Treasury	MSA, MFMA	13 June 2018
		Advertise Adoption of final 2018/19 IDP review and Budget (<i>local newspaper, BCMM website and notice boards</i>)	IDP/PMS	MSA	13 June 2018
		Publicise BCMM adopted tariffs	Budget & Treasury	MSA, MFMA	13 June 2018

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		<ul style="list-style-type: none"> BCMM website and newspaper Make public a copy of the tariff book and resolutions for public inspection at municipal offices Submits to MEC for Co-operative Governance and Traditional Affairs a copy of the tariff resolution and public advert 			
		Advertise Adoption of final 2018/19 IDP review and Budget (<i>local newspaper & libraries</i>)	IDP/PMS	MSA	13 June 2018
		<ul style="list-style-type: none"> Submit to MEC for Local Government and Traditional Affairs, Provincial Treasury, National Treasury and Place on BCMM web site the final 2018/19 IDP review/ Budget (MTREF) / BEPP 	IDP, PMS/Budget & Treasury	MSA 32(1) /MFMA 22/ DORA sec 14	13 June 2018
		City Manager submits draft 18/19 SDBIP to Executive Mayor	IDP/PMS	MSA/MFMA	14 June 2018
		State of the Metro Address	Office of the Executive Mayor	MSA/MFMA	22 June 2018
		BCMM political IGR Forum	Deputy Executive Mayor BCMM IGR Secretariat	MSA / IGR Framework 13 Act of 2005	26 June 2018
		Executive Mayor approves 18/19 SDBIP & section 56 Performance Agreements	IDP/PMS	MFMA	29 June 2018

ANNEXURE A: PROCESS PLAN	PHASE	ACTIVITY	CO-ORDINATING DEPARTMENT	LEGISLATIVE REQUIREMENT	TIME FRAME
		28 days after the adoption of IDP & Budget			
JULY 2018					
Monitoring and Evaluation (June – July 2018)		Publication of 18/19 SDBIP <ul style="list-style-type: none"> • Advertise on local newspapers • Place on website • Distribute in libraries • Submit to National & Provincial Treasury, MEC for local government & traditional affairs 	IDP/PMS	MFMA 53 (3)(a)(b), Budget Regulations Chapter 2, Part 3, 15(3)	7 July 2018
		Submission of 2017/18 4 th quarter SDBIP	IDP/PMS	MSA/MFMA 52 (d)	25 July 2018
		Section 56/57 Annual Performance Assessments	IDP/PMS	MSA	31 July 2018