



# IDP 2022-2027

Adopted 30 May 2022

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## MAYORS FOREWORD

I am honoured to introduce the 5-year IDP review for 2022/27. The IDP contains the programmes and targets that Council wishes to obtain in its 5-year term. Communities have expressed their needs through village ward meetings and the development of five-year ward plans.

The implementation and success of the IDP will rely on strong and constant interactive partnerships with sector departments, private business and traditional leaders. The financial viability of the Municipality is dependent on improving the tax base of the Municipality and improving current collection rates. However, the continuing depressed economic climate and the hardships created by the implementation of COVID containment measures have resulted in many households struggling to meet their required financial needs. It is therefore important that municipal services are not only affordable but that they are financially sustainable.

Rising unemployment means that Council's infrastructure and service delivery must be geared towards creating an environment which will assist the economy to grow and flourish.

Cllr V.Stokwe – Mayor





# CHAPTER ONE: ENVIRONMENTAL ANALYSIS

## 1. Spatial Characteristics of the area

### 1.1. Introduction

Senqu Municipality is a Category B Municipality under the Joe Gqabi District Municipality in the Eastern Cape. It borders with the Kingdom of Lesotho in the north, Free State and Walter Sisulu Municipality in the west, Emalahleni and Sakhisizwe Municipalities in the south and Elundini Municipality in the east.

It covers an area of 7329km<sup>2</sup>. with 178 villages and 3 major urban centres viz Lady Grey, Barkly East and Sterkspruit (Senqu HSP 2020) divided into 17 wards. It has 3 minor urban hamlets of Rossouw, Rhodes & Herschel.

The Municipality has a mainly rural population who live in villages. The traditional rural landscape is changing with increased urbanisation and less time and money being spent on a subsistence farming lifestyle. Villages are increasingly growing towards former urban areas such as Sterkspruit and Hershel.

### 1.2 Soil, land cover and vegetation types

There are five vegetation types :

- Dry Sandy Highveld Grassland
- Moist Cold Highveld Grassland
- Afro Mountain Grassland
- Alti Mountain Grassland. It is important for grazing and generally occurs in water catchment areas
- Moist upland Grassland. This is important for maize farming and forestry.

The dry sandy highveld grassland is found in the drier south and west side of the Municipality with the moist cold highveld grassland from the north to the east of the Municipality. The afro mountain grassland which is the most sensitive environment occurs on the mountains around Lady Grey, Sterkspruit and Barkly East. The alti mountain grassland grows around certain vleis in the area. Moist

upland grassland is found around the mountains of Barkly East and Lady Grey in the higher rainfall areas (JGDM Environmental Plan,2011).

Senqu Municipality has limited land available for intensive agricultural practices due to the poor soils and lack of depth. Total cultivation is 47 319,21 ha with dry land cultivation forming the majority of cultivated use in the area. In total the area under cultivation is 47 319.21 ha, out of this dry land under commercial Production is 18 178. 39 ha with commercial irrigated land of 3 866, 57 ha. Semi commercial use i.e., commonages have 25 274,25 ha (Information supplied by the Department of Agriculture). This is why livestock production is the main agricultural activity in the Municipality.

The soils in the Municipality are highly erodible with poor depth. This problem is exasperated by communal grazing lands not being well maintained or protected under the previous dispensation. The primary cause is the overstocking of livestock and inappropriate grazing methods. The soils improve towards the east in composition and depth (JGDM Environmental plan,2011).

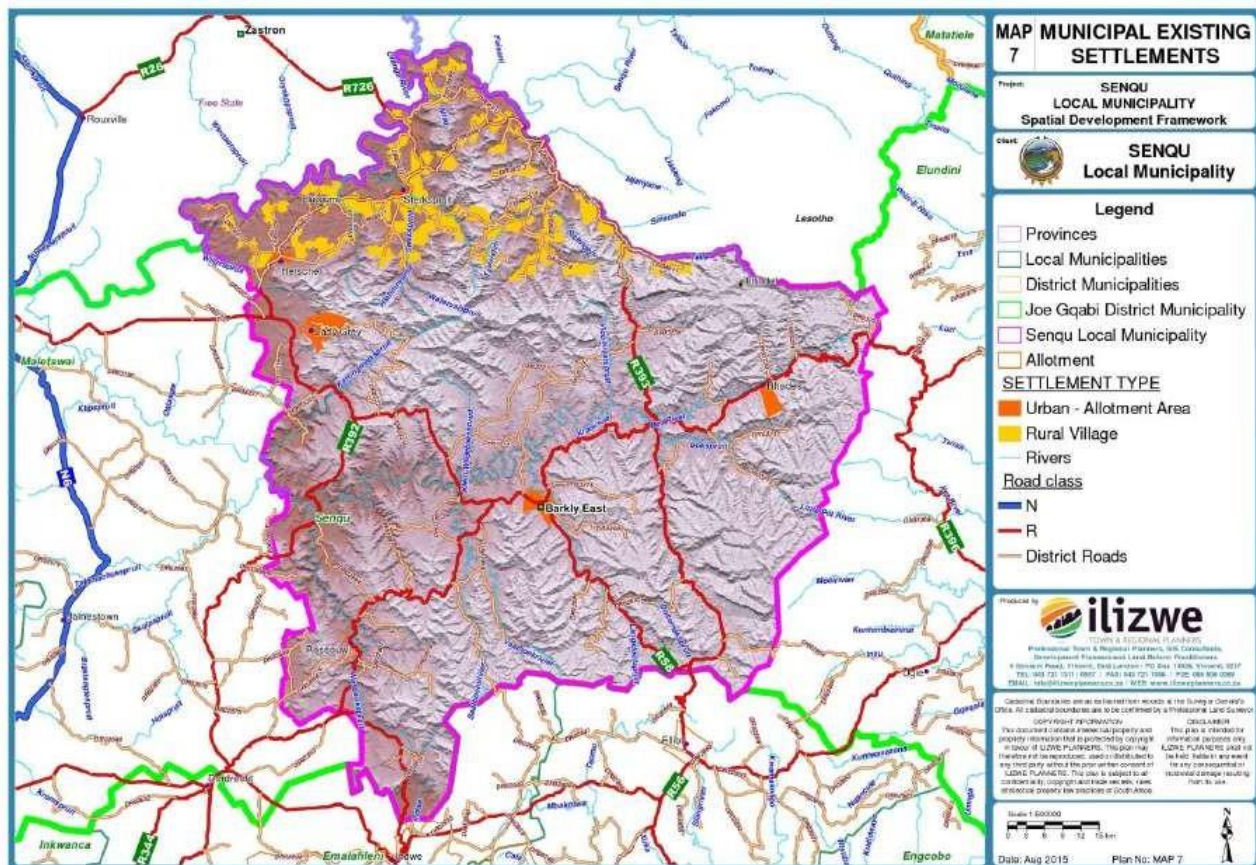
## 1.2. Geology

The Municipality has 3 distinct geology types. These are the Karoo Supergroup, Basaltic lavas of the Drakensberg Group and Beaufort, Molteno, Elliot & Clarens Groups of sandstone & shale (JGDM Environmental Plan,2011).This is due to the topography of the area which is mountainous and part of the Drakensberg.

These are some of the oldest geological types in south Africa and also explains why the area has such poor soils.

## 1.3. Topography

The Municipality is extremely mountainous with the height above sea level increasing from the west to the east. The highest mountain ranges are found in the east and north. The highest point in the Eastern Cape, Ben MacDhui at 3001m above sea level occurs in the municipality (JGDM Environmental Plan,2011). Slopes are extremely steep which is why erosion caused by rainfall runoff, remains one of the issues in the Municipality. Slopes are normally steeper than 1:8 as part of the southern Drakensberg range (JGDM Environmental Plan,2011).



Map 1: Topographic map indicating settlements and topography (Source SDF 2017)

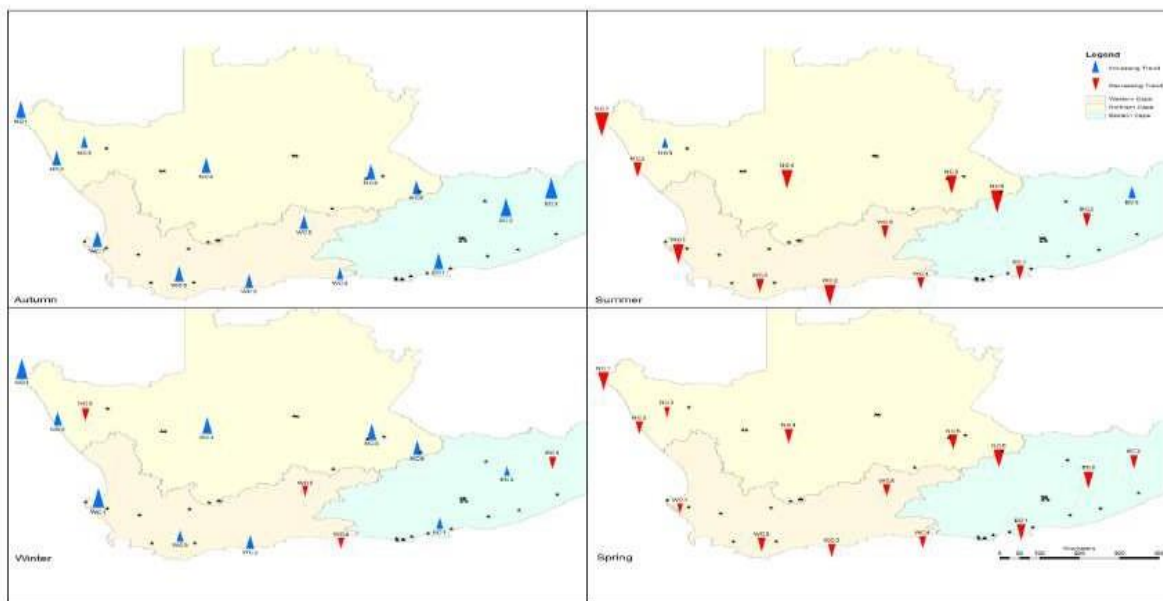
## 1.5 Climate

The Municipality has different temperatures in the various parts of the Municipality. The coldest part is in the East, due to it being the highest above sea level. The hottest parts are in the plains around Lady Grey. Temperature fluctuations are extreme with variations of between 42°C in summer and -16°C in winter. In winter, the minimum temperature can vary between 20°C and -7°C. There is an annual average of 150 days of frost (JGDM Environmental Plan, 2011). This results in a short and unreliable growing season. Due to the temperature fluctuations, temperature inversions are often seen in winter due to smoke from residential fires becoming trapped in the lower air layers.

Rainfall varies from between 1000mm and 1400mm of rainfall a year in the east to about 600mm in the lower lying areas western and southern areas. Rainfall is highest where the land elevation is the highest and decreases as the elevation decreases. Hailstorms do occur due to the mountainous terrain which creates the ideal conditions for the formulation of hail. Rainfall tends to come from thunderstorms and in sudden flashes. This often results in flash floods and rock debris which often block roads. Softer and all-

day rainfall does occur, but it is not as common as thunderstorms. 500 mm of rain per annum is regarded as the minimum amount of rain required for sustainable crop production. The area also receives water from the snow that falls in the mountains. If the winter snowfall is insignificant, the Municipality is severely affected by drought as there are no significant water storage facilities for towns apart from some large dams. This results in the District Municipality having to cart drinking water to communities.

Wind speed is difficult to determine as the area has tended to fall outside traditional measuring areas. However, a study done in 2017 determined that annual wind speeds are decreasing throughout the country and in the Municipality. Mean wind speeds though are increasing in winter and autumn and decreasing in summer and spring. The inland areas have recorded the highest increase during autumn. In the study, the area with the highest mean inter annual variance is Komani which has a similar climate to some parts of the Municipality. (SAJS, 2017:4-6).

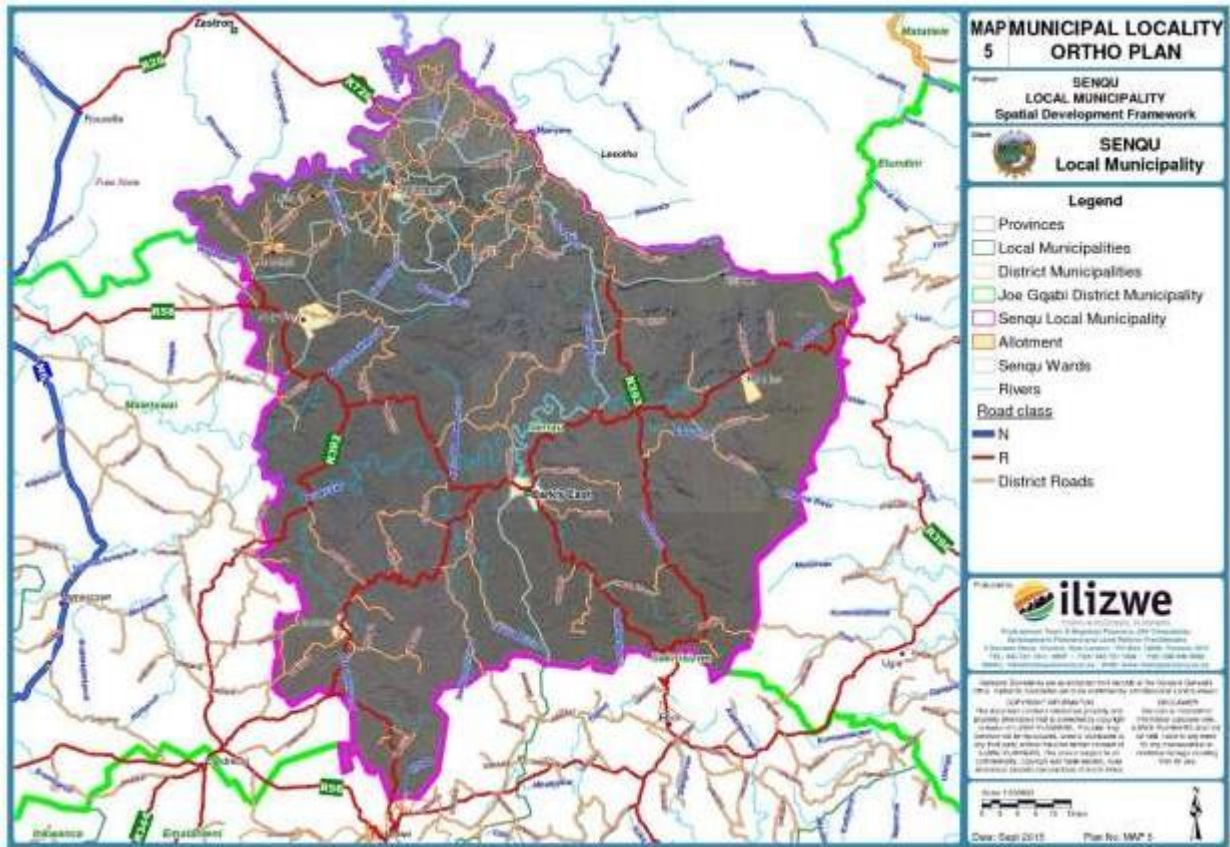


Map 2: showing seasonal wind speed trends 1995-2014 (SAJS,2017:4)

Wind speed changes rapidly in the mountainous areas with eddies and swirling winds occurring against slope faces. This makes it difficult to control veld fire.

### 1.6. Water sources

The Municipality falls in the Orange River catchment area. It has 3 major rivers viz the Orange River, Kraai River and Bell River. The Map 3 below indicates the major rivers.



Map 3: Senqu Rivers. (Source: Senqu SDF 2017)

Senqu's main towns are served from dams such as the Barkly East dam and Lady Grey dam. Sterkspruit is served by Jozanashoek dam. Rhodes and Rossouw draw water from boreholes. The communal areas are serviced with water from perennial rivers such as the Orange, Kraai and Telle. Villages and farms also make use of springs. The threat of drought however is constant as there is no water source or dam that is large enough to meet the growing demand for treated potable water.

## 2. Environmental Opportunities

Senqu Municipality has some of the most beautiful scenery in South Africa. It has most of the highest mountainpasses in the country. This can be used to promote self-drives for 4 x 4 enthusiasts.

The rugged terrain can be utilised for adventure and agricultural tourism which is already occurring like the K-Way Skyrun. The numerous sandstone outcrops can be utilised for building bricks or paving as is being done at Hershel Sandstone. There is a lot of fine river sand for building purposes, but this needs to be monitored as much illegal sand mining is occurring without permits. Reed grass which can be used for thatching and wild rose briars for making rose hip tea.

The high amount of wind and solar energy can be utilised for greener energy alternatives such as wind and solar energy (JGDM Environmental Management Plan, 2011). However, these alternatives require further study and mapping. Currently the Eskom Grid in the area is underutilised due to lack of large-scale factory production in the area and therefore it does not make economic sense for Eskom to purchase spare electricity. However, the changes which allow for Municipalities to purchase electricity from independent producers means that the feasibility for green energy is improved.

The area also contains many bird species and a vulture restaurant near Lady Grey. It contains many species of unique alpine plants such as one species of red-hot poker which does not grow anywhere else.

Many paleontological species are being discovered in the area with many dinosaur skeletons especially in Qhimerha as well as rock art. Qhimerha's potential is being studied as a heritage site. DEDEA have joined hands with the Municipality to try and have the area declared as a natural heritage site. Remains have also been found near Lady Grey

### **3. Environmental Aspects & Challenges**

- Alien vegetation. The municipality struggles with crack willow which grows along the Kraai river and sucks up litres of water.
- Firewood collection. Persons collect firewood indiscriminately breaking down trees. The indiscriminate burning of grasslands creates air pollution and loss of biodiversity. It is impossible to determine the extent of air pollution as the municipality does not have a measuring device but does have a draft air quality management plan.
- The location of dipping tanks. Many of these dipping tanks are located near streams which can poison water supplies.
- Borrow pits which are not adequately rehabilitated and mined without the necessary permits

- Drainage culverts placing can either hinder or promote gulley erosion
- The proximity of wastewater treatment works at both Lady Grey and Barkly East to rivers poses a risk as they could be susceptible to potential flood damage.
- Soil erosion, which is the highest in the JGDM area due to marginal soils being utilised for inappropriate agricultural practices.
- The registration and management of solid waste disposal sites and limited recycling facilities and programmes. This however will change with the building of new SWS in most urban areas.
- Burning of waste and inadequate collection of waste leading to illegal dumping.
- Lack of human and financial capacity to implement environmental by-laws and act on environmental issues. This is changing due to the training of officials as peace officers.
- Inappropriate land and hygiene practices leading to increased sedimentation and entrophication and pollution of fresh and groundwater sources.
- Increased invasion by alien and undesirable species like Slangbos and blue bush near Lady Grey.
- Limited protection of environmental sensitive areas.
- Poor and crumbling sanitation infrastructure (JGDM Environmental Management Plan 2011).
- Poor protection of vleis, wetlands and springs
- Flash flooding due to the steep terrain which results in rapid runoff and accelerated donga erosion. The geological nature of the soil and poor veld, animal and soil management contribute to the large-scale loss of topsoil.

#### **4. Protection of Natural Assets and Integrated Environmental Planning Programmes i.e. (EBA)**

Whilst the Municipality is blessed with some of the most beautiful alpine scenery which is one of the prime factors for its tourism industry, very little is done to protect the environment and it lies in the hands of individual landowners to conserve this fragile environment.

The Municipality has a huge quantity of sandstone which is being mined and cut into bricks for building. A large quantity of sand is constantly mined for the making of bricks. The Municipality does not fund any projects which utilises these assets without a mining permit.

The District Municipality is running projects in the area to fence off and conserve springs. In general, environmental protection of assets is stressed in the SDF and the Municipality adheres to

this in the planning of new developments. The protection of environmental assets is poor due to lack of human and financial resources. Large scale education of the public is required as well as strong political will.

The Municipality is busy addressing the issue of poor management of its waste sites and is in the process of building new sites and closing non-compliant waste management sites.

The Municipality is struggling with the impact brought about climate change which has resulted in increased severity of events such as increased rainfall in a short amount of time which leads to mass flooding. As a result, the Municipality is looking to mitigate against climate change as well as adapt its infrastructure provision to these changes. The Municipality is looking at developing partnerships in order to ensure that its draft climate change strategy responds adequately to the challenges identified.

In order to do this, it will be adopting an EBA (Ecosystems Based Approach) to climate change. This approach will involve intensive training of the political and administrative arms of the Municipality to ensure buy in as well as that of Traditional Leaders and communities. This approach will ensure that indigenous knowledge is applied in the design of projects as well as ensuring that projects remain sustainable. Focus will be on training, projects to decrease erosion such as stock and veld management as well as soil rehabilitation projects and lastly on how to improve household foodsecurity by the planting of water wise gardens and orchards. Further focus will be on improving water sustainability by utilising water wisely and increasing the capacity of water harvesting. This is an initiative from the UN and implemented by Rhodes university and the Department of Environmental Affairs.

The advantage of utilising this approach as well as other environmental planning tools, is that environmental plans such as a State of Environmental Report and Environmental Management Plans can be developed in the future, flowing from the draft district plans.

## **5. The Impact of Climate Change**

In 1990 South Africa was responsible for about 1.2 % of the total warming effect which placed it within the top ten contributing countries in the world. The carbon dioxide equivalent emission rate per person in South Africa is about 10 T of Carbon dioxide and above the global average of 7 T per person per year. A recent study by the Countries Studies Project predicts that climate change will cause mean



temperature increases in the range of between 1 to 3 degrees centigrade by the mid-21<sup>st</sup> century with the highest increases in the most arid parts of the country.

A broad reduction of between 5 to 10 % decrease has been predicted for summer rainfall regions like Senqu. This is likely to be accompanied by an increased incidence of drought and floods with prolonged dry spells followed by intense storms. A marginal increase in early winter rainfall is predicted for the winter rainfall region. A rise in sea level is also predicted of about 0.9 m by 2100 (DEAT website 2000-2005)

Whilst there might be some debate on the effect of climate change, it is clear that the health sector, maize production, plant and animal biodiversity, water resources and rangelands are areas most vulnerable to climate change.

The main effects for Senqu would be:

- Water scarcity may increase in some areas. It is estimated that even without climate change, South Africa will use up most of its surface water resources within the next few decades. Climate change may also alter the magnitude, timing and distribution of storms that produce flood events.
- Frequency of livestock disease outbreaks could be affected
- Maize production will decrease as the climate becomes hotter and drier resulting in the decrease of about 10 to 20 % over the next 50 years.
- Decrease in biomes by 38 to 55 % by 2050, decrease in species and an expansion of insect pests such as the brown locust (DEAT website 2011)

## **6. Draft Climate Change Strategy**

### **6.1. Climate Change Drivers**

It is known that it is an increase in the world's annual temperature due to an increase in the use of fossil fuel energy, poor environmental management practices and an increase in a built-up environment which has resulted in a decrease in the ozone layer therefore allowing more heat to be generated and

be trapped within the earth's atmosphere.

A climate change strategy therefore has to look at decreasing the factors which drive climate change and increasing other factors which will mitigate or decrease the effects of climate change.

## 6.2. Effect of Climate Change

In the Senqu Municipality, the main effects of climate change will be as follows:

- An increase in temperature
- A change in precipitation
- A decrease in wind speed

### 6.2.1. An increase in temperature

The Eastern Cape Climate Change Response strategy of 2011 utilising the projections below indicates that there will be a steady increase in temperature for both summer and winter months.

Map 4: Temperature Maps Source: The Eastern Cape Climate Change Response Strategy 2011

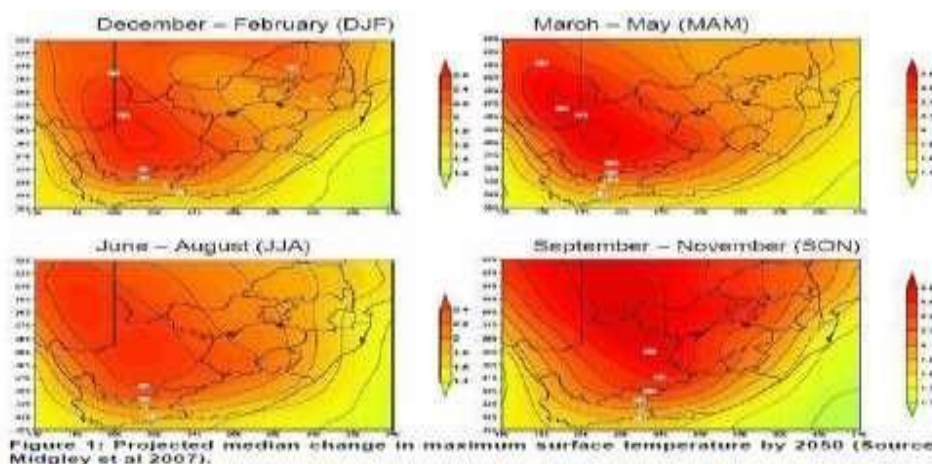


Figure 1: Projected median change in maximum surface temperature by 2050 (Source: Midgley et al 2007).

What this means for the Municipality, is that in the spring months when temperatures are not very hot, and most plants start preparing for their growing seasons is that these crops will require a lot more water. This will be an issue, as traditionally the summer rainfall tends to come around December.

People and livestock will also require more water to prevent dehydration at a time when water stocks are low. The increase in heat will have an impact on the built environment in that it will reduce the lifespan of infrastructure in the environment. Tarred roads will melt and this can create accidents as well as ruining the road surface. Concrete products will set too quickly thereby decreasing its strength and

lifespan. Plastic products will degrade quicker releasing hothouse gases.

An annual increase of 1 degree centigrade will have a positive impact on annual crop net revenues for all farms except dryland. The increase in temperature will affect crop farm net revenues negatively in the summer farming season but positively in the winter season (CEEPA, 2006 Climate change and African agriculture). An increase in temperature will have a greater impact on communal farmers as a recent study done by CEEPA indicates that farmers with larger areas of ground will be better able to withstand the effects of climate change (CEEPA, 2006 Climate change and African agriculture).

The main impact that an increase in temperature has is a decrease in snowfalls in the area. This is an important source of precipitation in the winter months. The increase in temperature will also result in an increase in the growth of bacteria and viruses and well as insect pests. The viruses, pests and plant diseases which would normally be killed off during the winter months or become dormant will now run rampant in an environment that does not have any resistance to these diseases, viruses and bacteria. This will influence both flora and fauna.

#### 6.2.2. A change in precipitation

The Eastern Cape Climate Change Response strategy of 2011 shows that there will be a decrease in precipitation in the areas bordering Walter Sisulu Municipality but an increase in precipitation towards the east of the Municipality. Rainfall will also come later in the year. The impact of this on Senqu Municipality will be great. A fall in precipitation of between 2 to 8 % by 2050 and 4 to 8 % by 2100 will affect dryland farms as well as small scale farmers, as it is estimated that crop net revenues will fall

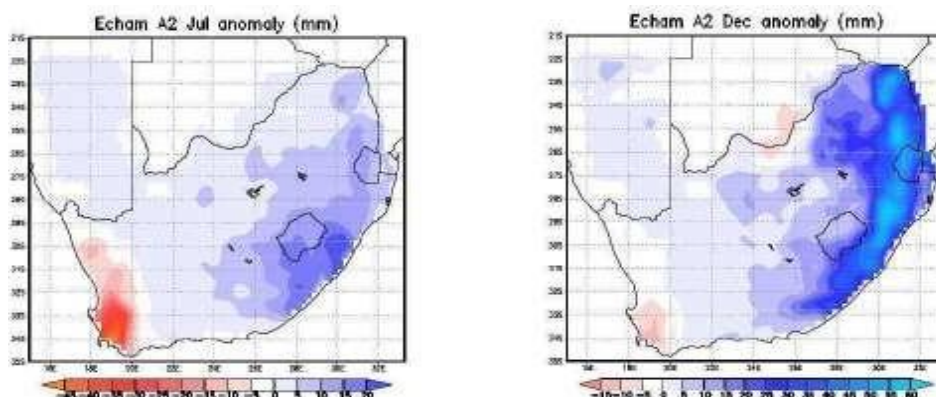


Figure 2: Projected change in total annual rainfall (mm month<sup>-1</sup>) for July and December (mid century) (Source, Midgley et al 2007).

by 1.7 % to 5.3 % per hectare for the whole of South Africa. The decrease in precipitation in the areas bordering the Walter Sisulu and Elundini Municipalities will find that their traditional farming practices will no longer be viable. An increase in precipitation will mean that there will be a greater

impact on the environment. As has been previously mentioned, the soils in the area are highly erodible and an increase in precipitation and the strength of precipitation events means that there will be an increase in dongas caused by runoff. This decreases the amount of land available for grazing and settlement.

Map 5: Projected change in total annual rainfall Source: The Eastern Cape Climate Change Response Strategy 2011

An increase in the strength of rainfall events will result in flash floods and storm water runoff that cause destruction to property, the environment and death of livestock and people. An increase in precipitation results in a decreased lifespan of roads and bridges as well as increased maintenance costs. Stormwater channels and bridges will need to be cleaned more often. Roads will experience greater runoff which results in the washing away of graveled road surfaces.

There will also be an increase in the amount of rock falls due to the instability of the ground due to wet soil. This can result in road closures, destruction of houses and properties and even death.

### 6.2.3. A decrease in wind speed

A decrease in wind speed means that there will be a change in temperature and precipitation patterns. Wind is important in precipitation as it mixes temperature and creates conditions for the formation of thunderstorms and hail.

## 6.3 Climate mitigating factors

### 6.3.1. Roads and bridges

There will also be an increase in the maintenance budget for roads, bridges and storm drainage. Bridges will have to be raised to cope with increased runoff. Roads in rural areas have to be built in a manner with many side drains or bumps which will keep the water off the road. These will have to be cleaned regularly which will be an increase in maintenance. Roads will have to be built on decreased gradients in order to minimize runoff.

In order to decrease the maintenance on roads and increase the lifespan the Municipality is looking

at utilising interlocking paving. This has to be laid in a manner that allows water to soak into the paving so that runoff is decreased as well as its speed. Stormwater runoff channels have to be studied so that the water is drained away from human habitation and directed towards future storage facilities.

Paving needs to be of a lighter colour so that it reflects heat back into the atmosphere. The Municipality needs to explore options of changing the colour of tarred roads so that they are lighter in colour and reflect light and therefore heat back into the atmosphere.

### 6.3.2 Water storage and protection

The Municipality will look at increasing the amount of water storage in the area and implementing by laws which will legislate that all householders have tanks on their property to collect rainfall.

Protection of springs and vleis are important as these areas not only absorb water which will increase the severity and ferocity of floods but also act as additional water storage areas. These areas also play an important role in the environment for nesting birds and aquatic life.

An awareness campaign will be run to create awareness and stop people polluting their water sources through illegal dumping of waste. Awareness campaigns also have to be run to remind people that this is a water poor region and how to conserve water. The district will be engaged to ensure that they run projects to reduce water leaks as well as install sanitation which requires less water to flush.

### 6.3.3. Agriculture

Senqu Municipality will work with farmers and the Department of Rural Development and Agrarian Reform to develop strategies that will increase the positive impacts while reducing the negative impacts for all types of farming. This involves veld management to increase the growth of vegetation cover and water wise farming methods to reduce the amount of water wastage.

Awareness campaigns on mulching and fertilising to prevent evaporation and rejuvenate the soil must be promoted. This will also decrease the amount of waste that is going into the solid waste sites.

#### 6.3.4. Soil erosion

Soils in the Municipality are highly erodible. This is not helped by overgrazing, overstocking and poor veldmanagement techniques. The Municipality will have to run programmes together with DRDAR and DEDEAT to train communities on how to prevent donga erosion by keeping to defined paths and utilising gabions to prevent soil washing away. Replanting of vegetation will also reduce the risk of soil being washed away.

#### 6.3.5 Burning

The indiscriminate burning of veld must be stopped. The harshest fines must be implemented. Agricultural communities must belong to CFA which will decide when and where burning will occur. Constant burning decreases veld cover therefore leading to increased runoff and a loss of vegetative cover.

The burning of wood and coal releases hothouse gases and increases temperature as well as often creating temperature inversions which trap the heat in the atmosphere. An awareness campaign on alternative heating sources such as gas and solar cookers must be developed. In addition, the DME must be approached to run awareness campaigns on safer forms of heating such as paraffin heaters rather than coal.

#### 6.3.6. Insulation

Senqu Municipality will look at the possibility of developing building bylaws for people regarding insulation of their houses such as double glazing and the alignment of the building to the sun. This will help in decreasing costs of heating and cooling. This still needs to be investigated to determine the economic feasibility of enforcing the regulations in an economically depressed region.

#### 6.3.7. Reduction of dark surfaces

Dark surfaces attract and retain heat. It is important therefore to implement bylaws which compel

houseowners to paint their roof and external surfaces a light colour. Where possible in infrastructure building, lighter coloured surfaces must be chosen.

#### 6.3.8. Planting of vegetation

Open bare areas attract and keep heat as well as increasing runoff and soil wash off. It also creates dust which is a pollutant that keeps heat trapped in the atmosphere. The planting of vegetation not only solves these problems but also decreases the amount of carbon dioxide in the atmosphere. It also increases the amount of moisture in the air. The Municipality will engage in a programme with DEDEAT on planting huge tracts of tree and vegetation cover like spekboom.

#### 6.3.9. Utilisation of Renewable Energy Resources and recycling

The Municipality needs to increase the use of renewable energy sources in its own offices as well as ways in which to reduce its energy consumption such as lights and heaters on timer switches.

Although waste management is driving recycling programmes, it needs to increase its efforts on reducing the amount of waste produced by the Municipality. The Municipality should be the first in the region to ban single use plastics especially bottled water.

## 7. Draft Air Quality Management Plan

### 7.1 Air Quality Sources

Senqu Municipality has no industries or factories which produce pollutants. The main sources of air pollution are the following:

- Dust emissions
- Open burning
- Vehicle emissions
- Tyre burning, burning of rubber products and cables
- Making of bricks
- Pesticide spraying

- Spray painting
- Sand blasting
- Veld fires
- Residential fires

#### 7.1.1. Dust emissions

Dust emissions are created by building industries or brick making activities. There are several brick making businesses in the area. Other dust emissions are created by open ground.

#### 7.1.2. Open burning emissions

This is created by persons burning either rubbish or garden refuse. This normally occurs in individual properties except in cases when it occurs on Municipal solid waste sites.

#### 7.1.3. Vehicle emissions

Vehicles emit carbon dioxide naturally as part of the workings of the engine. Vehicles which are not serviced regularly or whose exhausts have holes emit even more emissions.

#### 7.1.4. Tyre burning, rubber products and cables

Tyres are burnt for warmth whilst rubber products are either burnt to get rid of the product or to recover materials encased by the wire such as copper wire. This produces toxic and harmful fumes.

#### 7.1.5. Making of bricks

A lot of dust is created during the making of bricks. It is also during the collecting of the material for bricks. Smoke is created by the firing of the kilns to bake the bricks.

#### 7.1.6. Pesticide spraying

The spraying of pesticides creates a fine mist of pesticide which is then blown into adjacent areas. However, the area does not have many large-scale commercial farmers.



#### 7.1.7. Spray painting

The area has some spray-painting businesses predominantly in Sterkspruit. A fine mist of paint is produced whilst spraying vehicles as well as the emissions of some gases. The businesses also emit dust from sanding.

#### 7.1.8. Sand blasting

Sand blasting involves essentially dust emissions from the operations. There are not many businesses of this nature in the area.

#### 7.1.9. Veld fires

The emissions from burning veld whether controlled or not result for the majority of emissions in the Municipality. The problem is that the fires create their own weather which has an impact on the climate.

#### 7.1.10. Residential fires

Fires in homes either for heat or cooking utilise either coal or wood. Coal fires emit carbon dioxide and even acid rain. Wood fires are less toxic but do result in degradation of the environment.

### 7.2 Mitigating Factors

#### 7.2.1. Dust emissions

Dust emissions can be mitigated by paving the area from which the dust is emitting or utilising dust palliatives or suppressants. Other ways are by planting ground covers or other vegetation to cover the bare ground. One can even utilise things which bind the ground such as sawdust.

#### 7.2.2. Open burning emissions

This can be mitigated through education whereby people can be trained to utilise garden waste and by reducing their waste output. Permission has to be received from the Municipality before any burning

occurs as per the bylaw on air quality.

#### 7.2.3. Vehicle emissions

Drivers who drive these vehicles will be stopped and served notices to repair the issue. Should they not comply, they will be fined as per the bylaw.

#### 7.2.4. Tyre burning, rubber products and cables

This is illegal and not allowed under any circumstances.

#### 7.2.5. Making of bricks

This can be emitted by utilising new firing techniques which reduce the amount of fuel required.

#### 7.2.6. Pesticide spraying

Pesticide spraying is prohibited except under the fertiliser, farm feeds, agricultural remedies and stock remedy Act No 36 of 1947.

#### 7.2.7. Spray painting

The emissions from spray painting are drastically reduced when spray painting is reduced to an approved spray room or booth. These rooms or booths must be authorised and permission sought to undertake the activity.

#### 7.2.8. Sand blasting

Sand blasting emission is reduced by limiting the activity to areas that have dust extraction measures.

#### 7.2.9. Veld fires

The emissions from burning veld are reduced when the activity takes place under permission of fire protection authorities. They regulate the times of year and days when veld can be burned. Authority is only given to burn when there is no wind and no drought conditions.

Unfortunately, veld fires are not controlled in communal areas and no organisation gives authority for

burning. In non-communal areas, some farmers do not belong to fire protection associations and burn as they please.

#### 7.2.10. Residential fires

Residential fires are not regulated. Education on how to make fires can reduce the amount of fuel utilised which reduces the amount of smoke produced.

### **8. Regulation of Air Quality Emissions**

The regulation of the emissions is detailed in the air quality bylaw. Regulation and enforcement of the bylaw is by a declared Peace Officer or a Traffic Officer.

## CHAPTER TWO: DEMOGRAPHIC ANALYSIS

### 1. Demographic / Population Analysis

#### 1.1. Socio – economic indicators

##### 1.1.1. Population Dynamics

Senqu Municipality has a population of 134 150 which has grown to 140,720 (StatsSa, 2016). IHS Markit estimates the population to be 147 000 in 2020. This makes it the most populous municipality in the Joe Gqabi district. This slight increase in population is due to births but it is not a significant increase. It is only a 1 % increase. The Eastern Cape in total in 2015 only has a population of 6 916 200 which makes up 12,6% of the national total (StatsSa 2016). Provincially, for the period 2011–2016 it is estimated that approximately 243 118 people will migrate from the Eastern Cape (StatsSA 2016).

Household numbers are increasing from 33 904 (2001) to 38 046 (2011) with a slight drop to 35 597 in 2016 (Statssa,2016). IHS Market noted an increase to 42 200 in 2020. Average household size has dropped from 4 in 2001 to 3.5 in 2011 and up to 4 in 2016 (StatsSa,2016) to 3,5 in 2020 (IHS Markit). Smaller household size is due to urbanisation and participation in a world economy which means that the cost of large families and households are prohibitive.

Table 1: Average Household Size

Municipality	Total population			No of H/holds			Average h/hold size		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Joe Gqabi	324118	336413	337853	71162	84835	97775	4.6	4	3.5
Elundini	134077	135389	131656	29549	33209	37854	4.5	4.1	3.5
Senqu	129673	134326	131981	28056	33904	38046	4	4	3.5
Walter Sisulu	60369	66698	74216	15557	17722	21875	4.5	3.8	3.4
EC Total	6036337	6163009	6246143	1303287	1481640	1687385	4.6	4.2	3.7

Source: StatsSa Census 2011

The dominant home language is isiXhosa, isiHlubi, seSotho, Afrikaans and English. A larger part of isiHlubi speakers can be found around the Sterkspruit area. In terms of race the Black African population are in the majority. In fact, over 90 % of the population are Black African followed by Whites who are just slightly higher than the coloured population. This has not changed and is a dominant trend. The Municipality must ensure that most of its communication to the public is in the relevant African languages apart from English and Afrikaans.

## 1.2. Rural vs. Urban Population

According to the 2001 Census, 83.5% of households are rural in nature (StatsSA). Whilst it is difficult to determine this figure with any accuracy from the 2011 census, indications are that it is at least around 70 %. This dynamic is shifting with the phenomenon of urban in migration occurring in Senqu Local Municipality. The majority of which is situated around the town of Sterkspruit (SDF 2017). This simply means that people are moving to live in villages which are expanding towards the urban centre of Sterkspruit. The concept of a rural countryside with scattered homesteads is disappearing, to be replaced by many villages growing towards each other creating rural urbanisation.

There is also an out migration of people both out of the rural areas to the urban areas and from JGDM to other districts. Between the period 2011-2016 the number of people living on commercial farms declined from 1772 households to 1157 households (StatsSa 2011).

An inward migration from Lesotho to Mt Fletcher and Sterkspruit is also being experienced (JoeGqabi WSDP 2010). “Between 2010 and 2020 the population growth averaged 0.74% per annum which is about half than the growth rate of South Africa as a whole (1.59%). Compared to Joe Gqabi's average annual growth rate (0.98%), the growth rate in Senqu's population at 0.74% was slightly lower than that of the district municipality (IHS Markit 2020). The population is “projected to grow at an average annual rate of 0.9% from 147 000 in 2020 to 154 000 in 2025 (IHS,2020:5).”

### Population distribution: Urban and Rural areas

Table 2: Population distribution

SENQU LM	Population size (No of people)	Percentage of Tot Pop	Combined Urban & Rural Population (%)
Sterkspruit (Main urban area – including surrounding settlements within the urban edge (Sterkspruit LSDF 2017)	11 399	8.5	23.54 (Urban)
Lady Grey (Including Transwilger & Khwezi naledi)	7023	5.24	
Barkly East (Including Nkululeko & Fairview)	9986	7.44	
Rhodes including Zakhele	696	0.52	
Rossouw	284	0.21	
Hershel	2 189	1.63	
Rural villages 179 (OTP 2015)	96 370	71.84	
Privately owned commercial farms No: 1429	6 203	4.62	
TOTAL	134 150	100	

Source: HSP 2020

### Human Settlements

Senqu is a predominantly rural area, characterised by small settlements, limited urbanisation and subsistence agriculture. The majority (85.74%, 2001 Census) of households are rural in nature, including rural villages and farm households and the overwhelming majority (93.27%) of the local

population live in the Sterkspruit sub- region. This dynamic is shifting with urban in-migration where “people are moving to live in villages which are expanding towards the urban centre of Sterkspruit. The concept of a rural countryside with scattered homesteads is disappearing.” (Senqu IDP 2011).

### Gender and Age

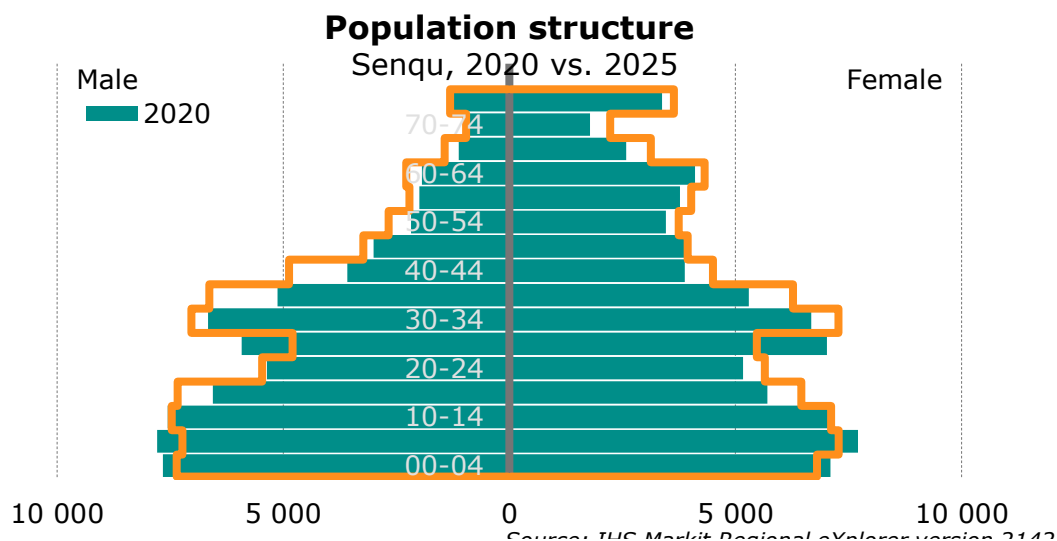
Table 3: Population by gender 2020

	Male	Female	Total
Senqu	68,713	78,705	147,419
Elundini	73,265	78,416	151,681
Walter Sisulu	44,842	46,881	91,723
<b>Joe Gqabi</b>	<b>186,820</b>	<b>204,002</b>	<b>390,822</b>

Source: IHS Markit Regional eXplorer version 2 142

The male/female split in population was 87.3 males per 100 females in 2020. The Municipality has more females than males due to high out migration of males looking for work due to historical factors. In total there were 78 705 (53.39%) females and 68 713 males which differs from the district average of females being 52.20% (IHS,2020:7).

Chart 1. Population Pyramid 2020 vs 2025



The population pyramid shows that in the future there is a decrease of young potential work force aged between 20 to 34 from 27.9 % to 25.7 % as well as a decrease of young children aged between 0 to 14 years from 32.7 % to 31.4%. The fertility rate is expected to increase. (Ecsecc, 2017:13).

The largest population group is between 0-14 years of age who make up 32.7 % of the population followed by age 22 to 44 at 27.9 % and then youth (15-24). This share of population is within the babies and kids (0-14 years) age category with a total number of 46 400 or 32.7% of the total population. The age category with the second largest number of people is the young working age (25-44 years) age

category with a total share of 27.9%, followed by the teenagers and youth (15-24 years) age category with 26 800 people (Ecsecc,2017:14).This indicates a very youthful population that the LED Strategy needs to find employment opportunities for in the future.

A comparison between the Senqu population pyramids of 2006 and 2016 indicate that persons aged 20 -34 increased from 24.8 % in 2006 to 27.9 % in 2016 whilst persons aged 0-14 decreased from 2006 to 2016 from 34.2 % to 32.7 % (Ecsecc,2017:15).

#### Population by population group, gender, age and households

In 2020, the Senqu Local Municipality comprised of 42 200 households. This equates to an average annual growth rate of 0.88% in the number of households from 2010 to 2020. With an average annual growth rate of 0.74% in the total population, the average household size in the Senqu Local Municipality is by implication decreasing (HIS, 2020: 10). The composition of the households by population group shows that Africans are the largest group of 97.2% followed by whites at 1.3% and then Coloureds at 0.9% (Ecsecc,2020:10).

Table 4. Population by population group, gender and age.

	African		White		Coloured	
	Female	Male	Female	Male	Female	Male
00-04	7,62	8,14	31	29	94	89
05-09	7,8	7,82	41	41	76	59
10-14	7,03	7,24	48	33	81	69
15-19	6,07	6,66	25	29	89	91
20-24	6,94	6,61	25	30	60	94
25-29	7,06	5,94	45	59	71	51
30-34	6,37	5,78	36	34	67	67
35-39	4,26	4,13	64	46	50	53
40-44	2,6	2,31	44	50	62	45
45-49	2,47	1,51	57	65	51	48
50-54	2,59	1,46	65	49	40	50
55-59	3,22	1,65	52	71	7	34
60-64	3,02	1,73	33	56	16	0
65-69	2,12	1,34	52	30	6	14
70-74	1,54	1,04	35	23	17	18
75+	3,06	1,29	76	35	9	17
Total	73,8	64,7	728	683	795	799

Source: IHS Markit Regional eXplorer version 1156

The number of female headed households is quite high and can be ascribed to migrant and commuter labour which has resulted in many households having a woman as the head of the household and the chief breadwinner living away from the home. These impact on the type of development that may occur, especially with regards to manual labour-type employment (SDF,2011). The good news is that female headed households have dropped from 52.2 % (2001) to 50.5 as can be seen in the table below (StatsSa, 2011). It should be noted that the number of child headed households have also dropped. However, this statistic should be treated with caution as these households tend to shy away from officialdom.

Table 5: Female headed households  
Source: StatsSa 2011

Municipality	1996		2001		2011		% of female headed h/holds		
	Women headed h/hold	Total h/hold	Women headed h/hold	Total h/hold	Women headed h/hold	Total h/hold	1996	2001	2011
Joe Gqabi	38205	71084	43651	84835	47646	96645	53.7	51.5	49.3
Elundini	17675	29533	18610	33209	19418	37293	59.8	56	52.1
Senqu	15514	28018	17696	33904	19077	37754	55.4	52.2	50.5
Walter Sisulu	5016	13534	7345	17 722	8352	21608	37.06	41.44	38.65
EC Total	646164	1301964	754023	1481640	825846	1664654	49.6	50.9	49.6

Table 6: Child headed households

Municipality	1996			2001			2011		
	Children headed H/H	Total H/H	% child headed H/H	Children headed H/H	Total H/H	% child headed H/H	Children headed H/H	Total H/H	% child headed H/H
Joe Gqabi	2214	71162	3.1	1759	84835	2.1	1176	97775	1.2
Elundini	1103	29549	3.7	781	33209	2.4	540	37854	1.4
Senqu	915	28056	3.3	804	33904	2.4	503	38046	1.3
Walter Sisulu	196	13577	0.01	173	17722	0.08	133	21875	0.06
EC Total	29900	1303287	2.3	19210	1481640	1.3	16712	1687385	1

Source: StatsSa 2011

#### HIV and AIDS Estimates

In 2020, 20 500 people in the Senqu Local Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.87% since 2010, and in 2020 represented 13.88% of the local municipality's total population. The Joe Gqabi District Municipality had an average annual growth rate of 2.05% from 2010 to 2020 in the number of people infected with HIV, which is higher than that of the Senqu Local Municipality. The number of infections in the Eastern Cape Province increased from 785,000 in 2010 to 940,000 in 2020. When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2010 to 2020 with an average annual growth rate of 2.31%. (IHS, 2020:13)



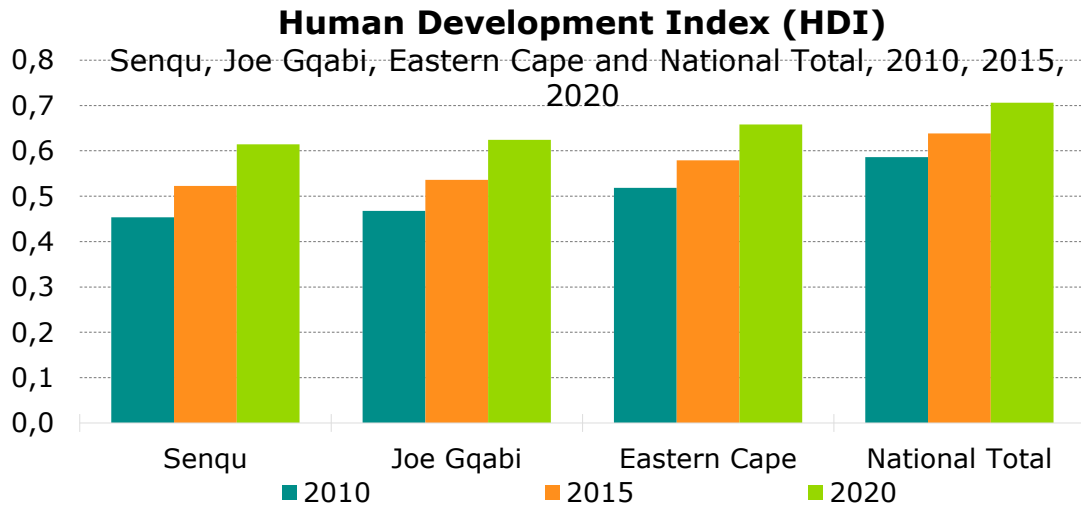
## Population Density

In 2020, with an average of 20.1 people per square kilometre, Senqu Local Municipality had a higher population density than Joe Gqabi (15.3 people per square kilometre). Compared to Eastern Cape Province (43.6 per square kilometre) it can be seen that there are less people living per square kilometre in Senqu Local Municipality than in Eastern Cape Province (IHS,2020:13)

## **2. Development Indicators**

### 2.1. Human Development Index (HDI)

In 2020 Senqu Local Municipality had an HDI of 0.614 compared to the Joe Gqabi with a HDI of 0.625, 0.658 of Eastern Cape. South Africa's HDI increased at an average annual growth rate of 1.88% and this increase is lower than that of Senqu Local Municipality (3.08%) (IHS Markit, 2020). This indicates that improvements are being made.



*Source: IHS Markit Regional Explorer version 3142*

#### 2.2. Gini Coefficient

The Gini coefficient indicates income inequality. It varies from 0 to 1. The closer it is to 0, the less income equality there is. In 2020, the Gini coefficient in Senqu Local Municipality was at 0.579, which is an increase from 2010 (IHS, 2020). This means that there is an increase in income inequality.

#### 2.3. Poverty Gap

The poverty gap rate in Senqu Local Municipality amounted to 32.1% in 2020. In 2020, the poverty gap rate was 32.1% which increased from 2010 poverty gap rate of 31.8% (IHS Markit 2020).

#### 2.4. Education, Literacy and Skills Level

The level of education and skills levels in Senqu Municipality is low but improving, “The number of people without any schooling decreased from 2010 to 2020 with an average annual rate of -4.44%, while the number of people within the 'matric only' category, increased from 9,810 to 15,100. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 4.77%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 0.54%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education (IHS Markit, 2020: 59).

Table 7. Highest level of education 15+ 2020

	Senqu	Joe Gqabi	Eastern Cape	National Total	Senqu as % of district municipality	Senqu as % of province	Senqu as % of national
No schooling	6,770	15,700	248,000	1,810,000	43.1%	2.7%	0.37%
Grade 0-2	3,580	8,900	111,000	551,000	40.2%	3.2%	0.65%
Grade 3-6	14,200	37,700	530,000	2,900,000	37.8%	2.7%	0.49%
Grade 7-9	22,300	62,100	1,020,000	6,020,000	35.9%	2.2%	0.37%
Grade 10-11	22,700	56,600	1,160,000	9,480,000	40.1%	2.0%	0.24%
Certificate / diploma without matric	174	594	14,800	197,000	29.4%	1.2%	0.09%
Matric only	15,100	42,100	1,030,000	12,100,000	35.9%	1.5%	0.13%
Matric certificate / diploma	3,520	10,000	236,000	2,570,000	35.0%	1.5%	0.14%
Matric Bachelors degree	1,250	4,180	133,000	1,720,000	29.8%	0.9%	0.07%
Matric Postgrad degree	564	2,000	57,200	848,000	28.2%	1.0%	0.07%

Source: IHS Markit Regional eXplorer version 2142

The number of people without any schooling accounts for 43.07% of the number of people without schooling in the district municipality. 76 700 individuals were considered functionally literate in 2020, while 25 800 people were considered to be illiterate. This amounts to 74.84% of the population (IHS Markit, 2020)

This is a very low rate of increase, when in order to participate in the world economy, high literacy and skills rates are required. The type of skills available in the Municipality are of concern because they are not linked to the type of skills required in the future economy of the world. The Municipality needs to develop partnerships which will increase the exposure of learners to computer and computer technology. The Department of Higher Education needs to relook at the courses offered at its FETs in the area. There is only one tertiary education facility (FET College) in the Municipality in Sterkspruit which is insufficient for the requirements of the area. The number of schools has also decreased and is 107 in total.

Another continual worry is the high dropout rate of learners between Grade 1 and 12. Latest matric results revealed that a high percentage of learners never reach Grade 12. Overall, the matric pass rate declined in the Eastern Cape area for 2020 to 68.1% (sanews.gov.za,22 Feb 2020).

The Municipality struggles with early childcare facilities as most of the facilities are overcrowded and do not meet legislative requirements in terms of municipal health regulations structures to norms and standards of EH Policies and the Children's Act (infrastructure and programmes implemented). This threatens funding allocation to ECDs of the District. In addition, inaccessibility of services to

vulnerable children at 0-5 years due to limited budget allocation as some wards do not have Early Childhood Development Centres. Some ECD's also do not adhere to funding conditions required from them as an NPO. Hopefully now that ECDC's are being taken over by the Department of Education, issues may be resolved.

## 2.5. Crime

Crime is high in the municipality especially with stock theft. Cross border stock theft is a big problem as is violent crime and assaults on women. For the period 2010/2011 to 2020/2021 overall crime has increase at an average annual rate of 1.10% within the Senqu Local Municipality. Violent crime increased by 0.80% since 2010/2011, while property crimes increased by 3.65% between the 2010/2011 and 2020/2021 financial years (IHS Markit, 2020). This statistic does not show the true rates as many rural people live far from police stations and do not always report crime.

## 2.6. Labour, employment and unemployment rate

The working age population in Senqu in 2020 was 91 300, increasing at an average annual rate of 1.02% since 2010 (IHS Markit 2020). 46.8% are participating in the labour force, meaning 42 700 residents of the local municipality forms currently part of the economically active population (EAP). Non-economically active population (NEAP) equal 48 500 people. Out of the EAP, there are 17 300 that are unemployed which is an unemployment rate of 40.6% (IHS Markit 2020). Unfortunately, the unemployment rate has risen nationally especially during COVID. Early indications of the unemployment rate from the Census 2021 is 46%.

The majority of the formal employment lies in the Tertiary industry, with 8 060 jobs out of the available 22 600 jobs in the area. Formal jobs make up 43.5% of all jobs in the Senqu Local Municipality (IHS Markit, 2020).

Youth unemployment in the Eastern Cape is worrying as it rose to 53.3 % in 2019 from 40.71 % in 2014 (Ecsecc 2020). This is spite of an increase of only 1.2 % in the youth population in the same period (Ecsecc 2020). Female youth are the most affected as are females in general and black people in particular (Ecsecc Youth and the labour market 2014-2019 and beyond, 2020).

## 3. Migration Plan

Senqu Municipality has no migration plan in place as funding still must be sourced for this. This does have to be addressed as the Municipality borders on the Kingdom of Lesotho and has many illegal aliens who reside within the municipal area. The Municipality is looking at partnerships with government departments on how to address this issue as it is both a problem in that resources are drained, and no taxes paid but also an opportunity in terms of trade and skills being imported into the region.

Another in-migration which is occurring is that of Bangladeshi and Chinese nationals who run and operate many of the small shops in rural areas. This does create problems, when they rent or run shops out of RDP houses. The money generated by them does not return to the economy, as in general they either buy in bulk from Lesotho or in Bloemfontein. The Departments of Trade and Industry, Home Affairs and SARS need to assist the municipality in ensuring that the region benefits from these economic activities. It needs to be noted that these shop keepers are a boon to local communities as they provide a service which the community would otherwise be forced to travel long distances to access.

#### **4. Population Concerns**

The Municipality has a very high youthful population which indicates a high need for employment. Unfortunately, research by Ecsecc has revealed the high unemployment amongst youth due to structural issues in the economy. This does require addressing. There is also a greater need for secondary and tertiary education in the region. However, the only tertiary opportunities are offered outside the region. The traditional employment opportunities in agriculture and the commercial sector for low skilled workers do not appeal to the better educated and more global orientated youth of today. This is why the Municipality in its LED strategy is aiming to develop entrepreneurs in various service sectors in order to cater for this gap. However greater assistance is required from the Department of Education and Higher Education to provide the necessary skills and institutions to build the entrepreneurial mind set.

The other population concern is that of the influx of Lesotho citizens. The border is porous and there has always been traditional movement between the two countries unhindered by border posts. As a result, there is a greater demand for educational, health and housing. Thus, all of these departments come under pressure to provide services for persons who have been born in South Africa and lived here but without any documentation. In a sense, these people are not foreigners but are in fact South

Africans. Their illegal status causes many social problems for them and their families and the Department of Social Development is often faced with abandoned children without papers.

## 5. Incorporation of Population Issues into Planning

Table 8: Population issues and efforts to mitigate

Issue	Status Quo	Proposed Sector intervention
Gender and age	Youth constitute more than 51% of the total population 55% of population are females	Youth development to be strengthened. LED Strategies to have relevant youth development initiatives
HIV and AIDS	High levels of prevalence	Focus on awareness campaigns and access to treatment Strengthen and implement the HIV and AIDS Strategy
Migration	Higher out-migration rate which is above provincial Rate	Local Economic Development strategy to deal with business retention and attraction. Introduce small town regeneration programmes
Overall population	Stable population growth throughout the District	Increase in housing need to be reflected in the HSP

Table 9 : Sustainable Development Goals

Sustainable Development Goal	Strategic focus areas	Key programmes
Goal 1: No Poverty	No Poverty - End poverty in all its forms everywhere	Poorest ward programme in Ward 5
Goal 2: Zero Hunger	Increase agricultural production Increase investment in agriculture	Assisting DRDAR with the implementation of wool improvement programme
Goal 3: Good Health and Well-being	Enforcement of traffic bylaws to prevent deaths	Employee wellness programmes Increase traffic police
Goal 4: Quality Education	Promotion of access to all bursaries by communities Skills programmes Internships	Municipal Bursaries Training Internships
Goal 5: Gender Equality	Employment Equity Plan	Recruitment according to EEP
Goal 6: Clean Water and Sanitation	DM function	
Goal 7: Affordable and Clean Energy	Utilising solar power in mountainous areas	Solar geyser and electricity programme
Goal 8: Decent Work and Economic Growth	Functioning Local Labour forum Training for LLF	EPWP CWP
Goal 9: Industry, Innovation and Infrastructure	Build infrastructure to promote investment	Regular sittings of the Economic development forum
Goal 10: Reduced Inequalities	Increase community skills to enable better work opportunities	Utilise social investment programmes of the private sector
Goal 11: Sustainable Cities and Communities	SDF SPLUMA	Enforcement of town Planning legislation
Goal 12: Responsible Consumption and Production	Waste awareness campaigns to make people aware of responsible consumption	Waste recycling programmes
Goal 13: Climate Action	Climate change strategy	Training on climate change reduction strategies Partnerships to implement climate change
Goal 14: Life Below Water	No marine resources in the area	
Goal 15: Life on Land	Donga filling	Training on stock management reduction Donga filling programmes through DRDAR Ecosystems based approach
Goal 16: Peace, Justice and Strong Institutions	Participate in IGR forums around safety	Regular sitting of Integrated Community Safety forum
Goal 17: Partnerships for the Goals	Improve IGR relationships	Develop partnerships & MOU's

## **6. Conclusion**

The implications of the population studies of Senqu indicate a youthful population with low skills levels and high unemployment. Most of the population live in rural villages and rely on social grants. There is high migration to the more urban areas inside and outside the municipality for employment and educational opportunities. The high out migration to areas outside the municipality has an annual season with persons returning for Easter and Christmas holidays. Persons also tend to return to the traditional areas when they are faced with illnesses that require high caring from relatives.



## CHAPTER THREE: SOCIO – ECONOMIC AND LED ANALYSIS

### 1. Economic Overview

The major world economies experienced an economic depression in 2007 from which they are slowly starting to emerge. However, the Covid 19 pandemic has created a situation where all economic forecast had to be revived. National Treasury stated that the “global shock prompted by the COVID-19 pandemic, and unprecedented restrictions designed to protect public health, have led to a sharp contraction in the domestic economy. Government interventions have cushioned the impact on workers and businesses but have not offset the full decline. South Africa’s economic growth was forecast to fall by 7.2 per cent in 2020 as a result of the crisis, the March and April 2020 credit rating downgrades, and the compounding effects of weak investor confidence. The rand has depreciated rapidly against the US dollar. The Russian invasion of Ukraine has exacerbated the situation with oil and food prices raising.

Government has taken the opportunity to break with a pattern of weak growth and overcome structural inequality by developing a package of economic reforms that will improve productivity, lower costs and reduce demands of state-owned companies on the public purse (National Treasury, The Covid 19 shock and the revised economic outlook, 2020:27)’.

The situation at a provincial level is not great with the Eastern Cape experiencing a real GDP growth of just over 1 % from 2014 to 2018. This primarily comes from the manufacturing sector which is primarily centered on the automotive industry in the two metros and dominated by the non-tradable sectors (trade, finance and general government services) (SERO,2017: XV11-XV111).

Weak economic growth has continued to decline and continues to see revenue projections lowered, and indeed the Budget drops its 2020 GDP projection to 0.9% y/y in 2020 (previously 1.2% y/y projected in the 2019 MTBPS), 1.3% in 2021 (previously 1.6% y/y) and 1.7% in 2022 (previously 1.7% y/y) (Investec 2020). The outlook for economic growth has become negative especially since South Africa’s investment outlook has now been changed to junk status. The outlook for the Senqu economy is dire as it is heavily dependent on government services as the main economic sector and government is under pressure to decrease its wage bill. Therefore, focus will have to be paid to diversifying the economy and attracting manufacturing investors.

### 2. Gross Domestic Product by Region (GDP-R)

In 2020, the Municipality achieved an annual growth rate of -5.91% which is a higher than the Eastern Cape Province's -6.71% and that of South Africa of -6.98%. The longer-term average growth rate for Senqu (1.03%) is slightly higher than that of South Africa (0.64%). The economic growth in Senqu peaked in 2011 at 4.69%.



Table 10: GDP – Senqu, JGDM, EC & National 2006-2016[Constant 2010 Prices]

	Senqu	Joe Gqabi	Eastern Cape	National Total
2010	3.6%	2.7%	2.4%	3.0%
2011	4.7%	5.1%	3.7%	3.3%
2012	3.8%	2.9%	2.0%	2.2%
2013	2.1%	2.1%	1.4%	2.5%
2014	2.6%	2.3%	1.3%	1.8%
2015	1.6%	1.1%	0.8%	1.2%
2016	0.1%	-0.1%	0.7%	0.4%
2017	1.3%	0.9%	0.6%	1.4%
2018	0.2%	0.3%	0.6%	0.8%
2019	0.2%	-0.1%	0.0%	0.2%
2020	-5.9%	-6.3%	-6.7%	-7.0%
<b>Average Annual growth 2010-2020</b>	<b>1.03%</b>	<b>0.79%</b>	<b>0.41%</b>	<b>0.64%</b>

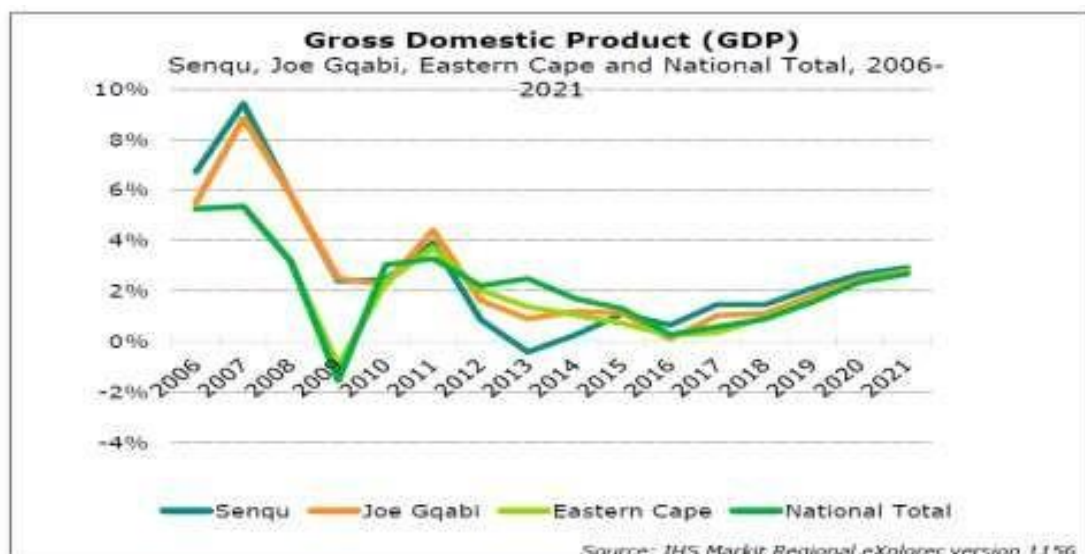
Source: IHS Markit Regional eXplorer version 2142

Senqu Local Municipality achieved an average annual growth rate of 1,03% from 2010 to 2020 which is a higher GDP growth than the Eastern Cape Province's and South Africa (IHS Markit, 2020). The Municipality had a total GDP of R 4 billion and in terms of total contribution towards Joe Gqabi District Municipality ranked second (IHS Markit 2020). It had the highest average annual economic growth, averaging 1.03% between 2010 and 2020 in Joe Gqabi.

### 3. Economic Growth Forecast

It is expected that the local economy will grow at an average annual rate of 2.37% from 2020 to 2025, which is higher than that of JGDM and EC Province of 1.98% and 2.51% respectively. The SA Economy is forecasted to grow at an average annual growth rate of 2.69 (IHS Markit, 2020).

Chart 5: GDP 2006-2021 (Average Annual Growth Rate, Constant 2010 Prices)



By 2025, Senqu's forecasted GDP will be an estimated R 2.64 billion (constant 2010 prices) or 33.6% of the total GDP of Joe Gqabi District Municipality with a 2.37% average annual GDP growth rate between

2020 and 2025. This will make it the best performing local economy in JGDM (IHS Markit, 2020). However, this may be optimistic in terms of the impact that the Covid epidemic has had.

#### 4. Gross value added by region (GVA-R)

The Senqu Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy. Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region.

Table 11: GVA by Broad economic sector – Senqu 2020 [R Billions, Current Prices]

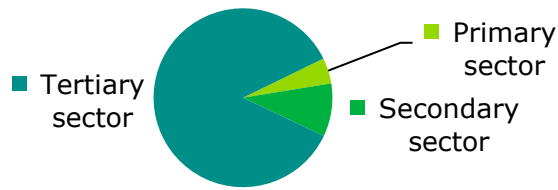
	Senqu	Joe Gqabi	Eastern Cape	National Total	Senqu as % of district municipality	Senqu as % of province	Senqu as % of national
Agriculture	0.2	0.5	6.3	119.6	29.9%	2.6%	0.14%
Mining	0.0	0.0	0.5	371.9	47.3%	1.5%	0.00%
Manufacturing	0.1	1.0	43.5	573.4	15.3%	0.3%	0.03%
Electricity	0.1	0.1	9.1	167.2	36.5%	0.6%	0.03%
Construction	0.2	0.4	10.9	140.2	41.7%	1.4%	0.11%
Trade	0.6	2.1	65.7	655.2	29.8%	0.9%	0.09%
Transport	0.2	0.8	27.0	396.4	30.9%	0.9%	0.06%
Finance	0.4	1.3	61.8	879.5	30.0%	0.6%	0.05%
Community services	1.9	4.8	111.1	1,125.3	38.5%	1.7%	0.17%
Total Industries	3.6	11.0	335.8	4,428.7	33.0%	1.1%	0.08%

Source: IHS Markit Regional Explorer version 1156 Ecsecc 2142

The sector which has performed the best at 1.9 billion is that of Community services which reflects the makeup of the economy where Community Services, essentially government is the major employer and procurer. The next sector is that of trade and then finance. The lowest contributor is mining.

##### 4.1. Historical Economic Growth

From 2010 to 2020, the finance sector had the highest average annual growth rate in Senqu at 2.18%. “The second highest average annual growth rate is the community services sector averaging at 1.25% per year. The construction sector had an average annual growth rate of -1.13%, while the electricity sector had the lowest average annual growth of -2.69%. Overall, a negative growth existed for all the industries in 2020 with an annual growth rate of -5.39% since 2019 (IHS Markit, 2020).



IHS Markit 2020

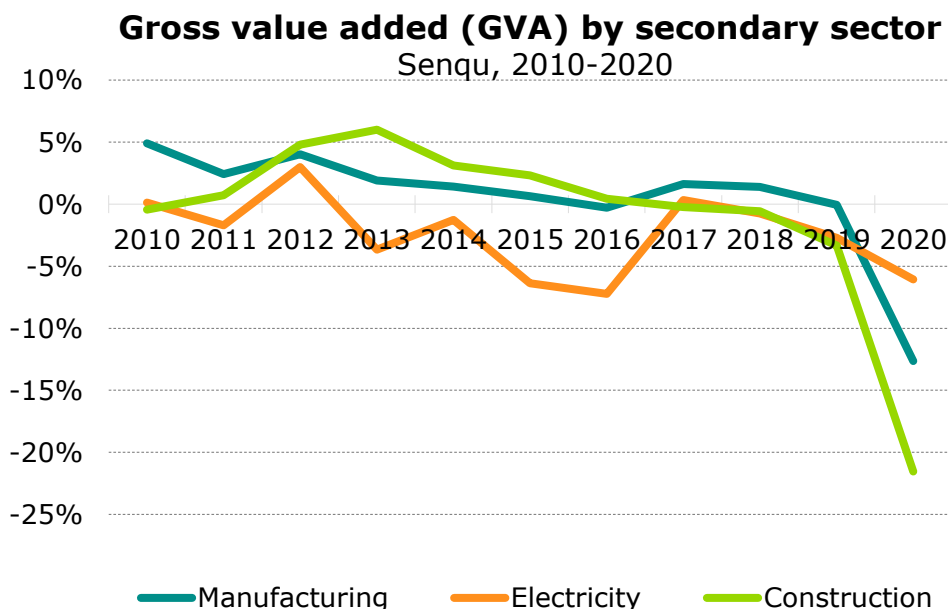
#### 4.2. Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 21.1%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period (IHS Markit, 2020).

#### 4.3. Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The manufacturing sector experienced the highest positive growth in 2010 with a growth rate of 4.9% whilst the construction sector reached its highest growth in 2013 at 6.0%. The manufacturing sector experienced its lowest growth in 2020 of -12.6%, while construction sector also had the lowest growth rate in 2020 and it experiences a negative growth rate of -21.5% which is higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2012 at 3.0%, while it recorded the lowest growth of -7.2% in 2016 (IHS Markit, 2020).

Chart 7: GVA by Secondary sector 2010-2020 Annual percentage change



Source: IHS Markit Regional Explorer version 2142

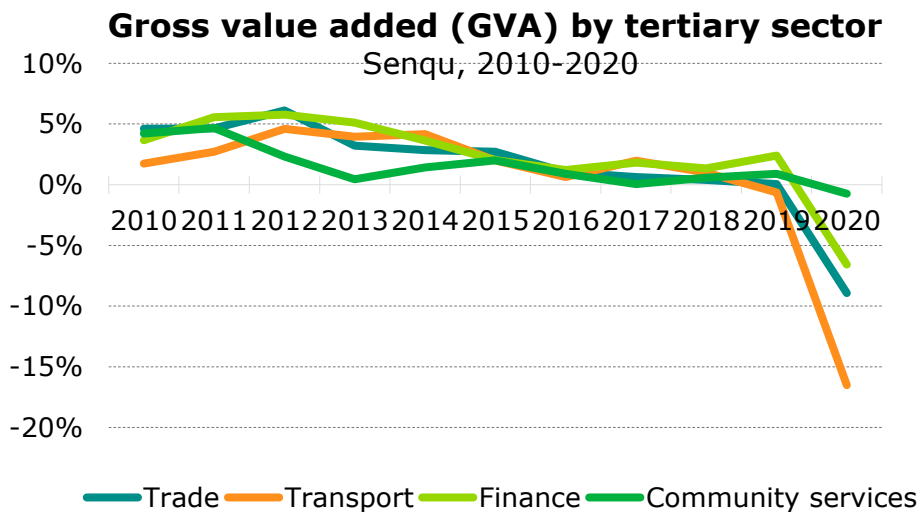
The best performing sector between 2010 and 2020 was the manufacturing sector with a growth rate of 4.9% in 2010. The construction sector reached its highest growth in 2013 at 6.0%. The electricity sector experienced the highest growth in 2012 at 3.0%, while it recorded the lowest growth of -7.2% in 2016

(IHS Markit 2020).

#### 4.4. Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The Finance sector has declined in prominence from 2006 to 2016 and experienced the highest growth rate in 2012 when it grew by 5.8% which can be seen by the decline in the number of banks in the towns. The trade sector experienced the highest positive growth in 2012 with a growth rate of 6.1% but also the lowest growth rate in 2020 at -8.9%. The community services sector experienced its highest positive growth in 2011 with 4.7% and the lowest growth rate in 2020 with -0.7% (IHS Markit, 2020).

Chart 8: GVA by tertiary sector 2010-2020



Source: IHS Markit Regional Explorer version 2112

#### 4.5. Sector Growth Forecast

“The GVA forecasts are partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g., finance and telecommunications) are likely to perform well (and vice versa) (Ecsecc,2017:32)”. The transport sector is expected to grow fastest at an average of 3.63% annually from R 142 million in Senqu Local Municipality to R 170 million in 2025. The community services sector is estimated to be the largest sector within the Senqu Local Municipality in 2025, with a total share of 49.1% of the total GVA (as measured in current prices), growing at an average annual rate of 1.7%. The sector that is estimated to grow the slowest is the mining sector with an average annual growth rate of -0.38%. (IHS Markit, 2020).

Table 12: GVA Added by broad economic sector 2016-2021 (R Millions, constant 2010 prices)

	2020	2021	2022	2023	2024	2025	Average Annual growth
Agriculture	76.4	79.7	76.4	76.3	77.7	79.5	0.79%
Mining	11.2	12.7	12.2	11.6	11.2	10.9	-0.38%
Manufacturing	80.7	85.2	87.4	89.6	90.5	92.1	2.67%
Electricity	14.2	14.6	15.0	15.4	15.8	16.2	2.78%
Construction	89.9	90.4	92.7	95.3	97.8	100.7	2.30%
Trade	389.7	418.9	433.0	447.5	454.1	463.6	3.53%
Transport	141.9	152.5	157.6	162.1	165.4	169.6	3.63%
Finance	270.8	277.3	286.7	294.4	301.8	310.8	2.80%
Community services	1,101.8	1,156.3	1,154.4	1,168.6	1,179.2	1,199.3	1.71%
<b>Total Industries</b>	<b>2,176.6</b>	<b>2,287.7</b>	<b>2,315.3</b>	<b>2,361.0</b>	<b>2,393.6</b>	<b>2,442.8</b>	<b>2.33%</b>

Source: IHS Markit Regional eXplorer version 2142

## 5. Tress Index

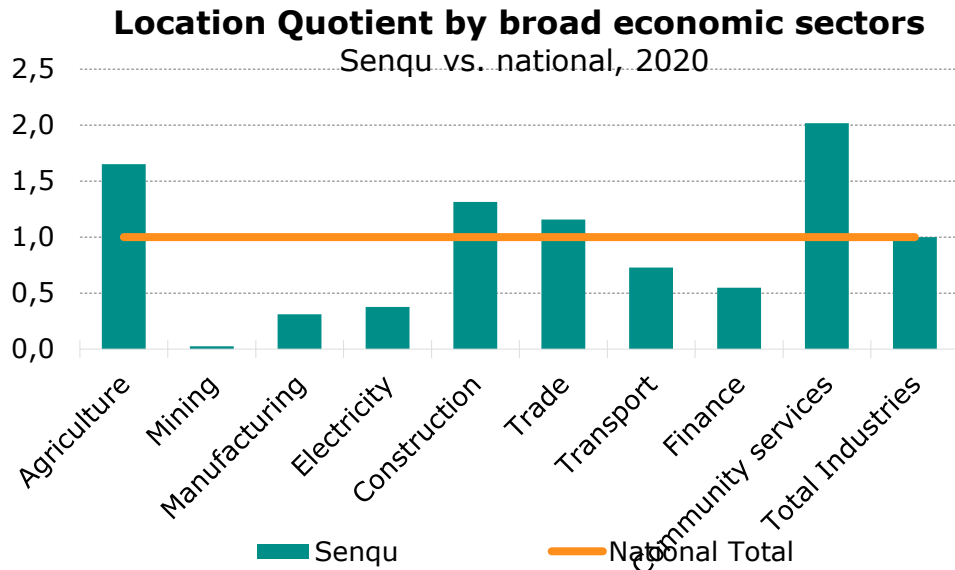
“The Tress index measures the degree of concentration of an area's economy on a sector basis. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region. In 2020, Senqu's Tress Index was estimated at 66.8 which are higher than the 62.2 of the district municipality and higher than the 62.2 of the province (IHS Markit, 2020). This implies that - on average - Senqu Local Municipality is less diversified in terms of its economic activity spread than the province's economy as a whole.

## 6. Location Quotient

“The location quotient measures comparative advantage of economic sectors. If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy (Ecsecc,2017:35)”.

For 2020 Senqu Local Municipality has a very large comparative advantage in the community services sector. The agriculture sector also has a very large comparative advantage. The construction also has a comparative advantage when comparing it to the South Africa economy as a whole, although less prominent. The Senqu Local Municipality has a comparative disadvantage when it comes to the mining and manufacturing sector which has a very large comparative disadvantage. In general mining is a very concentrated economic sector. Unfortunately, the Senqu Local Municipality area currently does not have a lot of mining activity, with an LQ of only 0.0242 (IHS Markit, 2020).

Chart 9: Location quotient Senqu vs National 2020



## 7. Tourism

Tourism is one of the growth sectors of the economy. It can be defined in many ways. One of these is via trips.

Table 13: No of trips by purpose of trips 2010-2020

	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2010	8,510	5,580	78,300	8,120	101,000
2011	7,790	4,970	70,500	7,650	90,900
2012	6,930	4,710	62,700	7,150	81,500
2013	6,260	4,190	57,400	6,860	74,700
2014	5,970	3,860	55,600	6,930	72,300
2015	5,660	3,630	52,600	6,510	68,400
2016	5,660	3,500	52,200	6,310	67,700
2017	5,490	3,160	51,100	6,120	65,900
2018	5,350	2,870	49,300	5,540	63,000
2019	5,120	2,510	45,900	4,800	58,300
2020	1,770	724	18,000	1,780	22,200
<b>Average Annual growth</b>					
2010-2020	<b>-14.53%</b>	<b>-18.47%</b>	<b>-13.69%</b>	<b>-14.09%</b>	<b>-14.00%</b>

Source: IHS Markit Regional eXplorer version 2142

“In Senqu Local Municipality, the Visits to friends and relatives, relative to the other tourism, recorded the highest average annual growth rate from 2010 (78 300) to 2020 (18 000) at -13.69%. The type of tourism with the highest volume of tourists was also the Visits to friends and relatives tourism with a total number of 18 000 annual tourist and had an average annual growth rate of -13.69%. The tourism type that recorded the lowest growth was Business tourism with an average annual growth rate of -18.47% from 2010 (5 580) to 2020 (724) (IHS Markit 2020). Senqu Municipality has to concentrate on getting friends and family visitors to explore the area and increase their spend.

### 7.1. Origin of Tourists

“The number of trips by tourists visiting Senqu Local Municipality from other regions in South Africa has

decreased at an average annual rate of -15.00% from 2010 (92 000) to 2020 (18 100).

The tourists visiting from other countries decreased at an average annual growth rate of -7.00% (from 8 560 in 2010 to 4 140). International tourists constitute 18.62% of the total number of trips, with domestic tourism representing the balance of 81.38% (IHS Markit, 2020). Senqu Municipality therefore is not reliant on international visitors but rather South African tourists

#### 7.2. Bed nights by origin of Tourists

This is the measurement of one night away from home on a single person trip. “From 2010 to 2020, the number of bed nights spent by domestic tourists has decreased at an average annual rate of -14.85%, while in the same period the international tourists had an average annual decrease of -6.15%.

The total number of bed nights spent by tourists decreased at an average annual growth rate of -12.27% from 554 000 in 2010 to 150 000 in 2020 (IHS Markit 2020)”. The emphasis should be on increasing the amount of bed nights by domestic tourists as internal tourism is a volatile industry and prone to fluctuations. This can be done by offering more tourist activities in the area which encourage tourists to stay.

#### 7.3. Tourism Spending

Tourism spending merely represents a nominal spend of trips made to each region. “Senqu Local Municipality had a total tourism spending of R 46.6 million in 2020 with an average annual growth rate of -9.7% since 2010 (R 129 million). Joe Gqabi District Municipality had a total tourism spending of R 141 million in 2020 and an average annual growth rate of -9.4% over the period.

Total spending in Eastern Cape Province decreased from R 12.7 billion in 2010 to R 5.75 billion in 2020 at an average annual rate of -7.6%. South Africa as whole had an average annual rate of -6.6% and decreased from R 167 billion in 2010 to R 84.9 billion in 2020 (IHS Markit, 2020)”. The COVID epidemic has had an even greater impact on this decrease in expenditure but it is slowly picking up.

#### 7.4. Tourism Spend as a Share of GDP

“In Senqu Local Municipality the tourism spending as a percentage of GDP in 2020 was 1.16%. Tourism spending as a percentage of GDP for 2020 was 1.15% in Joe Gqabi District Municipality, 1.52% in Eastern Cape Province. The table does show that tourism spending is decreasing but tourism is a potential growth sector of the GDP.

Table 14: Tourism spend as a share of the GDP 2006-2016

	Senqu	Joe Gqabi	Eastern Cape	National Total
2010	6.2%	5.8%	6.0%	6.1%
2011	5.4%	5.1%	5.6%	5.8%
2012	5.0%	5.2%	6.0%	6.1%
2013	4.9%	5.2%	6.0%	6.2%
2014	5.1%	5.3%	6.1%	6.3%
2015	4.4%	4.6%	5.4%	5.7%
2016	4.9%	5.1%	6.0%	6.1%
2017	4.6%	4.8%	5.7%	6.0%
2018	4.2%	4.3%	5.2%	5.6%
2019	4.1%	4.1%	5.1%	5.6%
2020	1.2%	1.1%	1.5%	1.7%

Source: IHS Markit Regional eXplorer version 2142

However, the tourism trade has been hit hard by the Covid 19 lockdown restrictions and it will take some time to recover. Senqu's tourism sector is particularly hard hit as it deals with primarily domestic tourists. These domestic tourists have been hard hit by rising electricity, food and petrol cost.

## 8. International Trade

“The merchandise export from Senqu Local Municipality amounts to R 0 and as a percentage of total national exports constitutes about 0.00%. The exports from Senqu Local Municipality constitute 0.00% of total Senqu Local Municipality's GDP. Merchandise imports of R 8.6 million constitute about 0.00% of the national imports. Total trade within Senqu is about 0.00% of total national trade. Senqu Local Municipality had a negative trade balance in 2020 to the value of R 8.6 million (IHS Markit, 2020)” This shows that Senqu Municipality has a very low manufacturing sector. This is an area for potential expenditure. The entire district has a very low manufacturing sector.

Table 15: Merchandise exports and imports 2020 (R 1000 Current Prices)

	Senqu	Joe Gqabi	Eastern Cape	National Total
Exports (R 1000)	0	2,448	92,643,509	1,394,345,999
Imports (R 1000)	8,599	122,534	73,918,938	1,109,458,999
Total Trade (R 1000)	8,599	124,982	166,562,447	2,503,804,998
Trade Balance (R 1000)	-8,599	-120,085	18,724,570	284,887,001
Exports as % of GDP	0.0%	0.0%	24.5%	28.0%
Total trade as % of GDP	0.2%	1.0%	44.0%	50.3%
Regional share - Exports	0.0%	0.0%	6.6%	100.0%
Regional share - Imports	0.0%	0.0%	6.7%	100.0%
<b>Regional share - Total Trade</b>	<b>0.0%</b>	<b>0.0%</b>	<b>6.7%</b>	<b>100.0%</b>

Source: IHS Markit Regional eXplorer version 2142



## 9. Total Employment

Total employment consists of two parts: employment in the formal sector, and employment in the informal sector (Ecsecc,2017:41)”

“In 2020, Senqu employed 22 600 people which is 32.63% of the total employment in Joe Gqabi District Municipality (69 300), 1.64% of total employment in Eastern Cape Province (1.38 million), and 0.15% of the total employment of 15.6 million in South Africa. Employment within Senqu increased annually at an average rate of 1.57% from 2010 to 2020 (IHS Markit, 2020)”.

Table 16: Total employment per broad economic sector JGDM 2020

	Senqu	Elundini	Walter Sisulu	Total Joe Gqabi
Agriculture	2,410	2,140	3,010	7,552
Mining	32	12	41	86
Manufacturing	871	783	1,200	2,852
Electricity	44	112	99	254
Construction	2,620	3,460	2,540	8,611
Trade	4,990	4,280	4,830	14,094
Transport	744	965	903	2,612
Finance	1,480	1,570	2,340	5,393
Community services	6,770	6,250	7,170	20,188
Households	2,660	1,510	3,490	7,659
Total	22,600	21,100	25,600	69,302

Source: IHS Markit Regional eXplorer version 2142

“Senqu Local Municipality employs a total number of 22 600 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions within Joe Gqabi District Municipality is Walter Sisulu with a total number of 25 600 (IHS Markit 2020)”

In Senqu Local Municipality the economic sectors that recorded the largest number of employment in 2020 were the community services sector with a total of 6 770 employed people or 29.9% of total employment in the local municipality. The trade sector with a total of 4 990 (22.1%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 32.5 (0.1%) is the sector that employs the least number of people in Senqu Local Municipality, followed by the electricity sector with 43.5 (0.2%) people employed (IHS Markit, 2020)”.

## 9.1. Formal and Informal Employment

“Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy.

Informal employment is a reality in South Africa and cannot be ignored. The number of formally employed people in Senqu Local Municipality counted 14 900 in 2020, which is about 65.86% of total employment, while the number of people employed in the informal sector counted 7 720 or 34.14% of the total employment. Informal employment in Senqu increased from 6 250 in 2010 to an estimated 7 720 in 2020 (IHS Markit, 2020)”.

In 2020 the Trade sector recorded the highest number of informally employed, with a total of 3 210 employees or 41.62% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 389 and only contributes 5.04% to total informal employment (IHS Markit, 2020)”.

Table 17: Formal and informal employment by broad economic sector 2020

	Formal employment	Informal employment
Agriculture	2,410	N/A
Mining	32	N/A
Manufacturing	482	389
Electricity	44	N/A
Construction	1,210	1,410
Trade	1,780	3,210
Transport	147	597
Finance	1,040	439
Community services	5,090	1,680
Households	2,660	N/A

Source: IHS Markit Regional eXplorer version 2142

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism (Ecsecc,2017:44)”.

## 9.2. Unemployment

This includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. In 2020, there were a total number of 17 300 people unemployed in Senqu, which is an increase of 9 880 from 7 460 in 2010. The total number of unemployed people within Senqu constitutes 36.44% of the total number of unemployed people in Joe Gqabi District Municipality. The Senqu Local Municipality experienced an average annual increase of 8.81% in the number of unemployed people, which is better than that of the Joe Gqabi District Municipality which had an average annual increase in unemployment of 8.84% (IHS Markit,2020).

Youth unemployment remains a crucial issue on a national and provincial level. Youth unemployment in the Eastern Cape continues to rise, reaching 47.3% in 2018Q3. Unemployment rate though, has risen to 35.6 % (Eastern Cape Labour Market Overview Q3).

In 2020, the unemployment rate in Senqu Local Municipality (based on the official definition of unemployment) was 40.57%, which is an increase of 15 percentage points. The unemployment rate in Senqu Local Municipality is higher than that of Joe Gqabi. Comparing to the Eastern Cape Province it can be seen that the unemployment rate for Senqu Local Municipality was lower than that of Eastern Cape which was 41.36%. The unemployment rate for South Africa was 29.93% in 2020, which is an increase of -5 percentage points from 24.93% in 2010 (IHS Markit, 2020).

Table : 18: Unemployment official definition 2010-2020

	Senqu	Joe Gqabi	Eastern Cape	National Total	Senqu as % of district municipality	Senqu as % of province	Senqu as % of national
2010	7,460	20,400	492,000	4,490,000	36.6%	1.52%	0.17%
2011	7,540	20,400	499,000	4,590,000	37.0%	1.51%	0.16%
2012	7,790	21,200	521,000	4,710,000	36.7%	1.49%	0.17%
2013	8,330	22,800	553,000	4,870,000	36.6%	1.51%	0.17%
2014	8,750	23,900	579,000	5,070,000	36.6%	1.51%	0.17%
2015	9,020	24,700	597,000	5,320,000	36.5%	1.51%	0.17%
2016	10,100	27,700	652,000	5,700,000	36.6%	1.55%	0.18%
2017	11,900	32,500	736,000	6,020,000	36.6%	1.62%	0.20%
2018	13,200	36,000	798,000	6,130,000	36.6%	1.65%	0.21%
2019	15,200	41,600	895,000	6,480,000	36.5%	1.70%	0.23%
2020	17,300	47,600	985,000	6,660,000	36.4%	1.76%	0.26%
<b>Average Annual growth</b>							
2010-2020	<b>8.81%</b>	<b>8.84%</b>	<b>7.20%</b>	<b>4.01%</b>			

Source: IHS Markit Regional eXplorer version 2142

Table 19: Unemployment rate 2010-2020

	Senqu	Joe Gqabi	Eastern Cape	National Total
2010	25.5%	24.9%	27.9%	24.9%
2011	25.4%	24.7%	28.2%	25.1%
2012	25.7%	25.2%	28.9%	25.1%
2013	26.0%	25.7%	29.6%	25.2%
2014	25.5%	25.2%	29.4%	25.2%
2015	24.9%	24.7%	29.2%	25.5%
2016	26.5%	26.3%	30.5%	26.4%
2017	29.6%	29.4%	33.0%	27.2%
2018	32.0%	31.7%	34.9%	27.4%
2019	35.4%	35.2%	37.8%	28.4%
2020	40.6%	40.4%	41.4%	29.9%

Source: IHS Markit Regional eXplorer version 2142

## 10. Income and Expenditure

In a growing economy among which production factors are increasing, most of the household incomes

are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

#### 10.1. Number of Households by Income Category

“It was estimated that in 2020 22.50% of all the households in the Senqu Local Municipality, were living on R30,000 or less per annum. In comparison with 2010's 43.26%, the number is about half. The 30000-42000 income category has the highest number of households with a total number of 6 720, followed by the 18000-30000 income category with 6 270 households. Only 4.4 households fall within the 0-2400 income category (IHS Markit, 2020).

“For the period 2010 to 2020 the number of households earning more than R30,000 per annum has increased from 56.74% to 77.50%. It can be seen that the number of households with income equal to or lower than R6,000 per year has decreased by a significant amount (IHS Markit, 2020).

#### 10.2. Annual Total Personal Income

Senqu Local Municipality recorded an average annual growth rate of 7.66% (from R 2.22 billion to R 4.64 billion) from 2010 to 2020, which is more than both Joe Gqabi's (7.48%) as well as Eastern Cape Province's (6.99%) average annual growth rates. South Africa had an average annual growth rate of 6.65% (from R 1.84 trillion to R 3.51 trillion) which is less than the growth rate in Senqu Local Municipality (IHS Markit, 2020).

The total personal income of Senqu Local Municipality amounted to approximately R 4.64 billion in 2020. The African population group earned R 4.2 billion, or 90.51% of total personal income, while the White population group earned R 306 million, or 6.60% of the total personal income. The Coloured and the Asian population groups only had a share of 1.77% and 1.12% of total personal income respectively.

TABLE 20: ANNUAL TOTAL PERSONAL INCOME - [CURRENT PRICES, R BILLIONS]

	Senqu	Elundini	Walter Sisulu
2010	2.22	2.02	2.29
2011	2.43	2.20	2.53
2012	2.72	2.44	2.84
2013	2.98	2.65	3.13
2014	3.23	2.86	3.40
2015	3.54	3.10	3.71
2016	3.81	3.30	3.96
2017	4.18	3.62	4.33
2018	4.48	3.88	4.62
2019	4.72	4.08	4.89
2020	4.64	4.01	4.79
<b>Average Annual growth</b>			
2010-2020	<b>7.66%</b>	<b>7.08%</b>	<b>7.64%</b>

Source: IHS Markit Regional eXplorer version 2142

When looking at the annual total personal income for the regions within Joe Gqabi District Municipality it can be seen that the Walter Sisulu Local Municipality had the highest total personal income with R 4.79

billion which increased from R 2.29 billion recorded in 2010. It can be seen that the Elundini Local Municipality had the lowest total personal income of R 4.01 billion in 2020, this increased from R 2.02 billion in 2010.

### 10.3. Annual Per Capita Income

The per capita income in Senqu Local Municipality is R 31,500 and is lower than both the Eastern Cape (R 41,000) and of the Joe Gqabi District Municipality (R 34,400) per capita income. The per capita income for Senqu Local Municipality (R 31,500) is lower than that of the South Africa as a whole which is R 58,700 (IHS Markit, 2020).

TABLE 21: PER CAPITA INCOME BY POPULATION GROUP - SENQU AND THE REST OF JOE GQABI DISTRICT MUNICIPALITY, 2020 [RAND, CURRENT PRICES]

	African	White	Coloured
Senqu	29,200	215,000	47,500
Elundini	25,000	N/A	48,400
Walter Sisulu	37,800	241,000	47,600

*Source: IHS Markit Regional eXplorer version 2 142*

Senqu Local Municipality had the second highest per capita income at R 31,500. In Senqu Local Municipality, the White population group has the highest per capita income, with R 215,000, relative to the other population groups. The population group with the second highest per capita income within Senqu Local Municipality is the Coloured population group (R 47,500). Some of the population groups - where there are less than 1,000 people living in the area were excluded from the analysis (IHS Markit, 2020).

### 10.4 Index of Buying Power

“The Index of Buying Power (IBP) is a measure of a region's overall capacity to absorb products and/or services. Regions' buying power usually depends on three factors: the size of the population; the ability of the population to spend (measured by total income); and the willingness of the population to spend (measured by total retail sales) (Ecsecc,2017:54)”.

Senqu Local Municipality has a 0.2% share of the national population, 0.1% share of the total national income and a 0.1% share in the total national retail, this all equates to an IBP index value of 0.0015 relative to South Africa as a whole. Joe Gqabi has an IBP of 0.0042, were Eastern Cape Province has an IBP index value of 0.089 and South Africa a value of 1 relative to South Africa as a whole. The considerable low index of buying power of the Senqu Local Municipality suggests that the local municipality has access to only a small percentage of the goods and services available in all of the Joe Gqabi District Municipality. Its residents are most likely spending some of their income in neighbouring areas (IHS Markit, 2020).

Between 2010 and 2020, the index of buying power within Senqu Local Municipality increased to its highest level in 2018 (0.001489) from its lowest in 2011 (0.001363). Although the buying power within Senqu Local Municipality is relatively small compared to other regions, the IBP increased at an average annual growth rate of 0.78% (IHS Markit, 2020)

Table 22: Index of buying power

	Senqu	Joe Gqabi	Eastern Cape	National Total
Population	147,419	390,822	7,360,699	59,809,786
Population - share of national total	0.2%	0.7%	12.3%	100.0%
Income	4,643	13,441	302,047	3,508,339
Income - share of national total	0.1%	0.4%	8.6%	100.0%
Retail	1,557,574	4,229,519	86,566,731	1,049,668,438
Retail - share of national total	0.1%	0.4%	8.2%	100.0%
Index	0.00	0.00	0.09	1.00

Source: IHS Markit Regional eXplorer version 2142

## 11. Comparative and Competitive Advantages

### 11.1 Competitive Advantages

- Basic Services and Infrastructure

The Municipality performs above District average in respect of access to all basic services but refuse removal. The majority of Senqu households enjoy access to the RDP minimum levels of basic services in respect of housing, energy and sanitation.

The road network is extensive and all villages are accessible by roads. There are 2 major tarred roads which run through the Municipality and link the urban areas such as the R 58 and the R 392. They also provide linkage between the N6 and N2. Unfortunately, road maintenance is poor but the tarred network is being upgraded.

The bulk infrastructure of water and sanitation is sufficient in towns and has been upgraded so that it can provide for growth such as the 802 RDP houses built in Barkly East.

- Technology

The Municipality is a pilot municipality for SALGA for the rollout of 5 G

- Tourism

Scenic beauty, hiking and wildlife attractions and trout fishing. South Africa's only ski resort at Tiffendell. Tiffendell Ski Resort is the only ski resort in South Africa and is uniquely positioned to capture the local skiing market. Due to the shutdown of the tourism sector during lockdown, the ski resort was forced to shut down. The area has a well-developed road network that enters beautiful valleys and mountains. It is favoured by off road enthusiasts, trail runners and mountain bikers.

- Agriculture

Agriculture is one of the major economic drivers of the local economy and is considered one of the New Growth path's job drivers. The total cultivated area of arable land is 47 319, 21 Ha, dry land under commercial Production has 18 178, 39 Ha; commercial irrigated Land of 3 866, 57 Ha, semi commercial (Commonages) has 25 274, 25 Ha (Information supplied by the Department of Agriculture). In general, however the area has limited land available that can sustain intensive agricultural practices. This is due to its highly erodible soils and unchecked poor veld

management which has led to massive loss of topsoil and the growth of extensive dongas and gulleys.

The area is more suited towards stock farming than crop production due to its mountainous profile, short growing season and shallow erodible soils. However due to this fact and the changing climate newer crops are being investigated such as grapes. However, where soils are suitable, dryland crops such as beans, maize, sorghum and cabbage can be produced. Fodder is also grown for winter feed and Lucerne is grown under irrigation on many commercial farms. Stocking rates tend to be low due to the mountainous area but sheep, cattle and goats are in the majority. Accurate stock rates could not be received from the Department but the table 23 below from StatsSa, Community Survey 2016 indicates stock ownership which gives an idea of stock.

Table 23: Agricultural statistics

Agriculture	2011		2016	
	Number	Percent	Number	Percent
Agricultural households			9 921,0	27,9
<b>Cattle</b>				
1 - 10			2 746	56,4
11 - 100			948	19,5
100+			1 173	24,1
Total			4 867	100,0
<b>Sheep</b>				
1 - 10			596	20,5
11 - 100			985	33,9
100+			1 321	45,5
Total			2 902	100,0
<b>Goat</b>				
1 - 10			1 657	49,6
11 - 100			1 601	47,9
100+			82	2,5
Total			3 340	100,0
<b>Type of agric activity</b>				
Livestock production			7 233,0	75,1
Poultry production			3 567,0	46,8
Vegetable production			3 384,0	54,4
Other			3 349,0	13,1

Source: StatsSA 2016

In general, agricultural infrastructure has been installed in the former homeland and communal region but farmers still express needs in particular for fencing, tractors, stock dams, shearing sheds and dip for the dipping tanks. There is the following infrastructure available:

- 15 Dipping tanks in various states of disrepair requiring water and dip
- 33 shearing sheds
- 2 red meat facilities
- 1 poultry abattoir (Sterkspruit)
- 11 stock dams
- 2 tunnel facilities

(Source: Municipal Ward survey 2022)

The most common complaint is for roads to be fixed in all commercial and communal areas and especially to the lands. The former homeland is also being invaded by plants which reduce grass from growing and affect animal health like the jointed cactus and Slangbos. DRDAR will be starting

programmes to eradicate the cactus and DEDEA have funded projects to eradicate Slangbos but more needs to be done as it is spreading throughout the district. Stock theft remains a constant threat to both commercial and non-commercial farmers. A positive note is the growth of farming co-operatives building relationships with commercial farmers to utilise underutilised communal land such as the Tugela co-operative near Skisazana. JOGEDA are also looking at the processing of peaches with a partnership agreement with the South African deciduous company and various communal farmers.

In 2010/11, 46 099 196 kilograms of greasy wool was produced in South Africa. Out of this the Eastern Cape produced 14 300 585 kilograms. In 2011/12, 44 807 741 kilograms were produced out of which the Eastern Cape produced 13 950 406 kilograms. Barkly East 876 812, Lady Grey 178, 107 and the Transkei 3,357,008 (Cape Wool production figures 2010-2012). This makes Senqu one of the largest producers of wool in the Eastern Cape. Its climate and topography make it well suited to expand this type of farming.

- Bottling of fresh spring water is a potential niche. Senqu has pure, clear water that is already being bottled on a small scale. Potential may exist for further expansion.
- Strategic location and proximity to Lesotho provides development opportunities near the Telle Bridge border post as well as for the revitalisation and upgrade of Sterkspruit. These provide major tourism development opportunities for both Senqu and Lesotho. The proximity of the area to Lesotho, the Free State allows it to tap into these potential markets as well as being only 60 km from the N6 route from East London to Johannesburg allows it to ship goods relatively easier.

#### 11.2. Comparative advantages

- LED Support System

The Senqu Municipality has a dedicated LED Unit located within its planning department. The Unit is responsible for coordination and facilitation of LED processes in Senqu as well as advise Council on LED matters. The LED Unit is fully staffed.

Senqu is one of the key partners of the Joe Gqabi Economic Development Agency (JoGEDA) which is tasked to drive special economic development projects on behalf of the district municipality and the three local municipalities in Joe Gqabi. With respect to Senqu, the Agency has prioritised commercial property development and plastic manufacturing as its immediate flagship projects. Its other partners are the local tourism organization (Senqu Tourism Association) and the Small Enterprise Development Agency (SEDA) which provides support services to tourism enterprises and other small businesses in the area. Other partners include the JGDM, ECDC, DLGTA, DEDEA and the Department of Agriculture.

- EPWP, CWP & Enterprise development

EPWP & CWP programmes are operated very effectively in the Municipality. Enterprise



development is however struggling as SMME's and Co-operatives struggle to become financially viable. The Municipality continues however to support these initiatives through its percentages in its supply chain management policy.

## 12. Challenges

- **Geographic Challenge**

The majority (86%) of the Senqu population lives in predominantly rural areas consisting of rural villages and farm households. The average population density is lower than the district and provincial population density. The population density indicates that people are scarcely located, making it extremely costly and difficult to provide the prerequisite services and conditions to address unemployment and poverty.

- **Dependency Challenge**

Despite a large potentially economic active population, the economy is unable to provide the required economic and employment opportunities for all these people. In the current form and conditions, the local economy can only provide employment and economic opportunities for only a quarter of the potentially EAP.

- **Poverty Challenge**

Senqu Municipality has a high poverty rate which is higher than that of the Province. Although the Municipality has and continues to support a number of poverty alleviation projects, in many instances the impact of these poverty alleviation projects remains unknown. This is why the Municipality completed a poverty alleviation strategy for the 2014/15 financial year. In addition, preparations have started for the poorest ward poverty alleviation programme in Ward 5.

- **Employment Challenge**

Senqu Municipality has a high unemployment rate. It is higher than that of both the district and the Province.

- **Income Challenge**

Almost two thirds of Senqu households are indigent.

- **Literacy Challenge**

Literacy remains a problem even though illiterate rates are dropping slowly.

- **Skills Challenge**

The majority of adult population are unskilled. There is a major shortage of technical skills.

- **Infrastructure and Land Challenge**

While Senqu performs above district average in respect to all basic services with the exception of refuse removal, infrastructure backlogs remain an area of constraint that must be addressed to

unlock better growth and new investments into the area. The effect of migration into urban areas such as Sterkspruit is also putting major strain on existing infrastructure in these areas. A more integrated approach addressing social, economic and infrastructural issues is critical.

- Land

The Senqu Municipality has communal land in the former Transkei homeland situated around Herschel and Sterkspruit, bordering on Lesotho. The land tenure in this area is a mixture of freehold, quit rent and PTO. Land tenure and rights in this area have traditionally been vested in traditional authorities with the Department of Agriculture distributing PTOs. The rest of the area is either freehold tenure in the former RSA towns or commercially owned farmland (Senqu SDF 2009).

The majority of the municipal land is unimproved grassland (75.6%), with only 6.6% of the area used for cultivation purposes. Approximately 13% of the surface area is classified as degraded: that is, it has previously been subjected to poor land use and management practices (e.g., overgrazing or inappropriate cultivation methods). Only 1.1% of the surface area is developed as built areas, including the urban areas of Sterkspruit, Lady Grey and Barkly East, as well as the rural settlements. Senqu has major challenges relating to land invasions of municipal owned or state land. This is due to lack of land being offered for sale and people being unable to afford land but wishing to be closer to prospective employment and urban amenities in the urban areas of Barkly East and Lady Grey. In the smaller rural hamlets of Rhodes, Rossouw and Herschel people are invading land and building informal settlements in order to move closer to urban amenities or receive housing with freehold tenure especially farm workers. There is also the land redistribution challenge that Senqu must meet. For example, to be able to meet the 30% redistribution target by 2014, 166 000 ha will need to be redistributed at 33 000 per annum at a total cost of R 83 million if the price remains at around R 2500 per hectare (JGDM ABP 2010).

- Access to land

Senqu has many middle income earners who are unable to buy plots for sale in the townships of Lady Grey, Barkly East and Rhodes. This is because they are in employment of the state and the Municipality is prohibited from selling to them. Other struggle to access land from Traditional Authorities.

In addition, access to serviced sites is difficult as main sewerage and water lines are currently laid to existing sites and not to areas which can be developed.

The other challenge is that of title deeds which requires formalisation of townships. The Municipality has a large scale impact project which would require formalisation of the 10 surrounding villages around Sterkspruit.

- Congestion and business sites

Sterkspruit is congested with traffic which the Municipality is planning to relieve by installing a new traffic flow system and installing new traffic lights and creating proper

parking bays. This requires much funding and a traffic management plan.

Access to business sites is difficult as many in Sterkspruit do not have title deeds as they occur outside the town boundaries which also makes it difficult to supply services.

- Growth Challenge

The growth of the local economy remains low and in the current economic climate, it is likely to remain low.

### **13. Stakeholder Involvement**

The Municipality has an Economic Development Forum. The aim of the forum is to:

- Provide LED facilitation and support within the Senqu municipality
- Advise on development choices by understanding the local context enough to validate claims made about local potential
- Mobilise local stakeholders
- Facilitate local partnerships within and between local public and private organisations
- Develop an annual work plan to implement the LED strategy that is reported on quarterly
- Assist with and advise on local economic development initiatives
- Coordinate all local economic development initiatives within the municipality
- Provide information and create awareness about LED within the municipality
- Monitoring and evaluation of local economic development projects

The forum meets quarterly. Its meetings have been disrupted by the development of the LED strategy where the Municipality has been meeting with various stakeholder groups separately. Other stakeholder forums include the LTO, small farmer's association and agricultural forum. However, these forums require more capacitation and engagement to keep the functioning effectively. The Municipality engages with sector departments through District Support team meetings on a quarterly basis and IDP Representative Forum meetings.

### **14. Investment Attraction, Small Town Revitalisation and Policy Framework**

The Municipality is expending great effort to attract investors to the municipal areas by ensuring that towns are kept clean, and that grass and trees are cut and pruned regularly. Senqu has won several awards in the cleanest town competition. It came first in the 2022 greenest town competition.

The Municipality has spent its neighbourhood development grant on beautifying the entrance to Lady Grey by planting trees and providing pathways linking the township to the CBD. The emphasis in Sterkspruit is on consolidation of neighbouring settlements into the existing town and resolving land tenure issues. A small-town regeneration plan has been developed for Sterkspruit and Barkly East. As part of this initiative walkways have been paved and 18 hawkers' huts handed over in Sterkspruit. Community parks in Lady Grey funded by DEA has been built. The lack of available land is preventing the development of similar parks in Sterkspruit.

Suggestions have also been received by the communities of Rhodes and Lady Grey for street signage in order to improve security. This has been approved in the budget and a policy developed on naming in the Municipality.

The Municipality has also begun Vision 2030 which aims to increase revenue by expanding the rates base through formalisation of adjoining rural areas to existing urban centers as well as implementing the small-town plans. The policy framework regarding businesses is in the process of being revisited in order to determine areas of hindrance for business development. These include the bylaws on building control regulations, business and street trading, liquor trading, preparation of foods at registered private kitchens and taxi ranks and taxi ranking. This is all part of the Municipality's drive to assist the development of business in the area including the ultimate adoption of informal trading regulations and the draft trade and investment policy.

Work is starting on the revitalisation of the Sterkspruit revitalisation plan with funding being sought for the development of a traffic plan which will reroute traffic and avoid congestion of the CBD. The construction of a DLT in the town will assist in increased revenue for the Municipality as learners and drivers licence tests can occur in the town. Plans have been made in the budget for a multi year project to build an additional bridge in New Rest to alleviate traffic congestion as well as the installation of a traffic light.

Investors have started displaying an interest in the area which the growth of the Sterkspruit plaza and the planned development of the old Transido building by JOGEDA as well as the erection of an electronic sign by JGDM for JOGEDA as a source of revenue. Another investment opportunity is the development of a shopping Centre in Palmietfontein which has been welcomed by residents. The Centre should be developed within the coming years.

The Municipality is in the process of redoing its LED strategy which will set targets for enterprise development support. The LED strategy will also look at the issue of the township economy. However it must be realised that not all areas are equal and Senqu Municipality does not have a township economy as exists in the larger metros. The townships in Senqu form part of the town economy and most business still occurs around the CBD including that of informal traders. The only businesses in the townships are shebeens and spaza towns.

## **15. Expanded Public Works & Community Works Programme**

Senqu Municipality has successfully implemented the EPWP programme. The objectives of the EPWP programme are as follows:

- To create job opportunities through reviewing the manner that municipalities implement existing projects/programmes
- To identify and propose programmes that will contribute to additional job creation opportunities
- To ensure that the proposed job creation programmes form part of the service delivery

## mandates of the municipality

These principles have been incorporated into the municipality's efforts to increase employment opportunities for its residents. Projects consist of basic road maintenance, paving of streets, picking up refuse, pothole repair and storm water channel maintenance. Over 196 jobs were created in 2011,2012,2013. 252 jobs were created in 2014/15 for mass job and 450 on MIG projects. 216 Jobs on average for 2017/18 through mass job creation as part of the EPWP programme and CWP. 544 jobs were created in 2018/19. In 2019/2020 an average of 165 jobs were created monthly. This excludes CWP jobs.. Future projects include maintenance of municipal property, cleaning in urban areas, storm water management in townships and data collection. The CWP programme was increased to cover 2 more wards.

The EPWP policy was adopted by Council on the 25<sup>th</sup> of October 2012, amended and adopted again in 2018 to take cognizance of the changes in legislation. The policy outlines the institutional arrangements for implementing EPWP, roles and responsibilities, the employment opportunities, training and EPWP target, conditions of employment, target groups and reporting process. The Director of Technical Services is responsible for implementing EPWP but the co-ordination is done by the EPWP Steering Committee. The Committee consists of all Director's and all relevant sector heads. The responsibility of the Committee is to:

- Coordinate the overall municipal wide coordination of EPWP and related issues
- Review the EPWP policy
- Setting departmental EPWP targets
- Enabling environment for the successful implementation of EPWP
- Reporting to the management meeting
- Monitoring and evaluation of the EPWP programme
- Setting of performance standards
- Compiling an EPWP management plan

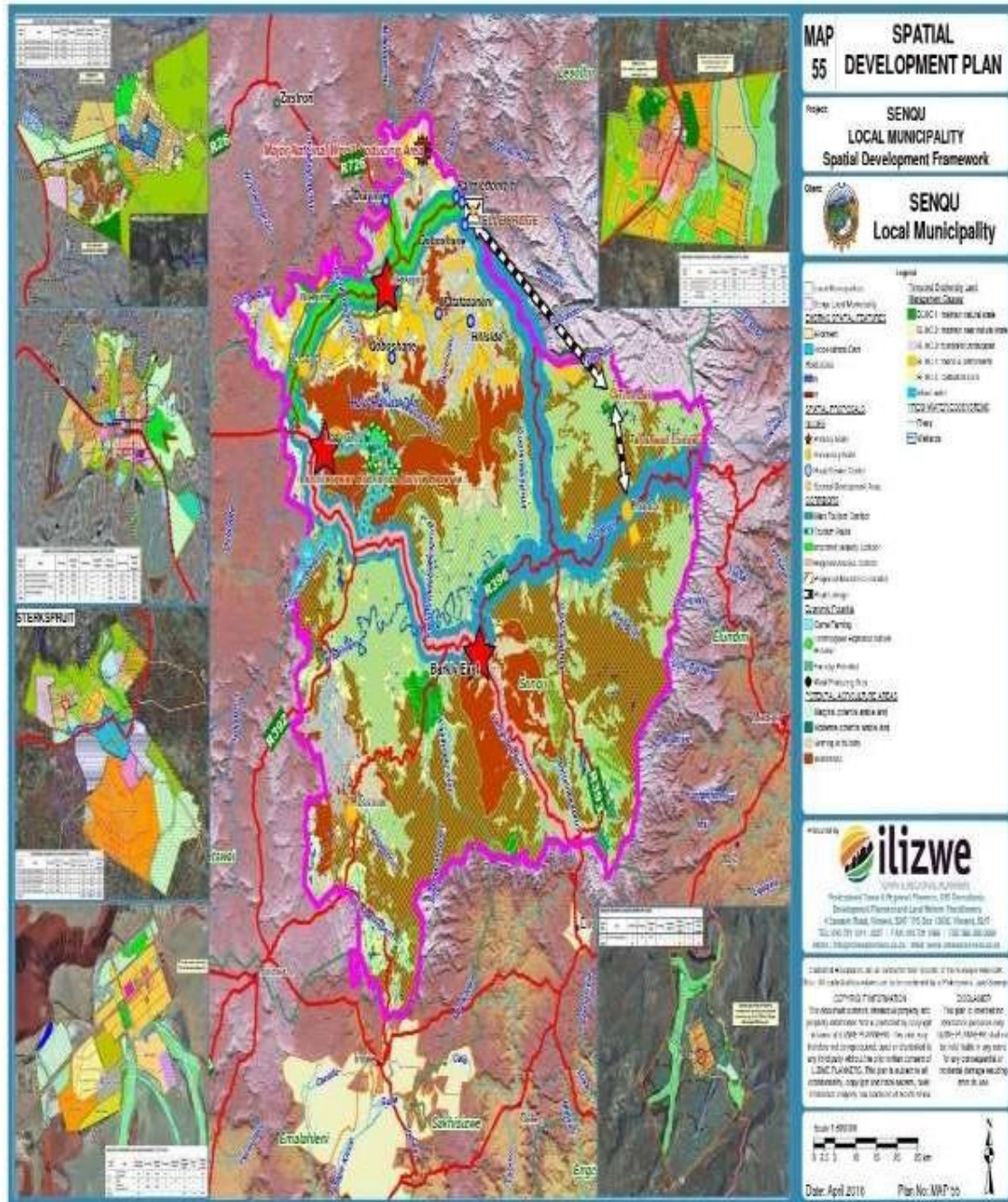
The EPWP framework for Phase 3 was adopted by Council in May 2016 and for Phase 4 in 2020.

An amount of R 6,480,000 was budgeted for the 2014/15 financial year and a similar amount for 2015/16. 2017/17 R 4,753,818, 2018/19 R 5,038,050 and in 2019/20 R 4 952 783. Of this R 3 983 616.14 was spent. An EPWP grant of R 2 617 000 was received for 2020/2021 and spent. The Municipality allocated R 5 104 950 excluding MIG projects for job creation for 2020/2021. For 2021/22 the amount was R 2 489 651. In 2022/23 it is R 7 634 528.

## 16. LED Priorities & Spatial Realities

The map below from the SDF 2017 indicates the relationship between the LED priorities and the spatial realities.

Map 6: LED Priorities & spatial realities



Source SDF 2017

## 17. Alignment between the NDP, PDP, NGP & Draft LED Strategy

National development Plan	Provincial Development Plan	New Growth Path	Draft LED Strategy
Unite all South Africans around a common purpose	Innovative and inclusive growing economy Rural development and an innovative and high value agricultural sector	Jobs driver 3: Seizing the potential of new economies Job driver 1 infrastructure	Objective 1: To grow the local economy by 3 % by 2027 Objective 3: Stimulation of the rural economy
An active citizenry		Jobs driver 3: Seizing the potential of new economies	
Growing an inclusive economy	An enabling infrastructure network	Jobs driver 2: main economic sectors Jobs driver 3: Seizing the potential of new economies	Objective 2: To increase employment by X % in 2027 Objective 4: Development of investor friendly and attractive urban areas
The need to improve capabilities	Human development		
The need for a capable and developmental state	Capable democratic institutions	Job driver 4: investing in social, capital and public services	
Responsibilities of leaders throughout society to work together to solve our problems	Environmental sustainability	Job driver 4: investing in social, capital and public services Jobs driver 5: spatial development	Objective 4: Development of investor friendly and attractive urban areas

## 18. LED Strategy

The LED strategy was revised in the 2017/18 Financial year and the final strategy was adopted in May 2018. A new strategy is busy being developed which will be adopted in July 2022. The information below is based on the draft strategy which may change.

### 18.1. LED Strategy Objectives

This draft Senqu LED Strategy aims to achieve the following objective and strategies:

Objective 1: To grow the local economy by 3 % by 2027

Strategy 1: To attract 2 main investments by 2027

Objective 2: To increase employment by X % in 2027

Strategy 1: Engage appropriate stakeholders on how to develop appropriate skills for the modern economy

Strategy 2: Development of an SMME strategy

Strategy 3: Development of SMME's Hubs

Strategy 4: Facilitate the development of organisations to mentor and assist emerging businesses.

Strategy 5: Utilise more labour intensive methods in capital infrastructure projects

Objective 3: Stimulation of the rural economy

Strategy 1: Facilitate the development of access to market for emerging farmers with appropriate stakeholders

Strategy 2: Facilitate the maintenance of the most important rural roads for farmers

Strategy 3: Facilitate the access for emerging farmers to machinery

Strategy 4: Engage appropriate stakeholders on how to improve mobile phone coverage and increase data speeds

Objective 4: Development of investor friendly and attractive urban areas

Strategy 1: Develop a redtape reduction strategy to reduce business turnover time on applications

Strategy 2: Development of legally compliant businesses

Strategy 3: Utilisation of the green economy

Programmes and implementation plans will be developed during the finalization of the strategy.

#### 18.2 Current LED Unit Staffing and Budget

Municipality has an LED Unit which is based in the Directorate: Development & Town Planning Services Directorate. The Unit has 1 Enterprise Development Officer and 1 Tourism Office. It is headed by the IPED Manager. The office was granted an operational budget of R 3 052 969.52 for LED and R 1 181 612.50 for tourism for 2019/2020. In 2020 it had an LED budget of R 485 838 and R 327 141 for tourism. For 2021/ 22 the amount for LED is R 308 671 and for Tourism R 638 039. In 2022 Tourism has R 430 518 and the same for LED.

## 19. Conclusion

The LM's lack of annual growth has resulted in an unprecedented high unemployment in the Senqu area with high dependence on government grants. This coupled with access to basic household and community services which is below optimal creates tension amongst communities who compete for relatively scarce resources.

Therefore, it becomes crucial that the municipality creates conducive conditions for job creation and participation in agricultural activities by availing land for development. Businesses are not growing as SMME's as they do not receive strategic support from government institutions. Areas for great concern are centered around food security and land reform. The tourism sector is underdeveloped and needs strategic intervention to revive and contribute to the local economy meaningfully. Agriculture remains central to the development of the area. However, it must be done in conjunction with other programmes. Land administration and town planning seem to have been relegated to the background of the municipal priorities. This approach does impact negatively on the development trajectory of the municipality. Considering the restructuring of the economy announced by national Treasury due to the Covid 19 epidemic, the LED strategy and tourism plan are being reviewed to ensure alignment



## CHAPTER FOUR: BASIC SERVICE DELIVERY

### 1. SLA's and other Institutional Arrangements

Community Services has an SLA with DSRAC. In terms of the SLA Senqu runs the library service on behalf of DSRAC. This SLA is signed annually. Technical Services has an SLA regarding electricity sales with ESKOM whereby the Municipality procures electricity from ESKOM and then sells it via its internal network to urban customers.

### 2. Spatial Analysis and Rationale

The SDF was developed in 2016 and adopted in March 2017 proposes the following *General Policies and Guidelines for Land Development in Senqu*. The new SDF is in the process of being developed and will be adopted in December 2022. The SDF was developed according to SPLUMA regulations. The following general policies and guidelines are to be applicable to land development in the Senqu Municipal area:

- The following basic Disaster Management guidelines: -
  - No development should take place on land within the 1 in 100-year flood line. In certain cases, exemption may be granted for development up to the 1 in 50-year flood line (but commonly only in cases where existing development has occurred).
  - Development is prohibited on slopes steeper than 18% (or 1-in-5 gradients), with exemptions on merit in certain cases being permitted, except in the case of public-funded housing developments.
  - Engineering Geotechnical reports should be undertaken prior to planning of new areas for settlement/development.
  - Wherever possible mitigation steps should be taken to prevent informal settlement development within 1: 100-year flood areas. Where such settlement has occurred, appropriate steps should be taken to clear the area and secure it from future settlement.
  - Controlled Areas around municipal and infrastructure installations such as Waste Disposal Sites; Wastewater Treatment Works etc. shall stipulate minimum distances from installations within which specified land use development shall not take place, based on environmental and health considerations.
  
- A Controlled Area shall be established around any Airstrip/aerodrome to include the following stipulations:
  - Areas where  $L_{Rdn} = 55$  dBA: Residential developments not allowed; nor are other noise-sensitive uses such as hospitals, educational institutions, conference facilities and places of worship.
  - Areas where  $L_{Rdn} = 60$  dBA: Commercial uses are permitted, including retail/shopping, offices, consulting rooms.
  - Areas where  $L_{Rdn} = 65$  dBA: Commercial/Industrial uses are permitted, including CBDs, motor trade, warehousing. Also, agricultural uses involving livestock and

breeding and cemeteries.

- Areas where LRdn = 70 dBA: Industrial activities are permitted, i.e., manufacturing, assembly, repairing, packaging, bus depots, builders' yards etc.
  - Areas where LRdn = 75 dBA: Agricultural land uses not involving livestock are permitted, as well as picnic facilities and open space (vacant land).
  - Areas where LRdn = 80 dBA: Prohibited area, i.e., no land development to be permitted.
  - Any land uses proposed within the 55 dBA and 60 dBA noise contours surrounding an airport must be referred to the Airport Authority and/or the Airports Company of South Africa (ACSA) for approval.
- For the purposes of settlement planning, the standards for settlement design and development set out in the *Guidelines for Human Settlement Planning and Design* (the so-called "Red Book" compiled by CSIR Building and Construction Technology, 1998) be adopted and used in the scrutiny of relevant land developments.
  - All land developments should be undertaken in accordance with an approved Layout Plan and/ or Site Development Plan. After approval, only minor deviations from the applicable plan are to be permitted.
  - The National Building Regulations are applicable in all land development areas.
  - The Development Principles and Norms and Standards set in terms of Chapter 2 of the Spatial Planning and Land Use Management Act, 16 of 2013 are applicable to every land development application.

### 3. Development Nodes and Settlement proposals

The Eastern Cape Vision 2030, Provincial Development Plan has identified Sterkspruit as a potential growth nodes, such steering the municipality's goal of developing it as an economic hub. On a municipal level the different towns play important and very particular roles and local nodes with specific characteristics can be identified.

The GVA and the settlement categories developed was used to identify these nodes. Most of the GVA is generated in Sterkspruit.

Table 24: Main Settlements, Primary Economic Base, Potential Needs and Investment Required.

SETTLEMENT	POPULATION	ECONOMIC BASE	POTENTIAL NEED	INVESTMENT TYPE
Sterkspruit	Large	Retail and commercial services	High Development Potential High Need	Infrastructure, education, entertainment, middle income housing and social facilities

Lady Grey	Medium	Agriculture and administration	High Development Potential High Need	Infrastructure (especially water), business services and social facilities
Barkly East	Small	Agriculture	High Development Potential High Need	Basic services, formal housing, industry and agro-processing
Rhodes	Very small	Agriculture	Low Development Potential High Need	Basic services, tourism, social facilities and infrastructure
Herschel	Small	Agriculture	Medium Development Potential High Need	Mixed use developments, social facilities, infrastructure and low to middle income housing
Rossouw	Very small	Agriculture	Low Development Potential High Need	Infrastructure, social and housing

The following are the proposed settlement models:

Model 1: Settlements within the Urban Edge

Development Parameters	Spatial Application	Livelihoods Base
<ul style="list-style-type: none"> <li>▪ Small erf sizes (300m<sup>2</sup> or less, depending on nature of development and setting).</li> <li>▪ A dwelling in terms of Provincial housing parameters.</li> <li>▪ Township layout.</li> <li>▪ Highest feasible Level of Service (LOS - linked to affordability [means] of client community).</li> <li>▪ Freehold title, rent-to-buy or leasehold on individual household basis.</li> <li>▪ Provision of neighbourhood level services and facilities within the community.</li> </ul>	<ul style="list-style-type: none"> <li>▪ For areas located within urban edges or within the fabric of existing urban development (in-fill).</li> <li>▪ Good access to high order goods, services and facilities (e.g. hospitals, commercial districts etc.).</li> <li>▪ Located for integration with main commuter transport networks and tar road access.</li> <li>▪ Located for integration with existing water and sanitation networks servicing the urban setting.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Income generation in the informal sector through use of own skills.</li> <li>▪ May have access to municipal commonage (if available).</li> <li>▪ Livelihood support through small business development, or other municipal LED programmes (such as job creation programmes).</li> <li>▪ Urban economic opportunities for employment in the formal and informal sector.</li> </ul>

Model 2: Low Density Peri – Urban / Rural Village Settlement

Development Parameters	Spatial Application	Livelihoods Base

<ul style="list-style-type: none"> <li>Erf sizes: Sizes of existing residential sites in settlements are accepted.</li> <li>New residential sites to have site sizes in the range of 500-1,000m<sup>2</sup>, depending on local conditions and provisions of local planning processes.</li> <li>In new settlements, top structure support to be provided, but can be provided in follow up phase of development.</li> <li>In existing settlements, top structure support is optional, depending on financial availability and development priorities</li> <li>Settlement design options should be available for selection by community. In appropriate circumstances, can combine household/residential sites with arable allotments (i.e. larger site sizes). Township layout is one alternative.</li> <li>LOS likely to be lower than full urban LOS, depending on proximity to existing networks. Will also be impacted on by how community prioritises subsidy expenditure.</li> <li>Tenure/titling options can be individual or group options (e.g. CPA or further options to be provided by CLRB).</li> </ul>	<ul style="list-style-type: none"> <li>New developments located in defined Rural <i>Settlement Areas</i>.</li> <li>Existing settlements that get prioritised to be developed within parameters as set out within this table (allowing some flexibility based on local realities and development priorities).</li> <li>Daily / weekly commuting for work &amp; to existing service/facility nodes.</li> <li>Location of settlement and suitability of <i>type</i> of settlement to be related to existing infrastructure networks – i.e. base on principle of "Maximise Existing Opportunities/Build on Strengths".</li> <li>Access to urban centre for access to goods and services should be good but is likely to mean travel from the urban periphery.</li> <li>Should have good public transport access but could be gravel road access.</li> <li>New rural settlements should avoid impacts on high potential agricultural land as far as is</li> </ul>	<ul style="list-style-type: none"> <li>A defined objective of providing a household subsistence level based on at least the economically defined 'minimum household subsistence level'.</li> <li>The intention would be to support multiple livelihood options. This would include families potentially having employment in nearby farms or in close by urban employment, by participating in LED projects/enterprises on the commonage, and through access to land for small scale gardening, and access to the commonage for grazing.</li> <li>Specifically, this model will allow space for on-site gardens and access to grazing &amp; arable lands (where possible) on commonage.</li> <li>Commonage planning needs to take account of LED opportunity development. Commonage ideally to be state/LA-owned and managed by a commonage management committee under municipality guidance.</li> <li>But access to commonage capped according to defined parameters (i.e. the objective of minimum household subsistence levels taking account the</li> </ul>
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Development Parameters	Spatial Application	Livelihoods Base
<ul style="list-style-type: none"> <li>Provision of neighbourhood level services and facilities within the community.</li> <li>This model is seen to offer the potential to densify and develop into the urban model over time, should communities so desire. If densification occurs it must be done within parameters of improvements in LOS and access, as well as a sustainable livelihood base.</li> </ul>	<p>possible within each municipal area, taking account other spatial factors.</p> <ul style="list-style-type: none"> <li>New settlement location should not be adjacent to key agricultural enterprises (as assessed within the local context) – i.e. must be compatible with surrounding land uses.</li> </ul>	<p>community's economic position – this practically means that communities with better alternative economic opportunities may have less commonage while more destitute communities may have more).</p>

Model 3: Productive Farming (Small / Medium / Large)

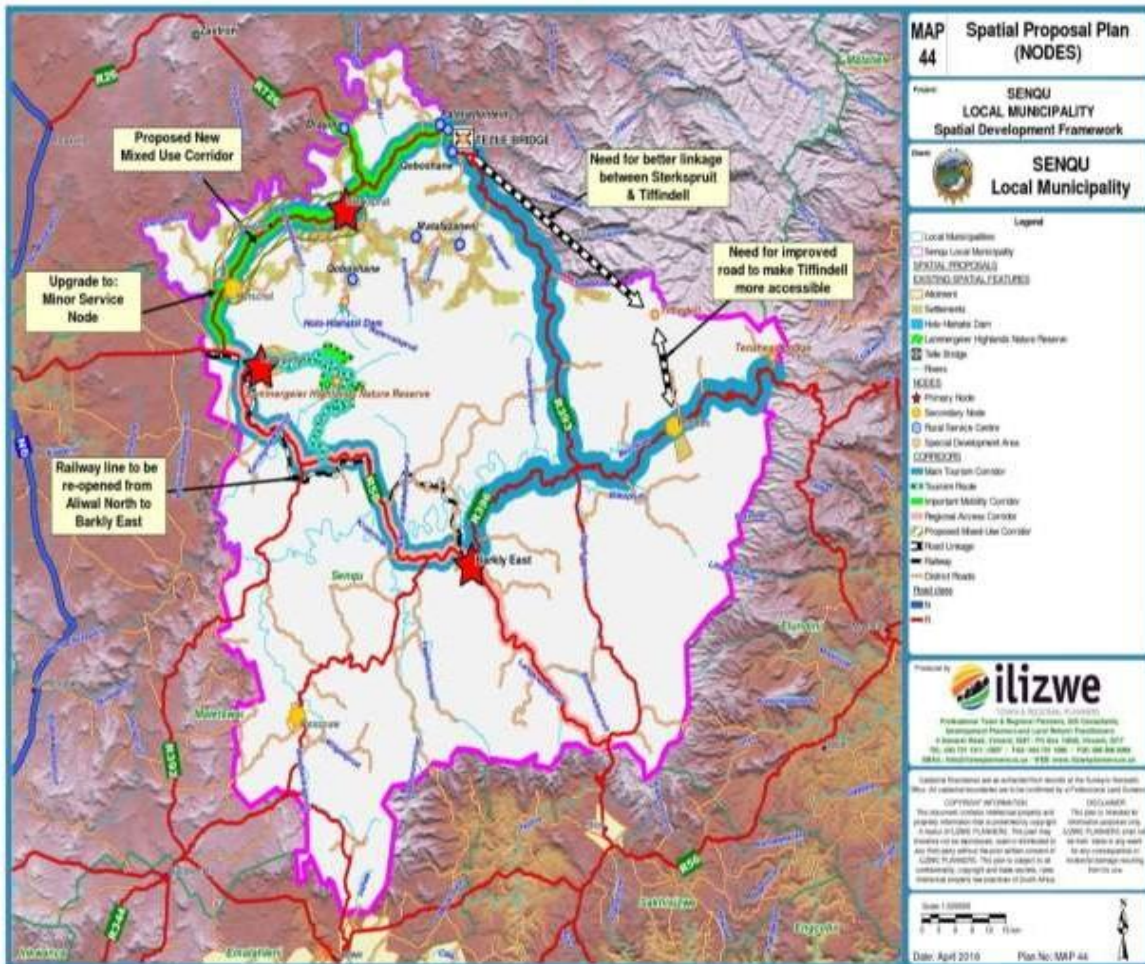
Development Parameters	Spatial Application	Livelihoods Base
<ul style="list-style-type: none"> <li>In line with DRDLR policy framework – must meet the criteria for LRAD support.</li> <li>Dwelling will usually be existing farm buildings but any further development comes from LRAD grant or own contribution.</li> <li>Employment needs of farming enterprise determine scale of permitted settlement on-site.</li> <li>Infrastructure is owner's responsibility within property boundaries.</li> <li>Layout is based on farming operations.</li> <li>Individual or Group ownership (freehold/CPA or other).</li> <li>No provision of community services other than that usually provided in commercial farming areas (e.g. farm school service local district).</li> </ul>	<ul style="list-style-type: none"> <li>Can be located on any piece of land within the Municipality.</li> <li>Can be located within a larger zone where special planning provision has been made for the reservation of a land parcel for productive agricultural use.</li> <li>Land to have established agricultural potential.</li> <li>Within communal areas could be on commonage or on PTO/Quitrent held land by agreement of land rights holders.</li> <li>Land should be able to provide water needs for households. No municipal provision.</li> </ul>	<ul style="list-style-type: none"> <li>Predominately agricultural production, but households may also utilize other economic related skills or opportunities to enhance agricultural income.</li> <li>Business Plan for farming to set out livelihoods base for beneficiaries.</li> <li>The emphasis is on productive use of the land not subsistence, so beneficiaries must demonstrate an interest and skills in farming for profit/surplus.</li> </ul>

The SDAs identified within the Senqu Municipal area are noted as follows: -

- (i) The Lammergeyer Game Reserve
- (ii) The Tiffindell Ski Resort
- (iii) Jozana's Hoek Dam
- (iv) Telle Bridge Border post

Given the understanding that the Senqu Municipality will, in time, proceed to the formulation of a single, integrated Land Use Management System, it is proposed that the identification of Preferred Land Use Outcomes and other relevant information for each SDA will serve as a platform for a new Land Use Management System to proceed with detailing appropriate zoning and other land use management instruments, in future.

Map 7: Development Nodes



Source: Senqu SDF 2017

LAND USE ZONE	LAND USE PERMITTED	POLICY GUIDELINES
<p>Outside the Urban Edge</p> <p>Irrigation Schemes</p>	<ul style="list-style-type: none"> <li>▪ Intensive agriculture</li> <li>▪ New farmer settlements</li> <li>▪ Small farming units</li> <li>▪ Sustainable agriculture-related practices e.g. hydroponics and nurseries</li> <li>▪ Agricultural industry</li> <li>▪ Resort and Tourism related</li> </ul>	<ul style="list-style-type: none"> <li>▪ Agricultural Industry and Resort and Tourism-related developments may not be undertaken that would result in the complete loss intensive agricultural land.</li> <li>▪ Where development applications are inconsistent with the LM SDF, the onus is on the applicant to prove, through a Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA), that the relevant application is consistent with the overarching objectives and directives of the SDF.</li> <li>▪ New development must be undertaken with design guidelines provided by DRD&amp;LR toolkit.</li> <li>▪ Subdivided unit must be capable of sustaining productive/economic farming.</li> <li>▪ Must be self-sufficient with regard to provision of services, or appropriate municipal services contribution must be determined by the Municipality.</li> </ul>
<p>Outside the Urban Edge</p> <p>Eco-Estate Development</p>	<ul style="list-style-type: none"> <li>▪ Extensive agriculture</li> <li>▪ Resort and Tourism related</li> <li>▪ Agricultural Industry</li> </ul>	<ul style="list-style-type: none"> <li>▪ Where development applications are inconsistent with the LM SDF, the onus is on the applicant to prove, through a Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA), that the relevant application is consistent with the overarching objectives and directives of the SDF.</li> <li>▪ New development must be undertaken with design guidelines provided by DRD&amp;LR toolkit.</li> <li>▪ Must be self-sufficient with regard to provision of services, or appropriate municipal services contribution must be determined by the Municipality.</li> </ul>
<p>Agri- Industry Precinct</p>	<ul style="list-style-type: none"> <li>▪ Industrial activities related agri-processing.</li> <li>▪ Industrial activities that provide support to the agri-processing and the agricultural community.</li> <li>▪ Service centres for agricultural industry.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Must be undertaken in accordance with site-specific design and planning guidelines.</li> <li>▪ All industrial activities must be regulated and managed in accordance with sustainability standards (e.g. ISO 14001).</li> <li>▪ Where development applications are inconsistent with the prescribed uses, the onus is on the applicant to prove, through the undertaking of an Impact Study, that the relevant application is consistent with the overarching objectives of the SDF.</li> <li>▪ New development must be undertaken in line with the agri-Industry Precinct Development Plan.</li> </ul>
<p>Industrial Precinct</p>	<ul style="list-style-type: none"> <li>▪ Industrial activities related beneficiation, storage and transport.</li> <li>▪ Light industrial.</li> </ul>	<ul style="list-style-type: none"> <li>▪ New development must be in line with the Industrial Precinct Development Plan.</li> <li>▪ New developments must be undertaken in accordance with site-specific design and planning guidelines.</li> <li>▪ All industrial activities must be regulated and managed in accordance with sustainability standards (e.g. ISO 14001).</li> <li>▪ Where development applications are inconsistent with the prescribed uses, the onus is on the applicant to prove, through the undertaking of an Impact Study, that the relevant application is consistent with the overarching objectives of the SDF.</li> </ul>
<p>Extractive Industry</p>	<ul style="list-style-type: none"> <li>▪ Industrial activities related extraction beneficiation, storage and transport.</li> <li>▪ Heavy industrial.</li> <li>▪ Mining</li> </ul>	<ul style="list-style-type: none"> <li>▪ Must be undertaken in accordance with site-specific design and planning guidelines.</li> <li>▪ All industrial activities must be regulated and managed in accordance with sustainable standards (e.g. ISO 14001)</li> <li>▪ Where development applications are inconsistent with the prescribed uses, the onus is on the applicant to prove, through the undertaking of an Impact Study, that the relevant application is consistent with the overarching objectives of the SDF.</li> </ul>
<p>Central Business District</p>	<ul style="list-style-type: none"> <li>▪ High intensity, mixed land uses including business, community facilities and social services.</li> <li>▪ High density residential development.</li> </ul>	<ul style="list-style-type: none"> <li>▪ New developments must be in line with the CBD Precinct Development Plan.</li> <li>▪ If the CBD Precinct Development Plan has not yet been developed new developments must be in line with the following guidelines: <ul style="list-style-type: none"> <li>○ All developments must contribute to high quality public environment.</li> <li>○ Large parking lots adjacent to streets should not be permitted.</li> <li>○ Buildings should be placed as close to street boundaries as possible to facilitate pedestrian movement and to define and shape the public space.</li> <li>○ Land uses on the ground floor of buildings must have an extroverted public façade (e.g. shops, restaurants etc.).</li> </ul> </li> </ul>

LAND USE ZONE	LAND USE PERMITTED	POLICY GUIDELINES
		<ul style="list-style-type: none"> <li>○ Site layout and building designs must take cognisance of and support public transport, cyclist and pedestrian movement.</li> <li>▪ Where development applications are inconsistent with the prescribed uses, the onus is on the applicant to prove, through the undertaking of an Impact Study, that the relevant application is consistent with the overarching objectives of the SDF.</li> </ul>
Mixed Use	<ul style="list-style-type: none"> <li>▪ Business</li> <li>▪ Offices</li> <li>▪ Community facilities</li> <li>▪ High density residential</li> </ul>	<ul style="list-style-type: none"> <li>▪ New developments must be undertaken in line with the following design guidelines:               <ul style="list-style-type: none"> <li>○ All developments must contribute to high quality public environment.</li> <li>○ Large parking lots adjacent to streets should not be permitted.</li> <li>○ Buildings should be placed as close to street boundaries as possible to facilitate pedestrian movement and to define and shape the public space.</li> <li>○ Land uses on the ground floor of buildings must have an extroverted public façade (e.g. shops, restaurants etc.).</li> <li>○ Site layout and building designs must take cognisance of and support public transport, cyclist and pedestrian movement.</li> </ul> </li> <li>▪ Where development applications are inconsistent with the prescribed uses, the onus is on the applicant to prove, through the undertaking of an Impact Study, that the relevant application is consistent with the overarching objectives of the SDF.</li> </ul>
Low Density Residential	<ul style="list-style-type: none"> <li>▪ One dwelling per erf.</li> <li>▪ Other uses supporting residential areas such as schools, churches and other community facilities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ New developments must be undertaken with design guidelines provided in DRD&amp;LR toolkit.</li> <li>▪ Where development applications are inconsistent with the prescribed uses, the onus is on the applicant to prove, through the undertaking of an Impact Study, that the relevant application is consistent with the overarching objectives of the SDF.</li> </ul>
New Residential Extension	<ul style="list-style-type: none"> <li>▪ Low and medium-density.</li> <li>▪ Other uses supporting residential areas such as schools, churches and other community facilities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ New developments must be undertaken with design guidelines provided in DRD&amp;LR Toolkit.</li> <li>▪ Where development applications are inconsistent with the prescribed uses, the onus is on the applicant to prove, through the undertaking of an Impact Study, that the relevant application is consistent with the overarching objectives of the SDF.</li> </ul>

#### **4. Spatial Proposals**

The logic in developing a Spatial Proposals Plan for Lady Grey has been guided by the administrative centre for SLM. In the SDF the following attributes of the town are acknowledged:

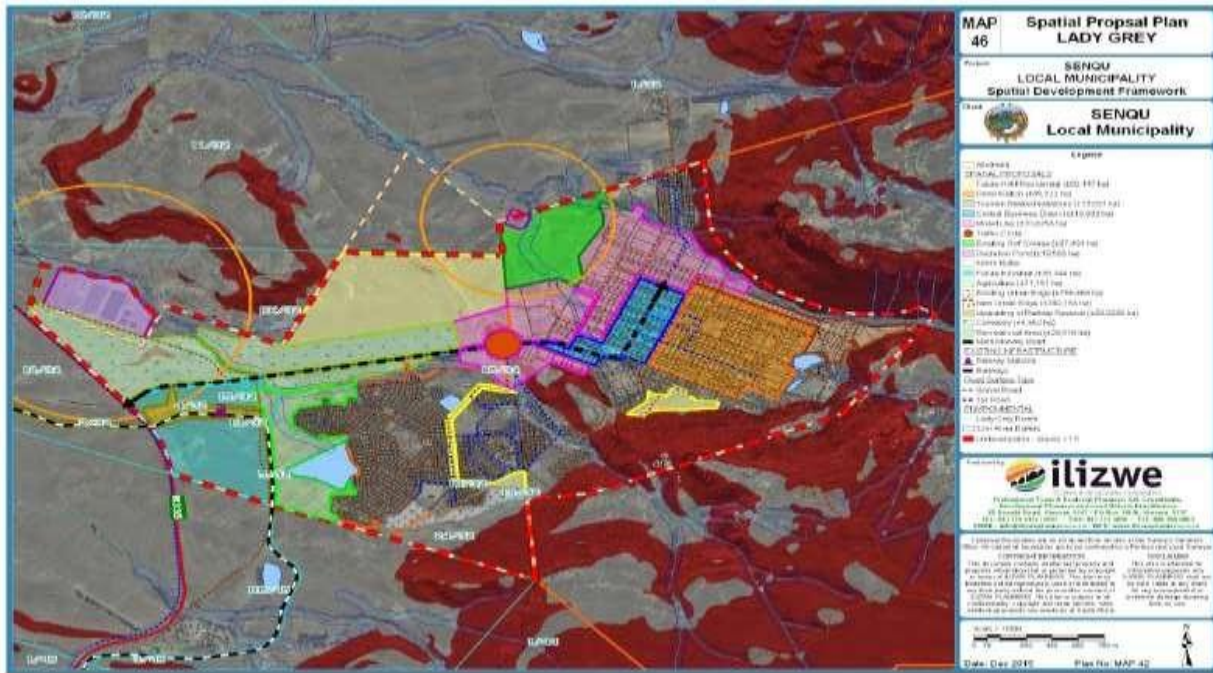
- Administrative centre;
- Availability of industrial land;
- Development potential of the river frontage;
- Development potential of existing railway infrastructure;
- Places of historical interest exist. (Heritage sites)
- Potential for tourism, mountain biking, hiking and various other

The land use situation in Lady Grey reflects a typical apartheid fragmented town, with a clear distinction between the former white area in town and the township of Khwezi . The spatial logic and SDF plan reflect the following:

- A lot of the land that lies east of Lady Grey is mountainous and steeply sloped thus there is little development that can happen in this area. Most of the land which offers better topography and is more economically feasible to develop is located on the west and north side.
- North of Burnet Street is an area which has been earmarked for future low and medium residential development. A small piece of this land however falls within the 500m buffer area of the oxidation pond.

Map 8: Lady Grey Spatial Proposal Plan





In the next 15-20 years it is foreseen that Lady Grey will grow substantially as it is the administrative centre of the municipality, and this role will become more pronounced over in the future. Provision has been made for densification in the township of Khwezi Naledi and future expansion. The future growth of Lady Grey will also allow the railway station to become more and more of a priority to invest in so that more people choose railway transit as their preferred transport option.

Existing tarred roads are indicated as the blue dotted lines, whereas the gravel roads are indicated as the red dotted lines. The main mobility route is indicated as the black dotted line, this road is the main road allowing access into, through and out of Lady Grey. Mobility or activity streets are also proposed along the main roads in order to promote movement/ trade and improve linkages. This is also dependent on the upgrading and maintenance of Cloete Street which can potentially become an important mobility/activity street in future.

#### a. Lady Grey: Spatial Logic

The spatial logic around Lady Grey has been mainly informed by the existing spatial structure and the foreseen growth over the next five to fifteen years. Lady Grey houses the municipal offices, thus there is opportunity for growth in the administrative sector and government offices in this town.

The following two major nodes have been proposed for Lady Grey:

### Transport Node

The first node is a transport node and is located at the intersection of Brummer Street and the access road to Khwezi-Naledi. The potential for long distance transport and economic activity (informal and formal) at this intersection is currently not realised. It has a huge potential to become an open market which sells locally manufactured products, vegetables and fruits. This proposed transport node is located at an ideal locale as it is also near the train station. Although the train station is currently underutilized, a Joe Gqabi District Municipality Spatial Development Framework and the Comprehensive Infrastructure Plan both aim to reinvigorate railway transportation and divert investment into upgrading of rail infrastructure for the purpose of passenger commuters, this is also echoed by provincial and national policy documents.

### Economic Node

The second proposed node in Lady Grey is an economic node located in the central business district. It is along Brummer Street which is the main road. This node should cater for business uses and other related high order services. Retail stores which receive bulk deliveries via heavy trucks should not be encouraged to operate along this main road, in cases where they already received from back roads or lower order roads and not along the main road as this will cause congestion because of the huge delivery vehicles.

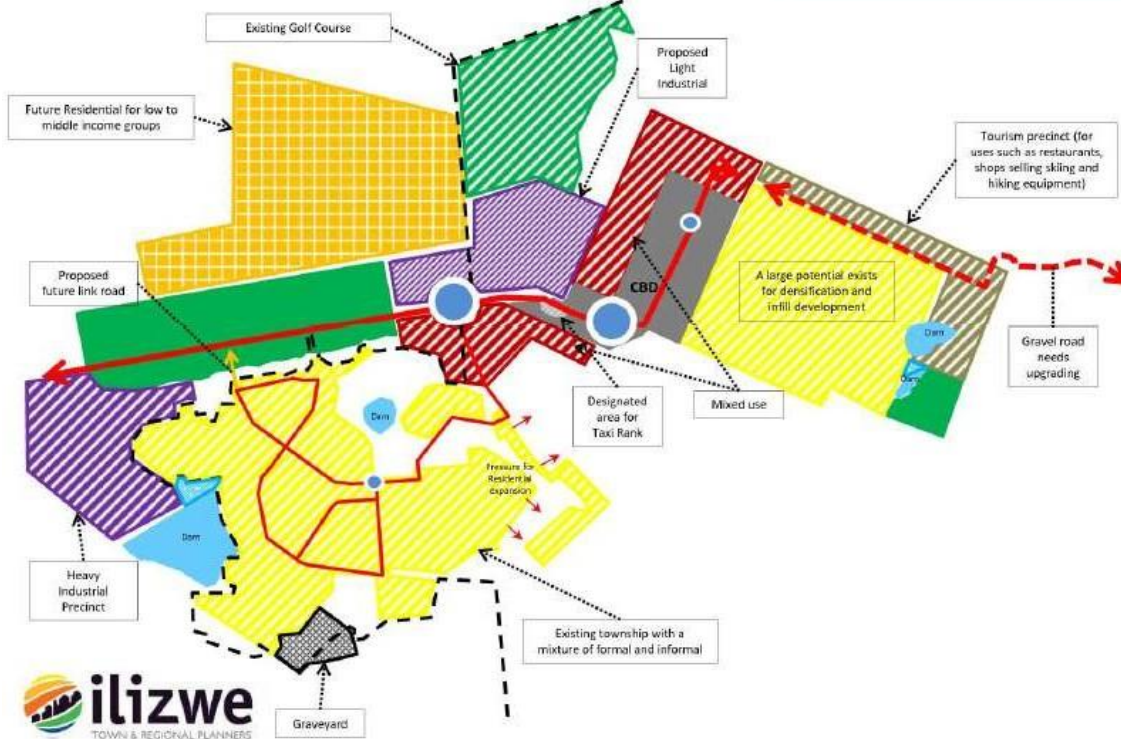
### Minor Nodes

Two minor nodes are proposed in Lady Grey:

- The first is at the intersection of Burnet and Cloete Street. This node is to cater for financial services providers such as banks, loan, life insurance and investment related services. Another aspect of this node is restaurants, bars and hotels, this location will be ideal as it is close to the CBD but also a bit further away from the hustle and bustle associated with the core centre of town.
- The second proposed node is in Kwezi as per the map below

## LADY GREY

## MAP 38 SPATIAL LOGIC PLAN



Source: SDF 2017

### Proposed Land Uses

In the Kwezi-Naledi Township, the eastern suburbs are areas that have a large potential for residential densification. It is proposed that certain areas are densified. This can be done by building block flats which will allow for cheaper accommodation. This will allow for a transport system with more viable routes and will stimulate small local businesses at the minor node and at the transport node.

Mixed use developments are encouraged in the outer CBD. These mixed-use developments may cater for mixed use of apartments on upper levels of buildings and shops at the ground level, hardware stores, offices, retail stores, clothing store etc.

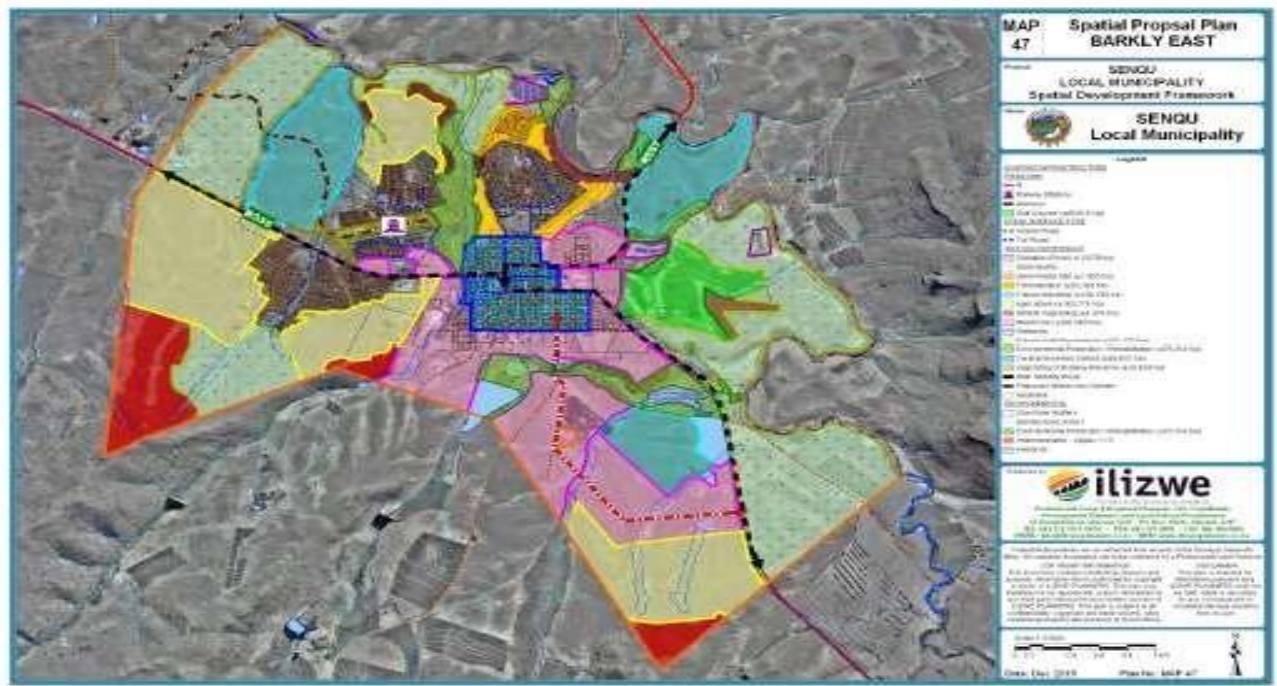
The tourism precinct in the eastern side of the town is strategically located on Cloete Street; this street feeds into the gravel road along Joubert's Pass which is known for its spectacular views, hiking trails, stone bridges and historic sites. The tourism precinct may be allowed to house shops which sell hiking equipment, sports gear, river rafts, mountain climbing equipment and other outdoor merchandise. Lastly, the JGDM agri-park has been planned for Lady Grey. An ideal location would be at the location to Lady Grey at the Industrial Park.

b. Barkly East: Spatial Logic

In Barkly East, the main spatial element which has guided planning and future development have been the three access roads which leave Barkly East in a northerly, southerly and westerly direction. Barkly East has an existing potential for industrial development and agricultural production. This potential can be exploited in an economically beneficial and sustainable manner. Coupled with the fact that Barkly East is also scenic and boasts beautiful scenic routes it has the potential to do well in agribusiness, agro-processing and agri-tourism.

In the plan below, it is proposed that the town have three future industrial precincts, the largest is located along the R58 and through it runs a railway line. This is particularly advantageous because goods can either be transported on the road and in the medium term when the railway lines are being upgraded and become more functional the industrial and agribusiness sector can develop exponentially. Adjacent to the proposed industrial precincts are large tracts of land earmarked for agricultural production and processing. These agricultural precincts should only be utilized to farm crops and organic products and should not be used for farming livestock. Livestock farming can take place outside of the urban area. Proposed residential developments are located in close proximity to the proposed industrial and agricultural precincts. This will allow for the mainly unskilled and semi proximity to their places of work.

Map 9: Barkly East Development Proposal



The spatial logic of Barkly East has been guided by the calculated assumption that there will be less growth

of high order economic services; however more growth is foreseen in the agro agri-business, agritourism and the industrial sector of the towns economy. When compared to Sterkspruit and Lady Grey, Barkly East plays a slightly different role in that it has the potential to become SLM's bread basket and industrial hub.

#### Industry and Agribusiness

Barkly East has the potential and needs to develop a chain of industries or sectors directly and indirectly involved in the production, transformation and provision of food and fibre consumables. This entails a diverse but also focused array of activities of which most are commonly JGDM towns. These industries will be accommodated within the future industrial precinct shown on the plan below. Barkly East also has a countryside feel to it and has the potential to support Agritourism.

Geoparks is a relatively new concept where the original idea of a natural park is extended to also include culture, environment, heritage, and the wellbeing of its residents. UNESCO drives this concept internationally and the JGDM could have the first Geopark in Africa if they decided to follow the recommendation made in its report.

#### Urban Edge

The urban edge of Barkly East is proposed to stay as it currently is, this is because there is a large potential within the town's boundaries to densify residential development and there is room to upscale the industrial activities which are currently in existence in this town. Barkly East has vast farmlands which have the potential to produce crops as well as farm livestock, especially cattle and sheep. The commonages need to be managed well in order to make maximum use of the available land within the town's allotment area.

#### Linkages and Access

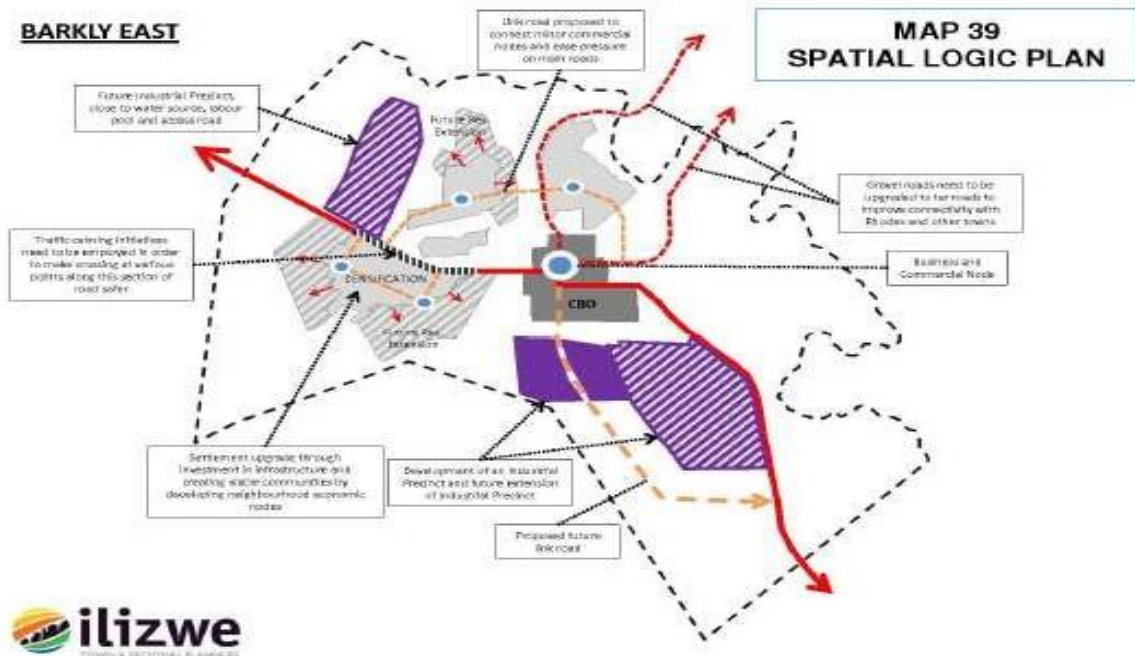
The main access routes into and through Barkly East are the R58 and R396. The R396 however is a gravel road which needs to be upgraded to a tar road in order to improve connectivity between Barkly East and Rhodes.

Proposed loop roads are represented on the plan by the orange dotted lines, these proposed roads will take the pressure off the main roads as this town grows. A major link road is proposed to run from the CBD through the proposed industrial precinct and will join onto the R58. This proposed road will allow for goods vehicles, trucks, tractors and other heavy vehicles to access the town without causing congestion on the main roads in and out of Barkly East.

Other spatial development features that need to be noted include:

- Public open space identified areas are to be upgraded
- There is intensive small-scale agriculture that should be retained
- Neighbourhood Nodes are earmarked for upgrading and development

- There is a buffer zone around the dam area (open space corridor)
- A mobility street that provides linkages through the settlement



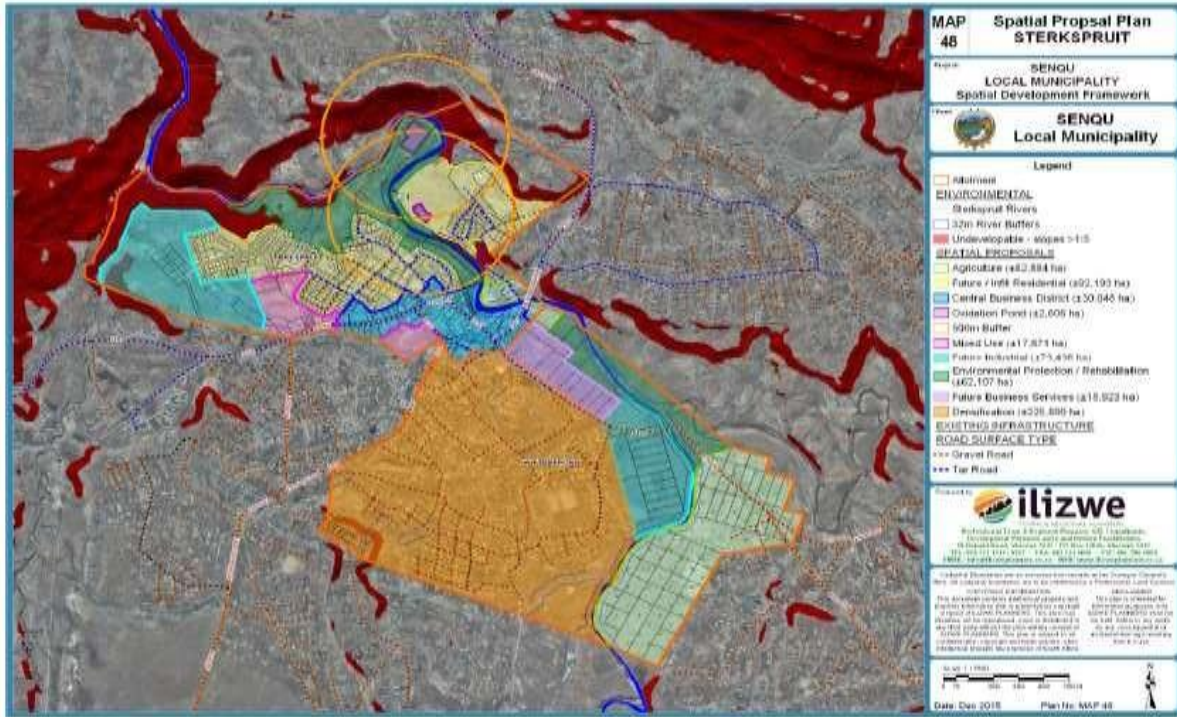
- Source: SDF 2017

### c. Sterkspruit: Spatial Logic

The spatial proposals suggested in the plan below are respondent to the spatial issues which have been identified. The Spatial Proposals Plan has been moulded and guided by the following structuring elements:

- The Sterkspruit River
- The major roads
- The current spatial

Map 10: Sterkspruit Proposal Plan



### Environmental Rehabilitation

It is proposed that in order to rehabilitate the Sterkspruit River there needs to be a radical change in land use in certain areas which are close to the river. It is proposed that in areas is indicated on the plan, that this land be used in a manner that will not cause pollution of the river.

Planting of trees, creating park areas, boardwalks etc. can be built or encouraged in such areas in order to promote the protection of the environment. These areas can also be used to host events, indabas and expo's which promote sustainability, green living, renewable energy etc. The environmental rehabilitation areas are in close proximity to the oxidation ponds and some of the area in which they fall within is the 500m buffer where no residential developments are encouraged. The rehabilitation areas also help to act as a buffer around the oxidation ponds.

### Agriculture

Agriculture is a very important part of the rural economy and thus needs to be accommodated and promoted within the spatial extent of the town. The majority of land earmarked for agricultural purposes is located in the south eastern corner of the plan and was previously land set aside as quitrents. This agricultural precinct can develop into a packaging and processing plant as well.

### Future Residential/ Infill Development

Sterkspruit has a large number of settlements around it, however the densities are lower than one would expect. In order to curb urban sprawl and fragmentation it is important for the municipality to develop

a densification strategy for Sterkspruit as well as the surrounding settlements. A densification strategy can include but is not limited to the adoption of different and developing housing typologies, this can range from semi-detached housing to block flats in some areas.

#### Industrial Precincts

There are two industrial precincts that have been proposed, the first is an existing proposal from the previous SDF and a new one is proposed to the south east of the plan. The new proposed precinct is situated close to the agricultural precinct and along the main road, which is to be upgraded into a tar road in the future. This will allow for fresh agricultural product to be processed, packaged and made ready for shipping.

#### Future Offices and Business Services

Sterkspruit Plaza is a mall located on the main road; this mall has had the catalytic effect of drawing more and more investment into the eastern parts. In the years to come even more investment is foreseen in this direction. This is why it has been proposed that an area of land be set aside for the accommodation of business and financial services uses, as well as offices for professional services.

#### Mixed Use Development Clusters

Mixed use development precincts are proposed along the main road (R392). These mixed-use clusters can accommodate retail shops, clothing stores, small scale manufacturers etc. The mixed-use clusters extend all the way through the town and join the major mixed-use activity corridor proposed between Sterkspruit and Herschel.

The spatial logic which has informed the development of the plan below has been mainly the fact that Sterkspruit is the economic hub of SLM. Sterkspruit also has to accommodate a large amount of people from the surrounding rural and peri urban settlements which come to buy goods and services in the town. Hence, a great deal of thought has and still needs to go into the movement system in and around Sterkspruit with regard to pedestrian and vehicular traffic.

#### The following spatial trends and issue

- The historical legacy has left a glaring scar in the spatial structure of Sterkspruit: it is clearly obvious that no planning was done in the early development of this town in comparison to Lady Grey and Barkly East, which are traditionally so-called white towns
- A lack of middle-income housing in general, but also a lack in the variety of available housing;
- Infill planning and development is possible within the allotment area;
- There is opportunity for extension of the CBD and a
- There are limited business land uses;
- There is a lack of agro industry as well as other industries/manufacturing considering the



- Sterkspruit Riverwater source as well as proximity to labour and the existing road network
- Absence of a coherent spatial structure to the location of public facilities.
  - Lack of access roads into the informal settlements hindering access for ambulances, fire engines, policecars and refuse trucks;
  - There is a range of land uses within the allotments with the municipal commonage being the largest land use followed by residential land uses;
  - Accessibility and movement are adequate for the most part but traffic and pedestrian congestion on the main roads becomes very problematic during peak hour and on certain days of the month;

### Existing Traffic Issues

The traffic congestion situation in Sterkspruit needs urgent attention. Currently the CBD of Sterkspruit, as depicted below, becomes very congested during peak traffic hours. Traffic moves very slowly along the mainroad, below is a list of some reasons why traffic becomes congested:

- A large number of pedestrians who use the road's shoulder and not the sidewalk.
- Haphazard development of the taxi rank and the lack of co
- No dedicated turning lanes at the traffic lights on the R392.
- Vehicular and pedestrian conflicts due to:
  - Pedestrians within the roadway. Some pedestrians still choose to walk on the roadway as opposed to the newly revamped sidewalks.
  - Roadway easier to push trollies on as opposed to the sidewalk.
  - Frustrated motorists that have experienced excessive delays due to the traffic congestion do not want to wait for crossing pedestrians.
  - Hawkers use up much of the area dedicated to the movement of pedestrians
- Limitations in the detailed planning/designs of the town, including:
  - The physical barrier created between the settlements south of the Sterkspruit River and the surrounding settlements to the north movements.
  - A lack of detailed short, medium and long-term solutions to address the traffic situation in the CBD and surroundings.

### Development Trends

Sterkspruit is the economic hub of SLM and thus needs to provide more opportunities for people to gain meaningful employment within this town. Sterkspruit also caters for a lot of people coming from smaller towns who can only access certain goods and services here. Thus, the future development of Sterkspruit needs to be along the lines of meeting the needs of consumers whilst at the same time providing economic opportunities for the locals to gain employment and creating a conducive environment for doing business.

Spatial provision has been made for the future expansion of the CBD further south of the current CBD, as indicated on the plan. Provision has also been made to the east of Sterkspruit Plaza to accommodate retail, offices, banking services and other related land uses. Further down the main road, onto the gravel road is an area which is currently underutilised and has the potential to becoming economically productive land, it is thus proposed that the gravel road be upgraded to tar and mixed-use precinct be developed in order to encourage more businesses to invest in the local economy. Immediately adjacent to the mixed-use precinct is the proposed industrial precinct. The industrial precinct is relatively close to a number of residential settlements which will supply a labour pool and provide people with job opportunities within close residence.

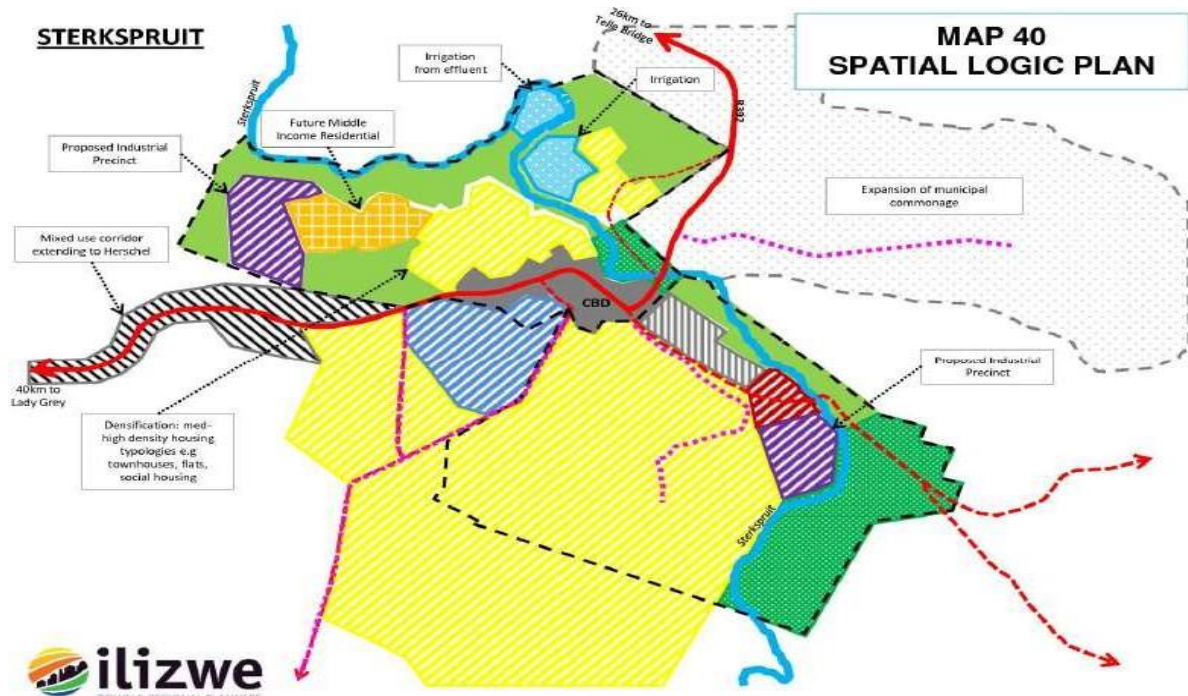
As per the plan below as well as the previous SDF, land has been allocated for industrial purposes. This land is currently being unlawfully invaded by people and structures have already started being built. The municipality needs to work speedily to address this issue before it spirals out of control.

#### Residential Development

The land grabs which took place in Sterkspruit have had a detrimental effect on the settlement planning process which had already taken place. The situation needs to be dealt with speedily and efficiently as this land is ideal for the development of mixed income housing. As per the plan below and the previous SDF there has been land which has been earmarked for middle income as well as low-income housing.

#### Mixed Use Corridor/ Activity Spine

A mixed-use corridor is proposed between Sterkspruit and Herschel with a focus on reinforcing and supporting the current nodes and the linear development between them. Such linear development should allow for land use and transportation to support each other and improve the efficiency of the public transportsystem and the infrastructure network. This corridor will also allow for many of the settlements along the R392 to have access to retail services without having to travel to the Sterkspruit CBD. The corridor will not only ease the pressure of pedestrian and traffic congestion but it will also allow for employment opportunities for those who live along this route. This proposed corridor beautifully encompasses the principles of nodes and corridors talked about in many spatial planning policies.



There are new proposed settlements for Lady Grey, Barkly East and Rhodes.

### 5. Land Tribunal and by laws

Senqu Municipality is part of the District Municipal Planning Tribunal. Each Municipality has 1 representative on the Council and the Director DTSPS fulfills this role. The Municipal Manager is the authorised Official. The District Municipal Planning Tribunal has had its first session. However, this is not working effectively and the Municipality is relooking at the option of forming its own land tribunal.

Senqu SPLUMA bylaws were gazetted in 2016. However, implementation has proved to be difficult especially with regard to land invasions mainly due to lack of political and administrative will. The municipality has one registered professional planner currently who is also the head of the section. A junior Town planner was appointed in 2021 and now forms part of the Unit.

### 6. Human Settlement Type

Census 2011 indicates that 70 % of households live in a formal dwelling and 68.5 % own their own dwelling. Most residents live in formal dwellings whilst the amount living in traditional dwellings remains constant. There has however been a growth in informal dwellings.

The majority of residents live in traditional rural settlements. This was 80 % in 2011. 23 % live in

urban settlements with Sterkspruit representing the highest urban population. This was 14.3 % in 2011. 1080 households live in informal settlements. This was 3.7 % in 2011. 5 % of the population (6 203 people) live on commercial farms (HSP 2020).

Table 25: Formal and Informal dwellings

% Formal Dwellings		% H/Holds Owned	
2001	2011	2001	2011
71	70.2	68.2	68.5

Source: StatsSA, 2011

Table 26: Types of main dwelling

Municipality	Formal dwellings			Informal dwellings			Traditional dwellings		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Joe Gqabi	38962	50714	58957	4261	5940	4150	27224	28029	33987
Senqu	17245	24053	26718	1441	1498	1920	9063	8323	9066
EC Total	620970	762575	1065849	145038	166423	130405	522647	549204	476314

Source: StatsSA, 2011

Table 27: Population distribution according to type of settlement

Senqu Local Municipal area	Population Size	Percentage of Tot Pop (%)	No of h/holds (3.5 per h/hold)	Combined Urban & Rural Population
Sterkspruit (main urban centre) (Sterkspruit LSDF 2016)	11 399	8.50	3 256.86	23 % (urban)
Lady Grey including townships	7023	5.24	2 006.57	
Barkly East including townships	9986	7.44	2 853.14	
Rhodes including township	696	0.52	198.86	
Rossouw	284	0.21	81.14	
Hershel	2 189	1.63	625.43	
Sub Total (Urban)	31 577	23.54	9 022	
Rural villages 178	96 370			72 %
Private commercial farms 1429	6 203			5 %
TOTAL	134 150	100	38 328.57	100

Source: HSP 2020

Table 28: Type of ownership

Municipality	Owned and paid Off		Owned but not paid off		Rented		Tenure status	
	2001	2011	2001	2011	2001	2011	2001	2011
Joe Gqabi	4245	54987	7181	4980	8364	11533	26875	18751
Senqu	19917	24256	3205	1803	1932	2980	8850	6267
EC Total	690880	855042	15560	151103	178540	252216	456614	328732

Source: StatsSa, 2011

The majority of households own their own houses ( fully paid off). 2 980 (8%) rent. This has changed little from 2011 to 2016 (HSP 2020).

The Municipality has developed a land GIS system which is constantly updated by the Town Planner who is a professionally registered Town Planner. The Municipality is looking at the option of building an integrated GIS system that will meet the needs of all the departments. All services available on land (erven) are held by the Finance department. The GIS system includes land use, zoning, land ownership, SG Diagrams and valuations.

The social viability and amenities of settlements is determined by the Department of Human Settlement in conjunction with the Municipality as settlement plans are drawn up per settlement as the municipality only acts as an agent. There is only one stalled project which is the Herschel 700 of which only 505 units were completed. The project stopped due to land invasions and disputes in Hershel. The Municipality did get a court order against the land invaders.

The Municipality is not a housing provider and does not provide bulk sanitation and water. However, provision has been made for zoning plans, land use management and town specific plans.

## 7. Land Tenure, SDF's & Demand for Land

Senqu Municipality consists of both communal and individually owned tenure land in the former Transkei situated around Herschel and Sterkspruit. The land tenure in the former homeland area is a mixture of freehold, quit rent and PTO. Land tenure and rights in this area have traditionally been vested in traditional authorities with the Department of Agriculture distributing PTO's.

The rest of the area is either freehold tenure in the former RSA towns or commercially owned farmland. 1712ha is under communal tenure and 5000 under commercial farmland (JGDMABP 2010). The major challenges experienced in the area are land invasions of municipal owned or state land. This is due to lack of land being offered for sale and people being unable to afford land but wishing to be closer to prospective employment and urban amenities in the urban areas of Barkly East and Lady Grey. In the smaller rural hamlets of Rhodes,

Rossouw and Herschel, people are invading land and building informal settlements in order to move closer to urban amenities or receive RDP housing.

The area-based plan of JGDM 2010 states that the need for land for arable land and grazing has decreased in rural areas and changed to a need for land for residential sites. The main issues in rural areas are farm workers looking for security of tenure, clarification of land tenure in communal areas, certainty of land rights where they overlap and lastly the firm establishment of women's rights. In urban areas, the need is for residential sites and services, upgrading of informal settlements and tenure security (JGDM ABP, 2010).

The SDF has identified land in all towns for future housing developments. A land audit was undertaken by the Housing Unit which is credible for Sterkspruit in 2017. An LSDF for Sterkspruit was developed in 2017. The LSDF for Lady Grey was completed in June 2019. The Barkly East LSDF has been developed and adopted.

## **8. Land Redistribution**

Land in South Africa is being redistributed through PLAS (Proactive Land Acquisition Strategy). This means that the state proactively looks for suitable agricultural land, buys it and then leases it to identified beneficiaries for a few years until it is satisfied that they can run the land effectively. In order to meet the land redistribution target of 30 %; 166 000 ha will need to be redistributed at a total cost of R 83 million if the price remains at around R 2500 per hectare (JGDM ABP 2010). However, the ABP clearly states that an emerging farmer will only succeed if the farm concerned contains both mountain and low-lying ground. This means that the farms to be redistributed should be carefully sourced in Senqu.

In addition, the Department must look at the variety of land needs and tenure and formulate appropriate responses, The ABP advocates redistribution occurring along the R 58 and tenure reform around the R 392 where there are immense struggles created by overlapping land rights. This affects development in the areas much time is spent trying to ascertain who owns the land rights. An example of this is the housing project in Herschel where the project was delayed due to land right disputes.

### **a. Land Invasions & Administration**

Land invasions are becoming increasingly prevalent especially in Sterkspruit and Herschel. The municipality is in the process of updating its current land bylaws and serving notice on all land invaders. Signs warning against land invasion have been erected. In addition, the municipality has taken persons to court over land invasions and fenced off areas of potential invasions. Municipal outreaches and roadshows have constantly outlined the problems created by land invasions and warned residents against it. The Municipality has also held many meetings with traditional leaders around land issues and is utilising the NDPG funding to consolidate settlements around Sterkspruit to ensure that communities can receive title deeds. There is a SPLUMA Bylaw and a Draft anti-land Invasion Bylaw

## 9. Migration

About 84 % of people in Senqu had lived in the same dwelling for at least 5 years before the 2007 Survey. Almost 5 % had moved into their dwelling in the previous 5 years (HSP 2011). Most of those who had moved, moved from another location in the Eastern Cape province. About 627 people moved from Gauteng to Senqu and 205 moved from the North-West Province. 175 of the people moving into Senqu came from outside of South Africa. The municipality has no migration plan in place due to funding constraints. The current housing delivery is meeting the demand.

## 10. Informal Settlements

There are 216 informal communities. The table below indicates the ones where registration of beneficiaries has begun

Table 29: Informal settlements Registration

Town	Informal Settlement	Registered beneficiaries
Barkly East	Zola	78
	Ezinyoka	171
	Enkanini	246
	Fairview	75
Lady Grey	Emikhikhwini	147
	Reliweni	179
	Top Location	101
	Phantsi Kwesikolo	97
	Pollar Park	79
Rhodes	Zakhele	81

Source: DTSP SC March 2022

## 11. Capacity to manage housing delivery

The Municipality does not have an accredited housing department. In terms of the Standard Charter of Accounts (SCOA) the Municipality has absorbed the staff into the directorate Development & Town Planning Services. The Municipality continues to play its role in managing housing beneficiaries as well as identifying and allocating land and prioritising municipal services for identified areas.

## 12. Land Potential & Constraints

It is envisaged that preliminary and detailed feasibility assessment of both land and infrastructure potential will in future form part of the project readiness assessment before capital funding is allocated. With further review and refinement of the HSP, information should be acquired to enable yield calculations on strategic land parcels.

The procedures for accessing communal land for future development are guided by the Interim Protection of Informal Land Rights Act. Once a community resolution has been obtained, it is the responsibility

of the Department of rural Development and Land Reform to issue formal authorisation for the release/ transfer of land. These processes are both time consuming and costly with many examples of the process never reaching a conclusion. The normal willing buyer/willing seller or alternatively expropriation procedures (with compensation) apply when accessing privately owned land for settlement development or municipal commonage purposes.

### 13. Analysis of Housing Need

The housing backlog in the Senqu municipality was determined as 10 761 with 1 752 in the urban area and 9009 in the rural area (Housing Sector Plan HSP 2013). There are no military veterans on the Department 's database for Senqu. The quantified housing demand is based on information from the 2011 Census, 2016 Household survey and HSP dot count and can be summarised as follows:

Table 30: Housing demand

	Rural Areas	Urban areas	
	Census 2011 No of h/holds	Census 2011 No of h/holds	Urban areas Informal structure " dot count" 2020; NUSP; Senqu HSP 2013
Informal structures	541	1242	4 759
Traditional dwellings	8 666	117	
Sub Total	9 207	1 359	4 759
<b>TOTAL HOUSING NEED</b>	10 556		14 083
Rental/ social housing	151	133	
Total Rental/Social Housing need	284		2 981
Child headed households	837 (Census 2011)		728 (2016 household survey)
Senior Citizen headed households	8544 (Census 2011)		

Source: HSP 2020

The new HSP 2020 indicates a different demand of 14 083. To deal with the housing challenge, the Department has implemented the following projects:

- Sterkspruit 4000 units which is near completion
- Barkly East 298 in the process

The housing section of DTSP maintains a housing demand schedule based on information received from Ward Councillors

### 14. Land Requirements for Future Development

Existing rural settlements are not requiring more land. Social and rental housing should ideally be accommodated on underutilised land parcels central to the urban areas with good success to existing



social and infrastructure facilities and services. Feasibility assessments will be required to determine the potential for in-situ formalisation of informal settlements. The alternatives for responding to the needs of child headed households needs to be considered before the need can be determined.

Parcels of land for future housing needs have been identified around the towns of Sterkspruit, Barkly East and Lady Grey. The land identified in Sterkspruit is near the ESKOM development and near the area identified for light industry. Unfortunately, the area has been invaded and a court interdict provides against any future development until the dispute is resolved. The area is not serviced with any infrastructure apart from Zakhele, Rhodes.

In Barkly East, an area of the commonage near the old rehabilitated solid waste site has been identified for future development as well as land near the entrance of town. The land is not serviced. In Lady Grey, the area near Kwezi-Naledi has been identified for development. The areas are at the back of the current township and is not yet serviced.

## **15. Challenges**

- Demand for land. There is a huge demand for middle to lower income houses in Lady Grey, Barkly East and Sterkspruit yet no land is demarcated and available for future development in these areas. The available sites are not serviced.
- Much of the land required for development purposes in the former Transkei areas falls outside municipal boundaries and under the jurisdiction of traditional authorities with communal land tenure. The municipality is busy negotiating with traditional authorities to include all the surrounding villages into Sterkspruit municipal boundaries.
- Land invasions. Land demarcated for future development especially in Sterkspruit is often invaded by persons from villages outside Sterkspruit seeking to be closer to town
- Beneficiaries. On completion of projects many houses can't be handed over due to beneficiaries either relocating or dying. Beneficiaries who die without leaving a will, create problems as the municipality then has to decide which family member is entitled to the house.
- Vandalism. Many RDP houses are vandalised before the project is complete
- Shoddy workmanship. Contractors either do not have the skills to undertake the project or under quote which leads to projects taking many years to complete and then houses have to be rectified.
- No integration of settlements. Housing developments are planned without future growth in mind

likeschools, clinics and churches

- Errection of illegal shelters. House owners continue to build squatter shacks in their back yards.
- Illegal usage of RDP houses. Many house owners illegally rent their houses out or sell them which results in the growth of many spaza shops.
- No fencing provided for houses. RDP houses do not cater for fencing with the result that commonage and road side fences are stolen.
- Overlapping land rights create delays in development which is the case in Herschel where a housing project has been delayed from building over 100 houses due to an ongoing land claim dispute
- Unfiled building plans. Land owners just build according to their wants without consulting the municipality
- Disaster Houses. The municipality is not responsible for disaster management but finds that many of the reported structures do not get fixed by the Department.
- Current land legislation which prohibits the Municipality from selling land to state employees means that many available plots cannot be sold and that state employees have to pay more to acquire land from developers. This is being dealt with and a solution sought.

## 16. Interventions

- By law enforcement. The municipality is in the process of restructuring some bylaws to prevent land invasions and the building of illegal structures without building permission.
- Densification. The municipality is working with service providers to densify Sterkspruit by amalgamating it with the surrounding villages and increasing the current municipal boundaries. This will take some time as the land belongs to traditional authorities.
- Private partnerships whereby developers buy land parcels to survey and develop it for middle income buyers.
- Housing Sector Plan. The Municipality has developed a new housing sector plan in 2020.

## 17. Projects

Table 31: Planned Projects Source HSP 2020

Project	Scope	Target	Budget	Status
Rhodes 200	87	0	1 Mill	Construction completed

Sterkspruit 4000	4000	334	54 384 M	Under construction
Barkly 298	298	0	0	Pre planning
Senqu destitute	100	15	2,607 Mil	Construction
Disaster	5	3	0,521 Mil	Bid evaluation
Rossouw 102	102 – 100 electrical	102. 100 electrical	0.95 Mil	Active
Lady Grey 50	50	Admin and transfers	0.150 m	Busy with transfers
352 housing units in SLM	352		58,6 Mil	
Disaster	150			Assessments complete

Table 32: Future Projects

Project Type	Project Name	No of units	Budget	Implementing Agent
Integrated Residential Development Programme	Sterkspruit	4 000	ECDOHS	ECDOHS
Integrated Residential Development Programme	Sterkspruit Mid-Income	500	ECDOHS	ECDOHS
Integrated Residential Development Programme	Sterkspruit rental stock	500	ECDOHS	ECDOHS
Community Residential Unit	CRU Pilot		ECDOHS	ECDOHS
Integrated Residential Development Programme	Barkly East mid-income	500	ECDOHS	ECDOHS
Integrated Residential Development Programme	Barkly East rental stock	500	ECDOHS	ECDOHS
Integrated Residential Development Programme	Barkly East	298	ECDOHS	ECDOHS

Source: Senqu HSP 2013

The Departments overall project list reflects the following projects for Senqu Municipality.

Table 33: Housing Projects delivered Source HSP 2020

Description	Subsidies	Status
Herschel- Orangefontein	200	Some transfers made
Barkly East	506	Poor workmanship on engineering services and houses
Hillside Ph 1	603	Rectification complete
Lady Grey – Hillside 1000 Ph 2 - 397	397	382 complete, 15 incomplete
Lady Grey – Steve Tshwete	995	Houses transferred
Lady Grey 50	50	Rectification
Lady Grey Edgar in situ 76. Greenfield 118	194	Contractor on site. No transfers
Lady Grey pilot	30	No transfers made
Barkly East	802	Non transfers – contractor still on site
Rhodes post 1994	30	No transfers made
Rhodes	30	No transfers made
Rossouw pilot	30	No transfers made

## 18. Health Services

### 18.1 Current Situation

Senqu Health Sub-District consists of 4 hospitals (Cloete Joubert in Barkly East, Lady Grey Hospital, Mlamliand Empilisweni in Sterkspruit), 20 fixed clinics, 1 Satellite clinic, 8 Mobile clinics, 5 health posts and 2 community-based services in Sterkspruit and 1 in Barkly East serving all the farms at Senqu. Empilisweni hospital has been repaired and the road to Mlamli hospital is paved from the gravel road. The Lady Grey Hospital has been completed. This was part of the Covid 19 upgrades.

A nurses training college Lilitha was opened at the Empilisweni Hospital in Sterkspruit in 2014. There is an issue with the accreditation of the programme but this is in the process of being addressed. A large number of people in Senqu remain without access to healthcare, as there are few mobile services in the areas of Sterkspruit due to the dilapidated state of the road infrastructure. The Rossouw area is currently served by the mobile clinic of the NGO- Donald Woods Foundation which has a contract with the Department of Health. The Donald Woods Foundation provides much of the necessary healthcare and primary health care information for farm workers in the Barkly East area. It is hoped that this agreement will continue.

In Ward 2 the application for construction of a new clinic is in the priority list at head office because the clinic is too dilapidated for renovations. Dental services are available at Empilisweni Hospital. Applications have been submitted for construction of new clinics at N dofela, Esilindini, Khiba villages and the renovation of clinics: Musong, Pelandaba, Herschel and Esilindini.

### 18.2 Challenges

- Poor infrastructure – The road to Mlamli – a major hospital is in a very bad condition. However, work has begun on tarring the road. Poor maintained gravel roads, lack of or limited water, sanitation, electricity and communication systems, poorly maintained health care buildings, health care equipment and nurse accommodation frustrate health delivery
- Inadequate budget for health which many health care trainees are not being absorbed. The Lilitha training colleges are also awaiting accreditation so no training is occurring.
- Inability to attract and retain health professional staff. There are a high number of staff vacancies
- Inadequate Mobile and emergency services. There are not enough ambulances to serve the whole area.
- No 24-hour PHC facilities
- Poor quality of service delivery – long queues and demotivated, overworked and uncaring staff - drugs and essential clinic supplies not available
- No Road signs to clinics. Although this is slowly being addressed

### 18.3 Interventions

- Committed Professional staff
- Good community participation structures do exist
- Good policies and procedures around health care

- Introduction of VCT, PMTCT and ART services is occurring across the municipality

## 19. Telecommunications

### a. Current Situation

Although most communities have access to telecommunication either in the form of land lines or cell phones, there are still those communities that cannot access these facilities because they can't receive signals behind the mountains. From the table below, it can be seen that the majority of residents utilise cell phones rather than fixed lines which means that they rely on good network coverage. Computer and internet usage are on the increase mainly due to the new smart cell phones which include internet and computer technology. However, data speeds are slow and there are increased network failures of both Vodacom and MTN being experienced in Barkly East and Lady Grey

### b. Interventions

The Municipality has written to Sentech, all the cell phone companies and the SABC to ask for more radio, TV and cell phone towers to be built in these areas. The reception in Rhodes has been improved with the installation of a new tower. However, infrastructure for better and faster internet speeds needs to be installed such as fibre especially for the towns such as Sterkspruit.

SALGA have also identified Senqu Municipality for Infrastructure Upgrade for Broadband and Connectivity. Broadband training has been started for the Municipality.

Table 34: H/H with a radio, TV, computer, cell phone, landline and internet

Municipality	Radio		TV		Computer		Cell phone		Landline		Internet
	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011	2011
Joe Gqabi	53004	58123	20735	52161	1472	6060	12525	77949	6034	4132	17594
Senqu	20289	22158	7486	21351	392	1721	4743	31167	1277	931	6822
EC Total	952523	1031168	577346	1066990	60065	200664	317980	138209	232800	165434	406738

Source: StatsSa, 2011

## 20. Community Facilities

### a. Sport and Recreation

The Municipality only has proper sport and recreation facilities located in the main towns. However, some sports fields have been built in rural areas like Kwa Gcina and Zava. Lady Grey, Sterkspruit and Barkly East have facilities that have been built and one in Sterkspruit (Patrick

Shibane was renovated in 2013/14 as well as the facility in Barkly East as they suffered from vandalism). With the high percentage of youth in the population make-up it is essential to provide sports and recreation facilities.

### Interventions

The Municipality has put in floodlights in Lady Grey and is also engaged in a programme funded by the German government which promotes sports field development in rural areas. In addition, the allocated 15 % of MIG funds will be utilised for building more rural sports fields. Barkly East and Sterkspruit facilities were renovated and upgraded. The Lady Grey Stadium fence is currently being renovated. This has however run into litigation issues but is being resolved. Netball poles and soccer nets are being purchased for rural fields.

#### b. Indoor Community Recreational

An indoor community recreational facility has been built in each ward. However, the re-demarcation of wards means that some wards have more than 1 hall whilst others have none. The Municipality has prioritised the renovation of all existing facilities so that they all have the same standard. These facilities are important for social cohesion as they are used for community meetings, to house indoor sports like badminton as well as being utilised for arts and cultural events like dancing.

Communities would like more of these facilities and pay points to be built. There is a Thusong Centre, formerly known as MPCC, located in Sterkspruit that houses various government departments . In addition, the facilities will now include a Councillors Office in order to improve governance.

Table 35: Community facilities audit

Ward	Indoor community recreational facility	Condition
1	Ndofela	Good
2	Storomo	Good
3	Makalakeng	Good built 2013/14

Ward	Indoor community recreational facility	Condition
4	Makumsha	Good needs ceiling
5	Rossouw Hillside Phelendaba	Rossouw was renovated but needs water.Good Needs ceiling Good
6	Majuba Musong	Good Good
7	Thaba Lesoba	Good needs ceiling
8	Mokhesi	Good. Needs painting and cleaning of fire damage
9	Ngquba	Good. Still some snag issues which need to be resolved.
10	Bunga Hall Tienbank	The Bunga Hall was renovated in 2013/14. The current facility is no longer adequate and requires rebuilding. Tienbank is good.
11	Bluegums	Good needs ceiling
12	Magadla	Good. Built in 2015/16
13	Molweni Bantwana – Herschel Zava	Burnt down in 2018/19. Will be rebuilt 2022/23 Good but needs ceiling
14	Transwilger Lady Grey Kwezi Naledi	Transwilger has been renovated in 2016/17. Lady Grey hall renovated. Kwezi Naledi needs a ceiling
15	Nkululeko Rhodes	Nkululeko is in good condition and the new hall in Rhodes was handed over in June 2013 but has no electricity.
16	Barkly East Town Hall Fairview	The hall is in the process of renovation Demolished



Ward	Indoor community recreational facility	Condition
17	Voyizana Sunduza	Good but requires ceiling Needs repairing
SPORTSFIELDS		
14	Lady Grey stadium	Good but needs some problems in the fence resolved
16	Barkly East stadium	Good
10	Patrick Shibane	Just completed renovations but more renovations are required due to vandalism
2	Kwa-Gcina sports fields	Good
13	Zava Sportsfields	Good
LIBRARIES		
16	Barkly East	Need some repair. All libraries require internet connections
14	Lady Grey	Good
13	Herschel	Good.
10	Sterkspruit	Good built 2014/15

Source: Senqu Community Services 2022

## Interventions

The Municipality is busy ascertaining where sports facilities have to be built in the newly demarcated wards so as to have centrally located sports fields. The 15 % of MIG funding for sports facilities has been set aside to build more indoor recreational facilities and sports fields.

## 21. Libraries

### a. Current Situation

There are libraries in Lady Grey, Barkly East and Sterkspruit and satellite libraries in Rhodes, Hillside and Rossouw. The municipality runs this service as an agency function for the Department of Sports, Arts and Recreation. More funding is however required for this service to fulfil the demand of school and university learners. A new library has been opened in Sterkspruit as the old facility was too small. The Herschel facility was opened in 2013. Hillside requires water and electricity to be provided.

## 22. Safe & Secure Environment

### a Current Situation

The Municipality is promoting the use and development of community police forums to solve crime in rural areas. The use of drugs is increasing in these areas according to community forums. The Integrated Community Safety Forum is in the process of being reformed. The municipality does participate in the CPF's. Gender based violence is unfortunately high in the area

### b. Interventions

The SAPS have been approached regarding the high levels of crime and they are looking into the possibility of increasing the number of satellite stations in the area.

## 23. Waste Management

### a. Current Situation

Senqu Municipality have two (2) operational registered /licensed landfill sites in Lady Grey & Barkly East. Rossouw and Hershel are permitted for operation and they are under construction. Sterkspruit is licensed for closure in September 2021 and the project to close it has reached practical completion. The Municipality has requested an extension on the usage of the site as there are delays in building the new site. The extension has not yet been granted. The newly identified site in Sterkspruit has problems as the Community have signed a petition against the site being erected in their area.

Upgrading of the Barkly East SWS to line the cells is complete. At Lady Grey, the project for upgrading is only at 60 % completion due to contractual reasons but a new consultant has been appointed.

Refuse removal is only operated in Barkly East, Sterkspruit, Rhodes and Lady Grey on a weekly basis. 11.2 % of households were served in 2007 and the percentage of serviced households increased from 17.2% in 2001 to 22.6 % in 2007 (StatsSa, 2007). The current situation is 4 672 households serviced with 57,22% not serviced consisting of 9020 households (IHS Markit 2020.)

The Municipality is experiencing difficulty in expanding its service due to constant breakdowns of its aging fleet and low human resources.

**Table 36: Refuse removal**

Municipality	Local authority			Communal/own refuse			No rubbish disposal		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Joe Gqabi	14683	19750	28226	40458	49457	54991	14584	15628	13382
Senqu	2392	3817	4918	19778	24256	26985	5391	5831	5698
EC Total	473774	583307	733472	524656	648410	732060	283375	249923	190156

Source: StatsSa: 2011

The households in Barkly East produce 4508 kg a day and 137 T a month as opposed to 9 T in Herschel, 9 t in Rhodes, 3 T in Rossouw and 101 Ton Lady Grey. 2147 households are served in Barkly East, 149 in Herschel, 1591 in Lady Grey, 144 in Rhodes, 57 in Rossouw and 539 in Sterkspruit (IWMP 2013).

The Municipality is struggling to meet all the legislation pertaining to the management of waste sites. It does however have a designated Waste Management Officer in terms of legislation. Lady Grey site is licenced and classified as GSB. There is no plant or equipment to properly cover and compact waste. The site is in the process of being upgraded and cells lined. The Barkly East site is classified as GSB. Waste is no longer incinerated and the site is finished being upgraded. A new site is being developed and an EIA is underway. The waste is incinerated and disposed in a cell. An EIA is being undertaken for a new site.

Medical waste for the 4 hospitals and 14 clinics is collected by a company called Compass Waste organised by the Department of Health. However, problems are being experienced with medical waste being illegally dumped in landfill sites.

b. Challenges

- Permitted sites. Lady Grey and Barkly East are currently the only permitted sites. Rhodes and Hershel are permitted and being built
- Contravention of the Occupational Health and Safety Act. This risk applies not only to the staff working on the sites but extends to the general public especially scavengers who frequent most of the sites.
- Limited waste collection services. Waste services (collection) only offered to urban residents.
- Recycling and waste avoidance initiatives. There are very few recycling initiatives in the Municipality, extracting less than 1 % of the potential recyclable material. No initiatives are underway for waste avoidance. Purchasing of mini refuse skips for Sterkspruit town and purchasing of refuse bins has occurred. In addition, waste awareness campaign was conducted.
- Contravention of legislation. The disposal of waste is a significant challenge and this is leading to a lack of compliance with legislation, water, air and aesthetic pollution. The landfill sites do not comply with DWA's minimum requirements. There is no facility available to dispose of hazardous material. However, this is all about to change as money has been allocated for the building of 5 new solidwaste sites in Sterkspruit, Barkly East, Rhodes, Rossouw and Hershel.
- Plans and policies. The municipality does not have a leachate management plan as waste is stored on site in a cage on a cement floor until it is incinerated and then burnt. A trade effluent

policy has been developed in 2020. The integrated waste management plan was reviewed and adopted in 2018. It was APPROVED BY Council but not endorsed by MEC DEDEAT. The Department has however committed to assist with the development of a new IWMP in 2022. A waste official has been formally designated and appointed. He is the Manager: waste management. By-Laws have been gazetted. The airquality management plan is currently being developed in a district level. However, a draft plan has been developed which will go through the processes to align it with the district plan.

- Cost effectiveness and waste administration of current services is poor mainly due to a history of lack of investment in the service in terms of equipment, staff, and planning.
  - Illegal dumping. Many shop owners particularly in Sterkspruit dump their waste on the sidewalk on day when waste is not collected. In order to counteract this municipality has promoted the usage of cages and collects waste more frequently in the centre of town. The municipality has also acted against shop owners who persist in this action. However illegal dumping in open fields and borrow pits continues. In Barkly East and Lady Grey garden refuse and building rubble are the main contents of illegal dumping. Bylaws are being developed to address illegal dumping.
- c. Interventions
- Increased equipment. New tip trucks and TLB have been bought. Weighbridges are installed in BarklyEast and Lady Grey.
  - Annual waste awareness campaign is run in the Municipality to make people aware of reducing, recycling and reusing waste to prevent unnecessary collection of waste.
  - Integrated waste management plan and recycling. The plan proposes recycling options particularly inSterkspruit. Recycling projects have been started in Barkly East, Sterkspruit and Lady Grey. The Lady Grey recycling deals primarily with bottles.
  - Funding. MIG Money has been set aside in the budget for the construction of new compliant wastemanagement sites particularly in Sterkspruit and Barkly East. In addition, the annual operations andmaintenance budget is used for day-to-day activities.
  - EIA's and new sites. Rhodes EIA process has to start afresh. ROD's has been received for Hershel andRossouw and they have gone on tender. Lady Grey SWS upgrade is still not complete but Barkly East hasbeen completed. 2 Licensed sites in Lady Grey and Barkly East. Sterkspruit has a closure license, a new site is on the EIA approval stage. 2 new sites are about to be built in Rossouw and Herschel
  - Forums. The Municipality forms part of the District Environmental Management Forum and does not have its own waste management forum.

## **24. Water and Sanitation**

Joe Gqabi DM is the WSA and WSP. Therefore, no SLA has been signed between the Municipality and District. Senqu has the highest unserved population in the JGDM area. This is due to the fact that most of the population is centered in the former Transkei homeland which experienced a very low level of service before 1994. The situation has improved and 22,323 % are not serviced which is 7 209 households (IHS Markit, 2020)

The 2011 census reveals that Senqu has an unserved population of 7 209 households out of 38 046 which is under 20%. The area is however prone to droughts. Water sources are the Jozanashoek dam, Lady Grey dam, Barkly East dam, boreholes and rivers.

Table 37: Access to piped tap water

Municipality	Piped water inside yard			Piped water on communal stand			No access		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Joe Gqabi	14464	22616	42057	19667	26204	31726	36521	36014	26310
Senqu	2650	7406	15897	12411	13832	15290	12794	12666	7209
EC Total	465041	560233	857310	245551	376172	498339	583712	545235	391617

Source: StatsSa 2011

Whilst most of the population does receive water, sanitation provision is lagging with 11 600 households not being serviced (IHS Markit, 2020). Bucket system still operating in Rhodes and Barkly East near graveyard.

Table 38: Households by type of toilet facilities

Municipality	Flush/chemical toilet			Pit latrine			Bucket toilet			No toilets		
	1996	2001	2011	1996	2001	2011	1996	2001	2011	1996	2001	2011
Joe Gqabi	7920	14589	30544	27502	27396	47224	6656	7819	1744	28436	35031	17119
Senqu	919	3791	7183	14558	15386	23476	1519	2215	648	10713	12512	5996
EC Total	408138	527935	797898	419896	405737	595587	82699	84484	41872	383792	463484	225010

Source: StatsSa 2011

Although the LM has more water available than the requirements, it is not spread in such a manner as to satisfy the need everywhere. The towns that have been experiencing water shortages are:

- Herschel
- Lady Grey
- Rossouw

The towns that have just enough water to satisfy the demand and might experience water shortages in the near future are:

- Sterkspruit RWS

The level of services provided is mostly of high quality with connections to the yard and into the house itself. Sterkspruit and Rhodes have the highest standard of water followed by Barkly East and then Lady Grey. Water is available 24 hrs/day in the urban areas but the rural areas experience many lengthily outages. There are issues with water pressure which the District alleges are due to illegal water connections

## b. Challenges

- Broken water pipes, non-functioning pipes, water unavailability and poor pressure.
- Backlog eradication is the main challenge facing the JGDM. An estimated R 149,603,738 for water and R 93,901,795 for sanitation is required for Senqu backlog eradication
- Operation and maintenance of existing water services. There is a high need for ongoing refurbishment and maintenance programme which will ensure sustainability of these schemes.
- Lady Grey & Barkly East bulk water supply.
- Water backlogs and illegal connections in the rural area.
- Rehabilitation of the Barkly East & Rhodes reticulation networks.
- Installation of section & bulk metering.
- Insufficient diesel for the water pumps

#### c. Interventions

Borehole standalone schemes. Water backlogs may be eradicated by means of the development of borehole standalone schemes.

VIP's. Sanitation backlogs will be eradicated by means of implementing VIP's. Projects will be prioritised by focusing on villages with the highest sanitation concern first. It is anticipated that a regional construction approach will be followed to maximize the benefit of scale in terms of price, timeframes and quality (JGDM WSDP 2010).

## 25. Roads, Transport and Stormwater

Table 39: Roads in the Senqu area

Local Municipality	National Roads	Surfaced Trunk Roads	Surfaced Main Roads	Unsurfaced Main Roads	Surfaced District Roads	Unsurfaced District Roads	Minor Roads	Municipal and Access Roads	LM Total Length (km)
Senqu	116.37	-	9.17	290.93	73.01	931.36	767.16	817.36	3,005.37
District Total	653.80	46.40	184.84	737.32	138.09	3,190.98	2,985.47	2,886.91	10,823.82

Source: Department of Public Works and Roads, 2013

The table above refers to the kilometres of roads in the entire Joe Gqabi District. From this it can be seen that Senqu has the longest amount of unsurfaced main roads and access roads. The backlog in access roads must still be determined in the Municipality.

## Tarred roads

The provincial trunk road, the R58 is in a bad condition and has been moved to SANRAL. It is in the process of being resurfaced. A rock fall closed the road for 3 weeks between Lady Grey and Barkly East in February 2020. Rock falls are common on the road after heavy rainfalls. This affects tourism as this is the main entrance into the municipality. As such it needs to be a provincial priority. The R 393 between Lady Grey and Sterkspruit has many potholes and roaming livestock due to stolen or poor fencing remain a hazard for drivers in spite of the newly introduced road rangers. The road to Tele Bridge has recently been upgraded (JGDM ITP 2010). It is envisaged that the R 393 and R 392 will revert to SANRAL.

## Gravel/ Unsurfaced Roads

Most of provincially maintained gravel roads have deteriorated significantly to the level where they need extensive regraveling and low-level bridges need repair or replacing. The end result is people being unable to access goods and services or having to pay high prices for transport of goods and persons due to poor or impassable roads.

## Access Roads

Access Roads are maintained by municipalities in terms of the Municipal Structures Act; however this is not financially viable for Senqu Municipality. The municipality inherited a backlog of maintenance of existing access roads as well as many villages which don't have access roads. Due to the small tax base of the area and high unemployment, the municipality is heavily reliant on the MIG grant to fund repair, maintenance and building of access roads.

Senqu is responsible for all access and municipal roads in its area. The balance of the roads falls under the powers and functions of the Department of Roads and Transport (DoT). The level of road services in rural areas is low, where most roads are gravel. The Municipality has engaged its municipal wards to identify priority access roads that need tarring. These however will still require a massive financial injection. Current gravel roads backlog in Senqu is 562km. The Department is maintaining the roads around Sterkspruit inhouse whilst the gravel roads of Barkly, lady Grey and Rhodes district now fall under a framework contract and is undertaken by consultants engaged by the Department.

The Municipality does not have a Rural Roads Asset Management (RRAMS) as this is a programme undertaken at district level and is undertaken between JGDM and National DOT. Senqu has made enquiries about the possibility of having a RRAMS due to the high number of rural roads and bridges which need immediate repair.

## Streets

Streets within towns are the responsibility of the relevant local authority. Streets within townships in all the urban settlements are of very poor condition leading to localized flooding in bad weather, impassable

roads and poor access.

#### Rail network

The railway line between Aliwal North and Barkly East is unused even though the tracks are still in place (JGDM ITP 2010). Attempts have been made to revive the track for steam train enthusiasts as it contains 2 out of the 3 railway reverses known in the world whereby the train reverses up a zigzag pattern to the top of a mountain.

#### Airfields

The only airfield which can be recognised as such lies in Barkly East but is not maintained by the Municipality. There has been an investigation into a new airstrip to be located 10km south west of Rhodes near the R 396 funded by ECDORT for tourists to the Tiffindell ski resort but whether this will occur or not remains to be seen (JGDM ITP 2010).

#### Non-motorised transport

A significant number of persons in Senqu rely on either bicycles or walking to reach their destinations. As a result, the municipality has paved most of the pavements in the main towns and some pedestrian walkways leading from the former townships into the town. Few pedestrian crossings and poorly lit streets and paths are some of the hazards faced by pedestrians. In 2022 roads will be paved in both Lady Grey and Barkly East.

## **26. Public Transport**

The Herschel Taxi association has 164 registered members owning 293 vehicles with 158 operating licenses and runs on 20 local and national routes. Public transport operations in Barkly East and Lady Grey are small and relatively stable. In Sterkspruit no direct travel between villages is allowed and all trips must begin or end in the central rank at Sterkspruit. It is the busiest hub. The most utilised trips are to Thaba Lesoba, Voyizana, Qhoboshane, Jozanashoek and Umlami. National destinations are Maletswai, Johannesburg, Welkom, Bloemfontein, Komani and Secunda.

#### Road worthiness and licensing

Senqu provides a road worthy and licencing service at the Traffic Testing Station in Barkly East and licencing service at Sterkspruit and Lady Grey. A planned DLTC in Sterkspruit will eventually allow residents to undertake drivers and learners licence exams in the town.

## **27. Storm Water Management & Access Roads**

The Municipality on an annual basis targets certain priority area for the construction of storm water as per the maintenance plan. The Technical Services department in conjunction with the Community Services Department implements the regular cleaning and maintenance of the existing stormwater



infrastructure. Funding has been requested to undertake a stormwater plan in order to highlight the requirements for future and existing stormwater needs especially as climate change has resulted in more concentrated and larger rainfall events than previously.

a. Challenges

- Chronic underfunding and the constant deterioration of roads due to high rainfall conditions
- Limited maintenance of access roads due to insufficient human resources and machinery
- Breakdown of old out-dated road machinery
- The stormwater management plan requires updating and flood lines need to be determined to ensure that development occurs outside these areas
- Lining and upgrading of storm water channels in urban areas as well as installing new stormwater infrastructure
- Not all villages, schools and clinics have decent access roads and not all streets in townships are tarred or paved
- Limited number of pedestrian bridges
- No cycle lanes
- Limited lighting of pedestrian walks ways although Council is slowly eliminating the backlog in urban areas.
- Poor road markings and potholes
- Limited road signage especially in rural areas
- Commuter facilities are primitive. Bus shelters were built in 2000 in Barkly East and Lady Grey by DoT. The current taxi rank in Barkly East is informal with no amenities and needs upgrading to an area with shelters for waiting passengers. Lady Grey has no taxi facilities but a public toilet and bus stop has been built through the NDPG. Sterkspruit has a taxi rank.
- Limited machinery and staff to meet the storm water function especially in rural areas.
- Fencing of commonage and communal lands along the main R 58 route and road to Sterkspruit. The fences are constantly being stolen by community members especially RDP housing developments to fence their yards.
- Stormwater is a problematic issue as the infrastructure was not designed for the huge runoff that is required. In addition, there is limited staff and equipment to maintain and keep the drains and furrows open. Huge investment is needed to develop a proper stormwater plan which focuses on what infrastructure is required as well as to how stormwater runoff must be managed to prevent damage to property and possible loss of human life throughout the Municipality.
- Bridges have reached the end of their life cycle and are constantly breaking.
- Stormwater is a big problem in the suburb of Kwezi Naledi in Lady Grey

b. Interventions

- i. A Roads and Stormwater Master Plan was developed to categorise roads and

determine which ones are priorities. However further work is required to develop a workable plan and not just an annual maintenance plan. The policy allows for sustainable roads (interlock paving) and was approved in 2015. In addition, on an annual basis Ward Councillors indicate which roads and bridges require attention in their areas.

- ii. Paving of township streets as part of an EPWP project and paving of sidewalks in all CBD's and the linkages between the townships as part of the pavement management system. This assists pedestrians who do not utilise vehicular transport.
- iii. New road machinery and Operators.
- iv. Installation of street lights in towns such as Herschel
- v. Building of more pedestrian bridges and walk ways. This will also allow for cycling paths. Funding is also set aside for the lighting of pedestrian walk ways.
- vi. JGDM Integrated Transport Plan, 2010. The LM utilises the DM's Integrated Transport Plan as it is not a transport authority and is not required to have a plan.
- vii. Roads Forum is an intervention although it is not fully functional and does not sit regularly
- viii. Taxi and Bus ranks are not adequate. In Sterkspruit, there is need for expansion. In addition, they are not properly run and maintained.
- ix. Designated drop off points are required in urban areas to decrease congestion.

## **28. Electricity and Energy**

### **a. Current Situation**

Although most of the Senqu communities have access to electricity, there are some communities that still need to be electrified either in the form of electricity installation or in upgrading of their existing lines as most of the lines particularly in Sterkspruit and surrounding villages are low voltage. These are mainly in new housing developments. Council is in the process of compiling an exact backlog list for Eskom. The most worrying area is near Lundean's Neck where residents do not have electricity at all especially in Dangerhoek. The backlog is 3 722 connections according to Technical Services but IHS Markit 2020 put it at 2430 Households connections

Senqu Municipality has a licence agreement with the National Energy Regulator of South Africa. In terms of this agreement, Senqu is responsible for supplying electricity to Sterkspruit, Lady Grey and Barkly East. Rural areas (including Rhodes and Herschel) are supplied by Eskom. However, the Municipality is seeking a licence to supply rural areas.

Electricity supply challenges include high leakages attributed to aging infrastructure, poor metering and incorrect accounting. The speed of rural electrification by Eskom is far too slow, especially in non-grid areas. A master plan has been developed for electricity but its implementation has been delayed by insufficient resources. However, upgrading of infrastructure has occurred annually since 2012 and should

be completed by 2019 if resources are available, over 81.8 % of the municipality has been served (StatsSa, 2011).

Table 40: Electricity Usage

Municipality	Lighting			Cooking			Heating		
	1996	2001	2011	1996	2001	2011	1996	2001	2011
Joe Gqabi	18907	36392	67433	6895	12626	55150	6287	9368	22186
Elundini	2332	3738	17533	625	1320	13216	598	934	4947
Senqu	8139	21041	30866	1725	4590	24499	1517	3593	9633
EC Total	421952	740753	1265759	309362	419243	1047718	278832	353776	527265

Source StatsSa 2011

For lighting the majority of residents use electricity with 31 038 using electricity and only 104 for solar. For cooking electricity use still is dominant with 24 640. However, when it comes to heating paraffin is the main fuel with 16 839 (Statsaa, 2011). Council is in talks with ESKOM though about the provision of solar heaters in current and future housing developments.

#### b. Challenges

- Limited funding for Maintenance and upgrading of infrastructure in areas managed by the Municipality
- Limited voltage in the rural areas does not support large scale economic growth
- The implementation of free basic services for electrical supply
- Getting communities to accept non- grid electricity
- Number of schools, clinics and other social facilities that don't have a regular supply of electricity (if any supply at all)
- Affordability of the service especially in rural areas for 3 phase electricity
- Electricity losses - 3,783,161 Kwh (Down from 5.6Mwh in previous year) due to theft, poor metering, poor networks and incorrect accounts. Total; loss 7.21%. Leakage 18 %
- Electricity backlogs in the rural areas being addressed too slowly. Eskom is licensed for these areas and therefore needs to apply for increased funding in order to eliminate the above.
- Electrification of street lights at Rhodes, Barkly East (new houses) & Rossouw. Eskom has refused permission to use their Infrastructure to fit the street lights. Therefore, the amount to do the street lights and construct our own Infrastructure increases
- Eskom vs Senqu Municipality electrification boundaries.
- Solar geysers. The installation and continuation of the disrupted solar geyser installation programme.

#### c. Interventions

- Eskom electrification plan
- Department of Trade and Industry assisting with the promotion of renewable<sub>123</sub>

sources of energy

- The Technical Services Departments wishes to install a computerised asset management system which will allow it to accurately gauge the depreciation of electrical and road infrastructure and equipment. This will assist in improving budgeting planning for the Department.
- The Municipality makes an annual provision for maintenance with tenders for material and KWH Meter replacement

d. Renewable Energy

In general, however the Municipality and ESKOM have to increase efforts to make the community more conscious and aware of the benefits of renewable energy. Solar is not popular due to the high theft of solar panels but wind turbines could be used provided that the turbines are designed to withstand the high wind speeds and hail encountered in the area. The Municipality has investigated photovoltaic but is unable to meet the type of demand and supplies only a couple of lights. The expense to the long-term benefit is not worth the cost. In general, due to the low demand for electricity in the area, it is not financially feasible to have green energy sources contributing to the grid.

**29. Environmental Legislation and EIA's**

The Municipality strives to adhere to all environmental legislation and conducts EIA's where necessary and prescribed by law in order to ensure sustainable service delivery. EIAs are budgeted for in all project plans where necessary. For the forthcoming year, EIAs are required for the following:

PROJECT NAME	EIA REGULATIONS WHICH MAY BE TRIGGERED	LISTED ACTIVITY
Access roads	LN 1 Activity 24	This project needs Environmental Authorization if it fits the following description  The development of- (ii) a road with a reserve wider than 13,5 meters, or where no reserve exists where the road is wider than 8 metres; but excluding- (a) roads which are identified and included in activity 27 in Listing Notice 2 of 2014; or (b) roads where the entire road falls within an urban area.
Cemeteries	LN 1 Activity 23	This project needs Environmental Authorization if it fits the following description  The development of cemeteries of 2500 square metres or more in size.

Bridge	LN 1 Activity 12	<p>This project needs Environmental Authorization if it fits the following description</p> <p>The development of-</p> <ul style="list-style-type: none"> <li>(i) canals exceeding 100 square metres in size;</li> <li>(ii) channels exceeding 100 square metres in size;</li> <li>(iii) bridges exceeding 100 square metres in size;</li> <li>(iv) dams, where the dam, including infrastructure and watersurface area, exceeds 100 square metres in size;</li> <li>(v) weirs, where the weir, including infrastructure and watersurface area, exceeds 100 square metres in size;</li> <li>(vi) bulk storm water outlet structures exceeding 100 squaremetres in size;</li> <li>(vii) marinas exceeding 100 square metres in size;</li> <li>(viii) jetties exceeding 100 square metres in size;</li> <li>(ix) slipways exceeding 100 square metres in size;</li> <li>(x) buildings exceeding 100 square metres in size;</li> <li>(xi) boardwalks exceeding 100 square metres in size; or</li> <li>(xii) infrastructure or structures with a physical footprint of 100 squaremetres or more;</li> </ul> <p>where such development occurs-</p> <ul style="list-style-type: none"> <li>(a) within a watercourse;</li> <li>(b) in front of a development setback; or</li> <li>(c) if no development setback exists, within 32 metres of a watercourse, measured from the edge of a watercourse; -</li> </ul> <p>excluding-</p> <ul style="list-style-type: none"> <li>(aa) the development of infrastructure or structures within existing ports or harbours that will not increase the development footprint of the port or harbour;</li> <li>(bb) where such development activities are related to the development of a port or harbour, in which case activity 26 in Listing Notice 2 of 2014 applies;</li> </ul>
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		(cc) activities listed in activity 14 in Listing Notice 2 of 2014 or activity 14 in Listing Notice 3 of 2014, in which case that activity applies; (dd) where such development occurs within an urban area; or (ee) where such development occurs within existing roads or road reserves.
Community halls		It will depend on size and location of hall
Sport fields		The municipality must consult DEA and DEDEAT for advice since the footprint of the activity is less than 5 hectares
Solid waste sites		License needed

### 30. Disaster Management

The Municipality has adopted a corporate disaster management plan in 2005. It has a draft disaster framework which was adopted in May 2018. A draft plan has been developed and is attached as an annexure. However, it has to go through all the processes before it can be formally adopted by Council.

The district municipality is participating in the planning structures for the high-risk development. Emergency procurement procedures are in place guided by MFMA and SCM guidelines. It is contained in the SCM policy which is amended regularly. Plans are in place to address spillages on the roads: Razzmatazz is always available to clean the road, as for veldt fires control burning is done to areas with high risk and response is good.

The District Municipality has a chief fire officer. The District municipality has 6 personnel

- Manager
- Admin officer
- Four satellite officers (one in Senqu, one in Elundini and two in Walter Sisulu)

It has entered into Mutual Assistance Agreement with Alfred Nzo, Chris Hani district municipalities in the Province and Pixley Ka Seme District Municipality in the Northern Cape.

The District Municipality provides fire services as per their powers and functions. JGDM has adopted bylaws relating to fire services.

### 31. ISD & Capacity to deliver

The Municipality has an ISD Unit with one Officer. The Unit is located within Technical Services. The work of the Officer is to ensure that project steering committees are functional for all projects undertaken by the municipality and that the Ward Councillor and Community are kept informed of all project progress. In addition, all community complaints are resolved by the Officer.

The Technical Services Unit houses the PMU which consists of a Manager, Technician and Administrator.

The section does not have enough personnel but this is being addressed by engaging a panel of experts with the required skills to assist.

The electrical section is run by a superintendent and the roads section by a Manager. The main problems in the electricity department are the sufficient resources to attract the necessary expertise. In order to prevent a loss of skills the department is training electricians in house. In the roads section, the main problems apart from aging and deteriorating equipment like graders are the budget to maintain access roads as well as attract the necessary skills like grader operators.

### 32. Free Basic Service Provision

The indigent register is updated annually through CART system. A Free Basic Services Committee has been established and has become functional. This is a political committee and assists the administration in updating information. It was established in January 2019. Water and sanitation are a district function and they provide all indigent households with 6 kl water free a month and sanitation. For households with no access to electricity they are supplied 10 litres of paraffin and 6 candles per month.

The Municipality budgeted the following for FBS for 2020/21 and 2021/22 year:

	2020/21	2021/22	2022/23
Free Basic Services; Indigent and Cultural and services	8 275 181	12 205 413	11 538 261
Free Basic Services; Refuse	4 736 831	6 611 041	13 248 205

The FBS unit functions are currently performed by the Debtors Officer with the assistance of staff in the Revenue Section. Indigent Steering Committees are in place although not yet at full operational efficiency.

### 33. Integration Plans

The one plan has ensured that there is integration of services between the District Municipality and Senqu Municipality. It has been recently adopted by the JGDM Council and is in the process of being adopted by Senqu Municipality.

The ISDM or integrated Service Delivery Model is the delivery model of the Department of Social Development. The Department of Social Development renders services through three core programmes, namely, welfare services, social security and integrated development. These programmes are the mechanism through which the Department of Social Development strives to ensure the provision of comprehensive, integrated, sustainable and high quality social development services to help reduce vulnerability and poverty, and to create an enabling environment for sustainable development in partnership with those committed to building a caring society. On local level where direct services are provided, intersectoral collaboration should integrate local integrated

development plans and local social welfare service delivery planning. The integration of these plans will ensure harmonising of economic and social development and will facilitate comprehensive service delivery towards social and economic wellness, This has not yet occurred but hopefully the quarterly meetings of the Senqu war room will provide a platform for the Department to begin implementation of this programme at a local level.



## CHAPTER FIVE: INSTITUTIONAL

### 1. Political Structure

Senqu Municipality was established in terms of the Provincial Gazette Extraordinary, 28 February, Notice 22 of 2000 (with a number of subsequent amendments). Senqu Municipality is a Category B Municipality. Senqu Municipality was established to be a Collective Executive System type (MSA 117 of 1998)".

Council currently consists of 34 Councillors of which 17 are Ward Councillors and 17 are Proportional Elective Councillors. In addition, Traditional Authorities form part of the Council. They will only be elected in July 2022 and only then will their names be forwarded to Council for them to form part of the Council structures.

Council is responsible for taking political decisions in relation to service delivery issues and playing an oversight role. Council meetings occur once per quarter. Last year Council met 29 January 2021, 30 April 2021, 30 July and 27 October 2021. Council concluded its activities after the October meeting. The new Council met 28 January and 29 April 2022.

Special Council meetings are only convened whenever there is an urgent issue that needs to be discussed and a decision taken. These happened on 26 February 2021 for the adjustment budget, 31 March 2021 for the draft IDP and budget and the 26<sup>th</sup> May 2021 for the final budget and IDP. In 2022 meetings were held on the 28<sup>th</sup> February 31 March and 30 May 2022.

#### Executive Committee

It is constituted by the Mayor of the municipality as the Chairperson, Political Heads of the Standing Committees of various departments in the municipality and the top management of the municipality. The Mayor as the Chairperson convenes the meetings of the Executive Committee every month. These are held a week after the Standing Committees have met and made their recommendations to the Executive Committee.

#### Standing Committees

The purpose of Standing Committees is to discuss and recommend certain actions be implemented by the Executive Committee or Council. Standing Committees are as follows:

- Corporate and Support Services Standing Committee headed by Cllr Mfisa
- Development & Town Planning Services Standing Committee headed by Cllr Mbonjwa
- Technical Services Standing Committee headed by Cllr Ndakisa
- Finance Standing Committee headed by Cllr Ngendane
- Community Services Standing Committee Cllr Ngendane

These Standing Committees are chaired by the Portfolio Councillors who form part of the Executive Committee. The other members of the Standing Committees are Councillors elected by the Council. There are 5 Councillors in each standing committee including the Chairperson except in finance. Standing committees are representative of all political parties, Traditional Leaders and the administration of the department concerned. Standing Committees meet on a monthly basis.

#### Section 79 Council Committees

- MPAC headed by Cllr Makhele meets quarterly
- Rules and ethics headed by Cllr January meets quarterly
- Mandate headed by Cllr Nyongwana meets quarterly
- Strategic and Governance headed by Cllr Nonjola meets quarterly

## 2. Powers and Functions

Power & Function	Senqu's Capacity	Responsible Department
Air Pollution	The Municipality has no financial resources to develop an air quality plan or engage specific staff for the function	Community Services
Building Regulation	The Municipality has engaged a building inspector but currently has limited resources to engage personnel and ensure implementation of by laws	Development & Town planning Services
Child care facilities	The Municipality is in the process of ensuring that current facilities meet minimum health and safety requirements. However, finances are limited.	Community Services
Electricity and gas reticulation	The Municipality only has the licence to supply electricity within its urban areas. The rural areas are supplied by ESKOM. However, the Municipality is negotiating with NERSA to expand its licence to the rural areas.	Technical Services
Firefighting Services	JGDM Municipal Function	Not applicable
Local Tourism	The Municipality promotes local tourism in the region and assists the activities of local tourism organization	Development & Town planning Services
Municipal Airports	The Municipality has no designated airports.	

Power & Function	Senqu's Capacity	Responsible Department
Municipal Planning	The Municipality has an IDP which is reviewed annually. The SDF is developed for 5 years and amended where necessary. All land management will be enforced as per SPLUMA regulations	Development & Town planning Services
Municipal Health Services	The Municipality only controls waste management as the District Municipality is responsible for food control, water quality, chemical safety, communicable disease control, vector control, environmental pollution control, disposal of the dead and control premises. This is because the District Municipality has the capacity as these areas form part of the Environmental Health Practitioners scope of work. The Municipality may only license a food premise after the District provides a permit indicating that the premise meets the standards required	Community Services
Municipal Public Transport	The Municipality does not have this function as it does not operate any public transport and the District Municipality has the power to regulate passenger transport services. The Municipality has a roads forum and makes recommendations on operating licences to the Department of Transport.	Technical Services
Pontoons, ferries, jetties, piers and harbours	The Municipality is not on the coast	
Stormwater management systems in builtup areas	The Municipality has the power and function but has inadequate funding to develop a stormwater plan and bring all infrastructure up to standards required by climate change.	Technical Services
Trading regulations	The Municipality fulfils this function through various by laws	Community Services
Potable water and sanitation services	The Joe Gqabi District Municipality fulfils the role of both WSA and WSP	
Beaches and amusement facilities	The Municipality has no beaches but maintains its public spaces	Community Services
Billboards and display of advertisements in public places	The Municipality has by laws to regulate this activity but due to limited resources struggles to enforce them	Development and Town Planning Services
Cemeteries, funeral parlours and crematoria	The Municipality licences these premises once the District Municipality issues a certificate of compliance	Community Services

Power & Function	Senqu's Capacity	Responsible Department
Cleansing	The Municipality regularly cleans streets and public spaces within the urban areas as it lacks capacity and resources to do so in rural areas	Community Services
Control of public nuisances	The Municipality has by laws pertaining to this function but lacks the capacity to enforce by laws	Community Services
Control of undertakings that sell liquor to the public	The Municipality has by laws pertaining to this function but lacks the capacity to enforce by laws	Community Services
Facilities for the accommodation, care and burial of animals	There are no pet cemeteries or kennels in the municipal area	Community Services
Fences and fencing	The Municipality ensures that public areas are fenced and safe and has by laws around fencing of properties	Community Services
Licensing of dogs	The Municipality does not license dogs but has by laws pertaining to the keeping of domestic pets	Community Services
Licensing and control of undertakings that sell food to the public	The District Municipality monitors the premises and issues certificates of compliance after which the Municipality may license the premise	Community Services
Local Amenities	The Municipality ensures that places are kept clean and mown and that community halls are functional but lacks the financial resources to ensure that all areas of scenic, natural, cultural and historical value and interest are well maintained	Community Services & Development & Townplanning Services
Local sport facilities	The Municipality maintains municipal owned sport facilities in the urban areas	Community Services
Markets	No markets exist in the municipal area	Not applicable
Municipal abattoir	The Municipality does not own any abattoirs and the District Municipal Health services are responsible for ensuring that abattoirs in the area maintain hygiene standards	
Municipal parks and recreation	The Municipality ensures that places are kept clean and mown.	Community Services
Municipal roads	The Municipality does try to build and maintain municipal roads but due to decades of neglect the financial resources are insufficient to meet the demand.	Technical Services
Noise pollution	The Municipality lacks the resources to monitor noise pollution but there are by laws.	Community Services

Power & Function	Senqu's Capacity	Responsible Department
Pounds	The Municipality is in the process of upgrading its pound in Lady grey to meet licencing standards.	Community Services
Public places	The Municipality does own commonages around the urban areas but struggles to enforce livestock management or prevent land invasion due to limited human and financial resources	Community Services
Refuse removal, refuse dumps and solid waste disposal	The Municipality does do refuse removal in urban areas but due to financial and human resource constraints fails to adhere to all waste management site regulations. However new waste sites will be constructed once the EIA's have been approved.	Community Services
Street trading	The Municipality has by laws pertaining to the function but has limited capacity to enforce the by laws	Community Services
Street lighting	The Municipality provides street lighting in urban areas.	Technical Services
Traffic and parking	The Municipality has limited capacity to control traffic within its area but does provide a driver's licence testing facility	Community Services

### 3. Administrative Structure and Location

The Municipality has offices in the following towns with the main office located in Lady Grey. This office houses, both the seat of the administrative and political arm of the organisation. Communication between offices is facilitated by an interconnected phone network. External Offices are managed by Supervisors.

Lady Grey	Barkly East	Sterkspruit	Rossouw	Rhodes
Main building DTPS & Community Services building Technical Services Department Tourism Office Library Mayors & SpeakersOffice Council Chamber	Main building Traffic Department Library	Main office buildingBunga hall offices MPCC Councillor Offices	Community Hall	1 office

The current office accommodation is sufficient as all staff are housed adequately. Payment facilities for municipal services are rendered at the Main municipal building based in Lady Grey, main municipal building in Barkly East and at the Offices in Sterkspruit.

Senqu Municipality implements its Integrated Development Plan through its administration structures headed by the Municipal Manager with the following Directorates:

- Municipal Manager's Office responsible for strategic support (administration), political executive support, research, governance, compliance – risk management, institutional performance, strategic communications and internal audit
- Directorate: Financial Services is responsible for budget and treasury, revenue services, stores and expenditure management, supply chain management, policies, procedures and by-laws (MFMA and National Treasury), financial support to all Departments, eNatis licencing and information communication technology.
- Directorate: Corporate & Support Services is responsible for administration, document management, HR and labour relations, capacity building, Council support and ward support, IGR, special programmes (HIV Aids youth, disabled, elderly and women), corporate facilities management, stakeholder relations – participation, by-laws facilitation, customer care/presidential hotline, individual performance management and legal services/compliance.
- Directorate: Community Services is responsible for waste management and refuse, community-based by-laws, public safety services – law enforcement, community based service provision, cemeteries, environmental management, traffic, cleansing, disaster management assistance, community facilities, library services and amenities, and commonage management
- Directorate: Technical Services is responsible for technical service delivery, electricity in urban areas, infrastructure development (maintenance and minor construction, Access Roads (Maintenance and Minor Roads Construction) and Stormwater management, fleet management and PMU Project Management / Administration including ISD.
- Directorate: Development & Town Planning Services is responsible for investment property management, GIS, building control, town planning, support to community participation structures, housing, land use management, integrated planning, and local economic development.

The administration is headed by the Municipal Manager, Mr. Yawa. All top management posts are currently filled and consist of five Section 56 Managers who report directly to the Municipal Manager, Mr. Yawa. The

CFO post is being extended for a month-to-month basis until the new appointment occurs together with that of the Municipal Manager. This post and that of the Municipal Manager have been advertised. Applications for the post have closed.

All S 56 Managers had signed their annual Performance Agreements aligned to the IDP, budget and SDBIP. This will be done again in July 2022 for the new financial year.

#### 4. Organisational Structure

The organogram for the Municipality was adopted on 30 May 2022. All posts have been provisionally evaluated according to TASK through a benchmarking exercise. The Municipality has taken this process forward by evaluating all posts through the SALGA structures and results for four Directorates are ready for adoption and publication. The interim results for Technical Services Directorate and the Finance Job Descriptions are yet to be undertaken through the same process as mentioned previously. 286 posts occur in the organogram, 26 posts have yet to be filled. 7 employees resigned in 2021, 3 employees contracts expired, 3 employees died and 1 retired. 11 new employees were engaged including 3 new Directors. 13 posts were advertised and still being filled at the end of June 2021.

Table 41: Contract Workers

DESIGNATION	DEPARTMENT	CONTRACT PERIOD
Municipal Manager	MM'S OFFICE	5 years but contract ended in May 2022
CFO	Finance	5 years but contract ended in March 2022
Director Corporate Affairs	Corporate Services	5 years
Director Technical Services	Technical Services	5 years
Director Community Services	Community Services	5 years
Director DTPS	DTPS	5 years

Source: Corporate Services 2022

Table42: Organogram posts per directorate

Department	Funded	Unfunded	Total
Municipal Manager	17	2	19
Corporate Services	37	1	38
Budget & Treasury	42	1	43
Community Services	120	7	127
Town Planning Services	12	0	12
Technical Services	64	5	69
TOTAL	292	16	308

Identified posts to be filled in 2022/2023 will be identified by top management.

#### 4. Employment Equity

The Employment Equity Plan of the Municipality was approved in November 2016. The new employment equity plan will be undertaken in the 2022/2023 financial year. It is implemented through the recruitment and selection process and through training and development. Implementation is monitored by the Employment Equity Committee, Training committee and Labour Forum. The objectives of the plan are to increase the number of people with disabilities, increase training for staff, increase the number of learnerships and internships.

Table 43: Employment Equity staffing levels including people with disabilities

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2			2	2						6
Senior management	5	1	0	2	5	1	0	4			18
Professionally qualified and experienced specialists and mid-management	16				17	2					35
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	7			1	4						13
Semi-skilled and discretionary decision making	52	2			27	4					85
Unskilled and defined decision making	59	4			23	1					87
Temporary employees	5				5						10
<b>GRAND TOTAL</b>	<b>146</b>	<b>7</b>		<b>5</b>	<b>83</b>	<b>8</b>		<b>4</b>			<b>253</b>
Source: EEP 2016											

Table 44: Employment Equity Goals

Occupational Levels	%	Designated										Total
		Male				Female				Foreign Nationals		
		A	C	I	W	A	C	I	W	Male	Female	
Top	Current	2	0	0	2	2	0	0	0	0	0	6



Management	Target 2017		1									1
	2018	1				1						2
	2019					1						1
	2020											0
	2021	1					1					2
Senior Management	Current	5	1	0	2	5	1	0	0	4	0	18
Senior Management	Target 2017	1										1
	2018		1				1					2
	2019											0
	2020	1				1	1					3
	2021											

Occupational Levels	%	Designated										Total
		Male				Female				Foreign Nationals		
		A	C	I	W	A	C	I	W	Male	Female	
Professional	Current	16	0	0	0	17	2	0	0	0	0	35
Professionally qualified and experienced specialists and Mid management	Target 2017	1				2						3
	2018					1						1
	2019	1				1						2
	2020	1				1	1					3
	2021	1				1	1					3
Skilled	Current	7			1	4						12
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	Target 2017	1					1					2
	2018					1	1					2
	2019	1				1	1					3
	2020	2				2	1					5
	2021	1				2	2					5
Semi- skilled	Current	52	2			27	4					85
Semi-skilled and discretionary decision making	Target 2017	2				2	1					5
	2018	1	1									2
	2019		1				1					2
	2020		1				1					2
	2021		1			1						2
	Current	69	4			23	1					87

	Target	1	3				3				7
Unskilled and defined decision making	2017										
	2018	1				3	2				6
	2019	1	1			1	1				4
	2020		1			1	1				3
	2021	1				1	1				3
Total permanent		160	18	0	5	102	30	0	0		315
Temporary Employees		5	0	0	0	5	0	0	0		10
Grand Total		165	18	0	5	107	30	0	4		325
Source: EE Plan 2016											

The Employment Equity Forum consists of Portfolio Head: Corporate Services, Top Management Representative: Director – Corporate Services, Manager HR, LR and Legal Services, Senior Management Representative: Executive Co-coordinator: Political Affairs, Technical Support Staff: HR Practitioner, Training and Development : Skills Development Facilitator ,Secretary, Designated groups Representative, Peoplewith Disability : Representative, Professionally Qualified and experienced specialist Mid Management Representative, Skilled Technical and Academically Qualified workers Representative, Semi – Skilled and Discretionary decision making, Unskilled and defined decision making Representative and 1 representative from each labour Union. Employment Equity Committee meets once a quarter. In 2021, 11 February, 14 April, 31 August, and the 5<sup>th</sup> October.

The Local labour forum sits monthly. The Local Labour Forum is fully functional. It consists of 5 representatives of the labour unions, Director Corp Services, Manager HR, LR & Legal Services, Portfolio Head of Corp Services, 2 Employer Representatives and the Secretary. It sat on the 27<sup>th</sup> January, 18 February, 25 March, 28 April 20<sup>th</sup> May, 24 June, 20 July, 23 August, 28 September, 28 October, 19 November 2021. No sitting in December 2021. In 2022, 26 January, 17 February, 30 March, 26 April and 25 May 2022.

The OHS Committee sits quarterly. It consists of a representative from each town and from the Unions and service departments like electricity, roads and waste management and is headed by Corporate Services. It deals with issues of health and safety. All staff are issued with the necessary tools and protective clothing. Monthly inspections are done of the tools and vehicles to ensure that they are safe. The PMU Unit ensure that all appropriate OHS is done on their project sites. Any issues are forwarded to the Corporate Services Standing committee and top management for resolution.

A resolution register is compiled at OHS Committee meetings and the implementation of these are tracked. As a result of the committee's work, change rooms with showers have been built in Barkly East and Lady Grey for general assistants of waste management. Corporate Services is responsible for ensuring that OHS issues raised by the Committee are resolved.

## **5.Skills Retention and Wellness**

The Municipality has an annual budget for EAP (Employee Assistance Programme). For 2022 it is R 511 601,60 . This focuses on providing individual employees with assistance on mental health issues that they are facing as well as individual health issues such as drug and alcohol abuse.

The Municipality also has an annual wellness programme whereby they target areas of health such as diabetes and bring in practitioners. This programme has not been implemented in the past 2 years due to covid restrictions which meant that not all employees were at work.

Municipality has skills retention and a scarce skills retention policy but experiences difficulties attracting these types of staff and keeping them due to the rural nature of the municipality and the fact that it can't offer competitive salaries. The scarce skills policy was approved by Council by the end of June 2013. The Scarce Skills Committee identifies the scarce and critical skills annually. Currently no scarce skills have been identified as it was decided that these skills would only be identified once the job evaluation process is complete. It is known however that there are engineering skills required in the Technical Services Directorate.

## **6.HR Strategy & WSP**

The Municipality has developed an HR strategy which was adopted on 29 May 2020. From the strategy, an annual HR plan is developed and adopted by Top Management. The HR strategy has 8 priority areas which are:

- Workforce planning and personnel administration whereby personnel administration attends to the administration of all employees' contracts, benefits and conditions of service as well as all administration and procedures incidental to employee appointments and terminations. Management and HR have been engaged with a comprehensive process of reviewing and developing employment contracts of all employees.
- Employee wellness. As Senqu Municipality, through our employee wellness pillar we aim to promote healthy, resilient and productive workforce and to reduce levels of absenteeism through targeted programmes.
- Occupational health and safety. The Occupational Health and safety function are primarily focused on:

- Creating and maintaining a safe working environment and
- Preventing workplace accident.

A major obstacle in achieving these objectives is the absence of an integrated Occupational Health and Safety Plan that will act as the guiding principle for all OHS interventions. This is in the process of being addressed.

- Capacity development. This will ensure that all employees and Councillors receive relevant skills development required in line with their Personal Development Plans for which the requisite funding shall be provided. Appropriate learning organisation, knowledge management and innovation strategies will be applied to facilitate the necessary learning/skills acquisition and application in the workplace; and that employees be equipped with a level of skill and competency necessary to excel in fulfilling the purpose, objectives or requirements of function/job roles, also to address the shortage of skills brought about by the legacy of apartheid, further to unlock the inherent potential of all employees for their good and that of the Municipality, and their customers/broader Communities.
- Recruitment & selection.
  - Where possible commit to filling vacant non-entry-level positions internally in line with Employment Equity and Organisational Talent Requirement Objectives and Targets. Every endeavour will be made to identify and develop the potential of existing employees to enable them to progress through their respective Career Paths and Organisational Hierarchies. Recruitment and Selection Processes will be conducted in a fair and transparent manner based on predefined Specifications, Criteria and Competency Requirements for the required Role/Position.
  - Goal – To ensure the timely holistic provision and placement of competent and skilled employees within Organisational Functional Units and roles/positions, in terms of predefined and planned for or incidental needs in line with Succession and/or Strategic Manpower Plans and Equity Targets dictated by Employment Equity Plans; and
  - Appropriate Talent Management Strategies and Processes (Engagement and Retention Strategies, etc.) will be applied to develop and maintain a sustainable and effective talent pipeline. All recruitment, selection and appointments will follow the Municipality's formal and approved Recruitment and Selection (Talent Acquisition) Policies and Procedures (or equivalents).
  - The ability of the municipality to retain competent staff is closely linked to, amongst others, staff morale, motivation, job satisfaction and the organizational culture. Consistent monitoring of these factors will inform interventions to be addressed through employee wellness and employment equity strategies.
- Culture and mindset change. As an employer designated in terms of the Employment Equity Act (Act 55 of 1998), Senqu Municipality is under a legal obligation, in terms of section 20(1) of the Act

to develop an Employment Equity Plan for a period not less than a year but not more than five years. Employment Equity Plan 2017/2022 has been adopted by the Council. It will be redone in the 2022/23 financial year.

- Labour relations. Constructive Workplace Relationships contribute to the achievement of common goals such as safety, efficiency and productivity, quality customer service, job satisfaction and career opportunities. A constructive approach will help to minimise industrial disputation and promote innovative issue resolution. Participative negotiation can provide a climate for facilitating resolution and delivering balanced results.
- Organisational design & transformation.
  - Ensure fair and objective Policies and Procedures based on generally accepted and applicable Organisational Development Principles and Processes. Organisational Restructuring and/or Transformation.
  - The Municipality in the interest of social stability and justice, will make every endeavour to ensure continued employment of employees during Organisational and Functional Reorganisation and Redesign by accommodating them (displaced employees) in reasonable alternative positions when available and possible. This will be subject to the approved Placement Principles.
  - Goal – To adopt a Transformation Management Policy Framework and related Systems and Functions that will institutionalise the necessary Organisational Development Transformation Management Culture and Organisational Capacity; and
  - To pro-actively and effectively lead and guide, with the commitment of the Senqu Municipality 's Leadership, Management, Stakeholders and employees, Organised Labour, any Organisational and Technological Transformation required to deliver on the Council's Vision.

Implementation of the WSP means an annual compilation of the organisation's prioritised training needs based on the IDP. This is done by the SDF. The goals of the annually adopted WSP are to capacitate staff members by implementing training interventions based on identified needs and to comply with the skills development act. This is done by budgeting for training and reclaiming funds from the relevant SETA.

In order for training to occur the Training Committee makes recommendations to the necessary structure to approve the following:

- Bursaries for unemployed - The Committee makes recommendations for the Municipal Manager to approve. For staff training programmes and bursaries, the approval is done Director Corporate Services. After the implementation of trainings programmes, the SDF compiles a report for the training committee members for notification
- Internships are pre-approved by Director Corporate Services and approved by

## Municipal Manager

- Trainees get selected through the normal recruitment and selection processes of the Municipality

A training policy and study bursary policy have been adopted by Council and the aim is to develop the knowledge, skills and attitudes of all municipal employees, set out the roles and responsibilities of those involved in training and lastly to assist financially disadvantaged employees to finance their own training and development. Ultimately this will ensure the optimum utilization of human resources at all levels of the organisation and contribute to the personal aspirations of the individual.

HR policies consist of the recruitment and selection policy, the leave policy, bursary policy, remuneration policy, promotions and transfer policy, travel and subsistence policy, standby and overtime policy, relieving allowance policy.

Annually a skills audit is done and a WSP developed and adopted by Council. A training committee also assists in prioritising training. However due to lack of financial resources, the WSP is seldom completed on an annual basis. Training conducted for the 2016/17 financial year was conducted at the cost of R 1 048 597 for employees and R 115 181 for unemployed. 123 employed persons were trained and 14 unemployed. 2017 – 18 training budget was R 2 426 720.20 and unemployed R 20 000. In 2018/19 the planned budget for was R 3 410 031.00 that was adjusted to R 3 116 807.00 with total expenditure until 30 April 2019 was R 2 658 265.36. 10 people were trained in 2019/20, 2 Internal auditor, 2 Cllrs and 1 Speaker, 1 HOD, 1 Acquisitions Manager, 1 Auditor, 1 Clerical Supervisor and 1 Employee Services. The budget was R 2 391,657 but R 692 000 was spent due to having to do training virtually. More training interventions of about 80 different courses are being planned for the 2021/2022 FY. Most of these were completed online. 121 persons were trained in civil and electrical engineering, office administration, management, commerce, financial management, record and store keeping, environmental management, and occupational skills such as truck driving. The planned budget for 2022/23 is R 1 949 169 for the employed and R 1 288 000 for the unemployed.

Total Planned Training Beneficiaries								
LGSETA Strategic Focus Area	Municipal Key Performance Area	Main IDP Priority Linked to Key Performance Area	Female - Employed	Male - Employed	Total	Female - Unemployed	Male - Unemployed	Total
Enhancing Good Governance, Leadership and Management Capabilities	Good Governance and the linking of democracy	Promote a culture of Good Governance	18	8	26	93	72	165
Promoting Sound Financial Management & Financial Viability	Municipal Financial Viability and Management	Implement appropriate Financial Management systems to ensure the continued growth and viability of the Municipality	7	7	14	0	0	0
Enhancing Infrastructure and Service Delivery	Basic Service Delivery and Infrastructure Development	Develop and maintain appropriate and economically run infrastructure.	10	72	82	0	0	0
Enhancing Municipal Planning	Municipal Transformation and Institutional Development	Promote a culture of performance excellence.	12	5	17	0	0	0
Promoting Spatial Transformation and Inclusion	Sustainable Local Economic Development	Promote a conducive environment to stimulate economic development.	0	0	0	0	0	0
<b>Totals</b>			<b>47</b>	<b>92</b>	<b>139</b>	<b>93</b>	<b>72</b>	<b>165</b>

All training programmes that are being implemented for Staff and Councillors are linked to the IDP objectives and they are aligned with staff functions. As a result, they are able to perform their

duties in a more effective and efficient manner.

## **7. Internal Control Procedures**

All Councillors and Administrative Staff were provided with copies of the code of conduct and were also workshopped on the Code. If the Code of Conduct is not adhered to by either staff or Councillors, disciplinary action is being instituted. Cases of a disciplinary nature were dealt with in the past year as per the Labour Relations Act. Most disciplinary cases deal with cases of absenteeism, drunk on duty and late coming.

## **8. Record Keeping & Information Technology**

The Council has approved the Records Management Policy, Central Registry Manual and Access to Information Manual during its Council Meeting held on the 27 March 2013 which regulates the access to information. Furthermore, with the assistance of the Provincial Archivist from Department of Sports, Recreation, Arts and Culture training was conducted on the 12 June 2013 to the municipality's employees on the following aspects:

- ❖ Archival legislation and the role of Provincial Archives and Records Services
- ❖ Roles and responsibilities of users in File Plan implementation
- ❖ Importance of good record keeping practices
  
- ❖ Identification and care of different categories of records
- ❖ Allocation of reference numbers in correspondences
- ❖ Records maintenance
- ❖ Understanding the logic of the file plan

The Municipality has recently engaged a service provider to keep expired files off site in order to ensure the safety of municipal records

The IT Manager ensures that the IT policy is followed and that all staff members sign the policy acknowledging their role in keeping the municipal IT system safe from intruders. In addition, the server room is kept locked at all times. The disaster recovery plan is being implemented with servers off site and constant upgrading of fire walls and antiviruses. However, the Municipality does suffer with loadshedding and power surges crashing switches and servers. To counteract this, power surge protectors and a solar system backup is in the process of being installed.

ICT has many policies as are detailed below:

ICT Corporate Governance Framework adopted in 2017 that includes :

- ICT Governance Charter
- ICT Strategy
- ICT Internal Audit Plan
- ICT Disaster recovery Plan



- ICT Management Policy
- Municipal Corporate Governance of ICT (MCGICT) Policy
- ICT Data Backup and Retention Policy
- ICT Operating Systems Security Policy
- ICT Project and Portfolio Management Policy
- ICT Risk Management Policy
- ICT Security Controls Policy
- ICT SLA Management Policy
- IT User Access Management Policy
- ICT Corporate Governance Framework

#### Other Policies

- ICT Bring your own device (BYOD ) Policy (adopted 2018)

ICT Security Policies (adopted 2017) includes the following policies:

#### Change Management

- Patch Management
- Privacy
- Network Access
- Server Hardening
- Account Management
- Administrative & Special Access
- Physical Security
- Security Training
- Portable Computing
- Password
- Acceptable Use
- Virus Protection
- Vendor Access
- Network Configuration
- Electronic Mail
- Software Licensing

The disaster recovery plan is being implemented. The plan provides for the recovery of those systems which support critical business functions and processes. These have been identified during a business impact analysis stage and business impact analysis report. The plan provides a structure and an action plan to be used in the timely recovery of the Municipality's critical applications' processing environment. The objective of the Plan is to recover the critical applications' processing environment within 48 hours following a disaster.

The offsite Cloud Server has a communication link to the SENQU frame relay network. Back-up media drives are created and stored off-site at a secure site specified by the Senqu Municipality.

In a disaster scenario, the Disaster Operations Teams relocates to a temporary Command Center to organise the recovery effort, and the other Teams relocate to the recovery site, where a communication link is established from recovery site to the SENQU frame relay network. Links are also established from recovery site to the business partner locations. Back-up media drives should be shipped from the secure site to the recovery site, where the Recovery Teams restore the critical environment

## **9. Protest Actions**

No staff protest actions were held in the previous & current financial year. No community protest actions occurred either. Mitigating measures are as follows:

- There is a Strike Management Committee (which sits only when there is a protest action)- comprised of Corp Services Director/MM, LR & HR Practitioner, 1 Cllr & organised labour rep.
- There is Essential Services Agreement
- Provisions prescribed in the LRA, Act 66 of 1995 (ss 64 – 77) are / will be followed.

## **10. Legal Services**

The Manager HR and Legal Services maintains a litigation register that is constantly updated. A quarterly report is sent to COGTA. A panel of legal services has been engaged to deal with the cases that arise. Most legal cases are around illegal land occupation, illegal erection of structures and defending the Municipality in tender awards that are being contested.

## **11. Institutional Cohesion**

The Municipality runs wellness days to promote institutional cohesion. A netball and soccer team have been developed to play at the SALGA games as well as play against other sector departments and municipalities. In addition, the induction programme is also tailored to make employees feel part of the institution and promote institutional cohesion. Internal newsletters also help promote institutional cohesion. The Directorate Corporate Services has completed a survey to gauge employee's satisfaction which reflects dissatisfaction with employeeworking conditions. A plan has been developed to target the areas of dissatisfaction identified.

## **CHAPTER SIX: GOOD GOVERNANCE & PUBLIC PARTICIPATION**

### **1. IDP Process Plan**

#### Introduction

Senqu Local Municipality has developed the IDP and Budget in accordance with the requirements as set out in the Local Government: Municipal Systems Act (MSA) 32 of 2000, the Local Government: Municipal Planning and Performance Management Regulations 2001 and the Municipal Finance Management Act 56 of 2003.

### **2. Adopted Process Plan**

The MFMA Act 53 of 2003 (S21 1b) states that the Mayor must at least 10 months before the start of the budget year table in the Municipal Council a time schedule outlining key deadlines for the preparation, tabling and approval of the Budget and the Integrated Development Plan. The process plan was adopted on 30 July 2021. The Process Plan outlines the programme to be followed and provides details on issues specified in the Act.

The Local Government: Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000 and Municipal Finance Management Act 56 of 2003 are specific to municipalities and are the key legislation for the development of the IDP. Other national sector legislations also contain various kinds of requirements for municipalities to undertake planning.

Some important National and Provincial guiding plans and policy documents for the IDP include the Medium-term Strategic Framework, the National Spatial Development Perspective (NSDP), the National Development Plan, the new Growth Path, the Eastern Cape Provincial Spatial Development Plan (ECPSP), the Eastern Cape Provincial Growth and Development Plan (ECPGDP) and the Ukhahlamba (now Joe Gqabi) District Growth and Development Summit (GDS).

### **3. IDP Process**

The IDP Process is a continuous cycle of planning, implementation and evaluation. Institutional arrangements and roles and responsibilities The development of the IDP and Budget involves Municipal Officials, Councillors as well as stakeholders/actors outside the Municipality.

Institution	Role & responsibility
Council	Approves, adopts the IDP and budget  Participates in M&E
Executive Committee	Decides on the Process Plan.  Manages, co-ordinates and monitors the process and drafts the IDP and budget
IDP Manager	Drafting and co-ordination of the IDP process on a day to day basis
IDP and Budget Steering Committee	Provides technical expertise for the drafting of the IDP and budget
IDP Representative Forum	Provide community needs and priorities and indigenous knowledge.  Act as a M&E mechanism

#### Other actors

ACTORS	ROLES AND RESPONSIBILITIES
Ward Councillors/Ward Committees (assisted by CDWs)	<ul style="list-style-type: none"> <li>• Major link between municipality and residents</li> <li>• Link the planning process to their wards or constituencies</li> <li>• Organize public consultation and participation</li> <li>• Represent the ward at the IDP &amp; Budget Representative Forum</li> <li>• Analyse ward-based issues, determine priorities, negotiate and reach consensus.</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Represents interests, contribute knowledge and ideas to the Representative Forum</li> <li>• Inform interest groups, communities and organizations</li> <li>• Analyse issues, determine priorities, negotiate and reach consensus</li> <li>• Participate in designing project proposals</li> <li>• Discuss and comment on the draft IDP</li> <li>• Monitor performance in implementation</li> <li>• Conduct meetings with groups, communities, etc. to prepare for and follow-up on relevant planning activities.</li> </ul>

#### **4. Mechanisms for community and stakeholder participation**

One of the main features about IDP and Budget Processes is the involvement of community and stakeholder organizations in the process. This is done through the:

- IDP Representative & Public Participation Forum known as the IPPF to verify and add data
- District Municipality's Rep Forum to ensure that local priorities are adequately reflected on the District's IDP
- Ward Councillors and ward meetings to keep communities informed about the IDP progress (including Ward Committees and CDWs)
- Annual reports on municipal progress
- Mayoral outreaches
- Making the IDP document available to all units and in public places for public comments
- Municipal website.
- Radio broadcasts
- Local newspaper advertorials
- Municipal newsletters

English is used as a language of governance however in community meetings languages that are spoken in that community are used. Officials are responsible for arranging venues and transport for all wards to all meetings. Transport is arranged for Traditional Leaders, Designated Groups and Ward Committees at the cost of the municipality. The delay in the local government elections which were in November 2021 has delayed the implementation of the IDP & Budget process plans

#### **5. Mechanisms and procedures for alignment**

The IDP Manager (Municipal Manager) and the Manager IPED of Senqu Municipality are responsible for ensuring smooth co-ordination of the IDP process and its alignment with the District's IDP through bilateral discussions with affected sector departments and neighbouring Municipalities as well as IDP representative Forums. Inter-Governmental Forums such as the Joe Gqabi District IDP Representative Forum are also used to ensure that beneficial alignment of programmes and projects do occur.

Table 45: Detailed IDP and budget action plan

	<b>Activity</b>	<b>Purpose</b>	<b>Responsibility</b>	<b>Time frame</b>	<b>Progress</b>
1.	IDP and Budget Steering Committee	To ensure that management and political leadership agrees on the draft IDP and budget timeframes	Manager IPED BTO	19 July 2021	Done
2.	Integrated Participatory Planning Forum	To discuss IDP Review process	Manager IPED Manager IGR	22 July 2021	Not done. Meeting postponed
3.	Present draft IDP Process Plan to Council for adoption	Guide development of 2021-2022 IDP Review	Manager IPED	30 July 2021	Done
4.	Adopt Process Plan	To guide the planning, drafting, adoption of the IDP and budget Establish committees and consultation forums for the IDP and Budget process	Council	30 July 2021	Done
5.	Publish and make known Process Plan (i.e. key activities and deadlines)	Inform public of the process to be followed in developing the IDP	Manager IPED BTO	6 August 2021	Done
6.	Public engagement consultation	Consult local communities on their development needs and priorities. This will be done on a ward by ward basis with the ward committees and Councillors	Manager IPED & IGR Public Participation Ward Councillors	6 August – 15 November 2021	Not done as outgoing Council went into early recess and there was some resistance
7.	Integrated Participatory Planning Forum	Finalise issues raised in the outreach with Communities	Manager IPED Manager IGR	16 November 2021	Did not meet as outgoing Council was in recess
8.	Departmental Strategic sessions	Departments meet and devise 5-year priorities, targets and programmes based on NDP and community needs where necessary	HOD's	22 – 30 November 2021	Changed to February 2022
9.	Municipal Strategic Session	Municipal Top Management and Ex-Co meet to discuss vision, mission, strategy, objectives and targets for 5 years. Define municipal objectives, strategies, objectives, targets and budget proposals.	DTPS & OMM	6 - 10 December 2021	Moved to 14 -19 February 2022
10	IDP & Budget Steering Committee	To look at the cost of the programme's vs available funding	Manager IPED BTO	14 December 2021	Moved to 26 February 2022
11.	Draft Annual Report	Draft Annual Report to be completed.	Director D&TPS	17 January 2022	No change
12.	Report on mid-year and performance assessment	Evaluate performance of the municipality to guide future decisions as well as for the new financial year	Municipal Manager to report to Executive Committee	22 January 2022	No change

	<b>Activity</b>	<b>Purpose</b>	<b>Responsibility</b>	<b>Time frame</b>	<b>Progress</b>
13.	Council	Council notes the mid-year report and draft annual report	Director Corporate Services	31 January 2022	No change
14.	Meeting with Provincial Treasury	Midyear engagement	CFO	February 2022	Done 10 March 2022
15.	Advert for comments on draft Annual report	21-day comment period on annual report	Manager: Governance & Compliance	1 – 22 February 2022	No change
16.	Alignment meeting	Meeting between sector departments and the Municipality to align projects and strategies	BTO Manager IPED Manager Governance & Compliance	15 - 16 February 2022	Done 16 March 2022
17.	IDP & Budget Steering Committee Meeting	To meet and finalise budget proposals, incorporate information from the Strategic session and adjustment budget	Manager IPED BTO	25 February 2022	Held 26 March 2022
18.	Audit Committee	To finalise oversight report on draft Annual report	Audit Committee Chairperson	28 February 2022	No change
19.	Special Council Meeting	To approve adjustment budget	Municipal Manager CFO	28 February 2022	No change
20.	Integrated Participatory Planning Forum	To meet and discuss draft IDP and budget	Manager IPED	9 March 2022	Held 22 March 2022
21.	Alignment Meeting	To meet and discuss high level SDBIP	Manager IPED BTO Manager Compliance	15 & 16 March 2022	11 April 2022
22.	IDP & Budget Steering Committee	Compile draft high level SDBIP	Manager IPED, Manager Governance BTO	22 March 2022	Held 24 March 2022
23.	Council	Mayor presents draft IDP, Budget and high level SDBIP to Council. Mayor presents final Annual report to council	Mayor	31 March 2022	No change
24.	Advert for draft IDP and Budget. Advert for final Annual report adoption	Advert for comment period to appear on website, municipal notice boards and in newspapers from 8 April to 6 May 2022. Draft IDP & Budget loaded on website	BTO Manager IPED Manager Compliance & Governance	8 April 2022	Done
25.	Submission of draft IDP & Budget	To submit draft IDP and Budget to DLG&TA, Prov & Nat Treasury	BTO Manager IPED	8 April 2022	Done
26.	Departmental SDBIP sessions	To draft departmental SDBIP's	Departments HOD's	1 – 11 April 2022	Done
27.	Meeting with Provincial Treasury	Benchmark engagement	CFO	April 2022	Done 7 April 2022

	<b>Activity</b>	<b>Purpose</b>	<b>Responsibility</b>	<b>Time frame</b>	<b>Progress</b>
28.	Public outreach and comments	Meet communities and receive inputs and comments on the draft budget and IDP	Executive Committee Manager IPED Manager IGR	8 April – 6 May 2022	Mayor had ratepayer meetings on 11,12,May 2022
29.	IDP & Budget Steering Committee	To finalise SDBIP and PMS targets	CFO Manager IPED	11 May 2022	Held 20 May 2022
30.	Alignment Meeting	To align strategies and projects and budget with PMS targets	Manager IPED BTO Manager Compliance	13 May 2022	Held 25 May 2022
31.	Integrated Participatory Planning Forum	To discuss PMS targets	Mayor Manager IPED	17 May 2022	Held 24 May 2022 but cancelled due to poor attendance
32.	Table municipal budget and revised IDP	Consolidate plans for delivery of services and attainment of the development trajectory of the Municipality	Mayor	31 May 2022	Tabled 30 May 2022
33.	Advert of IDP and budget adoption		Manager IPED BTO	10 June 2022	Met
34.	Final IDP to MEC and IDP summaries printed. Final Budget submitted	Submit final IDP and Budget to DLG &TA, Prov & Nat Treasury. Final IDP & Budget to go on website	Manager IPED BTO	10 June 2022	Met 9 June 2022
35.	SDBIP to Mayor	Mayor receives a draft of the SDBIP and annual performance agreements required by s 57(1)(b) of the MSA	Municipal Manager	28 June 2022	
36.	Mayor approves SDBIP and ensures annual performances contracts are drafted according to law.	Mayor must approve SDBIP and ensure that annual performance contracts are concluded in accordance with s 57(2) of the MSA	Mayor	15 July 2022	
37.	SDBIP to Council	SDBIP given to Council for approval	Mayor	27 July 2022	
38.	SDBIP made public	SDBIP made public. Put on website	Manager Compliance and Governance	5 August 2022	



## 6. IDP Assessment

The IDP Assessment highlighted some issues for the Municipality as per the MeC's assessment. Under KPA 1: Service Delivery:

- The municipality must budget for roads maintenance and reflect this in the IDP. This has been done
- The Municipality must develop a rural Roads asset register management system. This has not been done as this is done between JGDM and DoT at a Provincial level. Senqu has confirmed this with the local DoT office.
- The Municipality must establish an Integrated Community Safety Forum. This has not been done. The Municipality requires assistance with the formation of this forum from the Department of Safety and Liaison.
- The Municipality must develop and adopt an Integrated waste management plan endorsed by the COGTA and DEDEA MeC. The Municipality will do this in the 2022/23 financial year.
- The Municipality must expedite the approval of its draft disaster management plan and develop and adopt disaster management bylaws. The Municipality is seeking assistance from JGDM to ensure that its plan is correct and can be adopted. Disaster Management bylaws can only be developed and adopted once the plan has been adopted.

KPA 2: Financial planning

- The Municipality must adopt a repairs and maintenance plan. This had been done but not reflected in the document. It is now reflected.
- The Municipality must spend all its capital budget. The Municipality has increased its expenditure but the stoppage of tender approvals hampered its ability to spend.

KPA 3: LED

- The Municipality must set levels for enterprise development. This will be done in the final LED strategy but it is still a draft presently
- The Municipality must show how it will attract investment into the township economy. This has been done but the Municipality does not agree with the blanket approach envisaged for township economies

KPA 4 Good governance

- The Municipality must consider engaging in inter municipal planning programmes. The Municipality is not averse to this as is shown by its participation in the One plan development

KPA 5:

- The Municipality must reflect on compliance on OHS in the IDP. This has been done

Table 46: Previous IDP Assessment

KPA	Rating 2016/17	Rating 2017/18	Rating 2018/19	Rating 2019/20	Rating 2020/21	Rating 2021/22
Spatial Development Framework	High	High	High	High	High	High
Service delivery	High	High	High	High	Medium	High
Financial Viability	High	High	High	High	High	High
Local Economic Development	High	High	High	High	High	High
Good governance & public participation	High	High	High	High	High	High
Institutional Arrangements	High	High	High	High	High	High
Overall Rating	High	High	High	High	High	High

## 7. Public Participation

### 7.1. Public Participation Framework/Strategy

The Public Participation Framework/ as been reviewed by the section. The framework/policy outlines the roles and responsibilities of all stakeholders in public participation as well as the mechanisms for undertaking public participation. These include the guidelines for public events that must be followed as well as the processes that members of the public must follow if they wish to submit grievances or complaints.

### 7.2. Challenges and intervention for public participation

- Geographical

The Municipal area consists of 17 wards with many villages. Due to the mountainous terrain and the lack of infrastructure development during the homeland period, the road network is poorly conceived and as a result, villages, which should be directly connected are normally connected through rerouting to a main road.

- Infrastructure

Due to the vastness of the terrain, it is difficult to find a central meeting spot in the ward which is accessible to all by foot and has a facility large enough to accommodate all residents. The Municipality has ensured that all wards at least have one community hall.

- Education levels

It is an ongoing process to educate the community about local government so that they can participate in an effective and efficient manner

- Traditional leaders

The municipality has made a concerted effort to ensure that traditional leaders are included in all

public participation events and in Council activities but this is not happening due to their elections which have not yet occurred.

- Communication

Due to the vastness of the area and mountainous terrain telecommunication networks are limited with the result that it is difficult to communicate with communities due to lack of telephone and email networks.

- Financial

Although a budget is set aside for public participation under the IDP and budget vote, it is not enough as it is expensive to cater for the transport and food that is required for all these occasions. However, departments also have operational budget for their public participation occasions.

- Sustainability

Many community-based organisations do not have a long-life span due to in fighting or inactivity by members

- Apathy

Members of the public do not feel the need to participate in government processes due to a variety of factors

### 7.3. Stakeholder Communication Strategy

The Municipality has a communication strategy which identifies and outlines which and how to communicate with stakeholders. It was adopted on the 27<sup>th</sup> March 2013. A new strategy was developed and adopted on 30 May 2022.

The adopted communication strategy relies on Ward Councillors, CDW's and the Executive Committee to ensure that information reaches the public. Other methods such as posters, loudhailers and the local radio station Ekepini and newspapers are used to keep the community informed. However due to financial constraints and the poor accessibility and poor network coverage of the region, some communities struggle to access information. Social media is also utilised now such as WhatsApp and Facebook.

The Communications Officer has been trained on website management so that the municipal website will be continually updated and remain relevant. Monthly newsletters are printed and distributed as well as quarterly newsletters. Outreaches on specific issue will occur on to ensure that the community are informed .

The Municipality has increased the amount of funding that it has given to the communication section. As a result of this funding the municipality has improved its public address system and bought a public loudhailer system for vehicles and Councillors. Public notice boards are located centrally in the wards and a tent.

A stakeholder register has been developed for the IPPF which is updated annually. This is attached as Annexure 3. The IPPF assists the municipality in its efforts to increase the effectiveness and efficiency of public participation by mobilising stakeholders.

#### 7.4. Ward Committees

Ward committees have been recently formed for the 17 wards in March 2022. 17 Ward Committees have been formed. Meetings will be held on a quarterly basis per ward and officials from the Public Participation Unit attend and take minutes at these meetings. Complaints and issues raised in the meetings are then escalated to Customer Care section where these are then further escalated to relevant Departments within the municipality or relevant sector departments and followed up by Customer Care Officials to ensure that issues are speedily resolved. The District Municipality has not contributed to the functioning of the ward committees as the Municipality has sufficient capacity.

Ward Committees are chaired by the Ward Councillors and consist of up to ten elected members. The purpose of the committees is to broaden participation in the democratic process of Council and to assist the Ward Councillor with organizing consultation, disseminating information and encouraging participation from residents in the ward. The Ward Committees gather information from the communities during the IDP process which are forwarded to the IDP and Budget Steering Committee for consideration in the budget process.

In addition, problems identified by the ward committees are forwarded to the Corporate Standing Committee for resolution by the responsible Department head. These then get elevated in this way to the Executive Committee and ultimately Council through attachments in the agenda of these meetings. Officials responsible for ward committees then feedback Council resolutions to the Ward committees through IPPF meetings. Ward committees and Councillors are also utilised to mobilise ward members for outreaches. In this way both the administration and the political arm of the Municipality are aware of issues raised by Ward committees.

The Municipality created new ward plans in January and February 2022. These were completed and then rechecked by all villages to ensure that they contained the correct information. Funding has also been allocated on an annual basis to compensate ward committee members for their time but the suggested stipend amount from national treasury will not be met due to the financial constraints of the Municipality.

Table 47: Current Wards and villages

Ward	Villages
Ward 1	Walaza, Ndefela, Mbobo, Bikizana, Qhimirha (5)
Ward 2	Gwadana, Kwa-Gcina, Ndingishe, Storomo, St Michaels, Mzimtsha, Lower Nquthu, Upper Nquthu, Nketlana, Rooiwal, Dryhoek area, Storomo, Mdantsane, Sigini, Mzimtsha, Kwalimi and Telle, St Theresa, Dulciesneck (19)
Ward 3	Mmusong, Ekra, Hohobeng, Makalakaleng, Qoboshane (5)
Ward 4	Mfinci, Penhoek, Boomplaas, Lower Bebeza, Upper Bebeza, Makhumsha, Mabele, Dangershoek, Nomlengana (9)

Ward 5	Ntabamhlope, Sdakeni, Mission, Gaudi, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha, Gcobho, Qolweni (14)
Ward 6	Majuba, Ndungunya, Hillside, Bultfontein, Rietfontein and Mlamli
Ward 7	Thaba-Lesoba, Masaleng
Ward 8	Vergenoeg, Mokhesi, New Rest, Dontsi, Kromspruit
Ward 9	Lepota, Nquba, Jovelani, Voyizana and Hinana
Ward 10	Sterkspruit Town, Makhetheng, Zwelitsha Mountain view, Extension1, Jordan Green field RDP and Tienbank
Ward 11	Ntsimekweni, Zintatyaneni, Dibinkonzo, Bluegums, Meyi, Skhisazana Bamboespruit
Ward 12	Manxeba, Hlomendlini, Esilindini, Magadla
Ward 13	Khiba, Nlandla, Orange, Sakhile, Mdweni, Zava, Thaba-koloi, Nkopane, Mndlokovana, Coville, Mbonisweni, Naledi and RDP (Herschel)
Ward 14	Khwezi Naledi, Lady Grey town, Transwilger
Ward 15	Rhodes, Barkly town, Nkulelko
Ward 16	Fairview, Zola, Rossouw, Boyce Nondala
Ward 17	Tapoleng, Jozanasnek, Sunduza, Bensonvale and Jozanashoek. Magwiji, Masekeleni
	Source: Municipal Demarcation Board 2021

#### 7.5. Traditional Leadership

The Municipality is committed to meeting with Traditional leaders to find solutions to the problem of acquiring sufficient land for development outside town boundaries. Traditional leaders are normally represented in Council and at all standing committees but they will only be elected in July 2023. The Municipality is experiencing some resistance from certain Traditional Leaders but in general the relationship between the Municipality and Traditional Leaders is good. Traditional Leaders have also increased their participation in municipal planning forums such as the IPPF as well as Standing Committees and Council.

### 8. Social Cohesion

The Municipality has several social cohesion programmes. These involve door to door campaigns whereby the municipality and sector department target certain areas and run campaigns on problems being experienced in that area such as child headed households. A plan is then formulated to resolve these issues and all stakeholders state their commitment to resolving these issues.

The Municipality has resuscitated the Mayoral Cup whereby all sports codes participate in their codes and the winners receive prizes and cups. The Youth festival was also launched in March 2013 whereby the youth are encouraged to showcase their talents in song and art. These had become annual events with the latest Mayoral Cup in April 2018. The Mayoral Cup will resume on an annual basis commencing in 2022.

The municipality participates in community policing forums in order to unite stakeholders to fight against crime. The municipality also forms part of the moral regeneration programme of the Presidency.

All of these programmes and public participation forums together assist in providing platforms whereby

people can meet and discuss their differences and problems. This dialogue leads to nation building as people begin to realise that there is more that unites them than divides them.

The Municipality has IGR structures such as the IPPF whereby sector departments are engaged with in order to find solutions to service delivery issues. In addition, special meetings are arranged for departments to meet outside the IPPF. Sector departments (national and provincial) are also engaged with through Munimec and the District IGR structures such as DIMAFO. Sector departments are also contacted throughout the year to respond on community queries as well as participate in public participation programmes. In addition, engagement with provincial and national departments is facilitated through the Joe Gqabi District IGR structures such as the various committees like governance and administration which are attended by the municipality and the IDP Rep Forum.

The Municipality also participates in all SALGA structures where it can meet and discuss issues with other municipalities. These structures facilitate inter municipal planning. The Municipality is not currently engaged in any project which requires that it forges close linkages with other Municipalities. This has however happened in the past whereby the Municipality has assisted the now defunct Gariep municipality financially. In addition, the District DIMAFO structure provides a space for all Mayors and Municipal Managers to meet and discuss on issues which affect the District as a whole. Other relevant District forums are also attended by the Municipality such as the District Support Team, and Communicators Forum. There is no formal inter-municipal planning except for water, sanitation and road infrastructure which is discussed through the Water Forum and District Roads Forum.

## **9. Other Public Participation Forums and Players**

9.1. IDP Representative & Public Participation Forum (Integrated Participatory Planning Forum IPPF)  
This forum meets at least four times a year to discuss progress achieved on implementation as well as to give direction around the needs and requirements of the future as contained in IDP. The forum is chaired by the Mayor and is constituted by various government departments, interested parties, organised groups, CBO's, Ward committees and NGO's. Sector department participation is poor though. These 2 meetings have now been combined with the Round table meeting to form an IPPF which meets quarterly.

### 9.2. Community Development Workers (CDW's) & War rooms

CDW's are another resource which the Municipality utilises in order to improve public participation. They attend Ward Committee Meetings regularly and also participate in Public Participation Meetings in LM. They also attend other meetings of the LM they are invited to, e.g., SPU meetings etc. They are an important method of improving municipal engagement with communities.

War rooms are another forum at ward level which will be revived to act as another IGR forum and a way to monitor municipal and sector department projects and programmes.

### 9.3. Economic Development Forum

This forum meets on a quarterly basis and consists of all stakeholders involved in LED. They meet to discuss issues and challenges relating to the implementation of LED and the LED Strategy. It is chaired by a Portfolio Councillor.

### 9.4. Communicator's Forum

This forum meets quarterly to discuss issues pertaining to communicators in the region. It consists of local municipal communicators, GCIS and media representatives. Meetings are sometimes combined with IPPF.

## **10. Complaints & Fraud Management**

The Municipality has a Community Care Officer who mans the Presidential Hotline as well as regular liaising with Ward Councillors and Ward Committees to ensure that they are kept abreast of any developments and complaints originating in their wards. The Officer contacts the necessary department with the complaint and then monitors it to ensure that it is resolved.

The section has installed a complaints hotline which will be run by interns. In addition, the section runs annual customer satisfaction surveys as well as implementing the customer charter which outlines the level of service which customers can expect from the municipality. The complaint management system is electronic. The Customer Care Officer enters the complaint into the system and assigns it to the responsible official to deal with. If the Official fails to deal with the complaint, the system after a set amount of time refers it to their superior until it eventually lands up with the Municipal Manager. The system is in the process of being implemented. Complaint boxes are also placed in all community halls and at Municipal Offices. The Municipality has an adopted customer care charter and policy which outlines how complaints should be dealt with. This is contained in Annexure 4.

The Municipality adopted its fraud prevention plan in December 2008. The plan outlines what is fraud, a code of conduct for employees and Councillors, procedures for reporting fraud and lastly protection of the whistle-blowers. The plan also outlines the policies and procedures that the municipality must implement in order to prevent fraud like supply chain management. The Internal and External Audit as well as the Audit committee are mandated to expose any evidence of fraud.

Most of the recommendations of the plan have been implemented and all employees are inducted about the Code of Conduct. The fact that Senqu has managed to receive an unqualified audit for 7 years indicates that the fraud prevention plan is effective. A few fraud cases have been dealt with in the past but they have been handed over to the SAPS and are now in the legal system.

## **11. Audit & Other Committees**

### **Audit Committee and Audit Action Plan**

The Municipality does have a functional and effective audit committee. The Audit committee is an oversight committee of the council. The committee fulfils its mandate through the use of the internal audit unit.

As one of its responsibilities, the audit committee oversees the internal audit unit and ensure that it approves an annual and / or three-year internal audit plan to guide the operations of the internal audit unit. The Audit Committee submits its quarterly meeting dates to the council for approval and ensures that these meetings do take place.

The Chairperson of the Audit Committee reports on the performance of the internal audit unit and the audit committee at the ordinary council after every quarterly audit committee meeting in accordance with the audit committee charter. The Chairperson of the Audit Committee also prepares an audit committee report on the Auditor General's Audit Report for submission to the MPAC and for inclusion to the Annual Report.

The Committee meets to discuss the annual plan/charter of the internal audit unit. A charter was developed. The quarterly performance reports from the departments are also discussed in this committee. The Audit committee has an audit committee charter (ACC) which was approved by the council which guides its operations and this charter is reviewed every year.



The following are the audit opinions for Senqu Municipality for the past few years from 2012/13 financial year to date.

Table 48: Audit opinions

2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/2020	2020/2021
Unqualified	Clean	Clean	Clean	Clean	Clean	Clean	Clean	Clean

The audit issues raised by the AG in the Management report are around the solid waste sites which are not fully legislatively compliant but the Municipality is busy rectifying these agents.

The AG’s recommendations on both the audit report and management report are populated in the audit action plan where corrective actions, start implementation date and final implementation date as well as the responsible department or section is indicated. The audit action plan is then used by the responsible individuals in order to ensure that corrective actions are being implemented immediately. The manager of the responsible department then monitors the implementation of the audit action plan every month.

At the end of every quarter, the coordinating Manager obtains the quarterly progress made on the implementation of corrective actions and submit the status to the Accounting Officer as a monitoring tool. The internal audit unit also requests this quarterly progress on the implementation of the corrective actions from the manager in the Municipal Manager’s office, conduct their reviews in order to validate the credibility of the progress which is being reported to the Accounting Officer and issue an audit report to the management and presents the report to the audit committee in line with the approved annual internal audit plan for oversight.

The internal audit unit comprises of the following individuals:

The Chief Audit

Executive (CAE);1 x

Internal Audit

Supervisor;

1 x Senior Internal

Auditor; and 2 x

Internal Audit Interns

The internal audit unit has an internal audit charter which is reviewed every year and approved by the audit committee as well as the risk based annual operational internal audit plan which is approved by the audit committee.

The Chief Audit Executive reports at every quarterly audit committee meeting on the implementation of the annual operational internal audit plan, reviews the plan as and when necessary and resubmit it to the audit committee for approval.

The Municipality continues to implement the OPCAR (operation clear audit report) reporting template that monitors corrective matters undertaken to the prior year audit as well as PAF (preparation audit file) which sets in place the framework for all information to be collected for the 2021/22 financial year's audit. The municipality prepares an electronic audit file under the direction of the Chief Finance Officer. The order of documentation is placed in the order of financial statements as indicated in GRAP and hyperlinked to relevant line item of the financial statements. Furthermore, the Audit Action team consisting of key role-players in the audit is to continue its work to coordinate, resolve problems and share resources to continue with the improved audit results

#### Section 80 Committees

The only section 80 committee in Senqu is the Executive Committee, which sits monthly comprising of the Mayor, Chief Whip and Portfolio Councillors. This is because Senqu has an Executive Committee system. The Executive Committee has 5 sub committees each headed by a Portfolio Councillor. These are Technical Services, Finance, DTSPS, Community Services and Corporate Services.

#### Section 79 Committees

- MPAC Committee

The MPAC Committee was set up to improve the oversight role of Council. It meets to discuss all issues related to oversight as well as develop the oversight report for Council on an annual basis. The Committee

has 7 Councillors. The committee meets quarterly.

- Mandate Committee
- Remuneration Committee
- Strategic and Governance Committee
- Ethics Committee

## **12.Other Committees**

### IT Steering Committee

This Committee consists of officials from every department and discusses issues relating to IT. This includes the purchasing of software and hardware as well as problems being experienced with the expansion or current usage of the IT system. It meets quarterly.

### Budget & IDP Steering Committee

This committee meets according to the annual IDP and budget process plan. It consists of top management officials from each department, Municipal Manager, Mayor and the Finance Portfolio Councillor. It is headed by the Finance Portfolio Councillor and discusses issues relating to the budget and IDP.

### Top Management Meeting

This meeting is chaired by the Municipal Manager which meets quarterly and discusses issues pertinent to the administration. It is comprised of all Directors and Managers.

### Senior Executive Meeting

The meeting comprises of all Directors and is chaired by the Municipal Manager. It sits monthly.

### Performance Audit Committee

This Committee meets to evaluate the performance of the municipality and S56 employees on a quarterly basis. It consists of the members of the Audit Committee. This is because the Municipality is small and does not require another committee for the purposes of performance issues only.

### Risk Management Committee

There is a Risk Management Committee of which Provincial Treasury forms part. A risk register is compiled annually and updated quarterly. The risk compliance officer is placed in DTSP.

## Supply Chain Committees

Senqu has three committees viz the Specification, Evaluation and Adjudication Committee. The Specification Committee ensures that the specifications are correct and in line with scm legislation and approves them for tender advertisements. The Evaluation Committee evaluates bids once tenders have closed and forwards their recommendations to the Adjudication Committee. The Adjudication Committee makes the final decision on all tenders except for tenders above R 10 million. These tenders go for deliberation of the Municipal Manager. All committees meet as per their Council approved schedule unless special meetings are required.

## HR Committees

HR has several committees.

- Local Labour Forum which consists of selected management, Finance and Corporate Services Portfolio Councillors and the labour Unions to discuss labour issues
- Training Committee to discuss the implementation and development of the WSP
- Employment Equity Committee to discuss recruitment and selection based on EE principles
- Placement committee which meets on an adhoc basis to discuss issues relating to the organisational structure
- Occupational Health and Safety Committee which discusses issues relating to the health and safety of officials and the buildings.

## **13.Special Groups**

The Municipality has an SPU Officer. Portfolio Councillors for each area have been allocated from the Executive Committee

### HIV and AIDS

An Officer is responsible for HIV and Aids co-ordination in the municipality. An HIV and Aids Council co-ordinates HIV and Aids activities in the region. The Council has developed an HIV & Aids mainstreaming policy which has been adopted by Council 27 March 2013. HIV and AIDS ward Committees headed by Ward Councillors have been launched in every ward. Council has also adopted a HIV and AIDS strategy for the Municipality.

### Youth Council

The Youth Forum has just been reformed and a youth strategy and plan developed for the coming years. A ward youth committee has been launched for every ward. The municipality is increasing its funding to provide for youth projects and ensure that more youth are assisted to find employment through the youth database. The municipality is committed to channeling all job advertisements and bursaries funded by various departments through to Ward Councillors for distribution to the youth. An annual Youth festival is held.

#### Elderly Forum

The Municipality has a Forum which implements an annual plan based on activities for the elderly and promoting anti elderly abuse.

#### Women Forum

A women empowerment forum exists led by a Portfolio Councillor from the Executive Committee. A plan is done on an annual basis. The idea behind the forum is to ensure that women are empowered to take advantage of economic opportunities in the region. A ward-based women committee has been launched for every ward.

#### Persons with Disabilities

Persons with a disability have their own forum, known as the Disabled Forum which like the others develops and implements an annual plan based on programmes to promote awareness and recognition for people with disabilities. A database has been developed to indicate disability types so that sector departments may utilise it to increase the level of employment amongst people with disabilities.

### **14. Mainstreaming and access to economic opportunity**

The Municipality's sector plans all acknowledge the fact that the Senqu population is youthful with a high degree of unemployment. In recognition of this the municipality's infrastructural projects sets youth targets in respect of youth, women and disabled. The municipality also tries where possible to implement job intensive projects. It is experiencing difficulty in promoting people with disabilities as the database of disabilities is not updated. In addition, most projects in the municipality tend to involve physical labour which excludes most type of disabilities. The poor educational facilities in the area for the disabled also precluded people from many types of work as they do not have the necessary work skills to engage in any decent work opportunities. Council adopted a mainstreaming strategy on the 27 March 2013.

## CHAPTER SEVEN: WARD PRIORITIES AND PROJECTS

### WARD PRIORITIES

#### Ward: 1

Villages: Walaza, Ndofela, Mbobo, Bikizana, Qhimirha (5)

Ward Councillor: Thuliswa Mbane

Issue	Location	2022	2023	2024	2025	2026
Water	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X				
Access roads	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha-eHlathini, access roads to ploughing fields Bikizana, Ndofela	X Ndofela	X Bikizana			
Telecommunications network poles	Qhimirha, Bikizana, Mboleni, Emavundleni, Ndofela	X Qhimirha Bikizana, Ndofela	X			X
Electricity	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X				
Sanitation	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha		X			
Bridges	Edwaleni					
Pedestrian bridges	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X Bikizana		X		
Housing	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha		X Mbobo		X	
Local economic development – Livestock support (Rams and feed	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha, youth employment Mbobo, irrigation Bikizana	X	X	X	X	X
Fencing of cemeteries and ploughing fields	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X Qhimirha, ndofela			X	
Renovation of schools and pre-schools	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha		X Qhimirha	X		

Issue	Location	2022	2023	2024	2025	2026
Construction of a clinic	Ndofela, Mbobo, Walaza	X Mbobo	X	X Walaza		
Provision of a mobile clinic	Walaza, Ndofela, Mbobo, Bikizana, Qhimirha	X	X	X Walaza	X	X
Stock dam	Mbobo, Bikizana	X Bikizana				
Sportsfield	Mbobo, Ndofela	X Ndofela				
Community Hall	Qhimirha, Walaza			X Walaza		
Sports field (net and poles)	Bikizana, projects, sports ground for youth – Walaza					
Scholar transport from Bikizana to Maskhane						
Cemeteries	Ndofela					
Agriculture	Ndofela	X Ndofela				
Services	Mobile police station – Ndofela	X Ndofela				
Old age home	Ndofela		X Ndofela			

## Ward 2

Villages: Gwadana, Kwa-Gcina, Ndingishe, Storomo, St Michaels, Mzimtsha, Lower Nquthu, Upper Nquthu, Nketlana, Rooiwal, Dryhoek area, Storomo, Mdantsane, Sigini, Mzimtsha, Kwalimi and Telle, St Theresa, Dulciesneck (19)

Ward Councillor: Pulane Mmele

ISSUE	LOCATION	2022	2023	2024	2025	2026
Shearing shed	Kwa-Gcina, Ndingishe, Storomo, Mzimtsha	X				
Dipping tank	Ndingishe, St Michaels, Mzimtsha	X				
Pre-schools	Nquthu Village, St Theresa, St Michaels, Mzimtsha, Kwa-Gcina, Storomo	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Community Hall	Kwa-Gcina, St Michaels, Mzimtsha (paypoint), paypoint Dulciesneck	X				
Recreation Centre	Storomo, Kwa-Gcina, Mzimtsha, St Michaels, Ndingishe	X				
Housing	St Michaels, Nquthu Village, St Theresa, Kwa-Gcina, Ndingishe, Storomo, Mzimtsha	X				
Access road	St Michaels, Kwa-Gcina, Ndingishe, Sginqini, Culverts (Gcina)	X	X	X	X	
Speed humps	Dulciesneck, Gcina					
Water	St Michaels, Nquthu Village, St Theresa, Kwa-Gcina, Ndingishe, Storomo Mzimtsha, tanks Storomo, renovation of springs Gcina, water tanks Gcina, water tanks Ndingishe	X	X	X	X	x
Sanitation	St Michaels, Nquthu Village, St Theresa, Kwa-Gcina, Ndingishe, Storomo (toilets) Mzimtsha	X	X	X	X	x
Provision of electricity	St Michaels, Nquthu Village, St Theresa, Kwa-Gcina, Ndingishe, Storomo Mzimtsha, FBE paraffin Mzimtsha, electricity for water pumps Gcina	X	X	X	X	X
Cemeteries	Fencing Mzimtsha, fencing Gcina					
Clinic	Mzimtsha, Gcina					
Services	Post office Mzimtsha					
Network pole	Mzimtsha, Gcina (wifi), Ndingishe					



ISSUE	LOCATION	2022	2023	2024	2025	2026
Community care centre	Dulciesneck					
Skills training	Dulciesneck, Storomo, job opportunities (Gcina & Ndingishe), business park hub Ndingishe					
Bridge	Between Ngxingweni and Mission					
Agricultural	Tractors Storomo					
Play ground	Storomo					
Services	Post Office Storomo					
Clinic	Gcina					
Sports	Stadium/ sportsfield renovation Gcina					
Street lights	Gcina					

### Ward: 3

Villages: Mmusong, Ekra, Hohobeng, Makalakaleng, Qoboshane (5)

Ward Councillor: Samuel Ntlwatini

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Mmusong, Ekra, Hohobeng, Makalakaleng, Qoboshane (Maintenance)	X				
Provincial road	Hohobeng					
Water	Mmusong, Ekra, Hohobeng, Makalakaleng, Qoboshane, spring protection Ekra, water tanks Makalakaleng	X				
Telecommunication network pole	Mmusong, Ekra, Hohobeng, Makalakaleng, Qoboshane	X				
Pre-school	Mmusong, Ekra, Hohobeng, Makalakaleng, Qoboshane	X				
Housing	Mmusong, Ekra, Hohobeng,	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
	Makalalakeng, Qhoboshane					
Sanitation	Mmusong, Ekra, Hohobeng, Makalalakeng, Qhoboshane	X				
Community Hall	Mmusong, Ekra, Hohobeng, Makalalakeng, Qhoboshane	X				
Abattoir	Mmusong	X				
Dams	Mmusong, Ekra, Hohobeng, Makalalakeng, Qhoboshane	X				
Clinics	Mmusong, Ekra, Hohobeng, Makalalakeng, Qhoboshane	X				
Bridge	Ekra, Hohobeng, Musong, extension of a bridge Qoboshane					
Stormwater	Musong, Qoboshane, Makalalakeng					
Sport	Football poles					
Streets	Qoboshane					
Pedestrian bridge	Qoboshane, Makalalakeng					
Shopping centre	Makalalakeng					

**Ward: 4**

**Villages:** Mfinci, Penhoek, Boomplaas, Lower Bebeza, Upper Bebeza, Makhumsha, Mabele, Dangershoek, Nomlengana (9)

Ward Councillor: Mzwandile Mbijekana

ISSUE	LOCATION	2022	2023	2024	2025	2026
Telecommunications network pole	Upper Telle	X				
Access roads	Mabele Makhumsha, Bebeza, Penhoek and Mkunyazo (Construction),	X				
Water	Mabele Makhumsha, Bebeza, Penhoek and Mkunyazo	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Housing	Mabele, Makhumsha, Bebeza, Boomplaas, Penhoek, Mkunyazo		X			
Provision of electricity	Mabele Makhumsha, Bebeza, Penhoek and Mkunyazo	X				
Sportfields	Mabele Makhumsha, Bebeza, Penhoek and Mkunyazo	X				
Local economic development	Mabele Makhumsha, Bebeza, Penhoek and Mkunyazo		X			
Construction of traditional leader and Councillor offices	Makhumsha				X	

**Ward: 5**

Villages: Ntabamhlope, Sdakeni, Mission, Gaudi, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha, Gcobho, Qolweni (14)

Ward Councillor: Zuziwe Mnisi

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Ntabamhlophe, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X				
Water	Ntabamhlophe, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Sport fields	Ntabamhlophe, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X				
Housing	Ntabamhlophe, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha		X Ntabamhlophe, Mission, Zingxengele, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X Kugqobho, Nondungu		X
Shearing shed	Ntabamhlophe, Mission, Zingxengele, Phelandaba, Mkunyazo, Maqolwaneni		X Phelandaba, Mkunyazo, Maqolwaneni	X Ntabamhlophe		
Fencing of new cemeteries and access to cemeteries	Ntabamhlophe, Gaudi, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba (cemetery behind shop at Thafeni), Emaqolwaneni & Qolweni, Ntubeni & Thaba Bosiu (new cemetery)	X	X			
		Ntabamhlophe & Sdakeni, Gaudi, Mission, Zingxengele, Kugqobho, Nondungu, Phelandaba, Emaqolwaneni & Qolweni				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Provision of scholar transport	Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni , Rockcliff, Sjorha	X  Phelandaba, Rockcliff, Sjorha				
Clinic	Zingxengele (mobile), Mkunyazo, Maqolwaneni (mobile)		X  Phelandaba (mobile)	X  Zingxengele, Kugqobho, Nondungu, Mkunyazo, Maqolwaneni		
Provision of ambulances	Ntabamhlophe. Mission, Zingxengele, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X  Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni		X		
Local economic development – Provision of tractors and seeds	Ntabamhlophe, Zingxengele, Mission, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha	X  Ntabamhlophe, Zingxengele, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni,	X  Mission	X		

ISSUE	LOCATION	2022	2023	2024	2025	2026
		Rockcliff, Sjorha				
Local economic development – job creation agricultural project	Ntabamhlophe (youth projects & CWP), Mission (CWP, replace EPWP workers), Zingxengele (youth projects), Kugqobho, Nondungu (youth skills development, CWP), Phelandaba, Mkunyazo, Maqolwaneni , Rockcliff, Sjorha (youth skills, CWP)	X  Ntabamhlophe, Zingxengele, Kugqobho, Nondungu , Phelandaba, Mkunyazo, Maqolwaneni , Rockcliff, Sjorha (youth skills, CWP)			X	
Agriculture	Mission (dipping tank & sales pen with electricity, filling in of dongas), Zingxengele (livestock feed, dipping tanks, donga erosion), Kugqobho, Nondungu (fill in dongas), Phelandaba(sales pen), Mkunyazo (fill in dongas)					
Local Art Centre	Mission, Kugqobho, Nondungu, Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff, Sjorha		X Phelandaba, Mkunyazo, Maqolwaneni, Rockcliff , Sjorha		X Mission	

ISSUE	LOCATION	2022	2023	2024	2025	2026
Paypoints	Mission					
Electricity	Ntambhlophe (FBE and new houses), Zingxengele (FBE, loose ESKOM lines), Phelandaba (FBE, loose ESKOM lines),Mkunyazo ( FBE )					
Sanitation	Ntabamhlophe (emptying of toilets), Zingxengele (toilets), Mkunyazo (toilets), Maqolwaneni (emptying of toilets)					
Anti drug programmes	Ntabamhlophe (drugs amongst youth)					
Bridge	Kugqobho (bridge has collapsed), Phelendaba (bridge Kuzingqayi and Ncandeni), Mkunyazo, Maqolwaneni (bridge from EsiSchengeni to Ntubeni)					
Community hall	Mkunyazo, Maqolwaneni					
Pre-school	Mkunyazo					
Network pole	Rockcliff, Sjorha					

**Ward: 6**

Villages: Hillside, Ndungunya, Majuba, Bultfontein, Rietfontein, Mlamli, Hoita (7)  
Ward Councillor: Mzuvelile Mbutyu

ISSUE	LOCATION	2022	2023	2024	2025	2026
Pedestrian bridge	Hillside, Ndungunya, Majuba	X	X	X		
Housing	Rietfontein, Majuba, Bultfontein  Hillside  Mlamli		X			
Water	Majuba, Ndungunya  Bultfontein  Hillside  Rietfontein  Mlamli	X				
Paypoint Hall	Rietfontein, Bultfontein, Ndungunya  (Community hall )Rietfontein			X		
Access roads	Hoita, Feyane, Majuba, Bultfontein including bridges, Ndungunya, Rietfontein, Mlamli, graveyard access roads (Mlamli)			X		
Sanitation	Emptying of toilets -All villages, toilets - Rietfontein	X				
Tar Road	Ward 6					X
Solar	Hillside					



ISSUE	LOCATION	2022	2023	2024	2025	2026
Forestry	Hillside					
Job creation	CWP, Majuba, working for water, cutting of stones					
Agriculture	Fields -Majuba, fencing (landcare) - Bultfontein, dipping tank and kraal and race for inoculations, shearing shed- Mlamli, agricultural development					
Provincial road	515					
Electricity	Bultfontein					
Clinic	Mobile, Rietfontein					
Pre-school	Vuyulethu funding and caring (Bultfontein), creche renovation Mlamli					
Sportsgrounds	Ndungunya, Mlamli					
Youth centre	Mlamli					

**Ward: 7**

Villages: Thaba Lesoba, Macacuma (2)

Ward Councillor: Zandisile Mangcipu

ISSUE	LOCATION	2022	2023	2024	2025	2026
Construction of Qoqoyi Bridge	Thaba Lesoba	X				
Access Road	Thaba Lesoba, Macacuma (blading)		X			

ISSUE	LOCATION	2022	2023	2024	2025	2026
	and furrow)					
Housing	Thaba Lesoba, Macacuma	X				
Water	Thaba Lesoba, Macacuma	X				
Renovation of Nyathela High School	Macacuma				X	
Youth Development	Thaba Lesoba, Macacuma	X				
Sanitation	Thaba Lesoba, Macacuma		X			
Building of traditional leaders offices	Thaba Lesoba, Macacuma		X			
Provision of electricity	Thaba Lesoba, Macacuma		X			
Centres for the physically challenged and old age homes	Thaba Lesoba, Macacuma			X		
Speedhumps (from junction to Mbihlp						
Wifi	Macacuma					
Bus shelters along the road	Macacuma					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Fields for the youth and job creation	Macacuma					

**Ward: 8**

Villages: New Rest, Kromspruit, Mokhesi (3)

Ward Councillor: Kholiwe Mpiti-Xhelesha

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	New Rest – Construction (paving),	X	X	X	X	
	Kromspruit – paving		X			
	Mokhesi – extension of tar road	X	X			
	Maintenance – all villages					
High mast lights	Mokhesi, New Rest, Kromspruit	X	X			
Sport fields	Construction in Mokhesi, Kromspruit and maintenance of Patrick Shibane Stadium.		X	X		
Housing	Kromspruit, Mokhesi and New Rest	X	X			
Dipping tank	Kromspruit, New Rest	X				
Provision of electricity	Kromspruit, Mokhesi	X				
Shearing shed	Kromspruit, New Rest	X				
Clinic	Kromspruit, New Rest			X	X	
Construction of a high school	New Rest			X		
Construction of a junior primary school	Kromspruit			X		
Construction of a reservoir	Mokhesi	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Construction of youth development centres and parks	All villages	X				
Construction & renovation of community halls	New Rest and Kromspruit Mokhesi renovation	X	X			
Pre-schools	All villages	X	X			

**Ward: 9**

Villages: Lepota, Ngquba, Hinana, Joveleni, Voyizana (5)

Ward Councillor: Dumisani Somsila

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Kromspruit, Lepota, Ngquba, Mlamli	X				
Water	Kromspruit, Lepota, Ngquba, Mlamli	X				
Housing	Hinana, Joveleni	X				
Land care	Kromspruit, Lepota, Ngquba, Mlamli, Hinana, Joveleni,		X			
Community Halls	Hinana, Joveleni, Lepota		X			
Skills development	Kromspruit, Lepota, Ngquba, Mlamli, Hinana, Joveleni		X			
Cemeteries	Voyizana, Lepota, Joveleni, Hinana			X		
Construction of a clinic				X		
Dipping tank	Lepota, Ngquba, Hinana, Joveleni,				X	

ISSUE	LOCATION	2022	2023	2024	2025	2026
Local Economic Development - Machinery for stone cutting	Ngquba		X			
Sanitation	All new extensions			X		

**Ward: 10**

Villages: Sterkspruit town, Tienbank, Makhetheng , Zwelitsha Mountain View, Extention1, Jordan Green field RDP (6)

Ward Councillor: Simon Mfisa

ISSUE	LOCATION	2022	2023	2024	2025	2026
Water	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha	X				
Electricity	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha, Sterkspruit CBD	X				
Access roads	Tienbank, Makhething, Greenfield, Mountain View, Zwelitsha, Sterkspruit CBD, Paving – Boxer street (Sterkspruit), Between Boxer and HUTA Spares to Metro building, resurface and completion of all paved extension 1 streets, Paved road from AFM church Zwelitsha		X			
Community hall	Makhetheng, Greenfield		X			
Pre-school	Mountain View, Greenfield		X			
Street lights	Tienbank, Makhetheng, Mountain View, Greenfield, refurbish of electrical line and high mast light Extension 1, street lights Greenfields,		X			

ISSUE	LOCATION	2022	2023	2024	2025	2026
	(street lights) Zwelitsha					
Traffic Congestion	Address traffic congestion through access roads e.g access road near Caltex garage					
Storm water	Extension 1 & CBD					
Sanitation	Connection of houses to main sewer line (Ext 1), waterborne sewerage Ext 1, toilets Greenfields					
Cemetery	Extension 1, fencing of graveyards (Tienbank)					
Waste Management	Waste site Ext 1					
Animal pound	Tienbank					

**Ward: 11**

Villages: Kwa-Meyi, Skisizana, Bluegums, Bamboespruit, Ntsimekweni, Ezintatyaneni, Dibinkonzo (7)

Ward Councillor: Themba Nonjola

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Kwa-Meyi (registration of gravel road Skisizana), access road to agricultural project Skisizana to be maintained  Bluegums  Speedhumps Bluegums  Bamboespruit  Maintenance Cemetery road Bamboespruit	X	X			
Provision of water and sanitation to village extensions	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit Fix windmill Bamboespruit  Toilets cemetery	X	X			

ISSUE	LOCATION	2022	2023	2024	2025	2026
	Bamboespruit					
Provision of electricity	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit FBE (paraffin for the elderly) Bamboespruit	X	X			
Provision of Disaster houses and RDP houses	Blue Gums, Skisazana, Ntsimekweni, Dibinkonzo, Ezintatyaneni, Bamboespruit  RDP houses  Skisizana  Bluegums  Bamboespruit	X	X			
Telecommunications network pole	Bluegums  Bamboespruit	X	X			
Provision of free WIFI		X	X			
Bridge	Pedestrian & motor bridge (Skisizana) Pedestrian bridge KwaMei to Bluegums Entsimikweni reconstruction					
Clinic	Skisizana, Bamboespruit, Entsimikweni					
Cemeteries	New grave site Skisizana. Maintenance of graves due to soil erosion Skisizana Fence graveyards Bamboespruit					
Sportsfield	Maintenance Skisizana, Bamboespruit, Entsimikweni					
Town Planning	Newtown development for youth skill development and					

ISSUE	LOCATION	2022	2023	2024	2025	2026
	new industrial area Bluegums, Entsimekweni					
Community Hall	Bamboespruit					
Agricultural Infrastructure	Dip (Bamboespruit), stock dams (Bamboespruit) (Entsimekweni) tannery for leather projects, fixing dongas (Entsimekweni)					
LED	Mining for coal, sandstone project, quarry					
Services	Post office					
SAPS	Police Station					
Community hall	Entsimikweni					

**Ward: 12**

Villages: Hlomendlini, Esilindini, Magadla, Manxeba (4)

Ward Councillor: Busaphi Duba

ISSUE	LOCATION	2022	2023	2024	2025	2026
Access roads	Jozana's Hoek, Hlomendlini, Esilindini, Magwiji, Jozana's Nek, maintenance -Magadla (replacement of culverts – Hlomendlini), speed humps R 58 Esilindini	X				
Provision of water	Jozana's Hoek, (windmill – Hlomendlini, Esilindini) Hlomendlini, Esilindini, Magwiji, Jozana's Nek, Magadla, windmill Manxeba	X				
Construction of a high school	Magadla, Hlomendlini, Manxeba			X		
Telecommunications	Jozana's Hoek, Hlomendlini, Esilindini,				X	



ISSUE	LOCATION	2022	2023	2024	2025	2026
network pole	Magwiji, Jozana's Nek, Magadla					
Construction of a clinic	Esilindini, Magadla, Manxeba					X
Shearing shed	Jozana's Hoek, Hlomendlini, Manxeba, Magwiji, Jozana's Nek, Magadla		X			
Provision of water and sanitation	All village extensions	X				
Housing	Jozana's Hoek, Hlomendlini, Esilindini, Magwiji, Jozana's Nek, Magadla		X			
Disaster houses	Jozana's Hoek, Hlomendlini, Esilindini, Magwiji, Jozana's Nek, Magadla	X				
Local economic development	Jozana's Hoek, Hlomendlini, Esilindini, Magwiji, Jozana's Nek, Magadla, project for youth Manxeba	X				
Sportsfield	Soccer -Magadla, Hlomendlini, Esilindini, soccer fidel for school and youth Manxeba					
Storm water	Mountains - Magadla					
Electricity	Magadla, Manxeba					
Agricultural infrastructure	Dip-Magadla, Hlomendlini (cattle), Esilindini, tractor and bulls Esilindini, dip					

ISSUE	LOCATION	2022	2023	2024	2025	2026
	Manxeba, shearing shed Manxeba					
Cemeteries	Fencing – Magadla, Hlomendlini, Esilindini					
Bridges	Bridge to Frans, bridge and new culvert Manxeba					
Community hall	Manxeba					
Pre school	Manxeba					
Park for children	Manxeba					

**Ward: 13**

Villages: Khiba, Coville, Nkopane, Mdlokovane, Thaba-koloi, Hershel, Naledi, Zava, Orange, Mbonisweni, Ndlanla, Sakhile, Mdweni (13)

Ward Councillor: Melisizwe Kafilé

ISSUE	LOCATION	2022	2023	2024	2025	2026
Provision of water	Khiba, Coville, Orange, Mbonisweni, Herschel, Naledi, Zava, Thabakoloi, Nkopane, Mdlokovana	X				
RDP houses	Orange, Thabakoloi, Coville, Mdlokovana, Hershel, Naledi					
Access roads	Khiba, Coville (place gravel heaps so can use to fix access roads on their own), Mbonisweni, Herschel, Naledi, Zava, Thabakoloi, Nkopane, Mdlokovana, Orange (gravel road to RDP houses and v drain and to graveyard), Naledi (speedbumps on main road)	X				

ISSUE	LOCATION	2022	2023	2024	2025	2026
Sanitation	Orange (sewerage to be fixed and new toilets), Hershel (sewerage), Naledi (fixing of toilets)					
Electricity	Orange, Coville (preschool oot Dalukhanyo needs electricity), Mbonisweni, Mdlokovana (street lights)					
Cemeteries	Fence (Orange), Thaba Koilo (fence and cleaning ), Mbonisweni, Naledi (fencing)					
Construction of a clinic	Khiba, Coville (Nurses to do home visits to elderly and take chronic medication), Mdlokovana( mobile clinic)	X				
Provision / Construction of a police station (satellite)	Herschel, Mdlokovana (mobile police station)	X				
NYDA/SEDA Offices	Required in Lady Grey					
Local economic development	Khiba, Coville (registration of businesses), Mbonisweni( rebuilding of cornichnight & tourism, traditional games), Herschel (ATM), Naledi, Zava, Thabakoloi, Nkopane, Mdlokovane, Orange	X				
Pre-school	Mbonisweni, Naledi (requires a pre-school)					
Community Hall	Mbonisweni, Hershel					
Scholar transport	Coville (Grades R -7)					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Provision of free WIFI to schools	Khiba, Coville, Mbonisweni, Herschel, Naledi, Zava, Thabakoloi, Nkopane, Mdlokovane	X				
Park	Orange, Thaba Koloji					
Agriculture	Thaba Koloji (Fence fields and stock dams), rebuilding of dam (Nongongomani , Mbonisweni, Mdlokovana (fencing of fields and dams)					
Playgrounds and sports field	Orange, Thaba koloji (netball and soccer poles), race course at Mbonisweni, Naledi (Sport field upgrade and netball court)					
Library	Mbonisweni, Thaba koloji (structure of a library)					
Network pole	Mdlokovana, Hershel					
Solid waste site	Hershel					
Post Office	Hershel					
Gender based violence	Naledi					

**Ward: 14**

Villages: Lady Grey town, Kwezi Naledi, Transwilger, Steve Tshwete (4)

Ward Councillor: Thinjiwe Dumzela

ISSUE	LOCATION	2022	2023	2024	2025	2026
Water / Dam	Lady Grey as a whole especially Top, Railway and Emikukweni	X				
Community Hall	Steve Tshwete			X		
Construction of a new bridge	Steve Tshwete		X			
	Transwilger	X				
	Khwezi-Naledi	X				
Provision of a recreation facility	Transwilger					X
Development of municipal-owned land for residential use	Lady Grey Residential and church sites	X				
Improvement of sanitation	Railway, Top, Hillbrow, Polar Park, Ezantsi Kwesikolo (Transwilger & Khwezi -water borne sewerage		X			
Access roads	Paving of access roads Steve Tshwete, Railway, Emikhukhwini, Transwilger	X				
Housing	Transwilger, Khwezi-Naledi, Top Location, Edgar 50 RDP, Ezantsi Kwesikolo, Emikhukhwini, Railway		X			
Fencing of graveyards	Transwilger & Khwezi					
Lighting	High mast lights – Steve Tshwete and Transwilger. Street lights Schreiner and Atwell Streets Electrical connections – Top and Railway					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Park	Park for children – Transwilger					
Speedbumps	Khwezi, Town and Transwilger					
Elderly day recreational centre	Transwilger					
Stormwater	All areas					

**Ward: 15**

Villages: Barkly East Town, Nkululeko, Rhodes, Percivale barn, Nkululeko and Tantalion Barn  
Ward Councillor: Mahlubandile Phuza

ISSUE	LOCATION	2022	2023	2024	2025	2026
Paving of streets	Nkululeko Township	X				
Housing	Nkululeko Township		X			
Provision of land for building houses for the middle class	Nkululeko Township	X				
Eradication of the bucket system	Zola, Zinyoka, Part of Rhodes	X				X
Skills development	Nkululeko and Rhodes	X				
Support for NPOs, NGOs and SMMEs	Nkululeko and Rhodes		X			
Community Development Centre	Nkululeko and Rhodes		X			
Provision of security to all municipal assets	Nkululeko and Rhodes	X	X	X	X	X
Shearing shed	Nkululeko and Rhodes		X			

**Ward: 16**

Villages: Boyce Nondala, Lulama Hlanjwa, Rossouw, Fairview, Nkanini, Nozicikwana  
Ward Councillor: Mlifi Mshasha

ISSUE	LOCATION	2022	2023	2024	2025	2026
Land for purchase for residential sites	Boyce Nondala Location, Lulama Location, Fairview, middle income Nkamimi	X				
Land for agricultural use	Lulama					
Multipurpose Centre	Barkly East Town		X			
Access roads	Boyce Nondala Location, speedhumps Fairview	X				
Provincial roads	Rossouw					
Local economic development	Enterprise development for SMMEs  Hawkers stalls (fairview, boyce)	X				
Alignment of all sector service plans	Boyce Nondala and Lulama Locations	X	X	X	X	X
Job creation	Barkly East, Boyce Nondala and Lulama Locations, Rossouw, fairview, support for LED project (car washes)	X	X	X	X	X
Eradication of bucket systems in all informal settlements	Ramaphosa and Nkanini	X	X			

ISSUE	LOCATION	2022	2023	2024	2025	2026
Implementing a system of easy access by sporting clubs to all sports facilities	Barkly East, sportsfield -Fairview, recreational facility for kids – Nkamimi (day care)	X	X	X	X	X
Cellphone network	Rossouw					
School	Rossouw, scholar patrol (Lulama)					
Pre-school	Rossouw Boyce Nondala					
Clinic	Rossouw, Fairview Lulama Boyce Nondala Nkamimi					
Pedestrian bridge	Fairview to Lulama					
Water	Rossouw Nkamimi					
Sanitation	Rossouw Nkamimi					
Recreational facility	Playground for kids (Fairview)					
Community hall	Fairview Boyce Nondala Nkamimi					
Services	Home Affairs					
Old age Home	Lulama					
Signage	Scholar crossing					
Street lights and high mast lights	Boyce Nondala					
Irrigation scheme	Boyce Nondala					



ISSUE	LOCATION	2022	2023	2024	2025	2026
Sports facility	Boyce Nondala					

**Ward: 17**

Villages: Sunduza, Bensonvale, Tapoleng, Magwiji, Masekeleng, Jozanasnek, Jozanashoek (7)

Ward Councillor: Akhona Mvelase

ISSUE	LOCATION	2022	2023	2024	2025	2026
Provision of electricity	Sunduza, Jozana's Nek, (new houses) Jozana's Hoek, Bensonvale RDP houses), Tapoleng, Magwiji, Masekeleng	X	X	X	X	X
Access road	Fix access road, replace culverts and drains at Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng, new streets Bensonvale, road to Tapoleng JSS needs repair	X	X	X	X	X
Provincial road	Tar road from Sterkspruit to Jozanna dam, Jozanasnek, fix road and culverts and pipes to Sunduza					
Job creation	Provide gravel for EPWP to fix roads and start CWP at Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng, Magwiji, Masekeleng	X	X	X	X	X
Sports fields	Netball and soccer fields - Sunduza, Jozana's Nek, Jozana's Hoek, Bensonvale, Tapoleng,	X	X	X	X	X

ISSUE	LOCATION	2022	2023	2024	2025	2026
	Magwiji, Masekeleng					
Water	FBW –(Emagwiji), Tapoleng Down, Masekeleng, Ekonozini, Kwabomvana, Emagogoneni, Estopini, Jozannashoek, Water Magwiji RDP houses, water at Bottom Tapoleng as not any in the area	X	X	X	X	X
Housing	Emagwiji, Tapoleng Down, Masekeleng, Ekonozini, Kwabomvana, Emagogoneni, Estopini, Jozannashoek, Fix cracks and paint RDP houses Bensonvale	X	X	X	X	X
Scholar transport	Bensonvale, Magwiji to Mzomhle SSS	X	X	X	X	X
Sanitation	Jozannashoek					
Services	Old age home Jozannashoek, drug rehab centre Jozannashoek, skills training centre Magwiji					
Education	Fix school, toilets and playground and access road Jozannashoek, Permanent structures at Magwiji JSS, need school Jozanas Nek, Tapoleng JSS needs library, kitchen, toilets and flooding assistance to stop flooding					
Jozanna dam Project	Complete project					
Land rehabilitation	Dongas Jozannashoek, Jozannas neck, Magwiji					
Cemetery	New Jozannashoek, fence old cemetery Jozannashoek					

ISSUE	LOCATION	2022	2023	2024	2025	2026
Agriculture	Fence fields and start agricultural projects like chickens Jozannasnek, comercialise agricultural projects at Sunduza, tractor Bensonvale, shearing shed fenced and equipment and wool improvement programme Tapoleng bottom					
Health	Mobile clinic Jozannasnek, clinic Jozanasnek					
Creche	Improve conditions Jozannasnek					
Stormwater	Trenches at Sunduza, Magwiji to stop water from mountain flooding houses					
Bridge	Jozannas Nek, pedestrian bridge Jozannas Nek, bridge from Sunduza to Joveleni fields, Replace bridges at Magwiji					
Network	Magwiji					

## 2. Summary of ward Based Plans

Ward based plans and priorities were compiled in 2 workshops on the 27<sup>th</sup> January and 1 February 2022. These were then taken to the wards and verified and presented at an IPPF of the 24<sup>th</sup> March 2022. In between Ward Councillors had village meetings to verify the content.

In general, all wards suffer from poorly maintained road infrastructure. The more mountainous wards suffer from poor radio, television and cellphone reception. More repeaters are required in the Municipality.

Most wards have access to water but that the water pressure is low and supply tends to be erratic. The worst affected wards are the following:

- W 3 – 2 villages
- W4 – 3 villages
- W 6 – 4 villages
- W 7 Macacuma
- W8 – 4 villages

W 13 suffers from bad water shortages.

W17- 4 villages.

Sanitation provision is good except in new extensions and where projects have yet to be completed. Ward 15 suffers from lack of toilets at Rhodes and some informal settlements in Barkly East and the usage of bucket toilets. Electricity is supplied to many except new extensions and a few houses that were built after electrification took place. Nomlengana has no electricity as the cost of erecting electricity is too expensive for the 60 households in the area. Provision will have to be made to find alternative but appropriate means to provide infrastructure.

There are 15 clinics in the area but all suffer from limited supply of medication and staff. The ambulance service runs from Maletswai and is often unavailable or takes a long time to attend to cases. There are 4 hospitals, 2 of which service Sterkspruit. Agricultural infrastructure is poorly maintained with requests for more dipping tanks and stock dams as well as fencing. Fencing of camps remains a huge priority in wards as does access to water for stock and adequate grazing. Donga erosion reduces the amount of land that is available for usage and poses a danger for those who have to traverse these dongas especially when they flood.

Stock theft is rife in some wards that border on Lesotho. Crime is high including gender-based violence . There are 5 SAPS Offices that are situated in the urban areas and their response time is hampered by lack of vehicles and poorly maintained roads. Fire services are supplied by the district municipality and one of the bases is in Lady Grey. This hampers response time for the broader rural area.

There is an increased demand for early childhood care or creches and especially suitable buildings.

## CHAPTER EIGHT: VISION & OBJECTIVES

### 1. Vision

A leading rural Municipality with a viable and modern economy.

### 2. Mission

Create decent living conditions by providing high quality services, ensuring equal access, developing and maintaining sustainable infrastructure and encouraging innovation to support local economic growth while protecting the environment.

### 3. Values

To achieve its mission, Senqu Municipality embraces the following values:

- a. People first (Batho pele)
- b. Integrity and honesty
- c. Transparency and fairness
- d. Accountability
- e. Excellence
- f. Humility
- g. Respect and tolerance for cultural diversity
- h. Discipline

### 4. Key Performance Areas and Municipal Priorities

The following Municipal priorities were identified through the municipal strategic sessions held in February 2022

NO	KPA	MUNICIPAL PRIORITIES
1	Basic Service delivery and infrastructure	Building Economic and Social Infrastructure
2	Local Economic Development	Growth of Tourism and Agricultural Sector
3	Municipal Financial Management and Viability	Revenue Enhancement
4	Municipal transformation and institutional development	Improve Institutional Capability
5	Good Governance and Public Participation	Deepen Democracy
6	Spatial rationale and environmental management	Equity to Land and Sustainable Human Settlement

For the Municipality to effectively deal with underdevelopment and poverty, the following Key

Performance Areas were identified for measurable performance within a defined framework.

1. Good governance & public participation
2. Municipal transformation and institutional development
3. Municipal financial management and viability
4. Local economic development
5. Basic Service delivery and infrastructure
6. Spatial rationale and environmental management

## 5. Alignment with District, Provincial and National Priorities

Medium Term Strategic Framework	New Growth Path	Provincial Strategic Priorities	Senqu LM & Local Gov. KPA	Outcome
<p>2. Strengthen skills and human resource base.</p> <p>8. Pursuing African advancement and enhanced international cooperation.</p> <p>10. Building a developmental state including improvement of public services and strengthening democratic institutions.</p>		<p>Strategic Priority 2: Massive programme to build social and economic infrastructure.</p> <p>Strategic Priority 4: Strengthen education skills and human resources base.</p> <p>Strategic Priority 8: Building cohesive, caring and sustainable Communities</p>	Municipal Transformation and Institutional Development	<p>Outcome 1: Quality basic education.</p> <p>Outcome 5: Skilled and capable workforce to support an inclusive growth path.</p> <p>Outcome 3: All people in SA are and feel safe.</p> <p>Outcome 9: Responsive, accountable, effective and efficient Local Government System.</p> <p>Outcome 12: An efficient, effective and development oriented public service and an empowered fair and inclusive citizenship.</p>
<p>5. Intensify the fight Against crime and corruption;</p>		<p>Strategic Priority 6: Intensifying the fight against crime &amp; corruption;</p>	Municipal Financial Viability and Management	<p>Outcome 9; Responsive, accountable, effective and efficient Local Government System</p>

Medium Term Strategic Framework	New Growth Path	Provincial Strategic Priorities	Senqu LM & Local Gov. KPA	Outcome
<p>5. Intensifying the fight against crime and corruption.</p> <p>7. Build cohesive, caring and sustainable communities.</p> <p>8. Pursuing African advancement and enhanced international cooperation.</p> <p>10, Building a developmental state including improvement of public services and strengthening democratic institutions</p>	<p>Job driver 4: investing in social, capital and public services</p>	<p>Strategic Priority 6: Intensify the fight against crime and corruption.</p> <p>Strategic priority 8: Building cohesive and sustainable communities.</p>	<p>Good Governance and Public participation</p> <p>Institutional Transformation</p>	<p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all.</p> <p>Outcome 9; Responsive, accountable, effective and efficient Local Government System. and an empowered, fair and inclusive citizenship.</p> <p>Outcome 11: Create a better South Africa, better Africa and a better world.</p> <p>Outcome 12: An efficient, effective and development oriented public service and</p>
<p>1. Speeding up economic growth &amp; transforming economy to create decent work and sustainable livelihoods;</p> <p>4. Comprehensive rural development strategy linked to land and agrarian reform &amp; food security.</p>	<p>Jobs driver 2: main economic sectors</p> <p>Jobs driver 3: Seizing the potential of new economies</p>	<p>Massive programme to build social &amp; economic infrastructure</p>	<p>Management</p>	<p>Outcome 4: Decent employment through inclusive economic growth.</p> <p>Outcome 6: An efficient competitive and responsive economic infrastructure network.</p> <p>Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all.</p> <p>Outcome 8: Sustainable human settlements and improve quality of household life.</p> <p>Outcome 10: Protect and enhance our environmental assets and natural resources</p>

## 6. Alignment with Circular 88

“Municipalities are expected to include a medium-term target for Outcome indicators for the electoral term (5th year). Following the 2021 Local Government Elections, this means that Outcome indicator targets should be set for the medium-term planning horizon: 2026/27. It should be noted that Outcome indicators will still be tracked on an annual basis in Annual Performance Reports for monitoring purposes, but that determinations of outcome ‘performance’ should be linked to medium-term target-setting for the outer year of the local government term of office (Rationalisation of Planning, Budgeting and Reporting Requirements for the 2022/23 MTREF: Addendum 3, 20 December 2021)”.

“Due to the continuing pilot process in the 2022/23 financial year, intermediate cities, district and local municipalities, will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should again find expression in a dedicated Annexure to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at the Tier 1 and 2 levels of readiness (Rationalisation of Planning, Budgeting and Reporting Requirements for the 2022/23 MTREF: Addendum 3, 20 December 2021)”.

## Energy & Electricity

Outcome	Outcome Indicators	Comments
EE1. Improved access to electricity	EE1.1 Percentage of households with access to electricity	
EE2. Improved affordability of electricity		
EE3. Improved reliability of electricity service	EE3.1 System Average interruption duration index	
	EE3.2 Customer average interruption duration index	
	EE 3.3 System average interruption frequency	
	EE3.4 System Average interruption duration index	
EE4. Improved energy sustainability	EE4.1 Renewable energy capacity available within the municipal jurisdiction as a percentage of ESKOM supply capacity to the Municipality	
	EE4.3 Road transport fuel usage per capita	
	EE 4.4 Percentage total electricity losses	

## Environment and Waste

Outcome	Outcome Indicators	Comments
ENV1. Improved air quality	ENV1.1 Metropolitan air quality index (MAQI)	
	ENV 1.2 Number of days where PM2.5 levels exceeded guideline levels	
	ENV 1.3. Percentage of households experiencing a problem with noise pollution	
ENV2. Minimised solid waste	ENV 2.1 Tons of municipal solid waste set to landfill per capita	
	ENV 2.2 Tons of municipal solid waste diverted from landfill per capita	
ENV 3. Increased access to refuse removal	ENV 3.1. Percentage of households with basic refuse removal services or better	
ENV 4. Biodiversity is conserved and enhanced		
ENV 5. Coastal resources maintained and amenities improved	ENV 5.1 Recreational water quality	
ENV 6. Climate change mitigated and adapted to	ENV 6.1 GHG emissions per capita	

## Housing and Community Facilities

Outcome	Outcome Indicators	Comments
HS1. Improved access to	HS1.1. Percentage of households living in	



adequate housing (incl security of tenure)	adequate housing	
	HS 1.3 Percentage of households in informal settlements targeted for upgrading	
HS 2. Improved functionality of the property market	HS 2.2. Rateable residential properties as a percentage of total households in the municipality	
	HS 2.3. Percentage of households living in formal dwellings who rent	
HS 3. Increased access to and utilisation of social and community facilities	HS 3.1. Square metres of municipally owned or maintained municipal outdoor recreation space per capita	
	HS 3.2. Number of community halls per 100 000 population	
	HS 3.3 Number of public libraries per 100 000 population	
	HS 3.5 Percentage utilisation rate of community halls	
	HS 3.6 Average no of library visits per library	

### Transport and Roads

Outcome	Outcome Indicators	Comments
TR1. Modal shift of weekday trips (incl. education trips) from private to public transport and NMT		Senqu Municipality is not a transport authority and these indicators do not relate to its powers and functions
TR 2. Improved affordability of public transport		
TR 3. Reduced travel time	TR 3.1 Average public transport commuting time	
	TR 3.2 Average private transport commuting time	
TR 4. Improved satisfaction with public transport services		
TR 5 Improved access to public transport (incl NMT)		
TR 6. Improved quality of municipal road network	TR6.1 Percentage of fatal crashes attributed to road and environmental factors	
	TR6.11 Percentage of unsurfaced road graded	
	TR6.12 Percentage of surfaced municipal road lanes which has been resurfaced and resealed	
TR 7. Improved road safety	TR7.1 Road traffic fatalities per 100,000 population	
	T7.2 Average number of fatalities per fatal crash	

### Water and Sanitation

Outcome	Outcome Indicators	Comments
WS1. Improved access to sanitation	WS1.1 Percentage of households with access to basic sanitation	Senqu Municipality is not a water services authority or water services provider as per its powers and functions. These
	WS1.11 Number of new sewer connections meeting minimum standards	

WS2. Improved access to water	WS2.1 Percentage of households with access to basic water supply	indicators are not applicable to it
WS3. Improved quality of water and sanitation services (revised from continuity of services)	WS3.1 Frequency of sewer blockages	
	WS3.2 Frequency of mains failures	
	WS3.3 Frequency of unplanned water service interruptions	
WS4. Improved quality of water (incl. wastewater)	WS4.1 Percentage of Drinking Water Compliance to SANS241	
	WS4.2 Wastewater quality compliance according to the water use license	
WS5. Improved water sustainability	WS5.1 Percentage of non-revenue water	
	WS5.2 Total water losses	
	WS5.3 Total per capita consumption of water	
	WS5.4 Percentage water reused	

### Fire and Emergency Services

Outcome	Outcome Indicators	Comments
FE1. Mitigated effects of emergencies	FE 1.1 Number of fire related deaths per 1000 population	Senqu Municipality is not responsible for fire services as per its powers and functions. These indicators do not therefore apply

### Governance

Outcome	Outcome Indicators	Comments
GG1. Improved municipal capability	GG 1.1 Percentage of municipal skills development levy recovered	
	GG 1.2 Top Management Stability (% of days in a year that all S56 positions are filled by full time, appointed staff not in an acting capacity, see TID for detail)	
GG2. Improved municipal responsiveness	GG 2.1 Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	
	GG 2.2 Attendance rate of municipal council meetings by all identified Traditional Leaders	
GG3. More effective city administration	GG 3.1 Audit Opinion	
GG4. Improved council functionality	GG 4.1 Average percentage of Councillors attending council meetings	
	GG 4.2 Functionality of prescribed municipal structures (as defined in Municipal Structures Act 117 of 1998)	
GG5. Zero tolerance of fraud and corruption	GG 5.1 Number of alleged fraud and corruption cases reported per 100 000 population	
	GG 5.2 Number of dismissals for fraud and corruption per 100 000 population	
	GG 5.3 Number of convictions for bribery and/or corruption by city officials per 100 000 population	
GG6. More effective poverty alleviation	GG 6.1 Percentage of all qualifying households in the municipal area classified as indigent	

## 7. Overarching Municipal goals and objectives

NO	MUNICIPAL PRIORITIES	MUNICIPAL GOALS	MUNICIPAL OBJECTIVES	KEY INSTITUTIONAL PROGRAMMES
1	Building Economic and Social Infrastructure	Basic Service Delivery Infrastructure responsive to the socio- economic needs of the Municipality and its transformation agenda	<ul style="list-style-type: none"> <li>To reduce infrastructure backlogs by 10% by 2027.</li> <li>To maintain 70% of all municipal infrastructure by 2027.</li> </ul>	<ul style="list-style-type: none"> <li>Integrated infrastructure programme aligned to the Spatial Development Framework</li> <li>Public Safety plan</li> </ul>
2	Growth of Tourism and Agricultural Sector	Developed tourism and agricultural sectors contributing to 3% sustainable local economic growth resulting in increased employment	<ul style="list-style-type: none"> <li>To grow the local economy by 3 %</li> <li>To increase employment by 2027</li> <li>To attract 2 main investments by 2027</li> </ul>	<ul style="list-style-type: none"> <li>LED Strategy</li> </ul>
3	Revenue Enhancement	Ethical management of the Municipal financial resources supported by enhanced revenue generation and collection initiatives.	<ul style="list-style-type: none"> <li>Improve revenue collection to 95% by 2027</li> <li>Improve MIG expenditure to 85% by 2027</li> <li>To increase new revenue streams by 5 % by 2027</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable financial management framework (financial management, strategic budgeting, SCM, revenue, expenditure &amp; payroll)</li> </ul>
4	Improve Institutional Capability	Agile institutional capability fully responsive to the municipal's mandate supported by functional information, knowledge, and innovation management	<ul style="list-style-type: none"> <li>To reduce turnover of technical skills by X% by 2027</li> <li>To create a knowledge and innovation hub by 2024</li> </ul>	<ul style="list-style-type: none"> <li>Talent Management Framework</li> <li>Business reengineering</li> </ul>
5	Deepening of Democracy	Effective public participation contributing to a vibrant civil society thereby strengthening oversight and deepening local democracy	<ul style="list-style-type: none"> <li>To support the development of civil society organisations for effective public participation and oversight</li> <li>To maintain the clean audit status</li> <li>To strengthen the oversight function of Council by 2023</li> </ul>	<ul style="list-style-type: none"> <li>Civil society capacity building programme</li> <li>Stakeholder engagement and Social Facilitation Program</li> </ul>
6	Equity to Land and Sustainable Human Settlement	Equity to Land and Sustainable Human Settlement	<ul style="list-style-type: none"> <li>To reduce the number of land invasion cases by 80 % by 2025</li> <li>Unlock land for development for middle to lower income earners</li> <li>To reduce the number of NEMWA</li> </ul>	<ul style="list-style-type: none"> <li>Land acquisition Plan</li> <li>Urban Redesign Plan</li> <li>Land parcels for low- &amp; middle-income earners</li> </ul>

			contraventions by 30 %	<ul style="list-style-type: none"><li>• Environmental management framework</li><li>• Integrated waste management plan</li></ul>
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## 9. Municipal Strategic Development Objectives

The detailed inputs, indicators and outputs are contained in the SDBIP and score cards.

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
<b>KPA 1: BASIC SERVICE DELIVERY</b>										
<b>TRAFFIC &amp; LAW ENFORCEMENT - BSD01</b>	Traffic Services	Building of Drivers Licence Testing Centre (DLTC)	Improve access to testing of drivers licence	To ensure that the traffic section operates effectively and efficiently	Building of DLTC in Sterkspruit	Phase 1 - Implementation - Construction of a Sterkspruit licensing centre	Phase 2 - Implementation	Project Completion	Operate and Maintain DLTC's	Operate and Maintain DLTC's
		Parking	Improved traffic flow in Sterkspruit	To ensure smooth traffic flow in Sterkspruit	Increase in number of parking opportunities	Investigate and control of mobile parking meters	Acquire land for the development of parking bays in Sterkspruit	Implementation of parking control measures	Implementation of parking control measures	Implementation of parking control measures
<b>ROADS, STORMWATER &amp; BRIDGES - BSD 02</b>	Access roads	Build new access roads	Stimulation of the Rural economy	To ensure that residents can reach the services required	To build 50 km of new access roads. 13 Km paved street and storm water channels – Lady Grey R 29 100 000 Resurface of existing paved roads and upgrading of storm water – Barkly East Town R 15 640 000 New Rest Paving R 17 683 000 Tienbank property	LG & New Rest Tienbank	LG & New Rest Barkly East	Barkly East		

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
					access R 188 000					
		Road Maintenance (Gravel and Potholes Repair at different Wards)		Improved quality of municipal road network	Percentage of unsurfaced road graded	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
					Percentage of surfaced municipal road lanes which has been resurfaced and resealed	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
		Licensing of borrow pits at different Wards.			Licensed borrow pits	Licence borrow pits	Licence borrow pits	Finalisation of the application and process completion		
	Bridges	Build and maintain bridges	Build and maintain bridges	Improved quality of municipal road network	Construction of a pedestrian bridge between Esilindini and Frans (W12) R 5 101 214,42 Renew Transwilger bridge R 1 880 000	Transwilger bridge		Pedestrian bridge		
	Stormwater	Design and construct stormwater system	Prevention of flooding	Improved quality of municipal road network	Lining, fencing and upgrading of primary storm water channel through Khwezi Naledi and upgrade of two motor bridges. R 11 640 000,00	Stormwater LG	Stormwater LG			

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
<b>INDOOR RECREATIONAL COMMUNITY FACILITIES - BSD03</b>	Community Halls	Building and upgrade of halls	Upgrade of municipal facilities	To ensure effective management and construction of indoor recreational community facilities	Construct Hershel community Hall R 893 000 Renovate Barkly East Town Hall R 8 235 320,26	Construction of Herschel Hall Renovate Barkly East Town Hall				
<b>CEMETERIES - BSD04</b>	Cemeteries	Building of cemeteries	Development of Cemeteries	To ensure effective management, construction, and maintenance of cemeteries	Construction of Cemetery in Barkly East R 5 452 000,00  Lady Grey and Herschel Cemetery Layout Plans (EIA) (W13 & 14) R 400 000	BE Cemetery Lady Grey and Herschel Cemetery Layout Plans  Lady Grey and Herschel Cemetery Layout Plans	Lady Grey and Herschel Cemetery Layout Plans			
<b>SPORTS - BSD05</b>	Sport facilities	Building and upgrade of sport facilities	Upgrade and construction of municipal facilities	To ensure effective management and construction of recreational community facilities	Construction of Blue-Gums Sportsfield R 8 000 000 Upgrading at Khwezi Naledi Stadium and fixing electricity 2 592 720,00 Upgrading of Rhodes sport field R 2 927 280,00	Blue Gums  , Kwezi naledi Blue Gums	Upgrading of Rhodes sport field  Kwezi naledi			

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
<b>LIBRARIES - BSD06</b>	Library Services	Running of library services	Provision of Public Information(Libraries)	Average no of library visits per library quarterly	Increased usage of library facilities and events	Quarterly reports on individual libraries regarding visits	Quarterly reports on individual libraries regarding visits	Quarterly reports on individual libraries regarding visits	Quarterly reports on individual libraries regarding visits	Quarterly reports on individual libraries regarding visits
<b>PARKS AND PUBLIC OPEN SPACES - BSD 07</b>	Parks & open spaces	Building and maintenance of parks & open spaces	To improve the living environment for residents	To manage and maintain Public Facilities and Amenities for the promotion of social cohesion, access to municipal services and information	Build, maintain parks and public open spaces	Appointment of service Provider to deal with huge trees within the institution and Maintenance of existing facilities	Maintenance of existing facilities	Maintenance of existing facilities	Construction of a park in Rossouw	Construction of a park in Sterkspruit
<b>LICENSING AND CONTROL OF ANIMALS - BSD 08</b>	Animal Control	Control of animals and management of pounds and commonage	Control of animals and management of pounds and commonage	To maintain and effectively operate the pounds and commonage	Updating of animal register quarterly	R & M of pounds and commonage. Control of animals	R & M of pounds and commonage. Control of animals	R & M of pounds and commonage. Control of animals	R & M of pounds and commonage. Control of animals	R & M of pounds and commonage. Control of animals
<b>WASTE MANAGEMENT - BSD09</b>	Waste Management	5 year Integrated Waste Management Plan	Implementation of integrated waste management plan	To provide refuse removal services to existing and new settlements and to reduce the amount of waste disposed at landfill site.	Refuse removal and implementation of waste minimisation projects	Review of IWMP	Implementation of IWMP Projects	Implementation of IWMP Projects	Implementation of IWMP Projects	Implementation of IWMP Projects



Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
		Building of solid waste sites	Development of new infrastructure	To ensure construction of solid waste landfill site	Sterkspruit Solid Waste Site 11 301 978,28 Herschel SWS 2 820 000,00  Upgrade LG Solid Waste Site 6 928 030,30  Rhodes Solid Waste Site 9 648 796,48  - Rossouw SWS 6 392 000,00  Construction of Transfer Station in Rhodes R 1700 000	Construction of Herschel Landfill site Upgrade LG Solid Waste Site Rossouw SWS Rhodes transfer station	Construction of Sterkspruit Landfill Site Project Construction of Rhodes SWS Rhodes transfer station	Construction of Sterkspruit Landfill Site Project Construction of Rhodes SWS		
		Collection of refuse	To increase the percentage of households with basic refuse removal services or better	Percentage of households with basic refuse removal services or better	% Increase of household refuse collection	Community based refuse collection project / One Man Contractor	Community based refuse collection project / One Man Contractor	Community based refuse collection project / One Man Contractor	Community based refuse collection project / One Man Contractor	Community based refuse collection project / One Man Contractor
FREE BASIC SERVICES - BSD10		% of households earning less than 2 state pensions per month with access to free basic service.	To increase the access to indigent services	% of households earning less than 2 state pensions per month with access to free basic service	% of households earning less than 2 state pensions per month with access to free basic service	Indigent registers quarterly	Indigent registers quarterly	Indigent registers quarterly	Indigent registers quarterly	Indigent registers quarterly

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
ELECTRICITY LIGHTNING -BSD 11	Installation of High Mast Lights	Community safety	To decrease incidents of crime at night	Decrease in crime	New installation of High mast lights –in Villages (10 ) Rossouw, Tienbank, Mountain View, Herschel R 3 825 910,82			New installation of High mast lights		
	Conversion of conventional to prepaid electricity meters'	To decrease theft of electricity	% decrease in electricity losses	Percentage total electricity losses	Replacement of Prepaid Meters Senqu Municipality R 6 737 739,00	Ongoing	Ongoing	Ongoing		
	Electrical connections	Percentage of households with access to electricity	To increase access to electricity	Increase in percentage of households with access to electricity	Percentage of households with access to electricity DOE project rural connection R 1 778 261	Connection reports quarterly R 869 565,00	Connection reports quarterly R 908 696,00	DOE project rural connection (add)	Connection reports quarterly	Connection reports quarterly
	Green energy	To increase the green credentials of the municipality	To enable the municipality to become less reliant on fossil fuel electricity	Decrease in down time due to loadshedding	Solar system installation R 5 457 226,00		Implementation R 2 957 226	Project Completion R 2 500 000		
<b>KPA 2: LOCAL ECONOMIC DEVELOPMENT</b>										

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
LED 01	LED	Growth of the economy	Implementing the LED and tourism strategy	To grow the local economy by 3 % To attract 2 main investments by 2027	Tourism and Led strategy implementation	Annual implementation	Annual implementation	Annual implementation	Annual implementation	Annual implementation
		Employment	Increase employment	Number of jobs created through the LED initiatives including capital projects annually % of the municipal infrastructure capital projects in excess of R6 million, allocated to SMME's through sub contracting annually	To increase employment by X% by 2027	Annual reports	Annual reports	Annual reports	Annual reports	Annual reports
<b>KPA 3: LOCAL MUNICIPAL FINANCIAL MANAGEMENT &amp; VIABILITY</b>										

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
SUPPLY CHAIN MANAGEMENT (ADMINISTRATION AND REPORTING) - MFMV01	Supply chain	Procurement	To increase procurement turnaround times	To implement the procurement plan	Percentage of the Implementation of the Municipal Institutional Procurement Plan on monthly basis	Monthly reports	Monthly reports	Monthly reports	Monthly reports	Monthly reports
ASSET MANAGEMENT - MFMV02	Asset Management	Asset Management	Monitoring of Municipal Assets through regular asset checks and reporting	To ensure monitoring of Municipal Assets per Department through regular asset checks and reporting	Perform the Annual Asset Count by June	Annual Asset Count report	Annual Asset Count report	Annual Asset Count report	Annual Asset Count report	Annual Asset Count report

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
FINANCIAL MANAGEMENT - MFMV03	Report on Financial viability as expressed by the ratios in the gazette by June 2022	Financial ratios	To ensure financial viability	Report on financial ratios	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June	Annual Report on Financial viability as expressed by the ratios in the gazette by June
FINANCIAL MANAGEMENT - MFMV03	Valuations	Valuation rolls	Enhancing revenue	Expansion of Municipal Rates Base	Development of a 5 year valuation roll with supplementary rolls		Development of a 5 year valuation roll	Supplementary rolls	Supplementary rolls	Supplementary rolls
	Billing	Billing	Enhancing revenue	To expand and protect the municipal revenue base by providing accurate bills for services rendered	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor	100% Correct billing of consumers with a 2% variance factor

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
FINANCIAL MANAGEMENT - MF-MV03	Revenue collection	Revenue collection	Ensuring Long Term Financial Sustainability	To expand and protect the municipal revenue base by providing accurate bills for services rendered and collecting monies due to the municipality through the implementation of credit control mechanisms	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate	4 Quarterly Reports on the actual collected revenue rate
	Unauthorised, irregular, fruitless and wasteful expenditure	Expenditure	To decrease Unauthorised, Irregular, Fruitless and Wasteful expenditure	Increased financial viability	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June	Reporting of Unauthorised, Irregular, Fruitless and Wasteful expenditure and Minor Breaches by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
FINANCIAL MANAGEMENT - MFNV03	AFS		To ensure good governance	Good governance	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August	Compilation and submission of Legislatively Compliant AFS by 31 August
	OPEX		To increase OPEX spending	Report on the % of operational budget actually spent with a variance of 5% by June	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year	Report on 100 % Expenditure of the Operational Budget by the end of the financial year
FINANCIAL MANAGEMENT - MFNV03	CAPEX Expenditure	Expenditure	To enhance CAPEX expenditure	Report on % Capital budget actually spent with a variance of 5% by June	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget	Report on 100% Expenditure of the Capital Budget

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
	Conditional grant expenditure		To enhance Grant expenditure	Report on % of Conditional grants received actually spent by June	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received	12 Reports on 100% Expenditure on Conditional grants received
<b>BUDGET COMPILATION - MFMV04</b>	Budgeting / Financial Management	Budgeting	To ensure that budgets are developed and reported on as per Treasury timeframes	Compliant, Sustainable and Responsive Budgeting & Financial Management	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements	Compliance with the MFMA and MSA requirements regarding the adjustment budget and annual budget development and submission requirements
<b>REPORTING - MFMV05</b>	Compliance with Treasury timeframes	Compliance	Compliance	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines	Development and submission of S 71, S 52d and S 72 as per Treasury deadlines



Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
IT - MFMW06	ICT	ICT Security	To improve network security	"To ensure a continually secure, effective and efficient ICT service through implementation of ICT policies and plans and upgrading of ICT equipment"	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter	No of breeches reported per quarter
<b>KPA 4: MUNICIPAL TRANSFORMATION &amp; INSTITUTIONAL DEVELOPMENT</b>										
SKILLS DEVELOPMENT - MTID01	Skills development	Skills development	To submit the skills plan and annual training report as legislated	To ensure implementation of the annually developed WSDP	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June	Report on the % of a municipality's budget actually spent on implementing its workplace skills plan by June
EMPLOYMENT EQUITY - MTID02	Recruitment and selection	Employment equity	To ensure that employment equity goals are met	To ensure that the EE plan is implemented	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June	Report on number of people from employer equity target groups employed in the 3 highest levels of organogram in compliance with a municipal approved employment equity plan by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
								equity plan by June	approved employment equity plan by June	approved employment equity plan by June
<b>RECRUITMENT, SELECTION AND EMPLOYEE</b>	Organogram	Organogram	To develop and implement an appropriate organisational structure	To ensure that the Municipality has the capacity to implement its programmes and plans	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June	Implementation and reviewal of the Institutional Organogram by June
<b>OCCUPATIONAL HEALTH AND SAFETY - MTID05</b>	OHS	OHS Plan	To ensure a safe working environment	To ensure that all Senqu buildings and staff adhere to and implement OHS legislation	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually	% of OHS resolutions implemented annually
<b>LOCAL LABOUR FORUM - MTID 06</b>	Labour relations	LLF functionality	To improve relations between the employer and employee	To ensure implementation of LLF resolutions	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved	Percentage (70%) of tracked LLF resolutions resolved
<b>PERFORMANCE MANAGEMENT AND REPORTING - MTID</b>	PMS	Performance management	To increase the performance of staff and management	To monitor and evaluate the performance of staff and management on an annual basis	Signing of Performance Agreements by the Municipal Manager and all Section 56 Managers by	Signing of Performance Agreements by the Municipal Manager and all Section 56	Signing of Performance Agreements by the Municipal Manager and all Section 56	Signing of Performance Agreements by the Municipal Manager and all	Signing of Performance Agreements by the Municipal Manager	Signing of Performance Agreements by the Municipal Manager

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
					September annually	Managers by September	Managers by September	Section 56 Managers by September	and all Section 56 Managers by September	and all Section 56 Managers by September
					Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually	Signing of Performance agreements by the Managers with their respective Directors by September annually
PERFORMANCE MANAGEMENT AND REPORTING - MTID 07	PMS	Performance management	To increase the performance of staff and management	To monitor and evaluate the performance of staff and management on an annual basis	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August	Compilation of the Annual Performance Report and annual report (s46) by August

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
					Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June	Development and Tabling of the Service Delivery and Budget Implementation Plan by June
INTEGRATED DEVELOPMENT PLANNING - MTID 09	IDP	IDP	To ensure participatory integrated planning and budgeting	To ensure participatory integrated planning and budgeting	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June	Reviewal of the new 5 year IDP for 2022/27 by June
<b>KPA 5: PUBLIC PARTICIPATION &amp; GOOD GOVERNANCE</b>										
RISK AND FRAUD PREVENTION	Risk and Fraud prevention	Risk and Fraud prevention	To decrease incidents of fraud and risk	Implementation of risk management and fraud prevention plans	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June	Implementation of Risk management Committee Resolution by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
								Resolution by June	Resoluti on by June	Resoluti on by June
					Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June	Develop a Conflict of Interests Declaration Register for staff and Councillors by June
COMPLIANCE GGPP02	Compliance	Compliance	To decrease non-compliance incidents	Implementation of the compliance register	Implementation of the Compliance Register by June	Implementat ion of the Compliance Register by June	Implementat ion of the Compliance Register by June	Implement ation of the Complianc e Register by June	Impleme ntation of the Complia nce Register by June	Impleme ntation of the Complia nce Register by June
OVERSIGHT - GGPP03	Oversight	Audit committee	To increase compliance	Increase in compliance	Implementation of the Audit Committee Resolutions by June	Implementat ion of the Audit Committee Resolutions by June	Implementat ion of the Audit Committee Resolutions by June	Implement ation of the Audit Committe e Resolutions by June	Impleme ntation of the Audit Committe e Resoluti ons by June	Impleme ntation of the Audit Committe e Resoluti ons by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
		MPAC			Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June	Implementation of the Municipal Public Accounts Committee Resolutions by June
		Exco			Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June	Number of Council/Exco/ Management resolutions tracked by June
		SEM			Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June	Implementation of the Senior Executive Management Resolutions by June
COMMUNICATIONS, MARKETING, CUSTOMER CARE &	Public participation	Wards	To ensure effective functioning of public participation structures	To ensure that the public are involved in municipal planning	Number of Ward Committee engagements/ interactions/support by June	Number of Ward Committee engagements/ interactions/support by June	Number of Ward Committee engagements/ interactions/support by June	Number of Ward Committee engagements/ interactions/support by June	Number of Ward Committee engagements/ interactions/support by June	Number of Ward Committee engagements/ interactions/support by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
MAINSTREAMING G - GGPP05									port by June	port by June
		Mayoral engagements			% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions	% tracking of municipal war room resolutions
	Customer complaints	Complaint system	To ensure that service delivery issues are attended too	To improve service delivery	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June	Percentage of issues resolved from the Municipal Customer Care Complaints register and Presidential Hotline within 7 days by June
	Communication	Communication	To deepen democracy	To increase public involvement in municipal affairs	Implementation of the communication strategy	Implementation of the communication strategy	Implementation of the communication strategy	Implementation of the communication strategy	Implementation of the communication strategy	Implementation of the communication strategy
	HIV/Aids	HIV/Aids	To mainstream HIV/Aids into all municipal programmes	To mainstream HIV/Aids into all municipal programmes	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June	Implementation of the HIV/Aids Strategy and plan by June

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
	SPU	SPU	To mainstream SPU	Mainstream SPU	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June	Implementation of the SPU Activity Plan by June
<b>KPA 6: SPATIAL RATIONALE AND ENVIRONMENTAL MANAGEMENT</b>										
E&SM 01 Environment	Environment	Protection of assets	To ensure the protection of natural assets	Protection of natural resources programme	Drafting of environmental management framework		Development of Environmental Management framework	Implementation of the framework	Implementation of the framework	Implementation of the framework
E&SM 02 Spatial Planning	Settlement Development	Ensure sustainable human settlements	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Implementation of a credible and SPLUMA compliant SDF	Develop an SDF	Implement SDF (Rhodes Urban Design Framework)	Implement SDF (Flood line assessment study for Lady Grey)	Implement SDF (Development of Neighbourhood nodes)	Implement SDF
			Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Formalised settlements and providing access to land	Township Establishment for Lady Grey settlement	Formalisation of Mountainview and Zwelitsha	Formalisation of Mountainview and Zwelitsha	Formalisation of Mountainview and Zwelitsha	



Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
			Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Expansion of the Sterkspruit town	Consultations with Traditional leaders, DALRRD and community members	Formalisation of villages (Professional studies and Town planning applications)	Formalisation of villages (Professional studies and Town planning applications)	Formalisation of villages (Professional studies and Town planning applications)	
			Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Preservation of agricultural land	Densification of residential areas in Lady Grey and Barkly East through SDF				
E&SM 03 Planning Tribunal	Land tribunal	To ensure compliance with legislation	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Efficiency in approving land development applications	Call for nominations for tribunal members	Establishment single tribunal	Operational MPT	Operational MPT	Operational MPT

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
E&SM 04 Property management	Property management	Property management	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Revenue generation through proper management of investment properties	Finalisation of the transfer of public works properties to enhance the Investment properties portfolio	A defined investment properties portfolio with clear properties register	Draw up lease agreements for all investment properties	Managing lease agreements	Managing lease agreements
	SPLUMA	SPLUMA	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Efficient and enforceable SPLUMA Bylaw	Research and consultations with the JGDM	Develop service charges (tariffs)			
E & SM 05 Land use	SPLUMA	SPLUMA	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	SPLUMA compliance	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes	Process land use applications through MPT and AO as per SPLUM Bylaw timeframes
E& SM 06 GIS	GIS	GIS	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Integrated GIS for the effectiveness of the municipality		Development of an integrated system	Training on GIS	Maintenance of GIS	Maintenance of GIS

Focus area and IDP No	Power And function	Priority areas	Strategic Goal	Strategic Objective	5 year Target	Annual target				
						2022	2023	2024	2025	2026
HOUSING	Housing	Title deed transfer	To improve access to secure land tenure	Improved land tenure	Develop and maintain urban areas to attract investors and residents	To develop and maintain urban centres to attract and keep investors to the municipality	Provide title deeds for areas with outstanding title deeds		Amendme nt of general plans	Conveyan cing

## 10. Capital Municipal projects

Item	2022/23	2023/4	2024/25
Furniture & Office Equipment	860 000,00	-	-
Laptops & IT Equipment	1 000 000,00	1 100 000,00	1 200 000,00
<b>Traffic</b>			
Driving Licence and Testing Centre Sterkspruit	6 580 000,00	10 000 000,00	-
Traffic Equipment (Speed cameras, two-way radios)	200 000,00		
<b>Community Halls</b>			
Herschel Community Hall	893 000,00	-	-
Renovations (Barkly East Town Hall)	8 235 320,26	-	-
<b>Cemeteries</b>			
Construction of New Cemetery in Barkly East	5 452 000,00	-	-
Fencing of existing cemeteries at Joveleni, Hinana and Voyizana	806 857,46	-	-

Lady Grey and Herschel Cemetery Layout Plans (EIA) (W13 & 14)	300 000,00	100 000,00	-
Sportsfields			
Construction of Blue-Gums Sportsfield	2 500 000,00	5 500 000,00	-
Upgrading at Khwezi Naledi Stadium and electricity upgrade	-	460 000,00	2 132 720,00
Upgrading of Rhodes Sportsfield	-	-	2 927 280,00
Barkly East & Lady Grey Boundary Fence	350 000,00	250 000,00	-
Solid waste Sites			
Solid Waste Site - Sterkspruit	-	2 153 181,80	9 148 796,48
Solid Waste Site - Herschel	2 820 000,00	-	-
Upgrade LG Solid Waste Site	6 928 030,30	-	-
Solid Waste Site - Rhodes	-	500 000,00	9 148 796,48
Solid Waste Site - Rossouw	6 392 000,00	-	-
Construction of Transfer Station in Rhodes	1 200 000,00	500 000,00	-
Waste Management and cleansing			
Weed eaters	187 399,00	196 769,00	206 607,00
Waste Bins and Skips (Receptacles )	-	460 000,00	-
Maintenance and security of municipal facilities			
Screening Devices	120 000,00	-	-
Integrated Security	500 000,00	1 500 000,00	500 000,00
Upgrade Electric Fencing	564 000,00	-	-
Power Backup System	-	2 957 226,00	2 500 000,00
Change Rooms - LG	634 309,18	-	-

Jet Pressure Test Machine	-	554 480,00	-
Good governance, institutional transformation and public participation			
Information and Knowledge Hub including Customer Care	500 000,00	1 000 000,00	2 000 000,00
Electronic Risk and Compliance Management System	-	855 000,00	-
Internal Audit Software	-	760 000,00	-
Mayoral vehicle; Speaker Vehicle	1 600 000,00	-	-
Access Roads			
Tienbank_Access to Property (180 Properties)	188 000,00	-	-
Construction of interlock paved streets in Khewzi Naledi (Steve Tswete) W 14	14 100 000,00	15 000 000,00	-
Resurface of existing paved roads (asphalt) & upgrade of storm water in Barkly East	-	2 760 000,00	12 880 000,00
New Rest Construction - Paving	940 000,00	16 743 000,00	-
Installation of different signage at different roads networks	-	425 101,20	-
Bridges			
Construction of a pedestrian bridge between Esilindini and Frans (W12)	-	-	5 101 214,42
Renew_Transwilger Bridge	1 880 000,00	-	-
Electricity			
High Mast Lights	-	-	3 825 910,82
DOE Projects - Pre Engineering Costs - Rural Connections	-	869 565,00	908 696,00
Essential tools	44 284,00	-	-
Pre-Paid Electricity Meters	1 880 000,00	2 430 435,00	2 427 304,00
Storm water			
Lining, fencing and upgrading of primary storm water channel through Khwezi Naledi and upgrade of two motor bridges.	5 640 000,00	6 000 000,00	-

Repairs and maintenance budget

	2022/23	2023/24	2024/25
<b>Community Halls</b>			
R&M_Halls: (W) 1	86 539,00	87 972,00	98 524,04
R&M_Halls: (W) 10	110 461,00	113 714,00	132 697,20
R&M_Halls: (W) 11	46 503,00	49 062,00	55 362,88
R&M_Halls: (W) 12	112 432,00	114 292,00	131 101,96
R&M_Halls: (W) 13	70 350,00	72 792,00	80 986,64
R&M_Halls: (W) 14	262 845,00	274 916,00	322 498,20
R&M_Halls: (W) 15	106 663,00	108 847,00	124 679,12
R&M_Halls: (W) 16	23 392,00	24 198,00	27 106,64
R&M_Halls: (W) 17	109 036,00	110 841,00	129 672,68
R&M_Halls: (W) 2	49 645,00	54 326,00	60 263,36
R&M_Halls: (W) 3	96 748,00	98 349,00	110 798,64
R&M_Halls: (W) 4	86 704,00	88 139,00	101 981,00
R&M_Halls: (W) 5	152 747,00	155 273,00	174 233,08
R&M_Halls: (W) 6	89 780,00	95 126,00	110 124,28
R&M_Halls: (W) 7	32 661,00	33 202,00	39 095,08

	2022/23	2023/24	2024/25
R&M_Halls: (W) 9	44 000,00	44 728,00	51 559,28
<b>Sub Total</b>	1 480 506,00	1 525 777,00	1 750 684,08
R&M_Tools & Equip_5301 : (W) All	271 913,00	275 586,00	317 076,04
<b>Sub Total</b>	271 913,00	275 586,00	317 076,04
<b>Cemeteries</b>			
R&M_Cemeteries: (W) 1	97 114,00	98 720,00	111 637,88
Cemetery Management Plan	-	237 500,00	-
R&M_Cemeteries: (W) 10	23 864,00	24 258,00	25 228,32
R&M_Cemeteries: (W) 11	80 688,00	82 022,00	93 985,32
R&M_Cemeteries: (W) 12	89 857,00	91 343,00	104 813,28
R&M_Cemeteries: (W) 13	44 928,00	45 672,00	52 407,64
R&M_Cemeteries: (W) 14	12 804,00	13 016,00	13 536,64
R&M_Cemeteries: (W) 15	21 201,00	21 551,00	22 413,04
R&M_Cemeteries: (W) 16	12 804,00	13 016,00	13 536,64

	2022/23	2023/24	2024/25
R&M_Cemeteries: (W) 17	91 114,00	95 196,00	108 820,40
R&M_Cemeteries: (W) 2	89 857,00	91 343,00	104 813,28
R&M_Cemeteries: (W) 3	57 733,00	58 688,00	65 944,28
R&M_Cemeteries: (W) 4	120 236,00	122 225,00	141 838,32
R&M_Cemeteries: (W) 5	8 396,00	8 536,00	8 877,44
R&M_Cemeteries: (W) 6	44 928,00	45 672,00	52 407,64
R&M_Cemeteries: (W) 7	44 928,00	45 672,00	52 407,64
R&M_Cemeteries: (W) 8	44 928,00	45 672,00	52 407,64
R&M_Cemeteries: (W) 9	44 928,00	45 672,00	52 407,64
Sub Total	930 308,00	1 185 774,00	1 077 483,04
<b>Sportsfields</b>			
R&M: Sportsfields (W) 13	32 613,00	33 152,00	37 676,92
R&M_Sportsfield ( W14)	231 378,00	235 206,00	272 928,08
R&M Sportsfield (W) 10;Contr	40 762,00	41 436,00	49 322,00
R&M Sportsfield (W) 10;Inven	11 019,00	11 201,00	11 649,04
R&M Sportsfield (W) 15;Contr	25 890,00	26 318,00	31 326,00
R&M Sportsfield (W) 15;Inven	11 019,00	11 201,00	11 649,04



	2022/23	2023/24	2024/25
R&M: Sportsfields (W) 2	32 944,00	33 489,00	38 077,92
Sub Total	385 625,00	392 003,00	452 629,00
<b>Landfill sites : (W) All</b>			
R&M Landfill sites : (W) All	185 000,00	391 370,00	457 446,40
R&M_Vehicles_5502: (W) Head Office	834 427,00	848 233,00	1 007 751,84
<b>Roads and storm water</b>			
R&M_Road: (W) 11	31 616,00	22 901,00	24 640,28
R&M_Road: (W) 13	-	380 000,00	-
R&M_Storm Water: (W) 14	-	95 000,00	-
R&M_Road: (W) 15	65 909,00	16 173,00	17 630,28
R&M_Road: (W) 16 (potholes)	104 500,00	190 000,00	190 000,00
R&M_Road: (W) 2	172 539,00	169 016,40	193 864,60
R&M_Road: (W) 4	141 327,70	138 441,60	143 979,26
R&M_Road: (W) 5	6 528,40	6 395,40	6 651,22
R&M_Road: (W) 6	371 352,15	366 273,45	384 476,55
R&M_Road: (W) 7	7 269,40	7 121,20	7 406,05
R&M_Road: (W) 8 (potholes)	50 626,45	49 655,55	52 326,42
R&M_Road: (W) 9	132 106,05	140 032,85	-
Sub Total	1 083 774,15	1 581 010,45	1 020 974,66

	2022/23	2023/24	2024/25
Licensing of borrow pits at different wards.	4 888,70	4 788,95	4 980,51
R&M_4600: Unplanned Maintenance	365 953,30	360 120,30	375 755,25
R&M_Bridges_ All Wards	5 465,35	5 354,20	5 568,37
R&M_Storm Water: (W) All	108 164,15	107 103,95	112 028,56
R&M_Vehicles_4600: (W)Head Office	166 408,65	107 174,25	122 931,90
<b>R &amp; M Public toilets</b>			
Public Toilets Ward 10	249 667,60	244 568,95	280 526,45
R&M: Public toilets: LG and BE	-	807 500,00	-
Sub Total	249 667,60	1 052 068,95	280 526,45
<b>Electricity</b>			
R&M_Transformers: (W) 10	9 210,25	9 022,15	9 383,04
Replace Street lights: (W) 10	557 160,75	548 600,30	572 371,58
Replace Street lights: (W) 13	2 104,25	2 100,45	2 184,47
R&M_Transformers: (W) 14	47 500,00	285 000,00	285 000,00

	2022/23	2023/24	2024/25
Replace Street lights: (W) 14	500 000,00	-	-
R&M_Transformers: (W) 16	285 000,00	-	-
Replace Street lights: (W) 16	500 000,00	500 000,00	500 000,00
R&M_Transformers: (W) 8	503,5	493,05	512,77
R&M_Electricity Store: (W)	219 463,30	215 386,85	224 002,32
R&M_Equipment: (W) Head Office	96 095,35	92 712,40	96 420,90
R&M_Vehicles_4701: (W) Head Office	42 771,85	41 266,10	42 916,74
Sub Total	2 259 809,25	1 694 581,30	1 732 791,82
<b>Municipal Offices</b>			
R&M_Buildings: (W) 10	48 129,85	24 437,80	25 415,31
R&M_Buildings: (W) Head Office	<b>881 636,10</b>	<b>776 468,25</b>	<b>794 227,28</b>
R&M_Furn & Equip: (W) Head Office	76 457,90	165 421,60	172 038,46
Sub Total	1 006 223,85	966 327,65	991 681,05

	2022/23	2023/24	2024/25
<b>Sportsfields</b>			
Planning Project: Senqu Sportsfields (W) All	393 168,90	379 328,35	394 501,48
Re grassing of Nkululeko stadium	21 663 856,09	22 496 434,51	21 601 400,39
Sub Total	32 718 635,89	33 752 364,21	32 100 712,33

### 3 Year CIP

Item	2022/23	2023/4	2024/25
<b>Traffic</b>			
Driving Licence and Testing Centre Sterkspruit	6 580 000,00	10 000 000,00	-
<b>Community Halls</b>			
Herschel Community Hall	893 000,00	-	-
Renovations (Barkly East Town Hall)	8 235 320,26	-	-
<b>Cemeteries</b>			
Construction of New Cemetery in Barkly East	5 452 000,00	-	-
Fencing of existing cemeteries at Joveleni, Hinana and Voyizana	806 857,46	-	-
Lady Grey and Herschel Cemetery Layout Plans (EIA) (W13 & 14)	300 000,00	100 000,00	-
<b>Sportsfields</b>			
Construction of Blue-Gums Sportsfield	2 500 000,00	5 500 000,00	-
Upgrading at Khwezi Naledi Stadium and electricity upgrade	-	460 000,00	2 132 720,00

Upgrading of Rhodes Sportsfield	-	-	2 927 280,00
Barkly East & Lady Grey Boundary Fence	350 000,00	250 000,00	-
Solid waste Sites			
Solid Waste Site - Sterkspruit	-	2 153 181,80	9 148 796,48
Solid Waste Site - Herschel	2 820 000,00	-	-
Upgrade LG Solid Waste Site	6 928 030,30	-	-
Solid Waste Site - Rhodes	-	500 000,00	9 148 796,48
Solid Waste Site - Rossouw	6 392 000,00	-	-
Construction of Transfer Station in Rhodes	1 200 000,00	500 000,00	-
Waste Management and cleansing			
Weedeaters	187 399,00	196 769,00	206 607,00
Waste Bins and Skips (Receptacles )	-	460 000,00	-
Access Roads			
Tienbank_Access to Property (180 Properties)	188 000,00	-	-
Construction of interlock paved streets in Khewzi Naledi (Steve Tswete) W 14	14 100 000,00	15 000 000,00	-
Resurface of existing paved roads (asphalt) & upgrade of storm water in Barkly East	-	2 760 000,00	12 880 000,00
New Rest Construction - Paving	940 000,00	16 743 000,00	-
Installation of different signage at different roads networks	-	425 101,20	-
Bridges			
Construction of a pedestrian bridge between Esilindini and Frans (W12)	-	-	5 101 214,42
Transwilger Bridge	1 880 000,00	-	-
Electricity			
High Mast Lights	-	-	3 825 910,82

DOE Projects - Pre Engineering Costs - Rural Connections	-	869 565,00	908 696,00
Essential tools	44 284,00	-	-
Pre-Paid Electricity Meters	1 880 000,00	2 430 435,00	2 427 304,00
Storm water			
Lining, fencing and upgrading of primary storm water channel through Khwezi Naledi and upgrade of two motor bridges.	5 640 000,00	6 000 000,00	-

## OPERATIONAL PROJECTS

Item	2022/23	2023/24	2024/25
Job creation	7 634 528,60	7 105 185,10	7 187 335,28
Supply chain management	330 916,35	323 893,00	365,96
Financial management			
AFS: (W) Head Office	661 948,60	648 432,95	743 766,40
Budgets: (W) Head Office	183 571,35	179 341,00	202 345,74
mSCOA Implement:(W)Head Office	1 411 835,85	1 383 008,10	1 274 458,63
Preparation of VAT reviews/ returns	913 525,70	805 385,21	923 794,16
Sustainable FM Framework	1 200 000,00	1 224 000,00	1 248 480,00
Customer Records: (W) 10	17 597,80	17 238,70	19 773,30
Billing: (W) Head Office	1 013 775,40	992 343,40	1 106 390,71
Debt Collection: (W) Head Office	928 677,73	909 534,85	927 612,91
Revenue Enhancement Project	530 183,60	519 357,40	595 714,60
Supp Val Roll: (W) Head Office	506 152,40	495 585,55	566 841,33
Asset Register: (W) Head Office	826 314,75	809 441,80	914 909,85
FMG: (W) Head Office	1 595 383,25	1 552 929,85	1 712 258,28
IT			

Item	2022/23	2023/24	2024/25
IT Comp Cost: (W) Head Office	4 620 305,09	4 694 048,55	4 881 810,49
Skills Development	4 918 488,99	4 978 482,05	5 425 643,60
Library Events: (W) Head Office	264 790,65	259 088,75	293 016,86
Environmental Management Framework	2 023 605,45	1 956 436,65	2 056 059,73
Pounds and R & M	182 936,75	176 356,10	189 053,23
Traffic			
Calibration and Camera VTS	1 817 892,45	1 758 029,15	1 843 530,21
<b>Commonage</b>	901 108,05	889 234,00	920 738,39
Fencing Commonage	<b>901 108,05</b>	<b>889 234,00</b>	<b>920 738,39</b>
<b>Waste Management</b>	39 464,90	38 130,15	40 045,92
Solid Waste Site SS: (W) 10	101 544,55	98 425,70	105 594,82
Waste Man Awareness: (W) 10,11,14-16	97 167,90	94 382,50	101 688,77
Waste Removal : (W) 5 10,11,14,15&16	7 874 011,25	7 928 330,10	8 284 445,29
Lady Grey Weigh Bridge: (W) 14	500 000,00	500 000,00	500 000,00
Barkly East Weigh Bridge: (W) 16	226 227,00	239 800,00	254 189,00
Landfill Site Fence and Weigh bridges (Barkly East & Lady Grey)	3 850 935,15	3 880 506,15	4 050 826,68
Greening, Beautification and Landscaping	305 620,70	295 560,20	311 237,90
Integrated Waste Management Services	<b>225 959,40</b>	<b>218 534,20</b>	<b>231 015,11</b>
Landfill Site Management	3 839 292,19	4 474 668,91	3 820 142,58
National Clean Up Week: (W) All	<b>3 839 292,19</b>	<b>4 474 668,91</b>	<b>3 820 142,58</b>
Solid Waste Removal Rural: (W) All	588 917,35	575 261,10	598 271,54
Waste Campaigns_Schools: (W) All	1 282 500,00	279 180,30	320 226,00

Item	2022/23	2023/24	2024/25
<b>Governance, SPU &amp; Public Participation</b>			
Council Support: (W)Head Office	4 590,40	4 428,90	4 606,06
Customer Care: (W)Head Office	100 447,30	97 938,35	106 955,98
Public Part: (W)Head Office	100 447,30	97 938,35	106 955,98
Round Table Meet: (W)Head Office	2 880 000,00	3 075 000,00	2 652 000,00
Ward Committees: (W) All	2 880 000,00	3 075 000,00	2 652 000,00
Childrens Programmes: (W)	245 337,50	4 961,85	4 345,30
Disabled Program: (W) All	245 337,50	4 961,85	4 345,30
Elderly Persons Prog: (W) All	245 337,50	4 961,85	4 345,30
HIV/Aids Awareness : (W) All	6 130 300,10	5 869 600,00	6 094 961,40
Initiation Form(W) All	1 426 565,00	941 896,00	1 121 144,00
Local Aids Forum: (W) All	1 426 565,00	941 896,00	1 121 144,00
Mayoral Tournament: (W) All	4 703 735,10	4 927 704,00	4 973 817,40
Ward Aids Forums: (W) All	1 344 437,10	1 501 771,00	1 451 787,40
Woman Development: (W) All	159 298,00	161 933,00	192 750,00
World Aids Day: (W) All	3 200 000,00	3 264 000,00	3 329 280,00
Youth Development: (W) All;	380 000,00	950 000,00	475 000,00
<b>Fleet Management</b>			
Fleet Management: (W) Head Office	29 652,35	28 608,30	29 752,63
<b>Institutional transformation</b>			
Disaster relief: (W)Head Office	437 738,00	392 561,00	417 856,84
HR SUPPORT (W) Head Office	66 637,00	64 317,00	67 074,44
Individual Performance: (W)Head Office	61 750,00	28 500,00	29 640,00
Performance Management: (W)Head Office	279 566,00	159 888,80	167 314,04



Item	2022/23	2023/24	2024/25
Strat Session: (W)Head Office	57 474,05	55 449,60	57 667,58
Document Storage	42 055,00	40 575,00	45 882,00
Talent Management	63 349,00	61 119,00	63 563,76
EAP: (W) Head Office	430 518,00	332 614,00	358 757,52
Salga Games: (W) All	236 785,00	124 877,00	129 872,08
OHS: (W) Head Office	5 000,00	-	-
Legal Services: (W)Head Office			
Strengthened governance and leadership	17 379,00	16 767,00	17 437,68
By-Laws: (W) Head Office	138 885,25	133 994,65	139 354,44
Security Services: (W)Head Office	140 178,20	136 046,65	147 188,82
Social cohesion			
Fraud Prevention: (W) Head Office	961 514,95	271 848,20	311 815,65
<b>LED</b>			
Tourism	430 518,00	332 614,00	358 757,52
LED	430 518,00	332 614,00	358 757,52
IDP Printing: (W)Head Office	183 645,45	177 180,70	184 267,93
IDP Public Meetings: (W) All	197 985,70	165 997,30	172 637,19
LED (Tourism Event and SMME support)	279 566,00	159 888,80	167 314,04
<b>Housing, land management and town planning</b>			
Sterkspruit Development Business Plan	78 758,00	80 061,00	83 263,44
GIS: (W) Head Office	11 000,00	11 182,00	12 469,64
Housing - Human Settlements	2 975 605,00	3 089 739,08	3 261 927,12
Housing Sector Plan	578 758,00	601 908,32	632 003,74

Item	2022/23	2023/24	2024/25
Job Creation_ Housing Data Capturers	78 758,00	80 061,00	83 263,44
Land Use Management (W) All	78 758,00	80 061,00	83 263,44
R&M_ Investment Properties	1 413 914,00	1 478 201,80	1 537 329,87
SPLUMA: (W) All	462 498,00	470 151,00	559 623,00
<b>Governance</b>			
AO Service Del:(W)Head Office	236 275,00	240 184,00	273 858,44
Communication: (W) All	78 758,00	80 061,00	83 263,44
Fraud Prevention Awareness	78 758,00	80 061,00	83 263,44
Internal Audit Support: (W) Head Office	78 758,00	80 061,00	83 263,44
Performance Management Reporting Consultant Services	78 758,00	80 061,00	83 263,44
Performance Management: (W)Head Office	78 758,00	80 061,00	83 263,44
Procurement of Internal Audit Support Services	113 690,00	115 571,00	132 227,40
Development and Implementation of Communication Strategy	288 423,00	293 196,00	348 992,00
MPAC: (W) Head Office	24 699,00	25 108,00	26 112,32
Oversight Roadshow	1 183 686,90	1 203 273,10	1 270 911,04
Sitting Allowance_ Traditional Leaders	153 857,00	156 403,00	186 167,00
Strat Session: (W)Head Office	165 545,10	162 299,90	168 791,90
PMU Assistance: (W) Head Office	968 222,00	853 606,80	979 4,60

## 11.Sector Departments Projects

Programme	Project	Location	Budget 21	Budget 22
<b>DEPARTMENT OF SAFETY &amp; LIASON</b>				
Conduct Service Delivery Evaluation at police stations		Phumalanga		
		Palmietfontein		
		Lady Grey		
		Rossouw		
Conduct unannounced visit at 19 police stations		Five(5) police stations		
Assessment of the implementation of Domestic Violence Act by police		Sterkspruit		
		Barkly East		
Conduct social crime prevention programmes		Barkly East	50 000	
		Phumalanga		
		Rossouw		
		Sterkspruit		
Support municipalities on functioning of Community Safety Forums		Senqu	40 000	
Assessment of the functionality Community Police Forum		Lady Grey		
		Palmietfontein		
		Phumalanga		
		Rossouw		
		Sterkspruit		
<b>DEPARTMENT OF AGRICULTURE, LAND REFORM &amp; RURAL DEVELOPMENT</b>				
Number of infrastructure projects completed to support production (AVMP & RVCP)	Khiba shearing shed	Khiba shed Q3	R1000 000. 00 approved	
Number of FPSUs (farming productive service units) supported towards functionality	Senqu FPSU Q2-4	Procurement of 8 ton truck		

Programme	Project	Location	Budget 21	Budget 22
		Procurement of 10 HA fencing material	R1 500 000.00 not approved	
Number of farms supported through the Land Development Support Programme	Wepener	Infrastructure development	R3 523 800.00 approved	
Number of farms supported through the Land Development Support Programme	Lelie kloof	Acquisition of livestock	R4 988 106.00 approved	
		Infrastructure development		
Number of hectares acquired	Clanville Farm		R5 675 000.00 Not approved	
	Wilgeboom Farm		R5 000 000.00 Not approved	
Number of hectares allocated	Clanville Farm		Not Approved	
	Wilgeboom Farm		Not approved	
<b>DEPARTMENT OF SOCIAL DEVELOPMENT</b>				
CARE AND SUPPORT SERVICES TO OLDER PERSONS	Sterkspruit	Design and implement integrated services for the care, support and protection of Older Persons.	260 - Older persons	
	Barkly East		52 - Older persons	
	Lady Grey		20 - Older persons	
SERVICES TO PEOPLE WITH DISABILITIES	Sterkspruit	Implement integrated programs and provide services that promote well-	20 - Older persons	
			60 - Older persons	

Programme	Project	Location	Budget 21	Budget 22
	Barkly East	being and socio economic empowerment of persons with disabilities	20 - Older persons	
			170 - Persons	
			160 - Persons	
			150 - Persons	
	Lady Grey		-	
HIV AND AIDS	Sterkspruit	Implement integrated programs and provide services that promote well-being and socio economic empowerment of persons with disabilities	11 – Implementers trained	
			650 – Beneficiaries reached	
			300 – Beneficiaries	
	Barkly East		11 – Implementers trained	
			384 – Beneficiaries reached	
			400 – Beneficiaries	
	Lady Grey		02 – Implementers	
			210 – Beneficiaries	
			16 – Beneficiaries	
SOCIAL RELIEF	Sterkspruit	To respond to emergency needs	60 – Beneficiaries	

Programme	Project	Location	Budget 21	Budget 22
		identified in communities affected by disaster not declared or any other undue hardship through provision of material support	1149– Learners received sanitary pads	
			45 – Beneficiaries	
			600– Learners received sanitary pads	
			40 – Beneficiaries	
			450– Learners received sanitary pads	
CARE & SUPPORT TO FAMILIES	Sterkspruit	Programmes and services to promote functional families and prevent vulnerability in families	160 – Families p	
			20- Family members re-united	
			130 -family members	
	Barkly East		210 – Families participated in Family Preservation services	
			10- Family members re-united	
			175 -family members	
	Lady Grey		67 – Families	

Programme	Project	Location	Budget 21	Budget 22
			04- Family members re-united	
			85 -family members	
Child care and protection	Sterkspruit	Implement integrated programmes and services that provide for the development, care and protection of the rights of children	20 – Cases of child abuse	
			1280 – Children foster care orders	
			105 – Children in foster care	
	Barkly East		800– People	
			01 – Children adoption	
			06 – Cases of child abuse	
			219 – Children foster care orders	
			15 – Children foster care	
			03– Children in foster care re-unified	
			340 – People	
	Lady Grey		03 – Cases of child abuse	
			270 – Children foster care orders	

Programme	Project	Location	Budget 21	Budget 22	
CHILD CARE AND PROTECTION			24 – Children foster care		
			400 – People		
	Sterkspruit	Implement integrated programmes and services that provide for the development, care and protection of the rights of children	20 – Cases of child abuse reported		
			1280 – Children with valid foster care orders		
			105 – Children placed in foster care		
			800– People accessing Prevention and Early Intervention programmes		
			Barkly East	01 – Children recommended for adoption	
				06 – Cases of child abuse reported	
				219 – Children with valid foster care orders	
				15 – Children placed in foster care	



Programme	Project	Location	Budget 21	Budget 22
			03- Children in foster care re-unified with their families	
			340 – People accessing Prevention and Early Intervention programmes	
			03 – Cases of child abuse reported	
	Lady Grey		270 – Children with valid foster care orders	
			24 – Children placed in foster care	
			400 – People accessing Prevention and Early Intervention programmes	
EARLY CHILDHOOD DEVELOPMENT - ECD	Sterkspruit	Provision of comprehensive Early Childhood Developmental Programmes and services	01 - Funded SDCC	

Programme	Project	Location	Budget 21	Budget 22
	Barkley East		23 - Children benefitting from funded SDCC	
	Lady Grey			
CRIME PREVENTION & SUPPORT	Sterkspruit	Implement social crime prevention programmes and provide probation services targeting children, youth and adult offenders and victims.	700 – People reached through social crime prevention programmes	
			06 – People in conflict with the law who completed diversion programmes	
	Barkly East		400 – People reached through social crime prevention programmes	
	Lady Grey		03 – People in conflict with the law who completed diversion programmes	
			370 – People reached through social crime prevention programmes	

Programme	Project	Location	Budget 21	Budget 22
			05 – People in conflict with the law who completed diversion programmes	
VICTIM EMPOWERMENT	Sterkspruit	Implement integrated programmes and services to support, care and empower victims of violence and crime in particular women and children.	300 – Victims of crime and violence accessing support services	
			05 – Victims of GBVF and crime who accessed sheltering services	
			600 – People reached through integrated Gender Based Prevention Programmes	
	Barkly East		20 – Victims of crime and violence accessing support services	

Programme	Project	Location	Budget 21	Budget 22
			01 – Victims of GBVF and crime who accessed sheltering services	
			260 – People reached through integrated Gender Based Prevention Programmes	
	Lady Grey		65 – Victims of crime and violence accessing support services	
	02 – Victims of GBVF and crime who accessed sheltering services			
	300 – People reached through integrated Gender Based Prevention Programmes			

Programme	Project	Location	Budget 21	Budget 22
SUBSTANCE ABUSE PREVENTION & REHABILITATION	Sterkspruit	Implement integrated services, support for substance abuse, prevention, treatment and rehabilitation	1300 – People reached through substance abuse prevention programmes	
			15 – Users who accessed substance Use Disorder(SUD) treatment service	
	Barkley East		275 – People reached through substance abuse prevention programmes	
			01 – Users who accessed substance Use Disorder(SUD) treatment service	
Lady Grey	360 – People reached through substance abuse prevention programmes			

Programme	Project	Location	Budget 21	Budget 22
			08 – Users who accessed substance Use Disorder(SUD) treatment service	
COMMUNITY MOBILIZATION	Sterkspruit	Building safe and sustainable communities through the creation of strong community networks, based on principles of trust and respect for local diversity, and nurturing a sense of belonging and confidence in local people through Financial and management support, Community Mobilization, Supporting socio-economic well-being of individuals and communities & People engagement and involvement	600 –People reached through community mobilization programmes	
	Barkley East		02 – Communities organised to coordinate their own development	
			212 –People reached through community mobilization programmes	
	Lady Grey		01 – Communities organised to coordinate their own development	

Programme	Project	Location	Budget 21	Budget 22
			200 –People reached through community mobilization programmes	
			01 – Communities organised to coordinate their own development	
INSTITUTIONAL CAPACITY BUILDING & SUPPORT	Sterkspruit	To capacitate NPOs and Coops towards creating well managed and sustainable organizations within the communities with special emphasis on Basic Bookkeeping, Financial Management, Project Management and Resource mobilization	08 – NPOs capacitated	
			02 – Cooperatives trained	
	Barkley East		02 – NPOs capacitated	
	Lady Grey		02 – NPOs capacitated	
01 – Cooperatives trained				
POVERTY ALLEVIATION AND SUSTAINABLE LIVELIHOOD	Senqu,	To provide Programmes and Services through interventions such as Food For All (DSD feeding	11 – Cooperatives linked to economic opportunities	

Programme	Project	Location	Budget 21	Budget 22
	Sterkspruit	programmes included Community Nutritional Development Centres; Social Cooperatives;	02 – Cooperatives linked to economic opportunities	
	Barkly East	Income Generating Projects and Community Food Security)	03 – Cooperatives linked to economic opportunities	
COMMUNITY BASED RESEARCH AND PLANNING	Sterkspruit	To provide communities an opportunity to learn about the life and conditions of their locality through household and community profiling and uplift the challenges and concerns facing their communities, as well as their strengths and assets to be leveraged to address their challenges leading up to the development of Community Based Plans.	1000 – Households profiled	
			02 – Community based plans developed	
			02 – Communities profiled in a ward	
	Barkly East		221 – Households profiled	
			01 – Community based plans developed	
			01 – Communities profiled in a ward	



Programme	Project	Location	Budget 21	Budget 22
	Lady Grey		200 – Households profiled	
			01 – Community based plans	
			01 – Communities profiled	
YOUTH DEVELOPMENT	Sterkspruit	To Create an environment to help young people to develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities through Leadership and Life-skills, National Youth Service, Youth Service Centres, Inter-generational programmes and Support Structures	03- Youth development structures	
			17 – Youth participating	
	Barkly East		300 – Youth participating	
			01- Youth development structures	
			03 – Youth participating	
			140 – Youth participating	
	Lady Grey		01- Youth development structures	
			10 – Youth participating	
			100 – Youth participating	
	WOMEN DEVELOPMENT		Sterkspruit,	To create an environment to help women to

Programme	Project	Location	Budget 21	Budget 22
		develop constructive, affirmative and sustainable relationships while concurrently providing opportunities for them to build their competencies and needed skills to engage as partners in their own development and that of their communities through Intervention Programmes and Services (Leadership and Life-skills, Service Centres, Inter-generational programmes and Support Structures)	40 – Women	
	Barkly East		50 – Women	
	Lady Grey		01 – Women livelihood initiatives	
<b>DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS &amp; TOURISM</b>				
Imvaba Co-operative funding	Izihlwele Zamaqwathi Recycling Co-Operative	Equipment and rental	R500 000.00	
	Sterkspruit Women Recycling Co-Operative	Truck and repairing of existing recycling machines	R500 000.00	

Programme	Project	Location	Budget 21	Budget 22
	War Wore Records (Isiqalo)	Quality assurance and product testing for juice making business	R260 000.00	
	LH Diamond Clothing Co-Operative	Clothing Manufacturing	R500 000.00	
	Tele Vegetable Co-Operative	Vegetable Production	R500 000.00	
EPWP and DEFFE EPIP	SENQU Land Rehabilitation, Alien Plant Eradication and Environmental Management Project	152	R5.2 million	
	Senqu LM Road Reclamation	Not yet determined		R1500 000.00
<b>DEPARTMENT OF HEALTH</b>				
	Empilisweni Hospital Phase 1: Health Professional Accommodation			R 16, 744.000

Programme	Project	Location	Budget 21	Budget 22
	Ndofela Clinic Phase 2: New Ideal Clinic			R 35,000.000
	Lady Grey Hospital: Medium term intervention - Reconfiguration and upgrade of the existing hospital			R 39,550.000
<b>DEPARTMENT OF TRANSPORT</b>				
Framework Pothole repairs and maintenance on Surface Road R392. Routine Road Maintenance on Provincial Gravel Roads				R9 350 000
Re-gravel DR08521	3km Re- gravelling on DR08521			R1 200 000
Re-gravel MR0716	6km Re- gravelling on MR0716			R2 400 000
Re-gravel DR08516	3.5km Re- gravelling on DR08516			R1 400 000
Household Contractor Programme EPWP	Maintenance of Roads in 3 LM's			R36 682 861

Programme	Project	Location	Budget 21	Budget 22
Supervisors EPWP	Monitoring and supervision of all EPWP participants in 3 LM's			R10 244 364
Road Rangers EPWP	Remove stray animals from the road in 3 Lm's			R3 306 084
Scholar Transport Monitors	Monitoring compliance of operators and reporting in 3 Lm's			R3 072 524
Walking Bus	Mt. Fletcher	Recruitment of staff	Assist School Children with crossing of roads	R1 281 646
	Maclear			
	Sterkspruit			
SHE Cleaners	Maletswai		Clean and maintain cleanliness in offices to curb the spread of Covid-19.	R676 540
	Maclear			
	Sterkspruit			
	Steynsburg			
<b>DEPARTMENT OF RURAL DEVELOPMENT &amp; AGRARIAN REFORM</b>				

Programme	Project	Location	Budget 21	Budget 22
SENQU ANIMAL HANDLING FACILITIES	Large and Small Stock Handling Facilities at Honeyneskloof Farm			604 000.00
	Large and Small Stock Handling Facilities at Pelgrimsrus Farm			604 000.00
	Large Stock Handling Facility at Tugela Village			393 000.00
SENQU DROUGHT RELIEF (DAM SCOOPING)	De-Silting and Upgrading of 1 Earth Dam at Bensonvale			126 000.00
	De-Silting and Upgrading of 2 Earth Dams at Macacuma			251 000.00
	De-Silting and Upgrading of 2 Earth Dams at Manxeba			251 000.00

Programme	Project	Location	Budget 21	Budget 22
	De-Silting and Upgrading of 2 Earth Dams at Skisazana Village			251 000.00
	De-Silting and Upgrading of 2 Earth Dams at Wittebergen			251 000.00
SENQU DROUGHT RELIEF (BOREHOLES)	Retention: installation of Stockwater System at Hlanjwa Village			20 500.00
	Retention: installation of Stockwater System at the Nkopane Village			20 500.00
	Retention: installation of Stockwater System at the Riefontein Village			25 550.00

Programme	Project	Location	Budget 21	Budget 22
	Retention: installation of Stockwater System at Wittebergen Village			20 500.00
SENQU MULTIPURPOSE SHEDS	Multipurpose Shed with Shearing Equipment, Portable Kraals and Sheep Dip at Hohobeng			1 307 000.00
	Multipurpose Shed with Shearing Equipment, Portable Kraals and Sheep Dip at Mfinci			1 268 000.00
	Retention: Multipurpose Shed Mbonisweni			470 200.00
	SENQU TOTAL			5 863 250.00
<b>JOGEDA</b>				



Programme	Project	Location	Budget 21	Budget 22
Senqu Commercial Property Development	Sterkspruit Town revitalization	R 35 million	Investor has been sourced and committed to the project. The resettlement of illegal occupants is underway.	
Tourism Liberation Route	Preservation of Liberation Heritage	R 1 million	The project is at its infancy stage	
Senqu MIG Sanitation	Construction of precast concrete VIP Toilets	R121,7 million	Completed 8 937 units and approx. 3659 units remaining. Continuation of Phase 6 in the 2022/23 FY	

Programme	Project	Location	Budget 21	Budget 22
Senqu Rural Water Supply	Provision of water services starting from source development, water storage and reticulation	R560 million	Construction will commence in the first week of April 2022 and it will continue in the 2022/23 FY. The project will first deal with priority villages such as N dofela, Mbobo, Bikizana, Storomo, Joveleni, Masekeleng, etc.	
Senqu Peach Project	Increase peach produce	R100 000	Soil tests were positive for the project to continue and 2 <sup>nd</sup> phase of Social Facilitation will continue.	
SMME Development Programme	Assist Emerging Small Businesses around the Joe Gqabi District	R5,2 million	118 SMME's trained and recruited 22 to be trained and graduate in the 2022/23 FY.	
		R1,4 million for 2022/23		

Programme	Project	Location	Budget 21	Budget 22
District Wide Wool Project	Contribute to an improvement in the wool quality produced in the district.	R50 000 (Other costs absorbed by SP)	Sheering shed in Ndofela is currently operational and more shearers will be recruited to operate in the 2022/23 FY	
<b>DEPARTMENT OF EDUCATION</b>				
School Construction	Refurbishments, Repairs and Additions to Existing structures at Khiba JSS		86% progress. R18 192 132,64	
	Sterkspruit Community School ECDC Centre		On Procurement:	
	Nkopane JSS Refurbishments, Repairs and Additions to Existing structures		On Concept Designs	
Future planned projects	Sterkspruit SSS		SDP Approval (On hold)	
	Bikizana JS School		SDP Approval (On hold)	

Programme	Project	Location	Budget 21	Budget 22
	Blikana SS School		SDP Approval (On hold)	
	Ebenezer Nyathi SS School		SDP Approval (On hold)	
	Kwagcina Junior Secondary School		SDP Approval (On hold)	
	Mehlomakhulu		SDP Approval (On hold)	
	Nompumelelo SS School		SDP Approval (On hold)	
	Nyatela SS School		SDP Approval (On hold)	
	St Mary's SP School	-	SDP Approval (On hold)	
	St Michael's JS School		SDP Approval (On hold)	
	Tapoleng JS School		SDP Approval (On hold)	
	Thaba Lesoba JS School		SDP Approval (On hold)	
	Thembaletu Jp School		SDP Approval (On hold)	
	Tienbank SP School		SDP Approval (On hold)	
	Tsekana SP School		SDP Approval (On hold)	

Programme	Project	Location	Budget 21	Budget 22
DEPARTMENT OF PUBLIC WORKS				
Upgrades to Lady Grey Hospital			Designs ready for tender	
New Ideal Clinic at Ndofera			Designs ready for tender	
50 APTECORD ARTISANS			48 Sterkspruit	
			2 Barkly East	
Building maintenance			22 Sterkspruit	
			13 Lady Grey	
			15 Barkly East	
<b>SANPARKS</b>				
North Eastern Grasslands Park			Rhodes	

## CHAPTER NINE: FINANCIAL PLAN 2023-2027

In general usage a financial plan is a budget, in other words a plan for spending and saving future income. This plan allocates future income to various types of expenses, such as salaries, insurances and also reserves some income for short term and long-term savings. A financial plan is also an investment plan, which allocates savings to various assets or projects expected to produce future income.

The Vision of the Budget and Treasury office is to ensure the financial management of the resources of Senqu Municipality to ensure sustainable and equitable service delivery to all the residents of the municipality. This is supported by our mission that commits the department to render sound financial management of the assets, liabilities, revenue and expenditure of the municipality on behalf of the community of Senqu Municipality. In order to achieve the above the following focus areas will be maintained and worked towards:

To ensure efficient and effective financial management, the Department of Financial Services performs the following key tasks:

- Revenue Collection/Income Generation
- Expenditure and Control
- Supply Chain Management
- Budgeting
- Accounting and Reporting Information Technology
- Assets and Stores
- Motor Vehicle Licensing and Registration

### 1. Capital & Operating Budget

The five-year financial plan includes an Operating Budget and Capital Investment Programme for the five years ending June 2027.

#### **Budget Assumptions**

The initial budget assumptions that went into the drafting of the financial plan in 2017 have changed completely. At that time, it was assumed that South Africa was coming out of a recession and that economic growth would be low but increase.

The following assumptions were used:

#### **External factors**

South Africa experienced its largest recorded decline in economic output in 2020 due to the strict COVID-19 lockdown. Real GDP contracted by 7.2 per cent in 2020 compared to 0.1 per cent increase in 2019. It is expected to increase by 6.2 per cent in 2021/22 and moderate by an average increase of 1.7 per cent over the 2022/23 MTREF. The National Treasury projects real economic growth of 5.1 per

cent in 2021, following an expected contraction of 6.4 per cent in 2020. Real GDP growth is expected to moderate to 1.8 per cent in 2022, 1.6 per cent in 2023 and 1.7 per cent in 2024.

Despite these challenges, the municipality is in a healthy financial position, however, it needs to at least stabilize and further strive to continuously better its financial position, coupled with acceptable levels of service delivery at affordable tariffs. The retention of sufficient cash-backed reserves is critical for the long-term sustainability of the municipality, and to this end the municipality is achieving this objective while also maintaining a balance on the Capital Replacement Reserve to a level where future external funding, excluding grants, be minimized.

### **General inflation outlook and its impact on the municipal activities**

Headline inflation is expected to remain between 3 to 6 per cent target range. To maximize the value of spending, government needs to contain costs, more especially consumption related spending, exercise prudent and compliant financial management, and eradicate wasteful treatment of public funds and resources.

Standard & Poor's credit rating for South Africa stands at BB- with stable outlook.

### **Interest rates for borrowing and investment of funds**

The SA Reserve Bank's monetary policy committee (MPC) has increased the repo rate by another 50 basis points to 4.75%. This brings the prime rate to 8.25%.

The Municipality is limiting its borrowing in order to keep finance charges to the absolute minimum. Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0,84 per cent (R2,90 million) of operating expenditure excluding annual redemption for 2022/23. This percentage is set to remain constant over the two outer years of the MTREF.

### **Collection rate for revenue services**

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage of annual billings. This percentage was reduced to 80 per cent to accommodate the effect of the Covid-19 pandemic on revenue collection. The performance of any increased collections or arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

### **Growth or decline in tax base of the municipality**

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection

rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

### **Salary increases**

The Salary and Wage Collective Agreement for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution are used for employee related costs for the 2022/23 MTREF. In terms of the agreement, all employees covered by this agreement will receive with effect from 01 July 2022 and 01 July 2023 an increase based on the projected average CPI percentages for 2022 and 2023.

### **Impact of national, provincial and local policies**

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

### **General budget overview 2022 MTREF**

In view of the aforementioned, the following table is a consolidated overview of the proposed 2022/23 Medium-term Revenue and Expenditure Framework:



**Table 49: Consolidated Overview of the 2022/23 MTREF (R'000)**

R thousand	Adjustments Budget	Budget Year	Budget Year +1	Budget Year +2
	2021/22	2022/23	2023/24	2024/25
Total Operating Revenue	287 798	309 722	319 870	335 313
Total Operating Expenditure	317 461	344 873	354 190	373 591
<b>Surplus/(Deficit) for the year</b>	<b>(29 663)</b>	<b>(35 152)</b>	<b>(34 320)</b>	<b>(38 278)</b>
Total Capital Revenue recognised	36 037	37 948	38 449	40 115
<b>Surplus/(Deficit) for the year</b>	<b>6 374</b>	<b>2 796</b>	<b>4 129</b>	<b>1 836</b>

As can be seen from the table above, the municipality will operate at an operating deficit throughout the MTREF. An operating deficit is an indication that the municipality is not generating sufficient revenue to sustain its operating expenditure, let alone the fact that the operating budget is not contributing any revenue at all towards the capital program. It should also be noted that the operating budget also includes items such as depreciation and debt impairment which are not considered to be a “cash” expense. These items will not result in an immediate cash outflow.

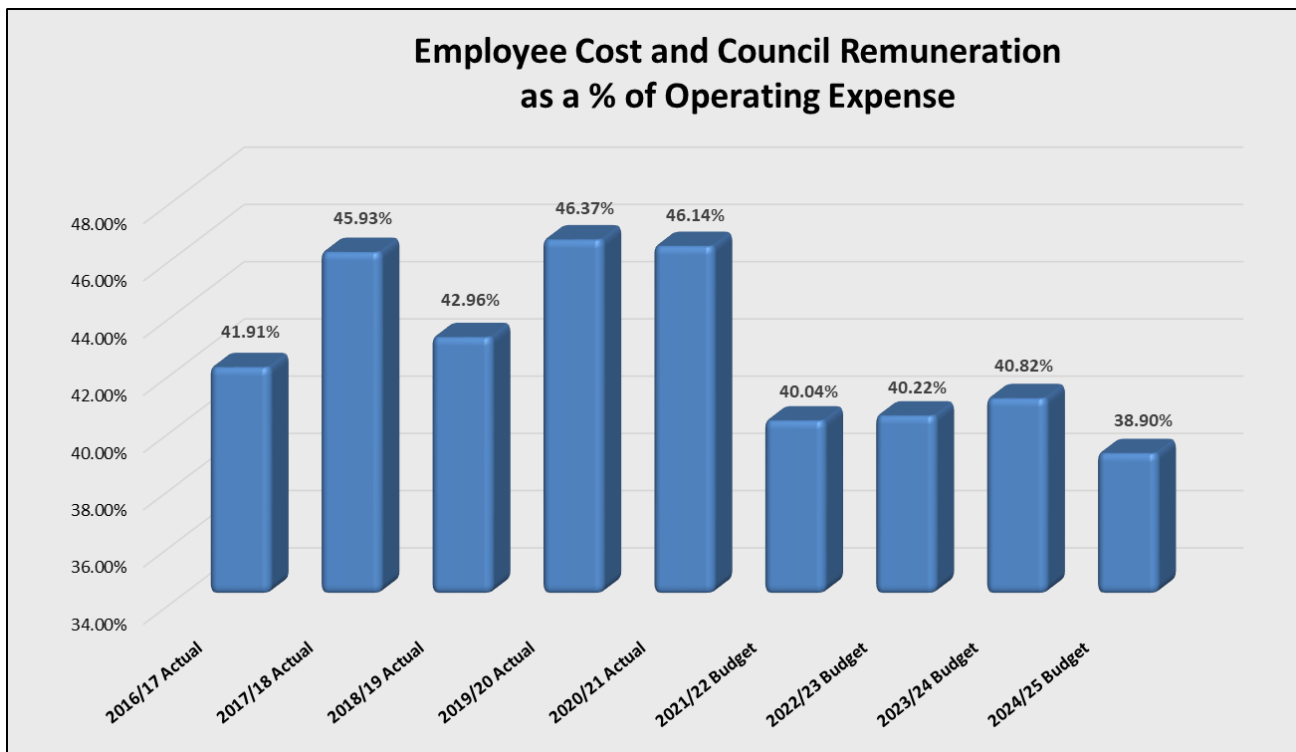
## 2. Financial Ratios

	Ratio	Norm Range	Senqu LM
<b>A</b>	<b>Asset Management</b>		
1	Capital expenditure to Total Expenditures	10 % - 20 %	7 %
2	Impairment of Property, plant & equipment, Investment Property & Tangible Assets (Carrying Value)	0 %	0 %
3	Repairs & Maintenance as a % of property, plant and equipment and Investment Property (Carrying Value)	8 %	2 %
<b>B</b>	<b>Debtors Management</b>		
1	Collection Rate	95 %	80 %
2	Bad Debts written off as % provision for Bad debt	100 %	10 %
3	Total Debtors Days	30 days	110 days
<b>C</b>	<b>Liquidity Management</b>		
1	Cash/Cost Coverage Ratio (Excl. Unspent conditional Grants)	1-3 months	23 months
2	Current ratio	1.5 -2.1	7.4
<b>D</b>	<b>Liability Management</b>		
1	Capital Cost (Interest Paid and Redemption as a % of Total Operating Revenue)	6% - 8 %	1 %
2	Debt (Total Borrowings)/Revenue	45 %	3 %
<b>E</b>	<b>Sustainability</b>		
1	Level of cash backed reserves (Net assets – Accumulated Surplus)	100 %	124 %

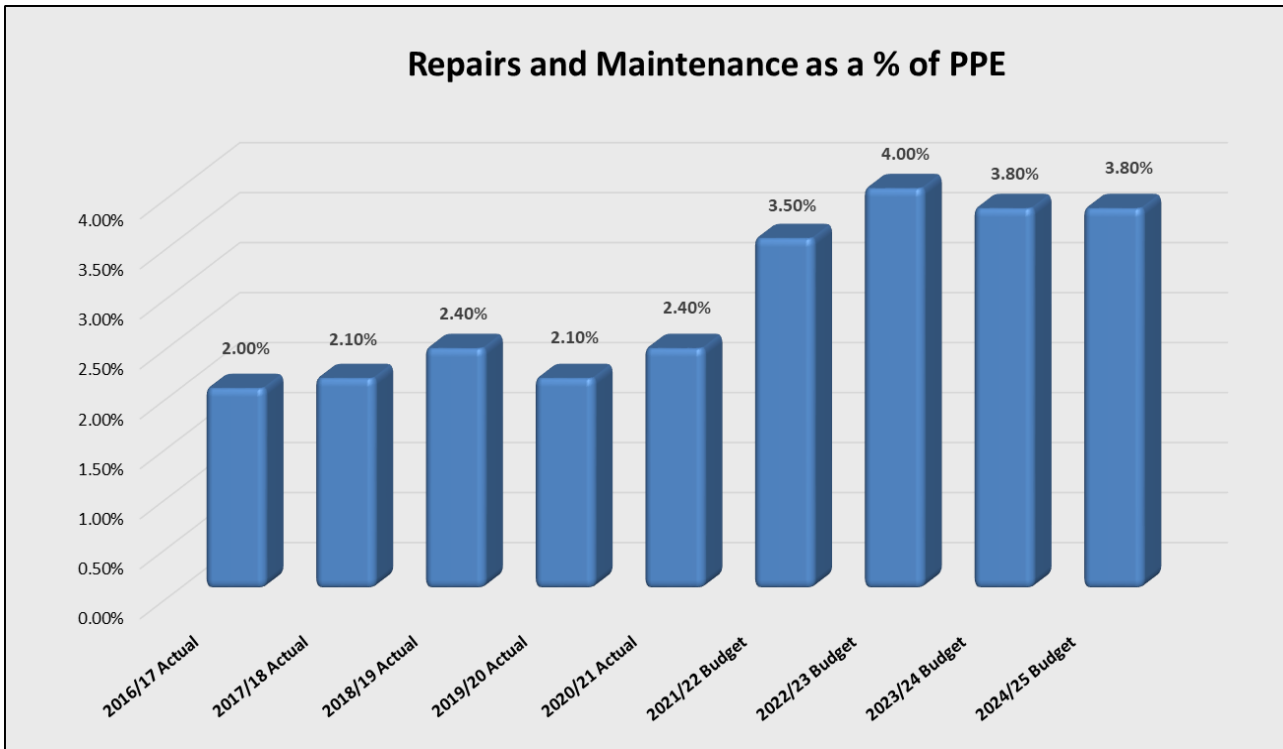
## 3. Financial performance

	Ratio	Norm	Senqu LM
<b>A</b>	<b>Efficiency</b>		
1	Net operating Surplus Margin	= or> 0 %	23 %
2	Net Surplus/ Deficit Electricity	0 %-15 %	16 %
3	Net surplus/ Deficit Water	= or> 0 %	N/A
4	Net surplus / Deficit Refuse	= or> 0 %	8%
5	Net surplus / Deficit Sanitation & Waste Water	= or> 0 %	N/A
<b>B</b>	<b>Distribution Losses</b>		
1	Electricity Distribution Losses ( percentage)	7 % - 10 %	18 %
2	Water Distribution Losses (percentage)	15 % - 30 %	N/A
<b>C</b>	<b>Revenue Management</b>		
1	Growth in Number of Active Service Accounts	None	-1%
2	Revenue Growth (%)	=CPI	2 %
3	Revenue Growth (%) – Excluding Capital grants	=CPI	14 %
4	Creditors Turnover rate		19 days

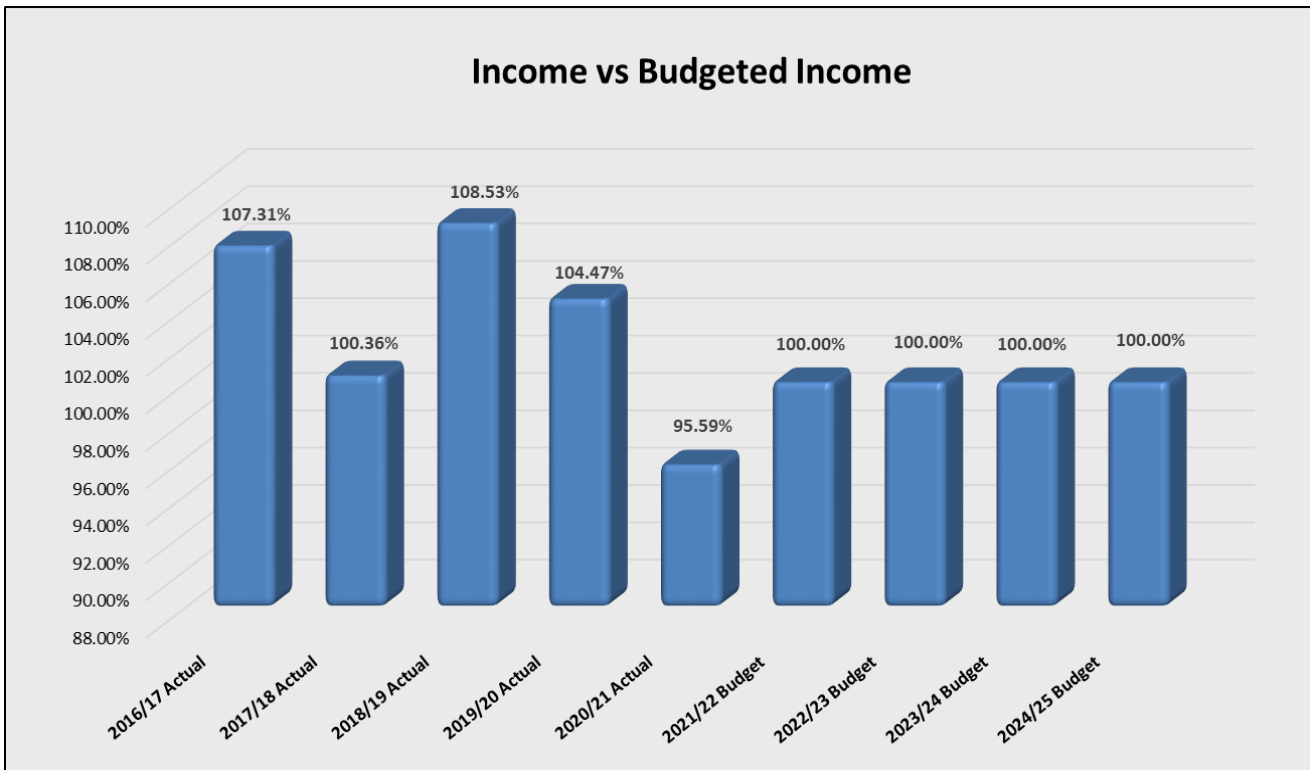
**Percentage of salary budget (CIIr remuneration and employee costs) to operational budget**



**Percentage repairs and maintenance on capital budget**



**Percentage of actual income against budgeted income**



## 4. Ability of the Municipality to spend

Table 50: Capital budget expenditure

Description	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>								
<b>CAPITAL EXPENDITURE</b>								
<b>Total New Assets</b>	<b>57 623</b>	<b>43 358</b>	<b>18 934</b>	<b>58 268</b>	<b>49 771</b>	<b>40 014</b>	<b>35 155</b>	<b>34 467</b>
<i>Roads Infrastructure</i>	22 450	18 732	7 732	1 097	2 793	188	425	5 101
<i>Storm water Infrastructure</i>	–	–	–	3 217	1 617	5 640	6 000	–
<i>Electrical Infrastructure</i>	7 734	1 967	2 254	2 079	1 529	1 880	3 300	7 162
<i>Solid Waste Infrastructure</i>	16 628	8 925	3 871	21 010	17 210	10 412	3 153	18 298
<b>Infrastructure</b>	<b>46 812</b>	<b>29 624</b>	<b>13 857</b>	<b>27 402</b>	<b>23 149</b>	<b>18 120</b>	<b>12 878</b>	<b>30 561</b>
<i>Community Facilities</i>	4 385	2 426	1 869	11 110	13 760	7 802	350	–
<i>Sport and Recreation Facilities</i>	223	–	–	8 000	1 000	2 500	5 500	–
<b>Community Assets</b>	<b>4 608</b>	<b>2 426</b>	<b>1 869</b>	<b>19 110</b>	<b>14 760</b>	<b>10 302</b>	<b>5 850</b>	<b>–</b>
<i>Operational Buildings</i>	3 954	8 853	1 565	5 748	2 748	6 580	10 000	–
<b>Other Assets</b>	<b>3 954</b>	<b>8 853</b>	<b>1 565</b>	<b>5 748</b>	<b>2 748</b>	<b>6 580</b>	<b>10 000</b>	<b>–</b>
<i>Licences and Rights</i>	49	–	103	–	–	–	1 615	–
<b>Intangible Assets</b>	<b>49</b>	<b>–</b>	<b>103</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 615</b>	<b>–</b>
<b>Computer Equipment</b>	<b>1 260</b>	<b>–</b>	<b>572</b>	<b>2 277</b>	<b>777</b>	<b>1 000</b>	<b>1 100</b>	<b>1 200</b>
<b>Furniture and Office Equipment</b>	<b>53</b>	<b>27</b>	<b>183</b>	<b>169</b>	<b>2 175</b>	<b>860</b>	<b>–</b>	<b>–</b>
<b>Machinery and Equipment</b>	<b>885</b>	<b>1 123</b>	<b>14</b>	<b>3 561</b>	<b>4 961</b>	<b>1 552</b>	<b>3 711</b>	<b>2 707</b>
<b>Transport Assets</b>	<b>–</b>	<b>1 304</b>	<b>771</b>	<b>–</b>	<b>1 200</b>	<b>1 600</b>	<b>–</b>	<b>–</b>
<b>Total Renewal of Existing Assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>5 435</b>	<b>12 793</b>	<b>10 115</b>	<b>–</b>	<b>–</b>
<i>Roads Infrastructure</i>	–	–	–	2 374	3 874	1 880	–	–
<i>Electrical Infrastructure</i>	–	–	–	–	158	–	–	–
<b>Infrastructure</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 374</b>	<b>4 032</b>	<b>1 880</b>	<b>–</b>	<b>–</b>
<i>Community Facilities</i>	–	–	–	3 061	8 761	8 235	–	–
<b>Community Assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3 061</b>	<b>8 761</b>	<b>8 235</b>	<b>–</b>	<b>–</b>
<b>Total Upgrading of Existing Assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>16 567</b>	<b>18 767</b>	<b>23 166</b>	<b>37 920</b>	<b>20 440</b>
<i>Roads Infrastructure</i>	–	–	–	12 679	9 679	15 040	34 503	12 880
<i>Solid Waste Infrastructure</i>	–	–	–	2 370	7 370	6 928	–	–
<b>Infrastructure</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15 049</b>	<b>17 049</b>	<b>21 968</b>	<b>34 503</b>	<b>12 880</b>
<i>Community Facilities</i>	–	–	–	843	–	–	–	–
<i>Sport and Recreation Facilities</i>	–	–	–	–	–	–	460	5 060
<b>Community Assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>843</b>	<b>–</b>	<b>–</b>	<b>460</b>	<b>5 060</b>
<i>Operational Buildings</i>	–	–	–	675	1 718	1 198	–	–
<b>Other Assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>675</b>	<b>1 718</b>	<b>1 198</b>	<b>–</b>	<b>–</b>
<b>Machinery and Equipment</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2 957</b>	<b>2 500</b>
<b>Total Capital Expenditure</b>	<b>57 623</b>	<b>43 358</b>	<b>18 934</b>	<b>80 270</b>	<b>81 332</b>	<b>73 295</b>	<b>73 075</b>	<b>54 907</b>
<i>Roads Infrastructure</i>	22 450	18 732	7 732	16 149	16 346	17 108	34 928	17 981
<i>Storm water Infrastructure</i>	–	–	–	3 217	1 617	5 640	6 000	–
<i>Electrical Infrastructure</i>	7 734	1 967	2 254	2 079	1 688	1 880	3 300	7 162
<i>Solid Waste Infrastructure</i>	16 628	8 925	3 871	23 380	24 580	17 340	3 153	18 298
<b>Infrastructure</b>	<b>46 812</b>	<b>29 624</b>	<b>13 857</b>	<b>44 825</b>	<b>44 231</b>	<b>41 968</b>	<b>47 381</b>	<b>43 441</b>
<i>Community Facilities</i>	4 385	2 426	1 869	15 015	22 521	16 037	350	–
<i>Sport and Recreation Facilities</i>	223	–	–	8 000	1 000	2 500	5 960	5 060
<b>Community Assets</b>	<b>4 608</b>	<b>2 426</b>	<b>1 869</b>	<b>23 015</b>	<b>23 521</b>	<b>18 537</b>	<b>6 310</b>	<b>5 060</b>
<i>Operational Buildings</i>	3 954	8 853	1 565	6 423	4 466	7 778	10 000	–
<b>Other Assets</b>	<b>3 954</b>	<b>8 853</b>	<b>1 565</b>	<b>6 423</b>	<b>4 466</b>	<b>7 778</b>	<b>10 000</b>	<b>–</b>
<i>Licences and Rights</i>	49	–	103	–	–	–	1 615	–
<b>Intangible Assets</b>	<b>49</b>	<b>–</b>	<b>103</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 615</b>	<b>–</b>
<b>Computer Equipment</b>	<b>1 260</b>	<b>–</b>	<b>572</b>	<b>2 277</b>	<b>777</b>	<b>1 000</b>	<b>1 100</b>	<b>1 200</b>
<b>Furniture and Office Equipment</b>	<b>53</b>	<b>27</b>	<b>183</b>	<b>169</b>	<b>2 175</b>	<b>860</b>	<b>–</b>	<b>–</b>
<b>Machinery and Equipment</b>	<b>885</b>	<b>1 123</b>	<b>14</b>	<b>3 561</b>	<b>4 961</b>	<b>1 552</b>	<b>6 668</b>	<b>5 207</b>
<b>Transport Assets</b>	<b>–</b>	<b>1 304</b>	<b>771</b>	<b>–</b>	<b>1 200</b>	<b>1 600</b>	<b>–</b>	<b>–</b>
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	<b>57 623</b>	<b>43 358</b>	<b>18 934</b>	<b>80 270</b>	<b>81 332</b>	<b>73 295</b>	<b>73 075</b>	<b>54 907</b>

The municipality remains committed to a large capital program with a significant portion funded by grants from National Government.

**Table 51: Total Capital Funding of the 2022/23 MTREF (R'000)**

Description	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited	Audited	Audited	Original	Adjusted	Budget Year	Budget Year	Budget Year
	Outcome	Outcome	Outcome	Budget	Budget	2022/23	2023/24	2024/25
<b>Funded by:</b>								
National Government	44 382	38 822	14 803	46 112	36 037	37 948	38 449	40 115
Provincial Government	2 609	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>46 991</b>	<b>38 822</b>	<b>14 803</b>	<b>46 112</b>	<b>36 037</b>	<b>37 948</b>	<b>38 449</b>	<b>40 115</b>
<b>Internally generated funds</b>	10 632	4 536	4 131	34 158	45 295	35 347	34 626	14 793
	<b>57 623</b>	<b>43 358</b>	<b>18 934</b>	<b>80 270</b>	<b>81 332</b>	<b>73 295</b>	<b>73 075</b>	<b>54 907</b>

The capital budget of R73,29 million for 2022/23 is 9,88 per cent less when compared to the 2021/22 Adjustment Budget. This decrease can mainly be attributed to less capital projects from National Government funds for 2022/2023. The capital program increases to R73,08 million in 2023/24 and decrease to R54,91 million in 2024/25. This movement in the capital budget is directly related to the movement in proposed expenditure to be financed from internally generated funds.

A large portion of the capital budget will be funded from own revenue (R84,76 million or 42,11%) over the MTREF with no anticipated borrowings. The main funding source being National Government Grants to the value of R116,51 million (57,89%) over the MTREF.

The municipality should be mindful of the fact that the large capital program, especially from internally generated funds, places enormous pressure on the accumulated cash reserves of the Senqu Municipality. This could significantly impact on the long term sustainability of the entity.

The following table is a high level summary of the 2022/23 budget and MTREF (classified per main type of operating expenditure):

**Table 52: Expenditure**

Description	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited	Audited	Audited	Original	Adjusted	Budget Year	Budget Year	Budget Year
	Outcome	Outcome	Outcome	Budget	Budget	2022/23	2023/24	2024/25
<b>R thousand</b>								
<b>Expenditure By Type</b>								
Employee related costs	86 820	93 815	100 291	107 049	111 783	122 867	127 781	137 597
Remuneration of councillors	12 244	12 697	12 663	15 336	15 336	15 796	16 491	17 233
Debt impairment	8 763	12 974	11 951	13 391	13 391	14 195	14 762	15 353
Depreciation & asset impairment	18 480	18 475	18 537	21 922	19 574	19 661	20 037	20 838
Finance charges	2 694	2 396	2 197	3 380	2 929	2 900	2 742	3 041
Bulk purchases	33 394	35 073	39 900	47 758	47 758	52 343	57 715	62 225
Other materials	11 151	11 510	13 152	18 644	20 299	24 661	25 018	26 149
Contracted services	28 881	19 208	21 861	41 550	45 331	50 349	49 177	49 392
Transfers and subsidies	550	37	-	42	42	42	41	46
Other expenditure	27 191	23 154	19 312	39 568	39 018	39 860	38 425	39 917
Loss on disposal of PPE	437	362	4 941	-	2 000	2 200	2 000	1 800
<b>Total Expenditure</b>	<b>230 605</b>	<b>229 702</b>	<b>244 806</b>	<b>308 640</b>	<b>317 461</b>	<b>344 873</b>	<b>354 190</b>	<b>373 591</b>

**Table 53: Budgeted Financial Performance (Revenue & Expenditure)**

Description	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited	Audited	Audited	Original	Adjusted	Budget Year	Budget Year	Budget Year
	Outcome	Outcome	Outcome	Budget	Budget	2022/23	+1 2023/24	+2 2024/25
<b>R thousand</b>								
<b>Revenue By Source</b>								
Property rates	13 439	12 430	12 830	9 602	13 509	14 320	14 950	15 622
Service charges - electricity revenue	33 059	41 362	44 115	48 567	58 605	63 240	66 023	68 994
Service charges - refuse revenue	11 478	11 474	11 997	10 840	10 840	11 490	11 996	12 535
Rental of facilities and equipment	837	56	49	131	1 055	1 238	1 288	1 340
Interest earned - external investments	21 703	21 294	16 040	19 834	17 254	17 599	18 373	19 200
Interest earned - outstanding debtors	2 376	4 091	3 831	2 686	4 171	4 421	4 616	4 824
Fines, penalties and forfeits	137	287	153	175	198	210	220	230
Licences and permits	1 243	972	1 392	1 249	1 249	1 254	1 309	1 368
Agency services	1 054	906	1 488	1 050	2 182	2 313	2 415	2 524
Transfers and subsidies	145 360	158 318	199 215	176 705	177 405	192 227	197 211	207 139
Other revenue	1 122	1 917	1 619	1 952	1 329	1 409	1 471	1 537
Gains	21 069	3 468	928	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>252 876</b>	<b>256 576</b>	<b>293 656</b>	<b>272 791</b>	<b>287 798</b>	<b>309 722</b>	<b>319 870</b>	<b>335 313</b>
<b>Expenditure By Type</b>								
Employee related costs	86 820	93 815	100 291	107 049	111 783	122 867	127 781	137 597
Remuneration of councillors	12 244	12 697	12 663	15 336	15 336	15 796	16 491	17 233
Debt impairment	8 763	12 974	11 951	13 391	13 391	14 195	14 762	15 353
Depreciation & asset impairment	18 480	18 475	18 537	21 922	19 574	19 661	20 037	20 838
Finance charges	2 694	2 396	2 197	3 380	2 929	2 900	2 742	3 041
Bulk purchases - electricity	33 394	35 073	39 900	47 758	47 758	52 343	57 715	62 225
Inventory consumed	11 151	11 510	13 152	18 644	20 299	24 661	25 018	26 149
Contracted services	28 881	19 208	21 861	41 550	45 331	50 349	49 177	49 392
Transfers and subsidies	550	37	-	42	42	42	41	46
Other expenditure	27 191	23 154	19 312	39 568	39 018	39 860	38 425	39 917
Losses	437	362	4 941	-	2 000	2 200	2 000	1 800
<b>Total Expenditure</b>	<b>230 605</b>	<b>229 702</b>	<b>244 806</b>	<b>308 640</b>	<b>317 461</b>	<b>344 873</b>	<b>354 190</b>	<b>373 591</b>
<b>Surplus/(Deficit)</b>	<b>22 271</b>	<b>26 875</b>	<b>48 850</b>	<b>(35 848)</b>	<b>(29 663)</b>	<b>(35 152)</b>	<b>(34 320)</b>	<b>(38 278)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	46 991	44 851	14 803	46 112	36 037	37 948	38 449	40 115
<b>Surplus/(Deficit) for the year</b>	<b>69 262</b>	<b>71 725</b>	<b>63 653</b>	<b>10 264</b>	<b>6 374</b>	<b>2 796</b>	<b>4 129</b>	<b>1 836</b>

## 5. Operating Budget

Revenue generated from rates and services charges forms an important percentage of the revenue basket for the Municipality, but measured against other municipalities, the percentage is relatively low. Rates and service charge revenues comprise about 30 per cent of the total revenue mix over the MTREF period.

Senqu municipality is to a very large degree dependent on grants (Equitable share) to sustain the budget (as illustrated on the graph below). The unconditional Equitable Share Grant is a grant growing annually according to a formula determined nationally and such formula is applicable to all local authorities on an equal basis.

Approximately 60% of the revenue basket can be attributed to equitable share. This, together with the lower percentage for rates and service charge revenues, is an indication of the high unemployment rate in the area and the focus on job creation projects are therefore treated as a priority.

**Table 53: Operating Budget**

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>								
<b>Revenue by Vote</b>								
Vote 1 - Executive & Council	7 032	7 309	48	6 269	6 269	6 797	7 137	7 505
Vote 2 - Planning & Development	1 950	2 289	3 992	7 690	7 683	9 973	8 093	8 438
Vote 3 - Corporate Services	17 153	1 031	1 375	193	701	743	775	810
Vote 4 - Budget & Treasury	115 675	122 188	220 809	126 287	128 164	137 350	143 977	151 079
Vote 5 - Road Transport	47 310	47 553	19 706	51 363	42 809	43 994	42 161	43 994
Vote 9 - Community & Social Services	1 596	1 875	1 568	1 655	2 218	2 261	2 294	2 330
Vote 10 - Sport & Recreation	9	1	2	10	2	2	2	2
Vote 11 - Public Safety	26	36	47	93	70	74	78	81
Vote 12 - Electricity	69 095	76 370	46 477	81 415	91 353	98 715	104 260	109 185
Vote 13 - Waste Management	40 020	42 775	14 436	43 929	44 566	47 760	49 541	52 004
<b>Total Revenue by Vote</b>	<b>299 867</b>	<b>301 427</b>	<b>308 459</b>	<b>318 904</b>	<b>323 835</b>	<b>347 670</b>	<b>358 319</b>	<b>375 427</b>
<b>Expenditure by Vote to be appropriated</b>								
Vote 1 - Executive & Council	29 497	28 817	27 032	32 771	33 498	36 261	36 850	39 665
Vote 2 - Planning & Development	17 407	15 837	17 856	26 705	25 409	26 388	22 155	23 279
Vote 3 - Corporate Services	31 189	27 928	24 150	44 746	39 718	44 303	45 729	45 795
Vote 4 - Budget & Treasury	30 316	29 020	32 952	37 920	45 514	47 941	48 721	53 226
Vote 5 - Road Transport	24 867	24 778	28 082	29 687	32 022	38 646	39 654	41 618
Vote 6 - Waste Water Management	3 960	4 067	4 168	5 094	7 126	7 212	7 345	7 576
Vote 9 - Community & Social Services	10 510	10 791	11 923	12 700	19 097	19 362	20 566	21 046
Vote 10 - Sport & Recreation	2 177	2 009	1 356	2 929	1 870	1 971	2 793	2 457
Vote 11 - Public Safety	1 854	647	43	1 189	533	1 187	1 157	1 225
Vote 12 - Electricity	48 143	51 908	62 058	70 400	71 457	78 550	84 522	91 826
Vote 13 - Waste Management	30 685	33 901	35 187	44 500	41 216	43 051	44 698	45 877
<b>Total Expenditure by Vote</b>	<b>230 605</b>	<b>229 702</b>	<b>244 806</b>	<b>308 640</b>	<b>317 461</b>	<b>344 873</b>	<b>354 190</b>	<b>373 591</b>
<b>Surplus/(Deficit) for the year</b>	<b>69 262</b>	<b>71 725</b>	<b>63 653</b>	<b>10 264</b>	<b>6 374</b>	<b>2 796</b>	<b>4 129</b>	<b>1 836</b>

## 6. Capital Budget & Borrowing

Table 54 details the estimated Capital Investment Programme for the five years starting. The Capital Investment Programme remains subject to the availability of funding.

**Table 54: Capital Investment Programme**

Vote Description	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>								
<b>Capital expenditure - Vote</b>								
<b>Multi-year expenditure to be appropriated</b>								
Vote 3 - Corporate Services	3 894	8 853	1 565	675	675	1 134	3 957	4 500
Vote 5 - Road Transport	18 745	18 668	7 496	22 277	18 524	23 500	44 503	17 981
Vote 6 - Waste Water Management	-	-	-	3 217	1 617	5 640	6 000	-
Vote 9 - Community & Social Services	340	105	1 869	13 013	20 378	14 494	-	-
Vote 10 - Sport & Recreation	140	590	-	-	1 000	2 500	5 960	2 133
Vote 11 - Public Safety	3 718	1 730	-	-	-	-	-	-
Vote 12 - Electricity	7 585	1 967	2 041	1 699	1 199	1 880	3 300	7 162
Vote 13 - Waste Management	16 628	8 925	3 871	23 380	24 580	17 340	3 153	18 298
<b>Capital multi-year expenditure sub-total</b>	<b>51 050</b>	<b>40 839</b>	<b>16 842</b>	<b>64 261</b>	<b>67 973</b>	<b>66 489</b>	<b>66 873</b>	<b>50 073</b>
<b>Single-year expenditure to be appropriated</b>								
Vote 1 - Executive & Council	572	-	24	-	1 221	1 600	1 615	-
Vote 2 - Planning & Development	160	13	-	-	-	-	-	-
Vote 3 - Corporate Services	184	-	173	3 348	5 597	1 219	1 500	500
Vote 4 - Budget & Treasury	452	14	660	2 109	2 488	1 275	1 100	1 200
Vote 5 - Road Transport	3 585	1 046	236	-	1 200	463	980	-
Vote 9 - Community & Social Services	208	-	-	2 002	2 143	1 393	100	-
Vote 10 - Sport & Recreation	223	-	-	8 000	-	-	-	2 927
Vote 11 - Public Safety	562	-	-	-	-	350	250	-
Vote 12 - Electricity	226	1 337	606	44	203	44	-	-
Vote 13 - Waste Management	400	108	392	506	506	462	657	207
<b>Capital single-year expenditure sub-total</b>	<b>6 573</b>	<b>2 518</b>	<b>2 093</b>	<b>16 009</b>	<b>13 358</b>	<b>6 807</b>	<b>6 201</b>	<b>4 834</b>
<b>Total Capital Expenditure - Vote</b>	<b>57 623</b>	<b>43 358</b>	<b>18 934</b>	<b>80 270</b>	<b>81 332</b>	<b>73 295</b>	<b>73 075</b>	<b>54 907</b>
<b>Capital Expenditure - Functional</b>								
<b>Governance and administration</b>	<b>5 102</b>	<b>8 867</b>	<b>2 423</b>	<b>6 132</b>	<b>9 981</b>	<b>5 228</b>	<b>8 172</b>	<b>6 200</b>
Executive and council	572	-	24	-	1 221	1 600	855	-
Finance and administration	4 530	8 867	2 398	6 132	8 760	3 628	6 557	6 200
Internal audit	-	-	-	-	-	-	760	-
<b>Community and public safety</b>	<b>5 193</b>	<b>2 426</b>	<b>1 869</b>	<b>29 142</b>	<b>26 599</b>	<b>25 117</b>	<b>16 310</b>	<b>5 060</b>
Community and social services	549	105	1 869	15 015	22 521	15 687	100	-
Sport and recreation	364	590	-	8 000	1 000	2 500	5 960	5 060
Public safety	4 281	1 730	-	6 128	3 078	6 930	10 250	-
<b>Economic and environmental services</b>	<b>22 490</b>	<b>19 727</b>	<b>7 732</b>	<b>16 149</b>	<b>16 646</b>	<b>17 383</b>	<b>35 483</b>	<b>17 981</b>
Planning and development	160	13	-	-	-	-	-	-
Road transport	22 330	19 714	7 732	16 149	16 646	17 383	35 483	17 981
<b>Trading services</b>	<b>24 838</b>	<b>12 337</b>	<b>6 910</b>	<b>28 847</b>	<b>28 105</b>	<b>25 367</b>	<b>13 110</b>	<b>25 666</b>
Energy sources	7 811	3 304	2 647	1 743	1 402	1 924	3 300	7 162
Waste water management	-	-	-	3 217	1 617	5 640	6 000	-
Waste management	17 027	9 033	4 263	23 886	25 086	17 802	3 810	18 504
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	<b>57 623</b>	<b>43 358</b>	<b>18 934</b>	<b>80 270</b>	<b>81 332</b>	<b>73 295</b>	<b>73 075</b>	<b>54 907</b>
<b>Funded by:</b>								
National Government	44 382	38 822	14 803	46 112	36 037	37 948	38 449	40 115
Provincial Government	2 609	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>46 991</b>	<b>38 822</b>	<b>14 803</b>	<b>46 112</b>	<b>36 037</b>	<b>37 948</b>	<b>38 449</b>	<b>40 115</b>
<b>Internally generated funds</b>	<b>10 632</b>	<b>4 536</b>	<b>4 131</b>	<b>34 158</b>	<b>45 295</b>	<b>35 347</b>	<b>34 626</b>	<b>14 793</b>
<b>Total Capital Funding</b>	<b>57 623</b>	<b>43 358</b>	<b>18 934</b>	<b>80 270</b>	<b>81 332</b>	<b>73 295</b>	<b>73 075</b>	<b>54 907</b>

## **Debt Management Framework**

The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Senqu Municipality's borrowing strategy is primarily informed by the affordability of debt repayments.



As indicated in the table above no borrowing for capital projects is planned. The municipality is still well within the limits of its borrowing capacity but will raise very limited loans in the near future in order to curtail possible rising debt servicing costs.

Table 55 below details the Debt Management Framework. Loans will only be raised to fund the Capital Investment Programme.

**Table 55: Debt Management Framework**

Borrowing - Categorized by type R thousand	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Parent municipality</b>								
Annuity and Bullet Loans	9 505	8 635	7 748	6 844	6 844	5 921	4 978	4 014
<b>Municipality sub-total</b>	<b>9 505</b>	<b>8 635</b>	<b>7 748</b>	<b>6 844</b>	<b>6 844</b>	<b>5 921</b>	<b>4 978</b>	<b>4 014</b>
<b>Total Borrowing</b>	<b>9 505</b>	<b>8 635</b>	<b>7 748</b>	<b>6 844</b>	<b>6 844</b>	<b>5 921</b>	<b>4 978</b>	<b>4 014</b>

## 7. Grants Receivable

The Municipality has managed to spend most of the grant funding. The Municipality does not maintain a separate account for grants as it has one primary bank account and then investment accounts.

Table 56 below details the Grants receivable in the 2022/2023 and outer years

**Table 56: Grants Receivable**

Description R thousand	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>RECEIPTS:</b>								
<b>Operating Transfers and Grants</b>								
<b>National Government:</b>	<b>142 818</b>	<b>156 745</b>	<b>195 014</b>	<b>170 005</b>	<b>170 005</b>	<b>188 307</b>	<b>195 711</b>	<b>205 639</b>
Local Government Equitable Share	136 434	149 935	189 021	157 093	157 093	170 328	178 832	188 044
Finance Management	1 700	1 700	1 700	1 650	1 650	1 650	1 700	1 700
Nat Gov: Councillor Remuneration	-	-	-	6 269	6 269	6 797	7 137	7 505
Municipal Infrastructure Grant (MIG)	1 888	2 249	1 676	2 427	2 427	7 874	7 911	8 254
EPWP Incentive	2 796	2 384	2 617	2 566	2 566	1 658	-	-
Municipal Disaster Relief Grant	-	477	-	-	-	-	-	-
Integrated National Electrification Programme	-	-	-	-	-	-	130	136
<b>Provincial Government:</b>	<b>1 500</b>	<b>1 700</b>	<b>6 700</b>	<b>6 700</b>	<b>7 200</b>	<b>2 330</b>	<b>1 500</b>	<b>1 500</b>
Libraries	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500
EPWP	-	-	5 200	5 200	5 200	330	-	-
Greenest Municipality	-	200	-	-	500	500	-	-
<b>Total Operating Transfers and Grants</b>	<b>144 318</b>	<b>158 445</b>	<b>201 714</b>	<b>176 705</b>	<b>177 205</b>	<b>190 637</b>	<b>197 211</b>	<b>207 139</b>
<b>Capital Transfers and Grants</b>								
<b>National Government:</b>	<b>41 850</b>	<b>45 936</b>	<b>31 846</b>	<b>46 112</b>	<b>36 037</b>	<b>37 948</b>	<b>38 449</b>	<b>40 115</b>
Municipal Infrastructure Grant (MIG)	35 867	42 736	31 846	46 112	36 037	37 948	37 580	39 206
Integrated National Electrification Programme	5 983	3 200	-	-	-	-	870	909
<b>Provincial Government:</b>	<b>3 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provincial Public Works Roads Infrastructure	3 000	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	<b>44 850</b>	<b>45 936</b>	<b>31 846</b>	<b>46 112</b>	<b>36 037</b>	<b>37 948</b>	<b>38 449</b>	<b>40 115</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>189 168</b>	<b>204 381</b>	<b>233 560</b>	<b>222 817</b>	<b>213 242</b>	<b>228 585</b>	<b>235 660</b>	<b>247 254</b>

**Table 57: Grants Expenditure**

Description	2018/19	2019/20	2020/21	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>EXPENDITURE:</b>								
<b>Operating expenditure of Transfers and Grants</b>								
<b>National Government:</b>	<b>143 469</b>	<b>156 818</b>	<b>197 715</b>	<b>170 005</b>	<b>170 005</b>	<b>188 807</b>	<b>195 711</b>	<b>205 639</b>
Local Government Equitable Share	136 434	149 935	189 021	157 093	157 093	170 328	178 832	188 044
Finance Management	1 700	1 700	1 700	1 650	1 650	1 650	1 700	1 700
Nat Gov: Councillor Remuneration	-	-	-	6 269	6 269	6 797	7 137	7 505
Municipal Infrastructure Grant (MIG)	1 888	2 249	3 964	2 427	2 427	7 874	7 911	8 254
EPWP Incentive	2 796	2 384	2 617	2 566	2 566	1 658	-	-
Municipal Disaster Relief Grant	-	233	244	-	-	-	-	-
Neighbourhood Development Grant	-	-	-	-	-	500	-	-
Integrated National Electrification Programme	651	317	168	-	-	-	130	136
<b>Provincial Government:</b>	<b>1 891</b>	<b>1 500</b>	<b>1 500</b>	<b>6 700</b>	<b>7 400</b>	<b>3 420</b>	<b>1 500</b>	<b>1 500</b>
Libraries	1 500	1 500	1 500	1 500	1 500	1 500	1 500	1 500
EPWP	-	-	-	5 200	5 200	330	-	-
Greenest Municipality	-	-	-	-	700	500	-	-
Provincial Public Works	391	-	-	-	-	-	-	-
Herschel Housing Grant	-	-	-	-	-	1 090	-	-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>145 360</b>	<b>158 318</b>	<b>199 215</b>	<b>176 705</b>	<b>177 405</b>	<b>192 227</b>	<b>197 211</b>	<b>207 139</b>
<b>Capital expenditure of Transfers and Grants</b>								
<b>National Government:</b>	<b>44 382</b>	<b>44 851</b>	<b>14 803</b>	<b>46 112</b>	<b>36 037</b>	<b>37 948</b>	<b>38 449</b>	<b>40 115</b>
Municipal Infrastructure Grant (MIG)	38 895	42 736	13 680	46 112	36 037	37 948	37 580	39 206
Integrated National Electrification Programme	5 487	2 115	1 122	-	-	-	870	909
<b>Provincial Government:</b>	<b>2 609</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provincial Public Works Roads Infrastructure	2 609	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>	<b>46 991</b>	<b>44 851</b>	<b>14 803</b>	<b>46 112</b>	<b>36 037</b>	<b>37 948</b>	<b>38 449</b>	<b>40 115</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>192 351</b>	<b>203 169</b>	<b>214 018</b>	<b>222 817</b>	<b>213 442</b>	<b>230 175</b>	<b>235 660</b>	<b>247 254</b>

## 8. Financial Strategy

The financial well-being and threats directly affecting the financial sustainability of municipalities have been a very topical issue in recent times. Issues such as unemployment and high energy and other costs negatively impacts on the sustainability of municipalities. These economic challenges will continue to pressurise municipal revenue generation and collection levels. The Municipality will have to improve their efforts to limit non-priority spending and to implement stringent cost-containment measures.

### a) Revenue Enhancement Strategy

As part of the financial sustainability strategy, a revenue management framework has been implemented to increase cash inflow, not only from current billings, but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

The following has been done with the implementation of the Revenue enhancement plan:

1. The Municipality is implementing a process of converting residential credit meters to prepaid meters. The Historical Debt in the main is based on residents not paying for electricity already consumed when the Municipality was still a majority of credit meters.

2. The Municipality is implementing exemptions as per the Municipal Property Rates Act and addition exemptions as per municipal policy. The Municipality is also in the process of transferring property to owners that will increase rates base in the future.
3. Refuse billing is based on the occupier of the premises and not subjected to property transfers as per point "1" above. Refuse billed is thus a greater % than Property Rates

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as electricity and solid waste removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

Investment revenue contributes significantly to the revenue base of the Municipality. The tables below provide detail investment information and investment particulars by maturity.

**Table 58: Detail Investment Information**

Investment type	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>					
<b>Parent municipality</b>					
Deposits - Bank	197 858	340 267	289 227	254 520	223 977
<b>Total</b>	<b>197 858</b>	<b>340 267</b>	<b>289 227</b>	<b>254 520</b>	<b>223 977</b>

**Table 59: Investment particulars by maturity**

Investments by Maturity	Opening balance	Interest to be realised	Closing Balance
<b>Parent municipality</b>			
Standard Bank 38 848 973 1 - 005	60 847	5 295	<b>66 142</b>
Standard Bank 38 848 606 6 - 001	6 502	427	<b>6 929</b>
Standard Bank 38 848 916 2 - 002	204 279	11 877	<b>216 156</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>271 628</b>	<b>17 599</b>	<b>289 227</b>

## b) Asset Management Strategy

### Asset Register

The Municipality has compiled a Fully GRAP Compliant Asset register that were tested by during the Audit were no findings pertaining to the Register were raised by the Auditor General. Senqu Municipality has implemented a system of internal control consistent with the transcripts of the Municipal Asset Management and Insurance policy to ensure that all assets are accounted for and the useful lives of the assets are reassessed on an annual basis. Strict Control is also kept on the safeguarding of assets to ensure that service delivery is not disrupted in any way or form.

Ultimately the objectives of Senqu Local Municipality regarding Asset Management are to ensure that the assets of the Municipality are properly managed and accounted for. The Municipality has developed a comprehensive asset and insurance policy that fully complies with the GRAP standards and regulations placed upon the municipality by the National Treasury. The policy has been implemented and some of the key aspects included in the policy are as follows:

- Ensuring the accurate recording of asset information
- The accurate recording of asset movements
- Exercising strict physical control over all assets (Security, safekeeping, housekeeping)
- Providing correct and meaningful management information in conjunction with other disciplines and functions which, inter alia, includes Insurance
- Compliance with Council’s Insurance and Payments Procedure
- Effecting adequate insurance of all assets
- Maintenance of Council’s Assets

By clearly clarifying roles and responsibilities within the asset management policy the municipality has ensured that clear reporting lines exists to ensure that proper account can be given regarding the use/misuse of all municipal assets.

Senqu Municipality, like so many other municipalities in South Africa, is faced with ageing Infrastructure as one of the biggest threats to sustainable service delivery.

National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The Municipality does not meet both these recommendations for the current budget period.

The table below illustrates that on average the municipality should replace its assets every 17 years. Where possible, the municipality should implement strategies that will see this ratio improve over time. This will include an effective maintenance program which will extent the useful life of the assets and reduce the need to replace assets on a more regular basis.

	<b>Average Remaining useful life</b>
Infrastructure	21
Community Assets	23
Other assets	7
<b>Average for all assets</b>	<b>17</b>

### c) Capital Financing Strategy

Capital Projects are mainly funded from the Municipal Infrastructure Grant, but the Municipality maintains efficient and effective revenue collection systems and effective cash flow management systems and is thus in an able position to fund shortfalls from grant funding. Through the above practices, Senqu Municipality is also able to fund capital expenditure not covered in the MIG as an example vehicles and office equipment.

## **9. Financial Management Policies**

### a) General Financial Philosophy

The financial policies of Senqu Local Municipality has been drafted to provide a sound control environment thus ensuring adherence to all applicable laws regulations and to comply with best practices thereby providing a secure and fraud free management of financial services. The Budget and Finance Office has the following objectives:

- To fully Implement the MFMA and all its underlying reforms
- Implementation of the Legislature relevant to municipal finances and the municipality as a whole
- Effective Management of the Budget Process
- Providing strategic and specialised financial information and guidance through the Budget and Treasury Office in support of all other departments within the municipality
- Efficient and Effective Management of Municipal Revenue
- Establishment of a Supply Chain Management Unit and the full implementation of the municipal supply chain policy
- Establishment of an FBS/Indigent Support Unit
- Maintenance of Internal Financial Control
- Production of Financial Performance Reports
- To Retain the Financial Viability of the Municipality
- To have an Unqualified Audit Report

### b) Tariff Policy

A tariff policy must be compiled, adopted and implemented in terms of Section 74 of the Local Government: Municipal Systems Act 2000, such policy to cover, among other things, the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements. The tariffs policy has been compiled considering, where applicable, the guidelines set out in Section 74 (see part 9 of this policy) of the Municipal Systems Act No. 32 of 2000. In setting its annual tariffs the council shall at all times take due cognisance of the tariffs applicable elsewhere in the economic region, and of the impact which its own tariffs may have on local economic development.

All tariffs are being indicated in a tariff schedule, which is an addendum to the policy and is reviewed and amended by Council annually.

### c) Rates Policy

The local Government: Municipal Property Rates Act, No 6 of 2004, requires that the municipality develop and adopt a rates policy in consistent with the Act on the levying of rates on rate able property in the municipality. This has been done. The rates policy of the municipality to which residents /

communities will annually be invited to make suggestions / recommendations during its budget process will be based on public submissions, which can include oral presentations and bilateral meetings in order to obtain clarity on the submitted comments as well as further motivations thereof. The municipal council will not take the final decision before such a consultative processes has been concluded. In developing and adopting this Rates Policy, the Council has sought to give effect to the sentiments expressed in the preamble of the Property Rates Act, namely that:

The Constitution enjoins local government to be developmental in nature, in addressing the service delivery properties of our country and promoting the economic and financial viability of our municipalities. There is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfil its developmental responsibilities. Revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of discriminatory legislation and practices and it is essential that municipalities exercise their powers to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation and which take account of historical imbalances and the burden of rates on the poor.

The Municipality needs a reliable source of revenue to provide basic services and perform its functions. Property Rates are the most important source of general revenue for the municipality. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households; these includes installing and maintaining streets, roads, sidewalks, lighting and cemeteries. Property Rates revenue is also used to fund municipal administration and costs of governance, which facilitate community participation on issues of Integrated Development Plans and municipal budgets. Property Rates revenue would under circumstances be used to fund any function of the municipality.

Municipal Property Rates are set, collected and used locally. Revenue from property rates is spent within the municipality, where the citizens and voters have a choice on how the revenue is spent as part of the Integrated Development Plan and budget processes, which the municipality will annually invites the community to input prior the council's adoption of the budget. The following principles will ensure that the municipality treats persons liable for rates equitable:

Equity – the municipality will treat ratepayers with similar properties the same.

Affordability – the ability of a person to pay rates will be considered by the municipality. In dealing with the poor / indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates. In applying its Valuations and Rates Policy, the Council adheres to all the requirements, as set out below, of the Property Rates Act no. 6 of 2004 including any regulations promulgated in terms of that Act.

#### d) Free Basic Services and Indigent Support Policy

The principles of the Free Basic Services and Indigent Support Policy is as follows:

- Ensure that the Equitable Share received annually will be utilised for the benefit of the poor only and not to subsidise rates and service charges of those who can afford to pay.
- To link this policy with the municipality's IDP (Integrated Development Plan), LED (Local Economic Development) initiatives and poverty alleviation programmes.
- To promote an integrated approach to free basic service delivery; and to engage the community in the development and implementation of this policy.

## Policy Objectives

In support of the above principles the objective of this policy will be to ensure the following:

- The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council;
- The financial sustainability of free basic services through the determination of appropriate tariffs that contribute to such sustainability through cross subsidisation;
- Establishment of a framework for the identification and management of indigent households including a socio-economic analysis where necessary and an exit strategy;
- The provision of procedures and guidelines for the subsidisation of basic charges and the provision of free basic energy to indigent households; and
- Co-operative governance with other spheres of government.

### e) Credit Control & Debt Collection Policy

The purpose is to ensure that credit control forms an integral part of the financial system of the local authority, and to ensure that the same procedure be followed for each individual case. The policy has been changed into a credit control bylaw in line with legislation

Principles underlined in the policy is as follows

- The administrative integrity of the municipality must be maintained at all costs. The democratically elected councillors are responsible for policy-making, while it is the responsibility of the Municipal Manager to ensure the execution of these policies.
- All customers must complete an official application form, formally requesting the municipality to connect them to service supply lines. Existing customers may be required to complete new application forms from time to time, as determined by the Municipal Manager.
- A copy of the application form including conditions of services must be handed to every new customer on date of application for services. A copy of the council's Credit Control and Debt Collection policy would on request is made available to any customer.
- Billing is to be accurate, timeous and understandable.
- The customer is entitled to reasonable access to pay points and to a variety of reliable payment methods.
- The customer is entitled to an efficient, effective and reasonable response to appeals, and should suffer no disadvantage during the processing of a reasonable appeal.
- Enforcement of payment must be prompt, consistent and effective.
- Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections, penalties, loss of rights and criminal prosecutions.
- Incentives and disincentives may be used in collection procedures.
- Results will be regularly and efficiently reported by the Municipal Manager and the Mayor.
- Application forms will be used to, inter alia, categorise customers according to credit risk and to determine relevant levels of services and deposits required.
- Targets for performance in both customer service and debt collection will be set and pursued and remedies implemented for non-performance.
- Debtors may be referred to third party debt collection agencies and may be placed on the National Credit Rating list.

f) Supply Chain Management Policy

The objective of this policy is to provide a policy framework within which the municipal manager and chief financial officer can institute and maintain a supply chain management system which is transparent, efficient, equitable, competitive, which ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.

All officials and other role players in the supply chain management system of the municipality must implement this Policy in a way that –

- gives effect to – section 217 of the Constitution; and Part 1 of Chapter 11 and other applicable provisions of the Act;
- is fair, equitable, transparent, competitive and cost effective;
- complies with – the Regulations; and any minimum norms and standards that may be prescribed in terms of section 168 of the Act; is consistent with other applicable legislation and guidelines:
- does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.

Banks Act, 1990, Act No.94 of 1990
The Constitution of the Republic of South Africa, 1996, Act No 108 of 1996
Public Finance Management Act, 1999, Act No 1 of 1999
Preferential Procurement Policy Framework Act, 2000, Act No 5 of 2000
Local Government: Municipal Systems Act, 2000, Act No 32 of 2000
Construction Industry Development Board Act, 2000, Act 38 of 2000
Preferential Procurement Regulations, 2001, Pertaining to the Preferential Procurement Framework Act – Notice 22549 of 10 August 2001 – Gazette No 7134
Broad-Based Black Economic Empowerment Act, 2003, Act No 53 of 2003
Municipal Finance Management Act, 2003, Act No 56 of 2003
National Treasury: MFMA Circular No. 2 – Supply Chain Management – 20 July 2004
Prevention and Combating of Corruption Activities Act, Act No 12 of 2004.
Local Government: Municipal Finance Management Act, 2003 – Municipal Supply Chain Management Regulations – Notice 868 of 2005
National Treasury: MFMA Circular No. 22 – Model Supply Chain Management Policy – 25 August 2005
Code of Conduct for Supply Chain Management Practitioners and Other Role Players - August 2005.
Municipal Supply Chain Management Model Policy – August 2005.
National Treasury: MFMA Circular No.25 – Supply Chain Management Guide, General Conditions of Contract and Municipal Bidding Documents – 3 October 2005.
A Guide for Accounting Officers of Municipalities and Municipal Entities – October 2005
General Conditions of a Contract – October 2005.
Senqu Municipality: Supply Chain Management Policy Ver. 1 – 1 January 2006.
Government Notice 44 – Exemptions from Supply Chain Management Regulations – 18 January 2006.
National Treasury: MFMA Circular No. 29 – Supply Chain Management Issues – 31 January 2006.



National Treasury: MFMA Circular No.33 – Supply Chain Management Issues – 27 March 2006.
National Treasury: MFMA Circular No.62 – SCM Compliance – 20 August 2012.
National Treasury: MFMA Circular No.68 – Unauthorised Fruitless and Irregular Expenditure – 13 October 2021.
National Treasury: MFMA Circular No.69 – SCM – Local Production and Content 22 May 2013
National Treasury: MFMA Circular No.81 – SCM – Central Supplier Database 18 March 2016
National Treasury: MFMA Circular No.82 – Cost Containment Measures 30 March 2016
National Treasury: MFMA Circular No.82 – Tax Compliance 30 January 2018

The Municipality remains committed to the full implementation of the SCM Regulations, MFMA requirements and the Municipal SCM policy. Control measures were implemented to address the findings raised by the AG and additional controls were also implemented by the municipality to be in a position to ensure compliance with SCM and PPPFA regulations such as the redesign of evaluation forms and the reviewal of the SCM policy. Senqu Municipality also plans to implement demand and procurement management plans for the 2022- 2023 Budget year to ensure enhanced compliance through proper planning.

The SCM unit within the municipality is also being capacitated and this in turn ensures that the SCM Policy is being properly enforced and implemented.

## **10. Accounting principles & Policies applied in Annual Financial Statements**

The budget and treasury section has developed an AFS year-end preparation plan and an audit file that is updated regularly. The Municipality does not miss the deadline of 31 August for the submission of the annual financial statements to the auditor general.

### Basis of Preparation

The financial statements are prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless specified otherwise.

The financial statements are prepared in accordance with the Municipal Finance Management Act (MFMA) and effective standards of Generally Recognised Accounting Practices (GRAP), including any interpretations, guidelines and directives issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework, have been developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 (Revised – November 2013) and the hierarchy approved in Directive 5 issued by the Accounting Standards Board.

Assets, liabilities, revenue and expenses have not been offset, except when offsetting is permitted or required by a Standard of GRAP.

### New Standards, Amendments to Standards and Interpretations issued but not yet effective

Where a Standard of GRAP has been issued but is not yet effective, the Municipality may resolve to early adopt such a Standard of GRAP if an effective date has been determined by the Minister of Finance.

The Municipality resolved to early adopt the Improvements to the Standards of GRAP (2020) which were issued but are not yet effective. The improvements affected the following Standards of GRAP:

<b>Standard</b>	<b>Description</b>	<b>Effective Date</b>
GRAP 5	Borrowing Costs	1 April 2023
GRAP 13	Leases	1 April 2023
GRAP 16	Investment Property	1 April 2023
GRAP 17	Property Plant and Equipment	1 April 2023
GRAP 24	Presentation of Budget Information in Financial Statements	1 April 2023
GRAP 31	Intangible Assets	1 April 2023
GRAP 32	Service Concession Arrangements: Grantor	1 April 2023
GRAP 37	Joint Arrangements	1 April 2023
GRAP 106	Transfer of Functions Between Entities Not Under Common Control	1 April 2023
Directive 7	The Application of Deemed Cost	1 April 2023
Guideline	Accounting for Landfill Sites	1 April 2023

The Municipality also resolved to early adopt the following Interpretation of the Standards of GRAP which were issued but are not yet effective:

<b>Standard</b>	<b>Description</b>	<b>Effective Date</b>
iGRAP 21	The Effect of Past Decisions on Materiality	1 April 2023

The Municipality further resolved to early adopt the following Amendments to the Standards of GRAP which were issued but are not yet effective:

<b>Standard</b>	<b>Description</b>	<b>Effective Date</b>
GRAP 1 (2019)	Presentation of Financial Statements	1 April 2023

The effect of the above-mentioned pronouncements to the Standards of GRAP which were early adopted is considered insignificant. The early adopted pronouncements mainly relate to the clarification of accounting principles.

## Presentation of Budget Information

Budget information is presented on the accrual basis and is based on the same fiscal period as the actual amounts.

The Statement of Comparison of Budget and Actual Amounts includes the comparison between the approved and final budget amounts, as well as a comparison between the actual amounts and final budget amounts.

The disclosure of comparative information in respect of the previous period is not required by the Standards of GRAP.

## **11. Revenue**

At the time of initial recognition, the full amount of revenue is recognised where the Municipality has an enforceable legal obligation to collect, unless the Municipality has no intention of collecting this revenue. Where the Municipality has no intention of collecting the revenue, rebates and discounts are offset against the related revenue. If the Municipality does not successfully enforce its obligation to collect the revenue this would be considered a subsequent event.

### Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions refers to transactions where the Municipality received revenue from another entity without directly giving approximately equal value in exchange.

Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

#### *Taxation Revenue*

Taxation revenue comprises of property rates. Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis with reference to the principal amount receivable and effective interest rate applicable. A composite rating system charging different rate tariffs is employed. Rebates are granted to certain categories of ratepayers and are deducted from revenue.

#### *Transfer Revenue*

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred, meet the criteria for recognition as an asset. A corresponding liability is recognised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants, transfers and donations without any conditions attached are recognised as revenue when the asset is recognised.

#### *Fines*

Fine Revenue constitutes both spot fines and summonses. All fines issued during the year less any

cancellations or reductions are recognised as revenue. In cases where fines and summonses are issued by another government departments, revenue will only be recognised when monies are received, as the Municipality does not have any control over fines issued by other government institutes.

#### *Insurance Receipts*

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

#### *Unclaimed deposits*

All unclaimed deposits are initially recognised as a liability until 12 months expires, when all unclaimed deposits into the Municipality's bank account will be treated as revenue. Historical patterns have indicated that minimal unidentified deposits are reclaimed after a period of twelve months. Therefore the substance of these transactions indicate that even though the prescription period for unclaimed monies is legally three years, it is reasonable to recognise all unclaimed monies older than twelve months as revenue. Although unclaimed deposits are recognised as revenue after 12 months, the Municipality still keep record of these unclaimed deposits for three years in the event that a party should submit a claim after 12 months, in which case it will be expensed.

#### *Revenue from Recovery of Unauthorised, Irregular, Fruitless and Wasteful Expenditure*

Income from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the MFMA (Act 56 of 2003), and is recognised upon the recovery thereof from the responsible party.

#### Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered or goods sold, the value of which approximates the consideration received or receivable.

#### *Service Charges*

Service Charges are levied in terms of approved tariffs. Service charges relating to electricity and water are based on consumption and a basic charge as per the approved tariffs. Meters are read on a monthly basis and are recognised as revenue when invoiced. Where the Municipality was unable to take the actual month's reading of certain consumers, a provisional estimate of consumption for that month will be created, based on consumption history. The provisional estimates of consumption are recognised as revenue when invoiced, except at reporting date when estimates of consumption up to the reporting date are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage and are levied monthly based on the recorded number of refuse points per property.

### *Interest earned*

Interest earned on investments is recognised in the Statement of Financial Performance on the time proportionate basis that considers the effective yield on the investment.

### *Rental income*

Revenue from the rental of fixed assets is recognised on a straight-line basis over the term of the lease agreement.

### *Income from Agency Services*

Revenue arising out of situations where the Municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the Municipality as compensation for executing the agreed services.

Income from agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

### *Other Tariffs*

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff. This includes the issuing of licences and permits.

### *Sale of goods*

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- The Municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods.
- The Municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits or service potential associated with the transaction will flow to the Municipality.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

## **12. Information & Communication Technology**

The ICT Software used by Senqu Local Municipality is summarized in Table 60 below:

**Table 60: ICT software**

<b>Company</b>	<b>Programme</b>	<b>Application</b>
Inzalo	Inzalo Enterprise Management Solutions	Inzalo Consolidated Billing Inzalo Ledger Inzalo Payroll Inzalo Assets Inzalo Stores Inzalo Cashbook Inzalo Financial Management Solutions
Microsoft	MS Office	MS Word

		MS Excel MS PowerPoint MS Publisher Adobe MS Outlook Windows Security
Sophos	Sophos Protection	Sophos Antivirus
Standard Bank	Standard Bank Business Online	Standard Bank Business Online Electronic Banking
SITA	eNatis	Motor Vehicle Registration

Source: Senqu Municipality

In order to protect data, there are backup servers located off site and one drive cloud backups. The servers also have alternate energy sources. The Municipality is busy improving its capacity to run its ICT and servers during electrical blackouts. All server rooms are secured.

### 13. Valuation Roll

In terms of The Municipal Property Rates Act of 2004, Chapters 4, 5, 6 and 7 a municipal valuation process of all properties within a municipal jurisdiction must be completed by a municipality within the ambit of this Act (MPRA) given due consideration to rights of community members and the municipality/municipal valuator which will conduct the valuation process. A GRAP compliant valuation roll was done in 2017 with the first supplementary which is published on the Senqu website on [www.senqu.gov.za](http://www.senqu.gov.za). It was open to the public for objections from the 15th May to 25 June 2018. Community meetings were held and the process of lodging objections was done. Yearly Supplementary Valuation Rolls are being conducted in years that general valuation does not take place. We published our last supplementary roll in 2022 and have applied for a two-year extension whilst the Treasury tender procurement abatement is in process. The roll was published in Gazette number 29 of 2022. This is in terms of Sec 6 & 14 of the MPRA which were gazetted. No objections were submitted during the objection period which is now closed.

A valuator was hired for the 2017 roll which is valid for 5 years. Budget is available for engaging a new valuer in the valuation reserves project.

In order to achieve the above an informative consultation process with community members will be embarked upon explaining activities to be performed by the municipal valutors and the rights of community members regarding the entire valuation process. This informative consultation process will also afford community members an opportunity to gain clarity on any uncertain matters which they might have. All meeting dates and places will be formally advertised and placed on notice boards in municipal offices.

The municipality is currently using General valuation roll for property valuations and the service are also linked to the General valuation roll and as they are demand driven the SLAs are signed for service required. The general valuation roll is performed as per the deeds search records and cadastral data from the chief surveyor general, these are the basic requirements as per MPRA act. Senqu Municipality is currently using Sebata billing System which capable of billing monthly, Quarterly, bi annually and annually depending on the demand. Currently we do have a challenge on electrical losses and the plan to curb those losses is always provided by technical director and Nersa.

The Vote for valuation reserves is part of the budget and the amount awarded to the winning bidder is also available at SCM as it reflects on the tender document. Currently the municipality has the current valuation on website and as soon as the new general valuation roll is opened for public consumption the municipality will add the new General valuation roll to the website.

#### **14. Internal Controls**

The Municipality has an effective internal control system in place as evidenced by eight consecutive year's unqualified audit with no other matters reported (clean audit). All issues relating to the audit are addressed in Chapter 5. Risk management is conducted on an annual basis by the DTSPS department and risk assessment reports generated quarterly per department.

#### **15. Supply Chain Management**

Senqu has three committees as per legislation. "Bid Committees" means the committees established in terms of this policy to prepare bid specifications, bid documentation, evaluate responsive bids and, where so authorised, to adjudicate responsive bids and any reference in section 117 of the Municipal Finance Management Act to municipal tender committees shall be construed as a reference to the aforesaid committees.

These Committees are:

The Specification Committee which ensures that the specifications are correct and in line with SCM legislation and approves them for tender advertisements. The Evaluation Committee evaluates bids once tenders have closed and forwards their recommendations to the Adjudication Bid Committee. The third committee is the Adjudication Bid Committee that makes the final decision on tenders except for tenders above R 10 million.

The unit consists of 11 staff members, including 2 managers, who handle bids, expenditure, demand management, acquisition management and contract management. The Unit assists the Compliance and Governance Manager to monitor the performance of suppliers and bidders. The turnover rate of procurement is between 45 days if adjudication sits regularly. Contract management is performed by the Acquisition Section with the SCM Division.

#### **16. mSCOA STANDARD CHART OF ACCOUNTS**

Senqu Local Municipality was chosen to be the pilot site for the implementation of mSCOA (Municipal Standard Chart of Accounts) – which was applied nationally during 2016 as a matter of compliance.

The Municipal Council took a resolution to execute the mSCOA project. An mSCOA Steering committee was established and the Municipality has restructured its Organogram to fit into the mSCOA requirements.

All budget projects are structured to be mSCOA compliant and the financial system has been restructured to accommodate this. The Municipality has suffered many problems with the implementation of mSCOA, but processes are in place to ensure that any problems in the future are attended to in a timely manner.



## **CHAPTER TEN: PERFORMANCE MANAGEMENT SYSTEM**

### **1. Monitoring & Evaluation System & Unit**

The M& E unit consists of the Manager Governance and Compliance with a risk management Officer and an intern. The Unit is responsible for the development of the Institutional SDBIP, departmental SDBIP, S56 Managers scorecards and that of the line managers' scorecards. In order for administrative efficiency the PMS scorecard is combined with the SDBIP so that only one report is received. The SDBIP, PMS and IDP objectives, strategies, indicators and targets are aligned on an annual basis. The evaluations for the 2020/21 financial year have been completed in line with the PMS policy which states that Directors will only be formally assessed once the final annual report is approved. It is therefore impossible to accurately state what percentage of the SDBIP targets was met. Managers will also be assessed. Annual assessments are done after the approval of the Annual Report by Council and the quarterly ones are done within 30 days after the end of each quarter.

In order to verify that targets are met, the responsible individuals submit quarterly reports with their portfolio of evidence to the Head of Department who checks it and submits it to the Manager Governance & Compliance. It is checked and a quarterly assessment is carried out. Formal assessment is only done in the second and fourth quarter. Individual PMS has moved to Corporate Services.

### **2. MPAC**

The MPAC has been trained again just to ensure that members are fully conversant with their roles and responsibilities. The Committee meets and discusses the departmental quarterly reports submitted by Directors and develops an annual S 46 report on performance assisted by the Manager Compliance and governance. As MPAC has improved its capacity, so has its ability to interrogate the evidence provided by directors to support that target have been met. As a result, the compliance with reporting and submitting of evidence has been much improved.

### **3. PMS Implementation and Roll Out**

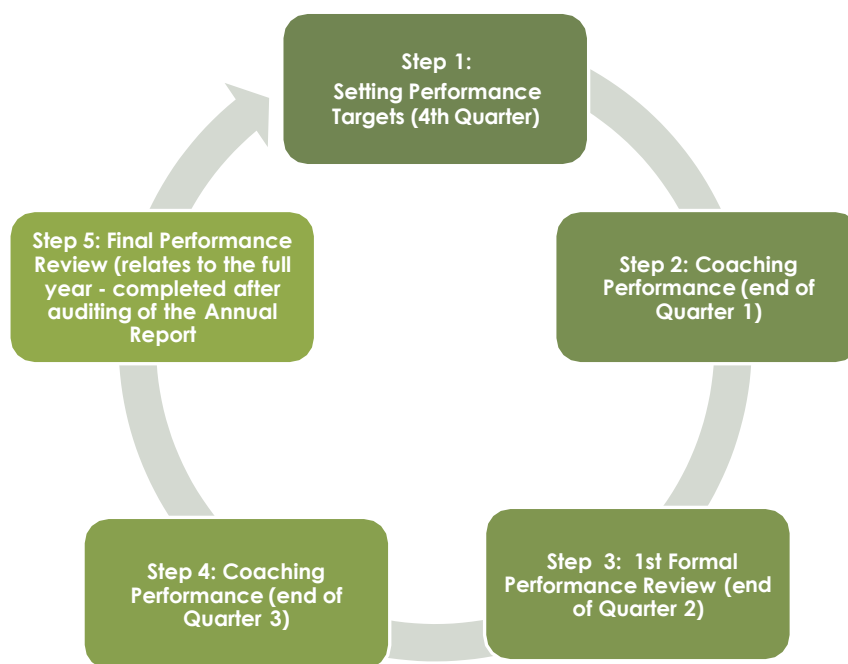
The Municipality has implemented an organisational PMS as per the policy adopted in 2018. Roll out to Managers below S56 occurred in 2014/15. The further roll out to personnel under Managers occurred in 2020/2021.

## 4. Summary of Performance Management Policy

The policy was adopted by Council in 2018.

Employee Performance Management System  
The Employee Performance Management Cycle

The employee Performance Management System involves the following cycle which extends from 1 July – 30 June annually:



Annually, the following steps are taken:

### Step 1: Fourth Quarter (Planning for the next cycle).

Scorecards for staff are developed and all targets are written according to the prescriptions relating to the setting of performance targets. There is alignment between scorecards, the SDBIP, Budget and IDP;

- Manager and subordinate discuss and agree on targets;
- Areas for development are identified and reflected in a Personal Development Plan (PDP) or customized action plan that is signed by both parties in order to show commitment to achievement. This reflects the training and development needs that must take place in order to ensure that the subordinate is able to meet the required targets; and
- The Municipal Manager and s56 Directors and Middle Manager's sign annual performance agreements, applicable for this period.

### Step 2: First Quarter Coaching and Reinforcement – informal Assessment

- At the end of this quarter the manager and subordinate meet to discuss actual performance

against required performance. Achievements are commended and appropriate Action Plans developed in order to address any highlighted performance issues; and

- Action Plans are monitored so that appropriate action occurs and targets are met.

#### First Formal Review: Assessment

- Manager and subordinate meet to discuss the formal assessment and the rating of actual performance against expected performance for all performance indicators. (The manner of ratings follows below). Agreement is reached on ratings and commitment (action plans) to required action to ensure that required targets are achieved.
- Institutional Performance (Targets) (includes Directorates individual targets) are formally assessed through the s72 performance report in Q2

#### Third Quarter: Coaching and Reinforcement– informal Assessment

- At the end of this quarter the manager and subordinate meet to discuss actual performance against required performance;
- Achievements are commended and appropriate Action Plans developed in order to address any highlighted performance issues; and
- Action Plans are monitored so that appropriate action occurs.

#### Fourth Quarter: Final Review and Assessment (Formal Panel Assessment)

- This assessment occurs after the auditing of the s46 / Annual Report. This is necessitated in order to be able to verify (from an external source) the achievement of targets/the extent to which targets have been achieved.
- Assessment of performance for all performance indicators is undertaken and, in this instance, assessment is undertaken by a panel, constituted according to the Framework and detailed below;
- As detailed within the Framework and Policy, slight differences will be observed in the final assessment (panel constitution and process).

#### Note:

- Two informal assessment which occur twice a year - after the first and the third quarter
- The formal assessment occurs twice a year – after the second and fourth quarter the 2<sup>nd</sup> quarter is done through s72 performance reporting and the 4<sup>th</sup> Quarter assessment which reflect an annual assessment may only occur after the Auditor General has audited the s46 / Annual Report; and
- Portfolios' of Evidence are kept by all applicable (The Municipal Manager, the Directors and other identified Managers and staff in order to validate claims of performance.

When developing scorecards, the following basic principles apply:

- Each scorecard for the Municipal Manager and s56 Directors and middle managers is compiled of Key Performance Areas (that make up 80% of the scorecard weighting) and Core Management Competencies (that make up 20% of the scorecard weighting);
- o Performance Agreements are concluded annually for the Municipal Manager and s56 Directors and middle managers;

- Staff at lower levels will make use of a generic scorecard that will be utilized to evaluate performance and will constitute 100 points. This will become effective at the time that the PMS is applicable to them;
- Senqu Municipality has adopted the five National Key Performance Indicators as contained within the 5-year Local Government Strategic Agenda as their Key Performance Area's (KPA's) within the organisational performance scorecard.
- Individual performance scorecards: - population of individual performance scorecards are dependent on the area/level of importance and the amount of emphasis that this National KPA would carry within this particular Directorate /Department/Division and the position and therefore it may be that some scorecards will be populated with all five (5) of the national key indicators and some may only consist of three (3) or four (4) of the five National Key Performance Indicators. The weightings may vary/ differ, depending entirely on the responsibilities of the position itself. The only prescription is that the total number allocated for the weights of the KPA's is 80% and the remainder of the scorecard will be made up of Core Management Competencies (CMC's) which will represent. Three compulsory CMC's
- Evidence Portfolios are required to validate achievement for both the KPA's and CMC's
- Each KPA is individually weighted according to the level of importance and the amount of emphasis that this KPA would carry within this particular Directorate / Department/Division and position. Between positions and Directorates / Departments the weightings may vary/ differ, depending entirely on the responsibilities of the position itself. The only prescription is that, that the total number allocated for the weights of the KPA's is 80%.
- The remainder of their scorecard adding up to 20% and made up of Core Management Competencies (CMC's). Three compulsory CMC's are required in terms of the Performance Regulations/pms policy and are detailed as follows:
  - Financial Management
  - People Management and Empowerment
  - Client Orientation and Customer Focus

The 3 compulsory CMC's and ONLY ONE ADDITIONAL CMC may be chosen from a list reflected within the Performance Regulations and performance agreements. As with the KPA's the targets for the CMC's must be reflected in the institutional scorecard, the SDBIP and the individual scorecards. The targets contained within the CMC's must be different to those reflected within the KPA's. If necessary, targets that have already been agreed to may be removed from the KPA's and reflected within the CMC's. Under no circumstances may targets be duplicated between the two. Alignment of all KPA's and CMC's and the various scorecards must occur. Evidence of performance achieved must be reflected in the Portfolios of Evidence in respect of BOTH CMC's and KPA's.

Rating of Employee Performance

The rating of an employee’s level of performance, whether in the category of s56 or as a middle manager, requires that ratings occur in terms of the rating calculator reflected below:

LEVEL	TERMINOLOGY	DESCRIPTION
5	Outstanding performance	Performance far exceeds the standard expected of an employee at this level.
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job .
3	Fully effective	Performance fully meets the standards expected in all areas of the job.
2	Performance not fully effective	Performance is below the standard required for the job in key areas.
1	Unacceptable performance	Performance does not meet the standard expected for the job

Assessment and Rating for the Municipal Manager and s56 Directors and Middle Managers

- During the first “formal” review (December) the “Manager” will assess the subordinate’s performance by using the rating scale of 1 to 5 and the reasons for variances. Similarly, the subordinate will conduct a self - assessment. When meeting, both parties will attempt to reach agreement on the ratings. Where no agreement is reached as to the final score the decision will be made by the next higher level of authority (as per the dispute resolution mechanism). The results of the assessment will guide the manager and subordinate to take appropriate steps to improve performance ongoing (through the development of action plans); and
- During the final review assessment (formal panel assessment) (for the period 1 July to 30 June), performance will also be rated according to these level descriptors although it will be rated by a performance assessment panel. Agreement that has been established for this purpose (as detailed within the Regulations and Framework). Variances are considered and examined/motivated appropriately.

**Note:** No final assessment should take place prior to the Annual Report being approved. At this point all the performance information has been audited and considered to be a true reflection of reality. Only verified information and claims to performance are considered to be true.

- Assessments are based on the degree to which a performance indicator has been met. Failure to produce adequate evidence will result in the lowest rating being awarded i.e., a rating of “1” rating.

Assessment and Rating for other Staff

Staff will be rated according to performance on a set of stipulated targets (generic issues). The slightly modified rating scale of 1 - 5 will be utilized (adjusted/modified slightly).

In both assessment reviews the immediate manager and related subordinates will discuss assessments and validate all assessments made.

Scoring of Employees Performance (applicable to the Municipal Manager and s56Directors and Middle Managers only)

Note: Rating and Scoring are two distinct processes.

The rating is used to determine the actual score from the total possible score for each output. Each performance scorecard is made up of 100 points. These are divided up by the weight allocations --- The KPA's (80 points) and CMC's (20 points).

#### Performance Bonuses

The applicability of the PMS Framework is being cascaded over a period of time from the level of s56 manager down to middle managers reporting to s56 employees and finally to all levels below in a cascade effect.

At every level below the relevant manager/supervisor, the subordinate's scorecard will be informed by the extent to which they are required to meet certain performance indicators that will in turn enable the manager/supervisor to meet their performance targets. In this manner it is ensured that there is alignment at every level (between IDP, SDBIP, Budget and Scorecards).

- Performance Bonuses applicable to s56 managers

In order for the Municipal Manager, s56 Directors and Middle Managers to qualify for a performance bonus, the ratings of all panelists' are required to be consolidated and changed into averaged scores (representative of the entire panel). These are consolidated by the Performance Management Facilitator appointed for this purpose.

The panel constitution for the Municipal Manager and s56 Managers (as reflected within the Regulations) is detailed below:

EVALUATION OF THE MM	EVALUATION OF S56 DIRECTORS ACCOUNTABLE TO THE MM
Mayor	MM
Chairperson of the audit committee or Audit Committee Member	Chairperson of the audit committee or Audit Committee Member
Mayor from another municipality	MM from another municipality

Ward committee member nominated by Mayor	Portfolio Councillor or Exco Member as nominated by the Mayor
Exco Member as nominated by the Mayor	Governance and Compliance Manager
Governance and Compliance Manager	PMS Facilitator
PMS Facilitator	

The Municipal Manager and s56 Directors are required to prepare and present a Portfolio of Evidence – substantiating claims of performance for each and every Performance Indicator for KPA's and CMC's. This, together with the audit of the Annual Report will validate /authenticate claims of performance – necessary in order to justify/verify the final consolidated score and any applicable bonus. Bonuses are awarded according to the following sliding scale – achieved by doubling the score (a total of 100 as per each scorecard), so as to reflect a total out of 200 – applicable to the rating scale.

<u>Score / 200</u>	<u>% Bonus for s56 Managers</u>
130 (65%)	5 % of total annual remuneration package
134	6 % of total annual remuneration package
138	7 % of total annual remuneration package
142	8 % of total annual remuneration package
146	9 % of total annual remuneration package
150	10 % of total annual remuneration package
154	11 % of total annual remuneration package
158	12 % of total annual remuneration package
162	13 % of total annual remuneration package
166+ (83% +)	14 % of total annual remuneration package

The sliding scale applicable to s56 Managers is reflected as follows:

As per the Performance Regulations, the Municipal Manager and s56 Directors s56 will be able to qualify for performance bonuses according to the following ratings (reflected in the table below):

A score of 130% to 149% is awarded a performance bonus ranging from 5 – 9%, and a score of 150 and above is awarded a performance bonus ranging from 10% - 14%.

Merit awards applicable to the Municipal Manager and s56 Directors (budget permitting)

Merit awards for the Municipal Manager and s56 Directors are determined by assessing



performance against required targets. Once performance criteria have been established, performance targets are reviewed regularly. At the end of the financial year, actual performance is compared against the agreed performance targets to determine the magnitude of the merit award. The merit award is calculated as a percentage of the total annual remuneration package of the employee, as indicated in the table hereunder.

Score / 200	Merit Award for s56 Managers
130 to 141 (65% - 70%)	1% of total package
142 to 149 (71% - 74%)	2% of total package
150 to 161 (75% - 80%)	3% of total package
162 to 165 (81 – 82%)	4% of total package
166+ (83% +)	5% of total package

- Performance Bonuses applicable to Middle Managers

Middle Managers are required to prepare and present a Portfolio of Evidence – substantiating claims of performance for each and every Performance Indicator for KPA’s and CMC’s. Bonuses are awarded according to the following sliding scale – achieved by doubling the score (a total of 100 as per each scorecard), so as to reflect a total out of 200 – applicable to the rating scale.

in order for Middle Managers to qualify for a performance bonus, the ratings of all panelists are required to be consolidated and changed into averaged scores (representative of the entire panel). These are consolidated by the Performance Management Facilitator appointed for this purpose.

The panel assessment panel for middle managers is constituted as follows:

ASSESSMENT PANEL FOR MIDDLE MANAGERS
Director (for relevant Directorate)
Manager (Relevant to Division) being reviewed (self-score and motivation /POE).
PMS Facilitator
Manager: Governance and Compliance or nominated other

All Middle Managers are required to prepare and present a Portfolio of Evidence – substantiating claims of performance for each and every Performance Indicator for KPA’s and CMC’s. This, together with the audit of the Annual Report will validate /authenticate claims of performance – necessary in order to justify/verify the final consolidated score and any applicable bonus. Bonuses are awarded according to the following sliding scale – (a total of 100 as per each scorecard), so as to reflect a total out of 200 – applicable to the rating scale.

Noted each KPA is individually weighted according to the level of importance and the amount of emphasis that this KPA would carry within this particular Directorate / Department/Division and position. Between positions and Directorates / Departments the weightings may vary/ differ, depending entirely on the responsibilities of the position itself. The only prescription is that the total number allocated for the weights of the KPA's is 80%. The remainder of the scorecard adds up to 20% and made up of Core Management Competencies (CMC's). The Three compulsory CMC's are required in terms of the Performance Regulations/pms policy

The consolidated scores are doubled and bonuses are applicable as per the following sliding scale  
The sliding scale applicable to Middle Managers' is reflected as follows:

Score / 200	% Bonus of Middle Manager's Basic Salary
130-133	10 % Middle Manager's Basic Salary
134-137	20% Middle Manager's Basic Salary
138-141	30% Middle Manager's Basic Salary
142-145	40% Middle Manager's Basic Salary
146-149	50% Middle Manager's Basic Salary
150-153	60% Middle Manager's Basic Salary
154-157	70% Middle Manager's Basic Salary
158-161	80% Middle Manager's Basic Salary
162-165	90% Middle Manager's Basic Salary
166	100% Middle Manager's Basic Salary

Performance Bonuses applicable to all other staff (below Middle Management level)

All other staff will be eligible to achieve a performance bonus providing they achieve a stipulated rating during the final review that is applicable to the assessment of annual performance and is detailed in the table that follows. Only one formal assessment occurs – after the 4<sup>th</sup> Quarter. While this is not a legislated requirement it is important to assess performance throughout the organisation. Using the rating scale of 1 to 5 for achievement on targets as specified in terms of a standardized scorecard, the ratings of all panelists' will be averaged and an average rating for each incumbent will be obtained which will translate to an overall rating that ranges from 1 to 5. More specifically, the following rating scale applies and the employee, their Manager and the Director form a panel which assesses and rates performance for each indicator on the generic scorecard. The rating for each indicator is averaged amongst the panelist's and all final ratings are added together and averaged (rounded up) in order to achieve an overall final rating that is equivalent to a 1,2,3,4 or 5 overall.

The rating calculator and standard definitions are reflected as follows:

LEVEL	TERMINOLOGY	DESCRIPTION

5	Outstanding performance	Performance exceeds targets in 80% of indicators.
4	Performance above expectations	Performance is higher than the standard expected in terms of the target. Consider action over and above what is expected/use of initiative.
3	Meets the Standard	Performance fully meets the standard required by the targets.
2	Not fully effective	Performance is below the standard.
1	Unacceptable performance	Performance does not meet the standard expected for the job.

The panel assessment panel for other staff (below Middle Management) is constituted as follows:

PANEL FOR STAFF BELOW MIDDLE MANAGEMENT
Director (for relevant Directorate)
Manager (Relevant to Section) being reviewed
The Employee Being Assessed
PMS Facilitator

Performance rewards for other staff are applicable as follows:

AVERAGE RATING	MERIT AWARD
5	60% of monthly basic package
4	40% of monthly basic package

Performance rewards for other staff are applicable as follows continued:

AVERAGE RATING	MERIT AWARD
3	20% of monthly basic package
2	0%
1	0%

# CHAPTER 11: DISTRICT DEVELOPMENT MODEL (DDM) AND ONE PLAN

## 1. Introduction

“Cabinet approved the DDM as a government approach to improve integrated planning and delivery across the three spheres of government with district and metro spaces as focal points of government and private sector investment. The envisaged integrated planning and delivery in the district and metro spaces will be enabled by joint planning, budgeting and implementation process. The DDM articulates an approach by which all three spheres of government and state entities work cooperatively in an impact oriented way to ensure enhanced performance and accountability for coherent service delivery and development outcomes. The DDM is anchored on the development of the One Plan. This plan is an intergovernmental plan that outlines a common vision and desired future outcomes in each of the 52 district and 8 metro spaces. The One Plan sets out a long-term strategic framework to guide investment and delivery in each district and metro spaces in the country (COGTA , June 2021)”.

The Joe Gqabi District Municipality developed its draft One Plan in 2021 and undertook workshops with various stakeholders in May 2022 to update and finalise the plan.

## 2. Purpose of the One Plan

- To give effect to the **District Development Model (DDM)** approved by Cabinet as a practical method to improve service delivery and development impact in the Joe Gqabi District Municipality space through integrated planning, budgeting, and delivery by all three spheres of government working together with stakeholders and communities.
- To localise and synergise the **National Development Plan (NDP)**, the Medium-Term Strategic Framework (MTSF), National Spatial Development Framework (NSDF), Integrated Urban Development Framework (IUDF) and key national and provincial sector policies/strategies/plans with socio-economic and spatial development logic of the Joe Gqabi District Municipality;
- To express a **coherent and predictable government approach in relation to these key priorities** through a **Long-Term Strategic Framework (One Plan)** for growth and development of the Joe Gqabi District Municipality space that is co-produced by all three spheres of government together with stakeholders and communities.
- To enable a programmatic Intergovernmental Relations approach in relation to Joe Gqabi District Municipality through implementation of the One Plan that will serve as an impact performance framework tracking the commitments and spending of national and provincial sector departments and the Joe Gqabi District Municipality according to the **shared vision** and desired future development of Joe Gqabi District Municipality and its people.
- To create an **environment** which is conducive for **investment**.

- To stabilize **governance and financial management practices** in the Joe Gqabi District Municipality;

### 3. Pillars of the One Plan

These six DDM Transformation Focal Areas are:

- i. **People Development and Demographics** – the process of understanding the current population profile and development dynamics and by which a desired demographic profile and radical improvement in the quality of life of the people is achieved through skills development and the following 5 transformations discussed below (economic positioning, spatial restructuring and environmental sustainability, infrastructure engineering, housing and services provisioning, and governance and management).
- ii. **Economic Positioning** – the process by which a competitive edge is created that enables domestic and foreign investment attraction and job creation on the basis of an inclusive and transformed economy. The economic positioning informs the spatial restructuring and has to be sustained through protecting, nurturing and harnessing natural environment and resources.
- iii. **Spatial Restructuring and Environmental Sustainability** – the process by which a transformed, efficient and environmentally sustainable spatial development pattern and form is created to support a competitive local economy and integrated sustainable human settlements. Spatial restructuring informs infrastructure investment in terms of quantum as well as location and layout of infrastructure networks.
- iv. **Infrastructure Engineering** – the process by which infrastructure planning and investment especially bulk infrastructure installation occurs in order to support the transforming spatial pattern and form, meet the needs of a competitive and inclusive local economy and integrated human settlements, and ensure demand for housing and services is met in a sustainable way over the long-term.
- v. **Integrated Services Provisioning** – the process by which integrated human settlement, municipal and community services are delivered in partnership with communities so as to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. This also requires holistic household level service delivery in the context of a social wage and improved jobs and livelihoods.
- vi. **Governance and Management** – the process by which leadership and management is exercised that planning, budgeting, procurement, delivery, financial and performance management takes place in an effective, efficient, accountable and transparent manner. It also includes spatial governance, that is, the process by which the spatial transformation goals are achieved through assessing and directing land development and undertaking effective land use management and release of municipal/public land.

### 4. Alignment to Senqu Municipality KPA's

	Alignment to Senqu KPA's
People Development and Demographics	Environment and spatial development Municipal transformation and institutional development
Economic Positioning	Local Economic Development
Spatial Restructuring and Environmental Sustainability	Environment and spatial development
Infrastructure Engineering	Basic service delivery and infrastructure Municipal Financial Management and viability
Integrated Services Provisioning	Good Governance and Public Participation Municipal Financial Management and viability
Governance and Management	Good Governance and Public Participation Municipal transformation and institutional development

## 5. Alignment to key government priorities to be implemented in district

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT PRIORITIES	SENQU PRIORITIES
<b>PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT</b>	<b>Priority 3: Education, Skills and Health</b> <b>Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services</b> <b>Priority 6: Social Cohesion and Safer Communities</b>	<b>Goal (Impact Area) 4: Human Development</b> <ul style="list-style-type: none"> <li>• Increase access to Early childhood development.</li> <li>• Improved quality of primary and secondary education for improved educational outcomes.</li> <li>• Increase skills for development of the province.</li> <li>• Improved health profile and health outcomes in communities.</li> <li>• Improve the safety of the people in the Eastern Cape.</li> <li>• Promotion of Social Cohesion and moral regeneration.</li> <li>• Social Protection and Viable Communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve human capacity</li> <li>• Facilitate development mental health and inclusive society</li> <li>• Build social fabric</li> </ul>	<ul style="list-style-type: none"> <li>• Programme to look at building and maintaining creches</li> <li>• Poverty alleviation programme in W 5</li> <li>• Revitalising CPF's and the Integrated Safety Forum</li> </ul>
<b>PILLAR 2: ECONOMIC POSITIONING</b>	<b>Priority 2: Economic Transformation and Job Creation</b>	<b>Goal (Impact Area) 1: Innovative and Inclusive Growing Economy</b>	<ul style="list-style-type: none"> <li>• Facilitate and Implement job Creation and Poverty Alleviation</li> <li>• Facilitate and support regional economic</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of the LED strategy</li> <li>• Monitor and implement increased procurement from SMME's</li> </ul>

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT PRIORITIES	SENQU PRIORITIES
		<ul style="list-style-type: none"> <li>Stronger industry and enterprise support.</li> <li>Rapid development of high-potential economic sectors.</li> <li>Spatially balanced economic development, urban development and small-town revitalization.</li> <li>Digital transformation and development of the ICT sector.</li> </ul> <p><b>Goal (Impact Area) 3: Rural Development and an Innovative and High-Value Agriculture Sector</b></p> <ul style="list-style-type: none"> <li>Sustainable community agriculture and diversified livelihoods.</li> <li>Development of agricultural value chains.</li> <li>Accelerate land reform and land rehabilitation programmes.</li> </ul>	<p>development initiatives</p> <ul style="list-style-type: none"> <li>Build economic and Social Infrastructure</li> <li>Enhanced Tourism Development to stimulate economic growth</li> <li>Thriving Agriculture and Agri-processing development in the region</li> <li>Efficient and effective Investment Promotion and SMME Development</li> <li>Ensure access to funding by Informal Businesses</li> <li>Increased Property investment and Infrastructure Development</li> <li>Thriving Light Manufacturing development</li> <li>Digitally transformed service delivery platforms</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of the Tourism Plan</li> <li>Property investment unit at the Municipality</li> </ul>
<b>PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY</b>	<b>Priority 5: Spatial Integration, Human Settlements and Local Government</b>	<p><b>Goal (Impact Area) 2: An Enabling Infrastructure Network</b></p> <ul style="list-style-type: none"> <li>Develop sustainable and integrated settlements.</li> </ul> <p><b>Goal (Impact Area) 5: Environmental Sustainability</b></p> <ul style="list-style-type: none"> <li>Improvement of environmental governance.</li> </ul>	<ul style="list-style-type: none"> <li>Establish dedicated Environmental Management units in the District and Local Municipalities.</li> <li>Facilitate Environmental management and conservation.</li> <li>Develop capacity of the District to undertake compliance and enforcement activities in terms of the National</li> </ul>	<ul style="list-style-type: none"> <li>Formalisation of informal settlements</li> <li>Increasing access to sites in urban areas</li> <li>Consolidation of villages around Sterkspruit</li> <li>Finalisation of climate change and air quality plans</li> <li>Utilisation of more green technologies. Senqu has already implemented a solar energy system in its main office</li> </ul>

LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT				
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PDP PRIORITIES	DISTRICT PRIORITIES	SENQU PRIORITIES
		<ul style="list-style-type: none"> <li>Safeguarding ecosystems and existing natural resources.</li> <li>Respond to climate change and green technology innovations.</li> </ul>	Environmental Management Act (NEMA) and the Specific Environmental Management Acts (SEMAs) <ul style="list-style-type: none"> <li>Ensure communities are empowered and capacitated on environmental management issues through education and awareness campaigns, implemented through the District.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of a waste recycling programme</li> </ul>
<b>PILLAR 4: INFRASTRUCTURE ENGINEERING</b>	<b>Priority 2: Economic Transformation and Job Creation</b> <b>Priority 5: Spatial Integration, Human Settlements and Local Government</b>	<b>Goal (Impact Area) 2: An Enabling Infrastructure Network</b> <ul style="list-style-type: none"> <li>Build resilient economic infrastructure that promotes economic activity.</li> <li>Universal access to basic infrastructure.</li> <li>Sustainable energy and electricity provision.</li> <li>Develop sustainable and integrated settlements.</li> <li>Improve infrastructure planning, delivery, operations and maintenance.</li> </ul>	<ul style="list-style-type: none"> <li>Build economic and Social Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Build economic and Social Infrastructure</li> </ul>
<b>PILLAR 5: INTEGRATED SERVICE PROVISIONING</b>	<b>Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services</b>	<b>Goal (Impact Area) 2: An Enabling Infrastructure Network</b> <ul style="list-style-type: none"> <li>Universal access to basic infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Universal Access to Basic Services</li> </ul>	<ul style="list-style-type: none"> <li>Increase access to municipal services especially refuse removal</li> <li>Implementation of the Sterkspruit Urban design framework</li> <li>Implementation of the SDF and precinct plan</li> </ul>
<b>PILLAR 6: GOVERNANCE AND FINANCE</b>	<b>Priority 1: A Capable, Ethical and Developmental State</b>	<b>Goal (Impact Area) 6: Capable Democratic Institutions</b>	<ul style="list-style-type: none"> <li>Ensure effective financial management and reporting</li> <li>Ensure integrated planning and</li> </ul>	<ul style="list-style-type: none"> <li>Increase IGR</li> <li>Improve public participation programmes and communication channels</li> </ul>



LIST OF GOVERNMENT PRIORITIES TO BE IMPLEMENTED IN DISTRICT					
PILLAR NAME	NATIONAL/ PROVINCIAL MTSF PRIORITIES	EC PRIORITIES	PDP	DISTRICT PRIORITIES	SENQU PRIORITIES
	<b>Priority 7: A Better Africa and World</b>	<ul style="list-style-type: none"> <li>Building the Capability of the State to deliver.</li> <li>Transformed, Integrated and Innovative Service Delivery.</li> <li>Instilling a culture of good corporate governance.</li> <li>Build multi-agency partnerships.</li> </ul>		performance management <ul style="list-style-type: none"> <li>Facilitate Intergovernmental Cooperation</li> <li>Facilitate community participation in the affairs of the municipality</li> </ul>	<ul style="list-style-type: none"> <li>Business re-engineering programme</li> <li>Innovation Hub</li> <li>Enhance revenue</li> <li>Promote funding partnerships</li> </ul>

## 6.Alignment to vision, goals, outcomes and targets

OVERALL VISION STATEMENT FOR DISTRICT
<p>A district with an improved quality of life for all of its citizens</p> <p>Fight poverty through stimulating the economy and by meeting basic needs, improving service delivery quality, promoting corporate governance and building the capacity of government and communities within a sustainable environment.</p> <p>This mission is premised on the following key elements:            Stimulate the economy and fight poverty            Meet basic needs and improve service delivery quality            Enabling the building of capacity            Fight fraud and corruption and ensure compliance            Grow tourism and related businesses            Grow pro-poor and labour intensive programmes            Grow agriculture and downstream industries            Promote sustainable development</p> <p>The overall vision of the District will be achieved through meeting the following strategic objectives:</p> <p>Provide access to basic services            Facilitate and implement job creation and poverty alleviation initiatives            Facilitate and support regional economic development initiatives            Improve human resource capacity and potential            Ensure sound and effective financial management and reporting            Facilitate intergovernmental cooperation and coordination            Communicate effectively with communities            Establish and support municipal oversight systems, mechanisms and processes            Facilitate the development of a healthy and inclusive society</p>

PILLAR 1: DEMOGRAPHIC CHANGE AND PEOPLE DEVELOPMENT FOCUS AREA	
<b>Overarching Goal for this Pillar</b>	Enhance the capabilities of individuals, communities and institutions to participate in all spheres of activity; transformation – tackling inequalities and vulnerabilities through changes in policies, laws, budgetary allocations and redistributive measures; and development and generation – increasing consumption patterns of the poor, promoting local economic development and enabling poor people access to economic and social opportunities
<b>Outcomes</b>	Promote equitable gender profile in government and community institutions Prevent and reduce the disease burden and promote health Treatment outcomes to align with the updated targets of the 90-90-90 strategy. Perinatal morbidity and mortality to less than 12.5/1000 live births Maternal mortality reduced from 3/ 5204 to 1/5024 by 2024 Reduce under 5 child morbidity and mortality to less than 13/1000 deliveries by 2021/22
<b>Targets</b>	Reduce perinatal morbidity and mortality to less than 12.5/1000 live births Reduce the number of neonatal deaths to less than 10/1000 by 2021/22 (financial year) Reduce under 5 child morbidity and mortality to less than 13/1000

	<p>deliveries by 2021/22</p> <p>Increase people living with HIV/AIDS with suppressed viral loads to 90% by 2020 to achieve 90-90-90 targets.</p> <p>Increase TB treatment success rate to 90% by 2020</p> <p>Increase Hypertension screening rate to 250 000 by 2021/22</p> <p>Increase Diabetes screening rate to 250 000 by 2021/22</p> <p>Patient Experience of Care survey rate</p> <p>Percentage of patients satisfied with their experience of care in public health facilities</p> <p>Percentage of Health facilities compliant with Occupational health and safety</p> <p>Reduction of Contingent liability of medico-legal cases</p> <p>Number of institutions with quality improvement:</p> <p>Monitoring and response forums formalized and convened quarterly.</p>
<b>Senqu Alignment</b>	<p>Implementation of the HIV &amp; Aids strategy</p> <p>Mainstreaming policy</p> <p>Meetings of the Senqu HIV &amp; Aids Forum</p> <p>Ensuring gender equity in employment through the employment equity committee</p>

**PILLAR 2: ECONOMIC POSITIONING FOCUS AREA**

<b>Overarching Goal for this Pillar</b>	<p>Promote economic growth through the initiation, promotion and facilitation of economic development and investment projects throughout Joe Gqabi District.</p> <p>Systematic poverty eradication through a holistic, integrated and multidimensional approach to pro-poor programming.</p> <p>Grow priority sectors namely agriculture (including forestry), agro-processing, trade and tourism</p> <p>Stimulate economic growth through government and private sector investment</p> <p>Promote and administer sustainable economic development and job creation.</p>
<b>Outcomes</b>	<p>Vertical and horizontal integration of policy implementation</p> <p>Enhanced economic development and investment in the region.</p> <p>A focus on developing nodes and areas where economic opportunities and resources exist, or where such opportunities can be stimulated</p> <p>Developed institutional capacity and internal systems enabling strategy implementation</p> <p>Implementation of partnerships in support of (Township Economy Revitalisation Programme) TERP Roll out of the Provincial Business Incubation Framework and implementation model</p> <p>Enterprise Development projects</p> <p>Policy awareness and compliance</p>
<b>Targets</b>	<p>Development of Economic Strategies</p> <p>Number of manufacturing initiatives facilitated</p> <p>Agro-processing Industry Development</p> <p>Number of job opportunities created through mass employment programmes</p> <p>Number of economic development projects successfully implemented</p> <p>Reduce the unemployment rate to 15% by 2050</p> <p>Reduce poverty from one-third to one-sixth of the population by 2050</p> <p>Increase the annual GDP growth rate from the then average of 3% to 4,5% per year for the period 2030 to 2060</p> <p>Create 10 000 job opportunities annually from 2022</p> <p>Export diversification index</p> <p>Value of exports from the EC</p> <p>Number of trained people participating in the economy</p> <p>Jobs created</p> <p>Number of new tourism routes packaged</p> <p>Tourism product diversification index</p> <p>Tourism Experience Support Index</p> <p>Number of tourism products supported with grading</p> <p>Number of domestic tourists visiting the Eastern Cape</p> <p>Domestic tourism ranking</p> <p>% contribution of domestic tourism to the provincial GDP-r</p> <p>% of trained people who are active in the economy</p> <p>Compliance index of permits % authorizations</p> <p>Number of investments realized</p> <p>Value of investments realized</p> <p>% GDP-r Growth rate of 1.8%</p> <p>Size of the secondary sector in terms of GDP-r</p> <p>Number of domestic tourists visiting the Eastern Cape</p>
<b>Senqu alignment</b>	<p>Implementation of the EPWP programme including CWP</p> <p>Implementation of the LED and Tourism strategy and plans</p> <p>Increasing capacity and procurement of SMME's</p>

**PILLAR 3: SPATIAL RESTRUCTURING AND ENVIRONMENTAL SUSTAINABILITY FOCUS AREA**

<b>Overarching Goal for this Pillar</b>	<p>A growing, transformed, diversified and inclusive green economy in a sustainable environment</p>
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<b>Outcomes</b>	Identify opportunities and constraints. Through defining spatially sensitive areas and identifying areas that present opportunities for interventions. Identify preferred alternatives by recommending the land uses and sectors to be promoted. Integrate sustainability into the planning process. Guide the formulation of plans and programmes. Use the vision and objectives to guide the identification of appropriate development interventions.
<b>Targets</b>	Ensure that at least 10% of critically endangered and vulnerable vegetation is formally conserved through a system of national or provincial protected areas by 2050. Promote responsible (green) energy management and economic spinoffs Number alternative energy interventions (solar/wind farms) implemented in the District by 2030 Proportion of women, youth and people with disabilities accessing government procurement spend By-laws reviewed Compliance with Provincial Annual Ambient Air Quality Standards Number of government-owned ambient air quality monitoring stations meeting minimum data requirements and reporting to the SAAQIS Percentage of areas of state managed protected areas assessed with a METT score above 67% Number of hectares added to the Provincial Conservation Estate Game farm transformation index Amount of installed renewable energy capacity in the Province % increase in volume of waste recycled % reduction in number of environmental crimes committed % of empowered communities knowledgeable about environmental issues % reduction in number of environmental crimes committed % increase in volume of waste recycled
<b>Senqu Alignment</b>	Implementation of bylaws Increasing waste reduction techniques Increasing waste recycling initiatives in new solid waste sites

**PILLAR 4: INFRASTRUCTURE ENGINEERING FOCUS AREA**

<b>Overarching Goal for this Pillar</b>	Provide access to basic services
<b>Outcomes</b>	Develop and maintain water and sanitation infrastructure Provide effective and efficient disaster risk management, fire and rescue services Expand and fast-track the provision of universal access to basic services Expand and fast-track the provision of universal access to basic services
<b>Targets</b>	Number of District Water forum meetings Review WSDP Ratio of fire incidents responded to as a proportion of entries recorded in the Occurrence Book Number of district disaster management advisory forum meetings held % of households with access to basic level of water % of households with access to basic level of sanitation Number of new households provided with potable water connection Number of new households provided with sanitation service (toilets) Number of infrastructure status quo reports compiled per LM Develop 3-year Infrastructure Plan Develop MIG Implementation Plan Develop PMU Business Plan Compile MIG annual report Number of reports on implementation of EPWP % of Progress for Water Supply Infrastructure completed for Herschel Pipeline by June 2021 Number of villages that were supplied with portable water by June 2021 Appoint sub-consultants for Survey Services, ISD services, Geohydrological Services, Geotechnical Services, OHS services, by June 2021 % of construction progress completed on development of Barkly East WTW and associated infrastructure by June 2021 % of Construction Progress completed for the Development of Burgersdorp Water Treatment Works (WTW) by June 2021 % of Construction Progress completed for the Development of Oviston Water Treatment Works (WTW) by June 2021 % of Construction Progress completed for the Development of Mt Fletcher Bulk Water Supply Scheme Phase 2 by June 2021 Appoint Professional Service Provider by for Aliwal North Holding Dams June 2021 Appoint service provider for Construction services for Maclear Water Treatment Works by June 2021 Number of new households provided with sanitation service (toilets) in Senqu LM by June 2021 Number of new households provided with sanitation service (toilets) in Elundini LM by June 2021 % compliance with SANS 241 for drinking water quality % reduction on network water losses (unaccounted for water) Number of process audits undertaken to assess water quality and compliance

	<p>% of construction progress completed on Refurbishment of Barkly East, Aucamp and Ugie WTWs and associated infrastructure by June 2021</p> <p>% of Construction Progress completed for the Development of Burgersdorp Water Treatment Works (WTW) by June 2021.</p> <p>% of Construction Progress completed for the Development of Oviston Water Treatment Works (WTW) by June 2021</p> <p>% of Construction Progress completed for the Refurbishment of Aliwal North, Burgersdorp and Steynsburg and Prentjiesburg WWTWs by June 2021</p>
<b>Senqu alignment</b>	<p>Senqu Infrastructure projects for roads and solid waste sites</p> <p>Senqu road maintenance programme</p> <p>Senqu electricity maintenance programme</p> <p>Senqu street lighting project</p>

<b>PILLAR 5: INTEGRATED SERVICE PROVISIONING FOCUS AREA</b>	
<b>Overarching Goal for this Pillar</b>	Reduce the vacancy rate to no more than 12% across all government institutions situated in the Joe Gqabi District Municipality.
<b>Outcomes</b>	Still to be provided by district
<b>Targets</b>	Still to be provided by district
<b>Senqu alignment</b>	Filling vacancies as they occur per the policy

<b>PILLAR 6: GOVERNANCE AND FINANCE FOCUS AREA</b>	
<b>Overarching Goal for this Pillar</b>	Implementing cost containment measures that prioritise expenditure on core service delivery programmes and less on non-core items, whilst ensuring the stabilisation of governance in the province, both at a political and administrative levels
<b>Outcomes</b>	<p>Highly effective government institutions</p> <p>Fiscal Consolidation which entails the implementation of cost containment measures and prioritisation of expenditure on core service delivery programmes.</p> <p>Supply Chain Management Reforms which entail support to SMMEs through preferential procurement and payment of suppliers within 30 days.</p> <p>Infrastructure Support which enhances infrastructure planning and delivery; and</p> <p>Provincial and Municipal Governance and Accountability to improve financial management, audit outcomes and delivery of services in the Province.</p> <p>Prudent use of resources and fiscal consolidation that can be implemented through the following interventions: Controlling expenditure on non-core items, whilst protecting non-negotiable and key service delivery items. Reprioritisation of budgets, enforcing budget cuts and expenditure ceilings; o Controlling personnel budgets and expenditure.</p> <p>Rationalising and streamlining Public Entities; and</p> <p>Provincial Own Revenue Enhancement. o Strengthening financial governance and oversight both at provincial and local government level</p> <p>SCM reforms – that entail support to SMMEs and proportion of youth, women, people with disabilities, military veterans and SMMEs supported through preferential procurements. Payment of suppliers within 30 days and continuing to support suppliers to register on the Central Supplier Database including endeavours to achieve value for money.</p> <p>Infrastructure Support – to ensure that infrastructure planning, delivery, operation and maintenance is improved, whilst also ensuring that infrastructure investments help to unlock economic potential through: infrastructure budgeting and financing. procurement and contract management. localisation of benefits; and</p> <p>Infrastructure investment responds to spatial aspects of future infrastructure demand.</p> <p>Provincial and Municipal Governance and Accountability – through the implementation of the Financial Management Accountability Framework to promote good governance and accountability. To improve audit outcomes in the province, concerted effort will be put on the implementation and monitoring of the Provincial Audit Intervention Plan</p>
<b>Targets</b>	<p>Number of government institutions meeting their performance targets</p> <p>100% Percentage reduction on financial information audit findings by 2025</p> <p>Achievement of asset management maturity level 3 by 2023</p> <p>Achievement of asset management maturity level 3 by 2023</p> <p>Achievement of infrastructure procurement maturity level 3 by 2023</p> <p>Number of Institutions that achieve unqualified audits (Provincial departments and public entities)</p> <p>% provincial risk profile mitigation measures implemented by departments</p> <p>Number of funded annual budgets adopted by government institutions</p> <p>% expenditure of Municipal Infrastructure Conditional Grants</p> <p>% Percentage reduction of irregular expenditure</p>

	% Percentage reduction of fruitless and wasteful expenditure
<b>Senqu alignment</b>	<ul style="list-style-type: none"> <li>Implementation of cost cutting measures</li> <li>Clean audit annual plan</li> <li>Ensuring that MIG is spent</li> <li>Increasing usage of grant funding</li> <li>Implementation of revenue enhancement strategy</li> <li>Review of SCM policy to cater for SMME's</li> </ul>

## **ANNEXURE 1-13 (In a separate document)**

ANNEXURE 1: MUNICIPAL SECTOR PLANS, POLICIES & BY-LAWS

ANNEXURE 2: ABRIDGED ORGANOGRAM

ANNEXURE 3: STAKEHOLDER REGISTER

ANNEXURE 4: CUSTOMER CARE

ANNEXURE 5: COUNCIL RESOLUTION FOR IDP PROCESS PLAN ADOPTION

ANNEXURE 6: COUNCIL RESOLUTION FOR DRAFT IDP ADOPTION

ANNEXURE 7: COUNCIL RESOLUTION FOR FINAL IDP ADOPTION

ANNEXURE 8 DISASTER MANAGEMENT FRAMEWORK

ANNEXURE 9: DRAFT DISASTER MANAGEMENT PLAN

ANNEXURE 10: FINAL SDBIB

ANNEXURE 11: COUNCIL RESOLUTION OF S 81 MPRA

ANNEXURE 12: DRAFT CLIMATE CHANGE PLAN

ANNEXURE 13: COUNCIL ADOPTION OF THE HR STRATEGY

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Copies of the Document or sector plans may be ordered electronically from the IPED Manager via an email request to [viedgeb@senqu.gov.za](mailto:viedgeb@senqu.gov.za) or downloaded from the municipal website <http://www.senqu.gov.za>